CONDOMINIUM OFFERING PLAN

THE 2743 East 26th Street CONDOMINIUM
2743 East 26th Street
BROOKLYN, NEW YORK 11235

Residential Units 6	$2,764,000.00
Parking units 6	$150,000.00
Total Amount of Offering	$2,914,000.00

SPONSOR AND SELLING AGENT
2743 E 26th Street LLC
101 Avenue U
Brooklyn, New York 11223

Date of Acceptance for Filing of this Plan is Dec 9, 2014.
This Plan may not be used after Dec 9, 2015, unless extended by a duly filed amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO THE PURCHASER. SEE PAGE iii.

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

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

Prepared By: Michael & Swerdloff, LLC
2226 Ocean Avenue
Brooklyn, New York 11229
(718) 339-1400

SECOND AMENDMENT
TO THEOFFERING PLAN
FOR THE 2743 EAST 26TH STREET CONDOMINUM
2743 EAST 26TH STREET, BROOKLYN, NEW YORK

The Offering Plan dated December 9, 2014for the condominium known as 2974 Brighton 5th Place, Brooklyn, New York, is hereby amended as follows:

A) Sponsor has engaged Law offices of Michael Michael, PLLC, 1795 Coney Island Avenue, Brooklyn, New York, 11230, to represent them in all future matters arising from, or pertaining to the conversion of the premises to condominium ownership, including the closing of units. Said counsel represents the Sponsor, not the Condominium, which is not represented by counsel. Sponsor will hold in trust all monies received by it directly or through its agents, employees or Escrow Agent until the Unit is transferred to Purchaser or the Purchase Agreement is cancelled in accordance with its terms. All monies received hereunder will be deposited at Chase Bank, 1663 East 17th Street, Brooklyn, New York 11229 and is named Law offices of Michael Michael, PLLC The 2743 East 26th Street Condominium IOLA ." The funds so deposited will be disbursed only in accordance with the provisions of this Agreement and the Plan. In the event the Plan is abandoned or withdrawn, such funds will be returned to purchaser without interest (unless interest is earned), except as otherwise provided in the next sentence. If at the time the Plan is abandoned or withdrawn the Purchaser shall be in default hereunder and shall have failed to cure such default within the applicable grace period or if this Agreement had been previously canceled due to Purchaser's uncured default, then Sponsor shall retain as and for liquidated damages the Down Payment (but in no event to exceed ten percent (10%) of the Purchase Price) plus any additional sums deposited on account of any special work in the Unit ordered by Purchaser, and any sums in excess thereof shall be returned to Purchaser within thirty (30) days after the date of such abandonment or withdrawal without interest (unless interest is earned). All funds received under this Purchase Agreement will be handled in accordance with Sections 352-e(2)(b) and 352-h of the New York General Business Law and the Offering Plan.

Until such time as completion of the sale and consummation of the Plan, funds deposited in trust as Down Payment or as the Purchase Price for Units, will be disbursed only upon the signature of Michael Michael, 1795 Coney Island Avenue, Brooklyn, NY 11230, to be used for purchase of the Unit if the Plan is declared effective and title closes, or returned to the Purchaser if the Plan is abandoned or withdrawn or if title does not close as herein provided or disbursed to Sponsor if Purchaser defaults.

Please see Revised Contract and Escrow Agreement for Contract Deposit attached hereto as Exhibit "A".

If the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, the Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes (or estimates thereof based on current assessments) due for the next ensuing six months (or until the Units are separately assessed, whichever is shorter), provided, however, that as closings occur, the portion of such funds held in escrow which represent the portion allocable to the Unit being sold shall be released; and interest accrued on such escrow, if any, shall inure to the benefit of, and belong to, the Sponsor. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and is entitled to reimbursement from Unit Owners.

B) The plan is hereby extended for six months

C) Other than as set forth above, there are no other changes to the Offering Plan.

DATED:

FIRST AMENDMENT
TO OFFERING PLAN
FOR THE 2743 EAST 26TH STREET Condominium
2743 EAST 26TH STREET, BROOKLYN, NEW YORK

The Offering Plan dated December 9, 2014 for the condominium conversion of 2743 East 26th Street, Brooklyn, New York, is hereby amended as follows:

A) Purchase Agreements have been accepted for Two (2) units constituting 32.42% of the units being offered for sale pursuant to the condominium offering plan. The plan has been declared effective by notice dated December 16, 2014, a copy of which is attached hereto as Exhibit A.

B) Attached hereto as Exhibit B, and made a part hereof is the Sponsor's Affidavit required pursuant to Section 13 N.Y.C.R.R. 20.5(e).

C) The name and address of the Sponsors attorney has changed. The new name and address is:

The Law office of Michael Michael, PLLC
1795 Coney Island Avenue
Brooklyn, New York 11230
(718) 998-9888

The name and bank account information for the escrow provisions will remain the same.

D) Other than as set forth above, there are no other changes to the Offering Plan.

DATED:

AFFIDAVIT PURSUANT TO 20.5 OF TITLE 13 N.Y.C.R.R.

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

RE: OFFERING PLAN
2743 East 26th Street, Brooklyn, NY

I, Oleg Krasnitskiy, being a Principal of the Sponsor of the condominium offering plan for the above captioned property, being duly affirmed, depose and say that:

1. The above captioned offering plan was accepted for filing by the New York State Department of Law on December 9, 2014.

2. All purchasers who are counted for the purpose of declaring the plan effective are:

a) bona fide purchasers;

b) are not purchasing as an accommodation to, or for the count of, or benefit of, the sponsor, or principals of the sponsor; and,

c) have duly executed the purchase agreements and paid the full down payment as required per the PROCEDURE TO PURCHASE section of the offering plan.

3. There are no materials changes to the budget for the first year's operation which have not been disclosed in a duly filed amendment to the offering plan.

4. No purchaser is a sponsor or selling agent, principal of the sponsor or selling agent, or to any principal of the sponsor or selling agent, by blood, marriage, adoption or as a business associates, employee, shareholder or limited partner.

5. Set forth below is a list of the purchases being counted to meet the minimum percentage of units that are needed under the terms of the plan to declare the plan effective. For each purchase on said list there is indicated the identity of the unit to be purchased and the date of the purchase agreement.

UNIT	**CONTRACT DATE**
302	December 16, 2014
101	December 16,2014

2743 East 26th Street, LLC
By:

_____
Oleg Krasnitskiy

AFFIRMED TO BEFORE ME
THIS 16 DAY OF December, 2014

_____

DECLARATION OF EFFECTIVENESS

PURCHASE AGREEMENTS have been accepted for Two (2) units constituting 32.42% of the residential condominium units offered for sale located at 2743 East 26th Street, Brooklyn, New York; the condominium offering plan for said premises is hereby declared effective pursuant to its terms. An amendment has been submitted to the Department of Law confirming that the plan has been declared effective as of today's date; no closings will be scheduled until such time as said amendment is accepted for filing by the Department of Law, and a copy of same is served on each purchaser of an apartment unit.

DATED: December 16, 2014

AFFIDAVIT PURSUANT TO 20.5(e)6 OF TITLE 13 N.Y.C.R.R

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

The, UNDERSIGNED, being duly affirmed, deposes and says as follows:

1. I am a principal of the Sponsor of the condominium Offering Plan for premises at 2743 East 26th Street, Brooklyn, New York.

2. The following information regarding the Purchases being counted, meets the minimum percentage of units sold required to declare the Plan effective, is true and accurate as of the date hereof.

UNIT #	PURCHASER	CONTRACT DATE	PRICE	DOWNPAYMENT
302	[redacted]	12/16/14	555,000.00	30,000.00
101		12/16/14	250,000.00	12,500.00

3. The deposits were paid on the date of execution of the Purchase Agreement.

2743 East 26th Street, LLC
By:

_____
Oleg Krasnitskiy

Affirmed to before me
This 16th day of December, 2014

_____

Law offices of
Michael & Michael, PLLC
1795 Coney Island Avenue
Brooklyn, New York 11230
(718) 998-9888

February 5, 2015
Judith Kaufman,
Assistant Attorney General
New York State Department of Law
Real Estate Financing Bureau
120 Broadway
New York, New York 10271

Re: The 2743 East 26th Street Condominium
2743 East 26th Street
Brooklyn, NY
CD13-0323

Dear Sir/Madam:

Pursuant to your email, enclosed herewith is three clean copies of the First Amendment of the above referenced offering plan and the original affidavit of service.

I have also enclosed a Notice of appearance with my new address.

Thank you.

Very truly yours,

Michael H. Michael

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SPECIAL RISKS

1) Pursuant to existing law and regulation, the Sponsor may declare the Offering Plan effective by entering into a contract for a minimum of fifteen percent (15%) of the units in the building. However, even if the Offering Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the building with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase an apartment. Please see Section of the Offering Plan entitled EFFECTIVE DATE OF THE PLAN – Page 39.

2) The Sponsor is reserving an unconditional right to rent rather than sell Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen percent(15%) of the units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. Sponsor is not obligated to offer or sell any Units other than the fifteen percent (15%)necessary to declare the plan effective, and may, if it chooses, withhold one or more Units for future sale. In the event Sponsor chooses to withhold any Units from sale, the Plan will be amended to reflect same. See Section of The Offering Plan entitled Introduction – Page 10.

3) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in the building or group of buildings be sold before a lender will consider making a loan thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor has not sold a substantial percentage of apartments in building which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a Purchaser to re-sell an apartment if prospectyive Buywers are unable to obtain a loan due to the same minim sales and investment ownership restrictions. See PROCEDURE TO PURCHASE section of Offering Plan - page 32.

THE SPONSOR HAS NOT OBTAINNED CONSTRUCTION FINANCING

4) The Sponsor has made, and will will use its best efforts to pursue, an application for abatement and exemption of taxes under 421-a of the Real Property Tax Law of the State of New York, and shall make all filings necessary to obtain such benefits. Upon closing, the Sponsor will make all tax benefit documents available to the Condominium for inspection and copying for the life of the benefits. The Sponsor will timely file all applications and timely comply with all procedures required to properly process and maintain the benefits. None of the tax benefits applied for and expected to be obtained by Sponsor will expire prior to the first closing, which is expected to take place on December 1, 2012. Sponsor will make the initial application at his own cost and expense, **however all Purchasers shall be required to pay the Sponsor a fee of 1.5% of the**

purchase price for obtaining the 421-a tax abatement for the Condominium. For example, Unit 201 costs $449,000.00, accordingly, the fee for obtaining the 421A abatement shall be $6,735.00. See Section of this Offering Plan entitled CLOSING COSTS AND ADJUSTMENTS – page 42.

The Sponsor's projection of tax due for the first year of operation is based on the figures and assumptions in the accompanying expert's opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase and actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate tax rates, which may affect the amount of tax due on the property.

NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH THEREIN WILL BE OBTAINED IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE OR THE PROPERTY'S ASSESSED VALUATION OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY HIGHER THAN SET FORTH ABOVE FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS HENCE INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER.

Prospective purchasers are urged most strongly to read the section entitled REAL ESTATE TAX BENEFITS OPINION included herein – page 180.

Pursuant to 421-a rules and regulations issues by NYC Department of Preservation and Development ("HPD"), if the Offering Plan has not been declared effective for filing at a time fifteen months after HPD has issued the final 421-a Certificate of Eligibility, as of such date the building and all Units as they become occupied shall become rent stabilized and subject to the rent stabilization laws applicable thereto for the entire period which the building is receiving 421-a tax benefits. As of such date, the sponsor musty register the building and all residential Units as they become occupied with the NYS Department of Housing and Community Renewal ("DHCR"). Any leases and renewals thereof of to a residential unit that are required to be registered with DHCR shall contain at least 12 point type informing such tenant that the residential tenant shall be subject to deregulation upon the expiration of the 421-a tax benefit period and state the appropriate date of the benefits. During such rent stabilization period, the unit shall not be subject to luxury decontrol.

5) Closing will not take place, and no individual Condominium apartment will be sold until a permanent Certificate of Occupancy has been obtained for the premises. In the event. In the event a permanent Certificate of Occupancy is not obtained by February 1, 2015, the closings may be substantially delayed. In such case, providing that the sponsor is diligently pursuing completion of construction and issuance of the permanent Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD

THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS INTHEIR DETERMINATION AS TO WHERTHER TO PURCHASE A UNIT. In the evnt sponsor can not convey title to the Unit on or before twelve months from the date of the Purchase Agreement, affected purchasers will be affgorded the right of rescission.

6) Due to the size of the building, it is contemplated that the building will be self-managing, and that no managing agent will be employed. The Sponsor shall manage the Condominium for the first year at no charge to the Unit Owners for the first year or until all the Units are sold, whichever comes first. Therefore, no amount has been included in the projected budget for the first year of operation for a management fee. In the event the Board of Managers determines that it is in the best interest of the Condominium to employ a managing agent, this item will represent an additional expense not included in the projected budget, and will require an increase in Common Charges of approximately 6 to 10%. In addition, no amount is budgeted for a superintendent or custodian and, again, in the event the Board of Managers determines that it is in the best interest of the Condominium to employ a superintendent or custodian, this will also result in an increase in Common Charges. Unit Owners will be responsible for the routine maintenance and operation of the premises and will be obligated to take care of such matters as rubbish removal, cleaning, snow removal, and the collection of common charges and payment of expenses. See FOOTNOTES 8 and 9 to SCHEDULE B – page 23.

7) There are numerous time constraints imposed in the Purchase Agreement set forth in Part II of this Offering Plan. **Time is of the essence** as to all such time constraints. This means that if the Purchaser fails to perform within the applicable time frame, he may waive substantive rights, or incur a forfeiture of substantial sums of money. Thus, a purchaser who fails to cure a default within thirty (30) days after receipt of notice of said default, will both have the Contract canceled, and lose his down payment. Similarly, a Purchaser who fails to notify the Sponsor in the event he has failed to obtain mortgage financing within forty five (45) days after receipt of a fully executed Purchase Agreement, such purchaser will be required to proceed to closing, notwithstanding the fact that purchaser has failed to obtain mortgage financing; and, if such purchaser fails to proceed to closing, the down payment may be retained by the Sponsor. Purchasers are advised to consult with their attorney concerning all terms of this offering. Please see section of this Plan entitled PROCEDURE TO PURCHASE – page 32, and the PURCHASE AGREEMENT set forth in Part II – page 96, for a statement of all applicable time limitations.

8) The terms of this Offering Plan transfer the statutory obligation to pay New York City Real Property transfer taxes (1.00% of purchase price for residential unitsunder $500,000.00 and 1.425% for units above $500,000.00, and New York State Documentary Stamp Taxes ($4.00 per thousand) to the Purchaser, so that the cost of such taxes represent an additional closing cost to the Purchaser, and an additional item of consideration on which transfer taxes must be paid. Additionally, the Purchaser is responsible for paying to the Sponsor's attorney a document preparation fee of $1,500.00, and may be responsible for certain other fees such as travel fees and default fees. See

section of the Offering Plan entitled CLOSING COSTS AND ADJUSTMENTS – page 42.

9) While all residential apartments will be equipped with hook ups for installation of washers, dryers, stoves, refrigerators, and dishwashers, no appliances except for a microwave, dishwasher and stove will be provided by the Sponsor as part of the sale. To the extent the Purchaser elects to install washer, dryer, or refrigerator in his/her apartment, it will represent an additional cost of $150.00 per appliance purchasing the apartment. See DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering Plan – page 71.

10) At the earlier of the second anniversary of the first closing date, or such time as less than fifty percent of the Units of the Condominium constitute unsold Units, control of the Condominium shall be transferred to a Board of Managers comprised of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Prior to that time, the Condominium will be controlled by a Board of Managers elected by the Sponsor. There are certain limitations on actions which can be taken by the Sponsor while he remains in control of the Board of Managers, which limitations are set forth in the section of the Offering Plan entitled CONTROL BY SPONSOR – page 49.

Until the earlier of five (5) years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns Units consisting of less than 50% of the Common Interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or in Item 3 of the section entitled CONTROL BY SPONSOR in the Offering Plan. Additionally, so long as the Sponsor retains ownership of at least one Unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor. See section of the Offering Plan entitled CONTROL BY SPONSOR for a more complete explanation – page 49.

11) Sponsor is liable for all Common Charges, special assessments, and real estate taxes with respect to unsold Units, and represents that Sponsor has financial resources to meet these obligations. However, no bond or other security has been furnished to secure the Sponsor's obligations. Please see section of the Offering Plan entitled OBLIGATIONS OF SPONSOR for a more detailed explanation – page 45.

12) All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account set forth herein. However, Purchaser should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to a

rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. However, in the event the Plan is abandoned by the Sponsor the Purchaser shall be entitled to the refund of all moneys paid for the upgrades. See PROCEDURE TO PURCHASE Section of this Offering Plan – page 32.

13) The cost of providing heat and hot water for individual Units is not included in the monthly Common Charges. Heat and hot water are separately provided to each Unit by its own heat and hot water facility; and the cost of fuel for providing such heat and hot water will be separately billed for each Unit. Thus, the cost of heat and hot water represents a cost in addition to the monthly maintenance. See FOOTNOTES TO SCHEDULE B – page 23 and SCHEDULE B-1 – page 28.

14) Omitted

15) All down payments will be placed in an IOLA account and will be federally insured up to $250,000, to the extent that the contract deposits exceed $250,000, they will not be federally insured. See PROCEDURE TO PURCHASE Section of this Offering Plan – page 32.

16) There are Six parking spaces, located on the subject premises to be sold as separate units. The allocation and assignment of each parking space will be decided at the time a Purchase Agreement is executed on a first-come first-served basis.

17) Purchaser may seek and accept mortgage financing from any financial institution.. See PROCEDURE TO PURCHASE Section of this Offering Plan – page 32 and PURCHASE AGREEMENT – page 96.

18) The square footage given for each Unit consists of the area enclosed horizontally by exterior walls of the building and to the center line when a partition divides the Unit from corridors or other Units. Therefore, the square footage of each Unit does not indicate the Unit's usable area, which may be significantly less. See Section of this Offering Plan entitled DESCRIPTION OF PROPRTY AND SPECIFICATIONS - set forth in Part II of this Offering Plan – page 71.

19) No bond or security has been furnished to secure Sponsor's obligations

20) Unit owners must notify the Managing agent or the president of the Board of Managers in writing when a Child or Children under the age of Eleven (11) years lives or resides (even Temporarily) in the Unit. Each residential Owner shall install at the Residential Owner's expense, the required window guards in all windows of the unit and shall not be remove them until permitted by law in any event, without the full knowledge of the Managing Agent.

21) Buyers of Units 101 and 102 are advised that the open space in the cellar may not be used for habitable purposes such as bedroom, dining room or living room. Use of

these spaces for habitable purposes may result in a violation and a fine against the entire building

22) Square footage is measured from the exterior walls. Accordingly, the usable square footage may be significantly less than the square footage disclosed

23) The Insurance portion of the Operating Budget for the first year does not include Directors and Officers liability coverage

24) The only appliances included with the Unit are the stove, the dishwasher and the microwave oven. There will be a hook up for the Washer and the Dryer and an electrical outlet for the refrigerator.

25) The Insurance portion of the Operating Budget for the first year does not include Directors and Officers liability coverage

26. PURCHASER'S MAY NOT ASSIGN PURCHASE AGREEMENTS

INTRODUCTION

This is an Offering Plan for the sale of Condominium apartments at 2743 East 26th Street, Brooklyn, New York. The purpose of this Plan is to fully set forth all material terms of the Offer. This Plan may be amended from time to time, if such amendment is filed with the New York State Department of Law. Any such amendments will be served on all prospective Purchasers who have executed a Purchase Agreement for any apartment, all Unit Owners, and all other persons entitled to service pursuant to local law or statue.

The Sponsor of this Offering is 2743 E 26th Street, LLC
The principals of the Sponsor are Oleg L. Krasnitsky, Boris Tansky, and Alex Novikov. The Sponsor acquired the property on May 21, 2012. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances. Units will be conveyed by delivery of a UNIT DEED set forth in Part II of this Offering Plan.

The prices contained in this Offering, as set forth in SCHEDULE A, are set by the Sponsor, and are not subject to approval by the New York State Department of Law, or any other governmental agency.

This Condominium will be subject to, and in compliance with, the New York State Condominium Act, Article 9-B of the New York Real Property Law.

This Plan, including all schedules and exhibits submitted herewith, constitutes the entire offering plan. Copies of the Plan and Parts A, B, C and D of the exhibits will be available for inspection to potential Purchasers and their attorneys at the office of the Sponsor indicated on the front cover of this Offering Plan, and the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, New York, New York, without charge; and for copying, at a reasonable charge.

The premises consists of a single building containing Three (3) stories and an attic, and located in the Sheepshead Bay section of South Brooklyn between Madison and Manhattan Beach and containing 6 residential units,6 parking units. There will be no on-site laundr, elevator or recreational facilities; however, individual apartments have laundry hook-ups. There are six (6) parking spaces located on the subject premises to be sold as individual condominium units. The allocation and assignment of each parking space and storage space will be decided at the time a Purchase Agreement is executed on a first-come first-served basis. In the event all residential Units are sold and some of the Parking Spaces remain unsold, Sponsor reserves the right to sell or rent parking spaces to outsiders

In the event the Sponsor sells all of its Units in a "Bulk Sale" to one Purchaser the that Purchaser shall assume the position of the Sponsor with respect to Sponsor's obligations under this Offering Plan
This Offering is made only to individuals over the age of 18.

In accordance with the provisions of the Laws of the City of New York, the Sponsor represents that neither the Sponsor, nor the Condominium nor the Selling Agent will discriminate against any person because of his race, creed, color, sex, national origin, ancestry, or any other reason prohibited by civil rights law in the sale of apartments offered by this Plan, or in the leasing of any apartment in the Building.

Unit Owners have an unrestricted right to lease, sell or mortgage units. 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 therefore there may always be a substantial percentage of Owners who are non-residents. Use of Units is limited to residential use, and appurtenant home office use.

This is a newly constructed building. Work on the building is scheduled for completion in December 31, 2014.

As of the date of submission of this Offering Plan to the Attorney General, all of the Units offered in the Plan are vacant.

The Sponsor has not entered into any contracts or agreements and no deposits or advances of funds have been accepted by the Sponsor as of the date the Plan is accepted for filing.

The Sponsor has obtained acquisition financing, which is currently in force and which it believes will be sufficient, in addition to Sponsor's assets, to complete construction of the Units offered. Sponsor will be obligated to pay off and otherwise comply with the terms of the building loan mortgage on the entire condominium. All liens and mortgages affecting the property shall be paid and satisfied or the Unit being conveyed and its appurtenant common interest shall be released from the lien of the building loan mortgage by partial release prior to the closing of title to the first Unit. The terms of the construction loan agreement do not include provisions addressing Sponsor's obligation to market the Units for sale, including any minimum number or percentage of Units which must be under contract before the Plan can be declared effective, the existence of either a minimum release price set by the lender or a required minimum payment per sale which must be made to the lender in order for the lender to release its lien or a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the Unit being sold, and limits or requirements imposed by the lender for Sponsor to rent rather than sell under specified conditions.

The Sponsor is reserving the unconditional right to rent rather than sell Units. In the event of a Unit being sold after same was rented out, Purchasers shall accept same in "as is" condition. Because Sponsor is not limiting the conditions under which it will rent or sell Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the plan effective, Owner-Occupants may never gain effective control and management of the Condominium. Sponsor is not obligated to offer or sell any Units other than the fifteen percent (15%) necessary to declare the plan effective, and may, if it

chooses, withhold one or more Units for future sale. In the event Sponsor chooses to withhold any Units from sale, the Plan will be amended to reflect same. Sponsor will endeavor in good faith to sell Units rather than rent.

If Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor sponsor is bound by Sponsor's representation regarding its commitment to sell Units and by all of the terms of this Offering Plan.

Ownership of a Condominium Unit resembles in many ways ownership of a private home. Basic aspects of Condominium ownership include:

(1) Each Purchaser owns his Unit outright and is entitled to exclusive possession of his/her Unit. Each Purchaser also has an interest, and a right to use Common Elements and limited Common Elements of the building. However, each Unit Owner is obligated to comply with the Declaration, By Laws, rules and regulations, and any other requirements of the Board of Managers.

(2) Common Elements are parts of the Property, in addition to his/her own Unit, which a Unit Owner owns in common with the Owners of all other Units, such as entryways, stairways, hallways, utility areas, and similar elements of the building, which serve all Unit Owners. A Unit Owner will share the non-exclusive right to use the Common Elements with all other Unit Owners.

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the Owner(s) of such Unit or Units, but which are not owned by that Unit Owner. Thus, in this Condominium, each unit's balcony and parking space are Limited Common Elements.

Units 201 and 301 have a 52.5 sq.ft balcony each; Units 202 and 302 have a 75sq. ft balcony each. I addition Units 301 1nd 302 have a 200 sq.ft. roof terrace each.

(3) Each Unit may be separately taxed and mortgaged; each Unit Owner may deduct from adjusted gross income for income tax purposes real estate taxes and mortgage interest;

(4) Each Unit Owner may vote for the members of the Board of Managers, which is the group elected by Unit Owners to operate the Condominium. The Board of Managers will set Common Charges based on cash needs of building operation, decide on special assessments, and, in general, make all decisions necessary to run the building.

(5) Each Unit Owner must pay Common Charges in accordance with the New York Condominium Act, any applicable state or local law. The Common Charges payable under the By-Laws will be based strictly on the projected cash requirements of ownership and operation of the Property and may include an allowance for contingencies, replacements, and/or repairs. Furthermore, the Board of Managers may impose special assessments in order to meet emergencies, contingencies, or other unforeseen events, which will become the financial obligation of each Purchaser of a Condominium

Apartment. These assessments will be levied in direct proportion to the percentage of Common Interest allocated to each apartment.

(6) Individual Purchasers should explore obtaining insurance coverage, which would be at their own cost and expense, to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence which might occur within their respective apartments. Unit Owners are responsible for maintenance and repairs to their individual Units.

(7) Each Unit Owner is obligated to comply with the Declaration, By-Laws, rules and regulations, and any other requirements of the Board of Managers.

(8) The Condominium Board of Managers shall have a Thirty day Right of First Refusal but it sjhall not have the power to approve or reject sales.

The estimated Common Charges for the first year of Condominium operation are set forth below in SCHEDULE A.

The projected budget for the first year of Condominium operation is set forth below in SCHEDULE B.

THE PURCHASE OF A CONDOMINIUM APARTMENT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The structure, which is the subject of this Offering Plan, consists of a single building containing Three (3) stories, plus a attic laid out as per the attached floor plans and containing 6 residential Units. There are Six parking spaces located on the subject premises which will be sold as separate units. The allocation and assignment of each parking space will be decided at the time a Purchase Agreement for each parking unit is executed on a first-come first served basis.

There are no on-premises recreational or laundry facilities. All cabinetry and fixtures in kitchens and baths will be new. **The Sponsor will provide no appliances, except for a microwave dishwasher and stove to be installed in each kitchen.** All Units on floors two and three each have attached balconies and there is a roof terrace at the attic level. This is a newly constructed building; work on the building is scheduled for completion in July of 2014.

The Sponsor will complete the work set forth in this Plan relating to the building, and the apartments contained therein, in conformity with all applicable New York City

Administrative Code requirements, and subject to procurement of all applicable and proper permits which are required, if any. The Sponsor may make changes in design, layout, and arrangement of apartments, and substitute equipment and materials, except that the Sponsor may not (i) substitute materials or equipment of lesser quality or design; or, (ii) change the size, location, or value of any Units, or of other improvements or public areas, if such changes adversely affect the percentage of common interest, or adversely affect the value of any Unit to which title has been closed, or for which a Purchase Agreement has been fully executed and is in effect, unless any affected Unit Owners, and the Board of Managers (if applicable) consent in writing to such changes, and unless an amendment setting forth such changes in detail is duly filed with the New York State Department of Law.

The Sponsor hereby adopts the detailed description of property and building condition set forth in the section entitled DESCRIPTION OF PROPERTY, SPECIFICATIONS, and BUILDING CONDITION of this offering plan. With reference to such material, a licensed architect prepared the description of property and building condition contained therein. Prospective Purchasers are urged to refer to said Section for a more complete understanding of the physical condition of the subject property and building.

There is no elevator in the building.

LOCATION AND AREA INFORMATION

The premises are located in the Madison section of Brooklyn. This is a highly developed area essentially residential in character, but served by a rich and diverse assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network both of streets and roads, and urban transportation. Police, Fire, Water, Sanitation, snow removal, and road maintenance are provided by the City of New York. Police Precinct serving the community includes the 60th precinct. Police and fire stations are located approximately 1/2 mile from the project. Medical needs of the community are served by Coney Island Medical Hospital. Students living in this project will be eligible to attend a Public School several blocks away and Madison High School.

The closest Subway station for Q and D lines is on Sheepshead Bay Road and East 16th Street. The closest bus line is B-4 on Shore Road.

Zoning of the site is residential. There is no landmark designation of the site. There are no adjoining undeveloped areas of the site. Neither the Sponsor, nor any principals of the Sponsor, own in whole or in part, or have an optional right to acquire in whole or in part, any adjacent areas which are not fully developed.

SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION
ESTIMATED COSTS FOR THE FIRST YEAR OF CONDOMINIUM OPERATION
EXPECTED TO COMMENCE FEBRUARY 1, 2015

THE 2743 East 26th Street CONDOMINIUM

Unit	(1) Bedrooms And Baths	(2) Approx. Total Square Footage*	(3) Percentage of Common Interest	(4) Offering Price	(5) Projected Monthly Common Charges for 1st Year	(6) Projected Monthly/yearly Real Estate Taxes for 1st Year Without 421-a Benefit	(7) Projected Total Monthly/yearly Carrying Charges without 421-a Benefit	(6) Projected Monthly/yearly Real Estate Taxes with 421-a Benefits for 1st Year	(7) Projected Total Monthly/yearly Carrying Charges with 421-a Benefit
101	1BR/1BTH	540/cellar**	8.35 %	$299,000.00	$61.28	$ 103.09/$1237.08	$164.37/$1,972.44	$ 21.28/ $255.31	$82.56/$990.72
102	1BR/1TH	1003/cellar**	15.50%	$449,000.00	$113.75	$ 191.36$2,296.22	$305.11/$3,661.32	$ 39.50$473.92	$153.25/$1,839.00
201***	1BR/1BTH	667	10.31%	$349,000.00	$75.66	$ 127.28/$1,573.36	$202.94/$2435.28	$ 26.27/$315.24	$101.93/$1,223.16
202***	1BR/1BTH	1005	15.54%	$469,000.00	$114.05	$ 91.85/$2,302.15	$305.90/$3,670.80	$ 39.60/ $475.14	$115.26/$1,383.12
301***	3BR/2BTH	1330	20.55%	$599,000.00	$150.82	$ 253.70/$3,044.35	$404.52/$4,854.24	$ 52.36/$628.33	$203.18/$2,438.16
302***	3BR/2BTH	1373	21..23%	$599,000.00	$155.80	$ 262.09/ $3,145.08	$417.89/$5,014.68	$ 54.10/ $649.12	$209.92/$$2,519.04
PS1	N/A	162	1.42%	$ 25,000.00	$10.42	$ 17.53/$210.37	$27.95/$335.40	$ 3.62/$43.42	$14.04/$168.48
PS2	N/A	162	1.42%	$ 25,000.00	$10.42	$ 17.53/$210.37	$27.95/$335.40	$ 3.62/$43.42	$14.04/$168.48
PS3	N/A	162	1.42%	$ 25,000.00	$10.42	$ 17.53/$210.37	$27.95/$335.40	$ 3.62/$43.42	$14.04/$168.48
PS4	N/A	162	1.42%	$ 25,000.00	$10.42	$ 17.53/$210.37	$27.95/$335.40	$ 3.62/$43.42	$14.04/$168.48
PS5	N/A	162	1.42%	$ 25,000.00	$10.42	$ 17.53/$210.37	$27.95/$335.40	$ 3.62/$43.42	$14.04/$168.48
PS6	N/A	162	1.42%	$ 25,000.00	$10.42	$ 17.53/$210.37	$27.95/$335.40	$ 3.62/$43.42	$14.04/$168.48
TOTAL			100%	**2,914,000.00**	**$733.88**				

NOTES: There is a fee of $750.00 which is paid at closing and deposited in the Working Capital Fund. See Section "Closing Costs and Adjustments".

* Square footage is measured from the exterior walls. Accordingly, the usable square footage may be significantly less than the square footage disclosed

** Buyers of Units 101 and 102 are advised that the open space in the cellar may not be used for habitable purposes such as bedroom, dining room or living room. Use of these spaces for habitable purposes may result in a violation and a fine against the entire building.

FOOTNOTES TO SCHEDULE A

1. The number of rooms listed for each Unit is based upon the "Recommended Room Count" of the Real Estate Board of New York, Inc. For more details regarding the rooms within the Units, please consult the floor plans in Part II for the layout of each Unit. Buyers of Units 101 and 102 are advised that the open space in the cellar may not be used for habitable purposes such as bedroom, dining room or living room. Use of these spaces for habitable purposes may result in a violation and a fine against the entire building.

2-3. Percentage of Common Interest is based upon the approximate proportion that the floor area of the Unit bears in relation to the floor area of all the Units, reflecting the substantially exclusive advantage enjoyed by some, but not all. The Units in the Common Elements as of the date of recording of the Declaration are pursuant to Real Property Law Section 339(i)(1)(iv).

4. No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sale prices below the Offering Plan prices without filing an amendment to the Plan at any time during the Offering where a reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. See Section X "Changes In Prices Or Layouts And Substitution of Materials". See Section XI, "Procedure to Purchase." See Section XIV "Closing Costs and Adjustments" for estimated closing costs and adjustments, which costs are in addition to the sale prices set forth herein.

5. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements, landscape maintenance and maintenance and operation of the Common Elements. Common Charges exclude repair and decoration to the inside of a Unit, electricity for each Unit and insurance for personal belongings. See Schedule B-1 for estimated heating and electrical costs for each Unit.

6. The Sponsor is applying for real estate tax benefits in accordance with Section 421-A of the Real Estate Property Law. The Sponsor will use its best efforts to obtain the benefits. In short, if 421-A tax benefits are obtained, during the construction period and during ten (10) years following the first taxable status date immediately following completion of the construction, 100% of the increased assessed value of each residential unit, up to an assessed value of of $65,000.00, resulting from improvements thereon will be exempt from taxation. The exemption will decline to 80% of the increased assessed value for the eleventh (11) year and will be further reduced by an additional 20% for each of succeeding years. The abatement will not apply to any portion of the assessed value of the property that exceeds $65,000.00.

NO GUARANTEE CAN BE, OR IS MADE, THAT SAID BENEFITS WILL BE OBTAINED, OR WILL CONTINUE TO BE AVAILABLE. Therefore, the Sponsor has projected in Schedule A real estate taxes in the event no such benefits are obtained.

Section 421-A of the Real Property Tax Law and the New York City Department of Preservation and Development ("HPD") require that if the Offering Plan is not declared effective for filing at a time fifteen months after HPD has issued a Final Certificate of Eligibility for the 421-A tax benefits, as of such date ("Such date") the building and all the units, as they become occupied, shall become rent stabilized and subject to the rent stabilization laws applicable thereto for the entire period during which the property is receiving 421-A tax benefits. As of Such Date, the Sponsor must register the building and all residential units as they become occupied with the New York State Department of Housing and Community Renewal ("DHCR"). Any leases and renewals thereof to a residential unit that are required to be registered with DHCR shall contain at least 12 point type informing such tenant that the residential tenant shall be subject to deregulation upon the expiration of the 421-A tax benefit period and state the approximate date of the benefits. During the rent stabilization period, the unit shall not be subject to luxury decontrol.

The Sponsor has obtained an opinion from Alex Kostovetsky with office at 1517 Voorhies Avenue, Suite 4R, Brooklyn, New York, as to the likely effects of the Sponsor's application for real estate tax benefits. Purchasers are directed to "Real Estate Tax Benefits Opinion" Section of the Plan, for complete explanation.

Calculation of real estate taxes are arrived at by applying the current tax rate to the assessed value,in direct proportion to the allocation of the Common Interest of the Unit. In the event the benefits are obtained, the assessed value will be based on the pre-construction assessed value of $22,140.00. In the event the benefits are not obtained, the assessed value used for calculation will be the $112,400.00 post-construction assessed value estimated by the Sponsor real estate tax exemption expert, and set forth in his letter included in this Plan. In either case, the tax rate used for calculation is $13.1810 per $100.00 of assessed value.

Unit Owners will be entitled to deduct real property taxes and mortgage interest paid on the Unit for income tax purposes. Said amount shall vary depending on the amount of Real Estate taxes paid by the Unit owner (which amount shall increase upon the expiration of the real estate tax benefits) as well as changes in the amount of interest paid on the Unit Owner's mortgage. See "Opinion of Counsel" Section of the Plan for more complete discussion.

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

charges will increase. Any Purchaser who applied for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Purchaser will be obligated to pay the lending institution.

VI. **SCHEDULE B**
THE 2743 East 26th Street CONDOMINIUM
Projected Budget for the First Year of Operation
Beginning July 1,2014

INCOME:

Common Charges (Note 1)	$8,806.48
Total Estimated Income	$8,806.48

ESTIMATED EXPENSES:

(2) Electricity (Note 2)	$ 902.52
(3) Heating (Note 3).	$ 0.00
(4) Insurance (Note 4)	$ 3,294.00
(5) Water & Sewer (Note 5)	$ 2,499.96
(6) Accounting (Note 6)	$ 300.00
(7) Legal Fees	$ 200.00
(8) Management	$ 0.00
(9) Repairs, Maintenance & Supplies	$ 330.00
(10) Contingencies	$ 300.00
(11) Reserves	$950.00
(12) Labor	$0.00
Total Expenses	$8,806.48

The budget year is projected to commence on February 1, 2015. If the projected commencement date differs by Six months or more from July1, 2014, the Plan will be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by 25% or more, or if the first closing is delayed 12 months or more from the projected date of the first closing, the Sponsor will offer all Purchasers the right, for a period of 30 days thereafter, to rescind their Offer to Purchase and have their deposits refunded. Sponsor may not declare a Plan effective where there are any material changes to the budget if these changes have not been disclosed by a filed amendment to the Plan.

FOOTNOTES TO SCHEDULE B

1. Common Charges: This figure is based upon the Annual Residential and Parking Space Owners Common Charges which are 100% of the Common Charges.

2. Based on the October 4, 2013 opinion of Contact Plus Elecrical,Corp., 247 Van Brunt Street, New York, New York 11231. The estimate assumes average yearly usage of 3,600 KWH at an estimated cost of electricity of $0.2507 KWH. The estimate is for the cost of electricity in the Common Areas only, and does not include the cost of electricity for each Unit, which shall be individually metered and billed directly to each Unit Owner. The charges are based on the current cost of electricity plus a 10% increase.

3. Heat and hot water for each Unit are provided by separate facilities serving each Unit. Each Purchaser will pay separately for the heat and hot water supplied to their Unit. No heat is provided to the common areas of the building. See Schedule B-1 hereinafter set forth for an estimate of individual heat and hot water charges.

4. Insurance coverage is estimated based upon a March 19, 2012 projection from A & Y Royal Insurance, 2308 Coney Island Avenue, New York 11223 providing for the following coverages:

DESCRIPTION AND COVERAGES:

Total Complete Values:	$1,000,000.00
Deductible:	$5,000.00 per occurrence

Comprehensive general liability Broad Form Endorsement including:

1 - BUILDING PROPERTY COVERAGE - $1,000,000 Limit

2 - COMPREHENSIVE GENERAL LIABILITY BODILY INJURY AND PROPERTY DAMAGE - $1,000,000 PER OCCURRENCE LIMIT

The premium has been estimated for the complete and occupied condominium based on Standard New York Policy and forms. The policy will provide that each Unit Owner is an additional insured; there will be no cancellations without notice to the Board of Managers and Unit owners; waive subrogation; waive invalidity

because of the acts of the insured and Unit owners, and waive pro-rata reductions if additional Unit owners obtain coverage.

Unit Owners are advised to obtain additional insurance at their own cost to cover such risks as fire and casualty loses to Unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurences within the Unit or, where applicable, on Limited Common Elements. In addition, no excess liabilty coverage or boiler and machinery insurance is included in the coverage provided above. Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining, at their own cost, insurance coverage for their own risk of liability and fire and casualty and water damage losses for occurences within their respective Unit and for losses relating to Unit contents, replacements, additions, upgraded fixtures and improvements contained therein. The insurance coverage meets the requirements of any mortgage lender procure by Sponsor.

The Insurance portion of the Operating Budget for the first year does not include Directors and Officers liability coverage

5. Water is supplied to the building by the City of New York through a single water meter serving the entire building. Projected water and sewer costs in an opinion dated April 19, 2012 by Starlite Plumbing & Heating, Corp located 1421 63rd Street, Brooklyn, New York 11219 are based upon 228,570 gallons of water annually or 53,418 cubic feet of water, current charges of $1.81 per 100 cubic feet of water consumed, and sewer charges of $2.87 per 100 cubic feet of water consumed. Projected figure also includes a 10% allowance for inflation.

6. This figure reflects the estimated cost of retaining an accountant to prepare an audited year-end fiscal statement and federal and state tax returns for the first calendar year of Condominium operation. This estimate is based upon the fee quotation dated March 19, 2012 provided to the Sponsor by Michael Shtarkman, CPA, with offices at WISDOM PROFESSIONAL SERVICES, INC. 2617 e 16th street, suite 7, Brooklyn, New York 11235.

7. This figure also reflects the estimated cost of retaining an attorney to advise the Board of Managers on legal issues that may arise in connection with the Condominium's normal business operations. The amount reflected covers one hour of attorney's time and does not cover extraordinary costs or expenses for additional services

rendered or costs incurred to conduct litigation on behalf of the Condominium. This figure is based on an estimate from Michael and Swerdloff LLC

8. Due to the size of the building, it is contemplated that the building will be self-managing, and that no managing agent will be employed. The Sponsor shall manage the Condominium for the first year at no charge to the Unit Owners for the first year or until all the Units are sold, whichever comes first. Therefore, no amount has been included in the projected budget for the first year of operation for a management fee. In the event the Board of Managers determines that it is in the best interest of the Condominium to employ a managing agent, this item will represent an additional expense not included in the projected budget, and will require an increase in Common Charges of approximately 6 to 10%.

9. This budget amount is reserved for routine general repairs and maintenance necessary to maintain the building, including painting of common areas, repairs to common areas, plumbing, electrical repairs, exterior repairs (including roofing, walls, foundations, windows, doors and locks) and grounds maintenance, exterminating as needed, and also includes janitorial supplies. The projected amount does not include repairs, painting, maintenance, or supplies for the interior of the Units, all of which are the responsibilty of the individual Unit Owners. In addition, no amount is budgeted for a superintendent or custodian and, in the event the Board of Managers determines that it is in the best interest of the Condominium to enter into a service contract or employ a superintendent or custodian, this will also result in an increase in Common Charges. Unit Owners will be responsible for the routine maintenance and operation of the premises and will be obligated to take care of such matters as rubbish removal, cleaning, snow removal, and the collection of common charges and payment of expenses. This figure is based on the Sponsor's experience with prior projects.

10. This amount is to provide for any unanticipated expenses. This fund on an annual basis should be sufficient to pay for major capital repairs or replacement items likely to be needed within the first five years of Condominium operation.

11. The contingency fund is intended to provide for any unanticipated expences or unanticipated increases in the projected expences. The contingency fund is not intended as a reserve for capital

expenditures. However any surplus amounts will be used to add to the capital reserve fund.

12. Unit Owners are advised that they will be required to perform maintenace duties themselves. In the event Oners desire to hire a part-time porter the cost of same should be $12.50/hour for four hours per week. This figure is based on Sponsor's prior experience.

IN THE OPINION OF THE CONSULTANT, ALEX VAYNTRAUB OF ATLANTIC PROPERTIES REALTY, (SET FORTH IN "CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET," IN PART II OF THIS PLAN), THE PROJECTED RECEIPTS APPEAR REASONABLE AND ADEQUATE BASED ON PRESENT PRICES (ADJUSTED TO REFLECT CONTINUED INFLATION AND PRESENT LEVELS OF CONSUMPTION FOR COMPARABLE UNITS SIMILARLY SITUATED) TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING FEBRUARY 1, 2015. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A REPRESENTATION OR WARRANTY THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM BOARD WILL BE AS SET FORTH IN THE SAID BUDGET.

IT IS LIKELY THAT THE ACTUAL COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, SPONSOR WILL OFFER ALL PURCHASERS FOR A PERIOD OF 30 DAYS THEREAFTER, TO RESCIND THEIR OFFER TO PURCHASE AND HAVE THEIR DEPOSITS REFUNDED.

VII. SCHEDULE B-1

THE 2743 East 26th Street CONDOMINIUM
2743 East 26th Street
Brooklyn, New York

PROJECTED BUDGET FOR INDIVIDUAL ENERGY COSTS

Year Beginning February 1, 2015

	Estimated Annual Electric	
Unit	KWH	COST
101	4,200	$ 1,053.36
102	5,400	$ 1,353.70
201	4,800	$ 1,203.24
202	5,400	$ 1,353.72
301	7,,200	$ 1,804.92
302	7,200	$ 1,804.92

The above estimate of the cost of electricity for individual consumption has been passed upon by Contact Plus Electrical, Corp, by estimate dated October 4, 2013, and is made on the basis of the average estimated use multiplied by the estimated electric cost of approximately $0.2508 per KWH including taxes and adjustments. The amount is based on the current tarrifs plus a an estimated 10% increase adjusted for inflation.

The cost per year for domestic hot water is approximately $647.28 per unit,has been passed upon by Starlite Plumbing and Heating,Corp., and is made on the basis of the average estimated use multiplied by the estimated electric cost of approximately $1.6512 per Therm plus 8.875% taxes and adjustments. The amount is based on the current tarrifs plus a an estimated 10% increase adjusted for inflation.

Although the Sponsor is under obligation to provide accurate information to prospective Purchasers, factors beyond its control may substantially affect the cost of electricity and/or gas after the purchase of a Home or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost. Further, that it has not been induced to select the appliances etc. described herein on the basis of any financial inducement other than the cooperative advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used in connection therewith or by any of their agents or employees.

Michael & Swerdloff, LLC
Attorneys at Law

2226 Ocean Avenue
Brooklyn, New York 11229
Telephone (718) 339-1400
Facsimile (718) 339-7761

Michael H. Michael, Esq.
Leonard Swerdloff, Esq.

December 5, 2013

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

Re: THE 2743 EAST 26TH STREET CONDOMINIUM
Compliance With Real Property Law Section 339 (i)

Sir/Madam:

The Sponsor of the Condominium Offering Plan for the referenced property has retained this writer to review the percentage of common interest applied to the Units contained in Schedule A to the Offering Plan.

My experience in this field includes the following:

I have been actively involved the field of real estate as a real estate attorney for over 19 years representing buyers, sellers, developers and lending institutions. I have prepared 15 Condominium Offering Plans and have extensive experience working with Condominium Developers and Sponsors in the New York City area.

In reviewing said Schedule A, the percentage of common interest for each Unit as contained therein has been determined based upon the approximate proportion that the floor area of the Unit at the date of the declaration bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the common elements. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to S339-i(1) (iv) of the Real Property Law of the State of New York.

I hereby authorize inclusion of this opinion in the Offering Plan for THE 2743 EAST 26TH STREET CONDOMINIUM to be filed with the Department of Law.

Very truly yours,

Michael H. Michael

Sworn to before me this
5th day of December 2013

_____
Notary Public

CHANGES IN PRICES AND UNITS

The offering prices, as set forth in SCHEDULE A, 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 represents a price increase for any individual Unit. However, prices are negotiable, and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower from those set forth in SCHEDULE A without filing an Amendment prior to entering such agreement, as per FOOTNOTES TO SCHEDULE A.

No change will be made in the size or number of Units, and/or their respective percentage 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 effected Purchaser consents, no material change will be made in Unit size, layout or percentage of Common Interest, if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. Unless all Purchasers consent, no material change will be made in the size, and no material adverse change will be made in the quality, of Common Elements. No change of any type set forth in this paragraph shall be made except by Amendment duly filed with the New York State Department of Law.

PROCEDURE TO PURCHASE

Persons desiring to purchase Condominium Units will be required to execute a Purchase Agreement and Transferee Affidavit in the form contained in Part II of this Plan and return it to the Selling Agent, together with a check in the amount of 10% of the purchase price, as a down payment, drawn to the order of MICHAEL & SWERDLOFF, AS ATTORNEYS. Sponsor reserves the right to accept a lesser down payment to accommodate Purchaser, but in no case will down payment be less than 5%. Purchasers should be aware that contract deposits of less than 10% may give rise to an investigation by the Attorney General's Office as to the bona fides of the transaction and may delay the acceptance of the amendment declaring the plan effective.

THE PURCHASE AGREEMENT MAY NOT BE ASSIGNED WITHOUT SPONSOR'S WRITTEN CONSENT

The prospective Purchaser must have the Offering Plan and all filed Amendments in his possession at least three (3) business days prior to executing the Purchase Agreement. In the event Purchaser has not had said Offering Plan in his possession for at least three (3) business days prior to execution, Purchaser may rescind the Purchase Agreement by, mailing Notice of Rescission to Sponsor or Selling Agent, or by hand delivering notice, within seven (7) days after executing same. Notice by mail will be effective if it postmarked within seven (7) days of executing Purchase Agreement. Purchase Agreement shall not be binding on any party until accepted by the Sponsor. Within twenty (20) days after the prospective Purchaser has delivered to the Selling Agent a signed Purchase Agreement, together with the required down payment, the Sponsor must

either accept the Purchase Agreement and return a fully executed counterpart, or reject the Purchase Agreement and refund in full any down payment taken. The Plan will expire twelve (12) months from the date of acceptance unless extended by a duly filed Amendment.

All down payments will be placed in an account in conformity with the disclosure contained in this Plan.

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-3(2-b) and 352-h, and Lien Law section 71-a(3) and the Attorney General's regulations promulgated, pursuant thereto.

Any provision of any Contract or Agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any purchase. Purchasers shall not be obligated to pay any legal or other expense of the Sponsor in connection with the establishment, maintenance, or defense of obligations arising from the handling or disposition of trust funds.

All deposits, down payments, or advances, made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the Agreement is signed by all necessary parties, in a segregated special escrow account of MICHAEL & SWERDLOFF, LLC, ESCROW ACCOUNT whose address is 2226 Ocean Avenue, Brooklyn, New York 11229 and telephone number is (718) 339-1400. The signatories on this account authorized to withdraw funds are: MICHAEL H. MICHAEL, Esq., 2226 Ocean Avenue, Brooklyn, New York 11229, (718) 339-1400 and LEONARD SWERDLOFF, Esq., 2226 Ocean Avenue, Brooklyn, New York 11229, (718) 339-1400. The name of the account is IOLA#2 - MICHAEL & SWERDLOFF, located in JPMorgan Chase Bank, 1501 Avenue M, Brooklyn, New York 11230. This bank is covered by federal bank deposit insurance to a maximum of $250,000.00. To the extent deposits in the account exceed $250,000.00 they will not be federally insured. If the Escrow Agents are replaced or funds are transferred to a new escrow account, the Plan will be amended to reflect same.

This account will be an IOLA account with no interest accrued to the benefit of either the Purchaser or the Sponsor.

All instruments shall be made payable to or endorsed to the order of MICHAEL & SWERDLOFF, As Escrow Agent.

Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate, if applicable. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the

purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the deposit.

The Escrow Agent will hold funds in escrow until otherwise directed in:

(i) a writing signed by both sponsor and purchaser; or,

(ii) a judgment or order of a court of competent jurisdiction.

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days.

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

(i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan, or an Amendment to the Plan;

(ii) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

:

i) both the Sponsor and Purchaser direct payment to a specified party in accordance with the written direction signed by both Sponsor and Purchaser; or

ii) judgment or order of a court of competent jurisdiction is served on the escrow agent; or

iii) Escrow Agent deposits the disputed amount with the court.

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

Set forth in Part II of this Offering Plan is a copy of the Escrow Agreement between the Sponsor and the Escrowee that incorporates the terms of the Attorney General's regulations.

The Escrow Agent will maintain all records concerning the escrow account for seven years after the release of funds. The Department of Law may perform random reviews and audits of all such records involving escrow accounts to determine compliance with the statute and regulations.

The Sponsor may apply to the Attorney General to use security in the form of surety bonds or a letter of credit, in accordance with the regulations of New York State Department of Law, in lieu of escrow of such funds. In the event the Sponsor elects to use such alternative security, an Amendment to that effect will be filed in the Offering Plan fully complying with all provisions of the Department of Law for proof of satisfactory insurance of said funds.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the Purchaser is given the right of possession of that Unit pursuant to a written agreement with the Sponsor.

Purchase Agreements will be contingent on Purchaser obtaining a firm written commitment for financing. Purchaser may seek and accept mortgage financing from any mortgage broker or other financial institution Purchaser shall apply for said loan within five (5) days after receipt of a fully executed copy of the Purchase Agreement and Purchaser shall have 45 days from the date on which a signed and executed Purchase Agreement is delivered to such Purchaser within which to obtain such financing. If a Purchaser fails to obtain a firm written commitment for financing within such 40 day period, and fails to notify Sponsor's attorney within 5 days thereafter, time being of the essence thereto, Purchaser shall conclusively be deemed to have waived the financing contingency and will be required to proceed to closing, or forfeit his down payment, whether or not a mortgage commitment is obtained. If Purchaser, after a good faith attempt to do so, fails to obtain a firm written commitment for financing, and notifies Sponsor within the prescribed time period, then Sponsor will return the down payment or deposit within 10 days after receipt of such notice. In the event Purchaser obtains a firm written commitment for financing, and the terms of such commitment are changed prior to closing, such change in terms shall not be an allowable reason for Purchaser to cancel the contract. Similarly, if the commitment expires prior to closing, Purchaser shall be under a good faith duty to take all required actions necessary to extend such commitment, including the payment of any extension fee required by the lending institution; however in the event Purchaser has made such good faith effort to extend the commitment, and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, that Purchaser is exercising his right to rescind the Contract, Sponsor will return the down payment. Purchaser's failure to provide information to the lending institution promptly upon request, or failure to accept the commitment offered shall be a default for which the Seller shall have the right to cancel the Purchase Agreement and retain the downpayment. Once a bank commitment is issued, Purchaser will be required to use due diligence in obtaining any and all extensions necessary to maintain such commitment in force, notwithstanding that such extension may be at a higher interest rate or required payment of additional fees, or include other changes. Failure to maintain such commitment will constitute a default under the Purchase Agreement except if the lending institution refuses to extend such commitment on any rates or terms, Purchaser may cancel the Purchase Agreement and receive return of the downpayment hereunder.

Certain provisions of the Purchase Agreement are "Time Of The Essence". This means that failure to strictly comply with the time requirements of said provision may result in the Purchaser losing his right to complete the purchase, and forfeiting his down payment hereunder. Thus, a Purchaser who fails to cure a default within thirty (30) days after notice of said default, will both have the Contract canceled, and lose his down payment; however, Sponsor must make written demand for payment after default at least 30 days before forfeiture of the deposit may be declared. Similarly, a Purchaser who fails to notify the Sponsor in the event he has failed to obtain mortgage financing within forty-five (45) from the date on which a signed and executed purchase agreement is delivered to such purchaser will be required to proceed to closing, notwithstanding the fact that Purchaser has failed to obtain mortgage financing; and, if such Purchaser fails to proceed to closing, the down payment may be retained by the Sponsor.

After the Plan has been declared effective, the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's closing date. Such notice will be served in compliance with the Attorney General's rules no less than 30 days prior to the closing date set therein. Purchasers may waive this 30 day provision if Sponsor has included such waiver in the Plan or in an Amendment thereto.

The first closing of a Unit is expected to occur on or about February 1, 2015. If such closing is delayed more than twelve (12) months beyond the originally scheduled date, Purchaser will be offered the right to rescind this contract. On closing, Purchaser will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Offering Plan shall be resolved in favor of the Offering Plan. **Sponsor will not permit the assignment or transfer of Purchase Agreements** contained in part II of the Offering Plan.

At Closing each Purchaser shall sign a Power of Attorney to the Board of Managers Of the Condominium. See Part II for the form of the Power of Attorney.

Any conflict between the Purchase agreement and the Offering Plan shall be resolved in favor of the Plan.

EFFECTIVE DATE OF THE PLAN

The offer to sell embodied in this Offering Plan is contingent upon the Plan being declared effective in accord with its terms and conditions, and the terms and conditions imposed by law.

The Plan shall be declared effective by personal service of notice on each Purchaser, or by commencement of service by regular mail, registered or certified mail with or without return receipt addressed to the Purchaser at the last known residence of such Purchaser; or if the Purchaser has provided written information of an alternative address for notices, addressed to the Purchaser at the alternative address (if Sponsor has no information of the last known residence address, but has written information of the place of business or employment of such Purchaser the mailing shall be addressed to such last business or employment address). The notice shall state that the Plan was declared effective on a particular date, the percentage of sales used to declare the Plan effective, and a list of Units being counted to meet the minimum percentage under the terms of the Plan to declare it effective.

Within five days of declaring the Plan effective, an effectiveness amendment must be submitted to the Department of Law and no closing shall take place until the amendment is accepted for filing

The Plan may be declared effective upon the execution of Purchase Agreements for 15% (in number, not Common Interest) of the Residential Units in the building to bona fide Purchasers, including investors. A minimum of two (2) residential Units must be sold to declare the Plan effective. However, even if the Offering Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the building with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase an apartment. The count of Purchase Agreements towards the minimum number for effectiveness shall not include those: signed by Purchasers granted a right of rescission which has neither expired nor has been waived; a Purchaser who has not been afforded the protections required by 13NYCRR20.3(o)(15) (i.e., a Purchaser who has not been afforded seven days after executing a Purchase Agreement to rescind same, or a Purchaser who has had fewer than three business days prior to executing the Purchase Agreement to review the Plan and all filed amendments) with any Purchaser who is the Sponsor, the Selling Agent, or the Managing Agent, or is a Principal for the Sponsor, the Selling Agent, or the Managing Agent, or is related to the Sponsor, 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, employee, 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 upon the execution of Purchase Agreements for 80% (in number, not Common Interest) of the Units, which, in the case of this Plan means five (5) Units. Prior to the sale of 80% of such Units, or prior to being declared effective, the Sponsor at his option may abandon the Plan. In such case, the Sponsor will return all monies paid by Purchasers, together with interest earned, if any, within ten business days. The Sponsor will also file with the New York State Department of Law an Amendment abandoning the Plan and form RS-3, detailing why the Plan was abandoned, and explaining all disbursements of funds.

The Sponsor may not abandon the Plan after it has been declared effective for any reason other than: a defect in title which cannot be cured without substantial litigation, or expenditure of an amount in excess of one-half (1/2) of one percent (1%) of the total offering price, or substantial casualty damage, which cannot be cured for less than one-half (1/2) of one percent (1%) of the total offering price, or the taking of any material portion of the property by condemnation or eminent domain; however, such title defects or casualty losses, as are known to the Sponsor at time of presentation, shall be excluded from calculations under this section. Additionally, any dollar amount relied on as a basis for abandonment after effectiveness must exclude any attorney's fees.

TERMS OF SALE

On closing, Sponsor will deliver to Purchaser a Bargain and Sale Deed with Covenants against Grantor's Acts in the proper form for recording as set forth in Part II of this Offering Plan. Title, together with the appurtenant interest in the Common Elements will be conveyed at closing, free and clear of all liens, encumbrances, and title exceptions other than easement set forth in the aforementioned Deed, the Condominium Declaration, and any state of facts an accurate survey may show, provided same does not render title unmarketable.

Risk of loss from fire or other casualty remains with the Sponsor until title is passed, unless and until the Purchaser is given the right of possession of that Unit pursuant to a written agreement with the Sponsor. Upon Purchaser acquiring right of possession of the Unit, all risk of loss passes to Purchaser, and Sponsor shall not thereafter be responsible to repair any damage, which occurs before closing. No closing will occur unless and until a partial temporary or permanent Certificate of Occupancy for the Unit to be closed has been issued.

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, which property is owned by the Sponsor or the Owner of the property, is included in the conveyance unless specifically excepted elsewhere in this Offering Plan.

The Declaration, By-Laws, and Floor Plans for the Condominium, and such other documents as are required by law, will be recorded with the New York City Register for the County of Kings in accordance with the New York Condominium Act prior to the first conveyance of title to a Unit.

The Sponsor has not obtained a construction loan and is using his own finances.to complete the project.

CLOSING COSTS AND ADJUSTMENTS

As set forth in the Purchase Agreement, the Purchaser will pay the following estimated closing costs at the time of Closing of Title for the Purchaser's Unit. These estimates are based on current costs and charges, which are subject to change:

(a) If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium thereof that will vary depending upon the Purchase Price of the Unit. Rates set by the New York Board of Title Underwriters are currently $1,210.00 on a Purchase Price up to $200,000.00 and approximately $4.00 for each additional thousand dollars or fraction thereof; or alternatively, where a mortgage title policy is simultaneously issued, the reduced rate set by the title company. Purchaser may obtain Title Insurance from any company they select.

(b) Fees for recording the Deed and Power of Attorney are from approximately $100.00-$300.00 per document. Additionally, there is a $125.00 charge for recording the Real Property Transfer Tax Return along with the deed;

(c) If the Purchaser obtains a mortgage loan under $500,000.00, the Purchaser will pay a mortgage tax of 1.8% of the principal of the mortgage; for a mortgage loan over $500,000.00, the Purchaser will pay a mortgage tax of 1.925% of the principal of the mortgage. If a mortgage tax credit is or becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed; and will pay the balance of the mortgage recording tax as provided by law.

(d) New York City Real Property Transfer Taxes, currently one (1%) percent of the Purchase Price of a Unit for units up to $500,000.00, 1.425% on units over $500,000.00 and 2.625% on the commercial unit, will be the sole responsibility of the Purchaser. Payment of the New York City Real Property Transfer Tax by the Purchaser is deemed an additional consideration to the Seller, and so is in it of itself taxable and will result in a "tax on a tax" effect.

(e) New York State Documentary Stamp Taxes presently $4.00 per $1,000.00 of the Purchase Price of a Unit less existing and continuing mortgage will be the sole responsibility of the Purchaser. Payment of the New York State Documentary Stamps Tax by the Purchaser is deemed an additional consideration to the Seller, and so is in it of itself taxable and will result in a "tax on a tax" effect.

(f) Each Purchaser will be required to make a contribution to the Working Capital Fund in the amount of $500.00.

(g) Each Purchaser shall be required to pay the Sponsor a fee of 1.5% of the purchase price for obtaining the 421-a tax abatement for the Condominium.

(h) Purchasers shall pay to the Sponsor's Attorney at closing a fee of $1,750.00 for the preparation of closing documents. If a Purchaser fails to close on the date set for first closing, or adjourns a scheduled closing date on less than three (3) days notice, there shall be a late closing adjournment fee of $350.00 added to the above. If, at the request of the Purchaser, closing is held outside the office of the Sponsor's attorney, there shall be an additional attendance fee of $350.00 for closings held within Kings County, and $500.00 for closings outside of Kings County. In the event Purchaser fails to fulfill the terms of the Purchase Agreement and Sponsor's attorney mails a Notice of Default, there will also be a $250.00 charge for such notice.
(i) Purchaser will also pay to the Sponsor $2,500.00 as partial reimbursement for the cost of preparing the Offering Plan.

(j) All costs with regard to any mortgage that the Purchaser will place on his/her Unit (i.e. loan origination fees, commitment fees, application fees, appraisal fees, credit reports, survey fees, bank attorney fees, tax service fees, bank document preparation fees, etc.) will be his own and sole responsibility.

(k) All legal costs, fees and expenses charged by the Purchaser's attorney will be the sole responsibility of each Purchaser.

ALL COSTS FOR RECORDING CHARGES, MORTGAGE, TRANSFER, AND OTHER TAXES, ARE SUBJECT TO CHANGE. THESE CHARGES ARE NOT SET BY THE SPONSOR, AND SPONSOR SHALL NOT BE LIABLE ON ACCOUNT OF ANY INCREASE IN SUCH CHARGES.

The above closing fees are cumulative to the extent applicable to an individual closing.

If the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, the Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes (or estimates thereof based on current assessments) due for the next ensuing six months (or until the Units are separately assessed, whichever is shorter), provided, however, that as closings occur, the portion of such funds held in escrow which represent the portion allocable to the Unit being sold shall be released; and interest accrued on such escrow, if any, shall inure to the benefit of, and belong to, the Sponsor. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and is entitled to reimbursement from Unit Owners.

Except as specifically set forth in herein, the Sponsor will pay all costs and expenses incurred in connections with this Plan, the creation of the Condominium and the initial sale of Units.

A numerical example of closing costs allocable to a typical Unit is set forth below.

SAMPLE CLOSING COSTS
$469,000.00- Purchase Price with $375,200.00 - Mortgage

A.	Title Insurance including Lender	$2,979.70378.
B.	Deed and Power of Attorney Recording	$525.00
C.	Mortgage Recording Tax	$6,753.60163.
D.	New York City Transfer Tax	$4,755.66349.
E.	New York State Documentary Stamp Tax	$1,904.00
F.	Working Capital Fund Contribution	$ 750.00
G.	421-a Reimbursement	$7,035.00
H.	Document Preparation Fee	$1,750.00
I.	Reimbursement Fee for Offering Plan	$2,500.00
	Total:	$28,952.96

In addition to the foregoing, the Purchaser will, of course, be responsible for any fees charged by his own bank; his own Attorney; and additional fees incurred because of Default or failure to close at the scheduled time or place.

RIGHTS AND OBLIGATIONS OF SPONSOR

The Sponsor intends, and will endeavor in good faith, to sell all of the Units in a reasonably timely manner. Sponsor is reserving the unconditional right to rent rather than to sell Units to non-purchasers. Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. In the event Sponsor chooses to withhold any Units from sale, the Plan will be amended to reflect same. Sponsor will endeavor in good faith to sell Units rather than rent. If Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor sponsor is bound by Sponsor's representation regarding its commitment to sell Units.

The Sponsor has not obtained construction financing and is using his own finances to pay for the proper work involved in the construction, establishment and sale of the condominium. ..

The Sponsor will complete the work set forth in this Plan relating to the building and the apartments contained therein in conformity with and in accordance with the Building Plans and Specifications, and all applicable New York City Administrative Code requirements, and subject to procurement of all applicable and proper permits which are required, if any. Insofar as this is a newly constructed building, there are currently no housing, building, or fire department violations; however, in the event any housing, building or fire department violations arise prior to closing, all such violations, if any, will be cured prior to closing. The Sponsor may make changes in design, layout, and arrangement of apartments, and substitute equipment and materials, except that the Sponsor may not (i) substitute materials or equipment of lesser quality or design, or (ii) change the size, location, or value of any Units, or of other improvements or public areas, if such changes adversely affect the public areas, or effect the percentage of Common Interest, or adversely effect the value of, any Unit to which title has been closed, or for which a Purchase Agreement has been fully executed and is in effect, unless all affected Purchasers consent in writing to such change, and all affected contract vendees are given the opportunity to rescind their contracts and receive a refund of the deposit or down payment given to the Sponsor. All representations under the Offering Plan, and all

obligations pursuant to the GBL, and any additional obligations under the Offering Plan which are to be performed subsequent to the closing date, will survive delivery of the Deed.

. Closing will not take place, and no individual Condominium apartment will be sold until a permanent Certificate of Occupancy has been obtained for the premises. In the event. In the event a permanent Certificate of Occupancy is not obtained by February 1, 2015, the closings may be substantially delayed. In such case, providing that the sponsor is diligently pursuing completion of construction and issuance of the permanent Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHERTHER TO PURCHASE A UNIT. In the evnt sponsor can not convey title to the Unit on or before twelve months from the date of the Purchase Agreement, affected purchasers will be affgorded the right of rescission.

Each prospective Purchaser may have the building and apartments therein inspected by an architect or engineer of their own choosing, and at their own expense, to determine the quality of materials and workmanship.

The Sponsor will pay for the authorized and proper work involved in the conversion of the property that the Sponsor is obligated to complete under the Plan. All mechanic's liens that are lodged against the property by virtue of work done by the Sponsor, or in the Sponsor's behalf, will be promptly discharged or appropriately bonded. Sponsor guarantees payment of all Common Charges and assessments with respect to unsold Units. Such guarantees will remain in effect until all Units are sold. Sponsor warrants and represents that he has adequate financial resources to meet its obligations with respect to any unsold Unit.

The Sponsor agrees to pay all Common Charges, special assessments, and real estate taxes with regards to unsold Units, and has financial resources to meet its obligations with respect to such unsold Units, which source of funding includes both proceeds of the sale of Units and existing financial resources of the Sponsor. **No bond or other security has been furnished to secure Sponsor's obligations.** In the event of dissolution or liquidation of the Sponsor, or transfer of 20% or more of the total number of residential Units in the Condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all obligations of the Sponsor for those Units under the Offering Plan, applicable laws, or regulations.

Any suits or proceedings instituted against the Sponsor, which may result in a lien against the property and any suits or proceedings against the Condominium arising from the Sponsor's acts or omissions, which acts or omissions occurred prior to closing of title, will be defended by the Sponsor, and the Sponsor does hereby indemnify the Condominium, the Board of Managers, and individual Unit Owners therefore. Nothing

contained herein shall limit the rights of the Condominium that are granted pursuant to law and statute.

In the event the work on the building as set forth herein is not fully completed at the time the building becomes occupied, the Sponsor will have the right to enter the premises to complete its obligations under the Plan. Such entry shall be conducted in such a manner so as to produce a minimum of discomfort to those Purchasers already in possession.

In the event the Sponsor finds it necessary to enter the property after closing of title to complete work, then such work will be performed between 8 A.M. and 6 P.M. on weekdays and non-holiday weekends. Damage caused by such work will be repaired in a good and workmanlike manner.

Sponsor will secure, and provide at closing, an agreed amount replacement value multi-peril hazard policy which will prevent the Condominium from being a co-insurer. The cost of such policy will be paid by the Condominium, and is provided for in Schedule B. **Sponsor also agrees to deliver a set of "As Built" plans to the Board of Managers upon election of the first Board of Managers after closing of the first Unit.** Sponsor will assign any manufacturer's warranties with respective equipment and appliances installed in any individual unit to the Unit Owner, and with respect to equipment and appliances installed in the Common Elements, same will be assigned to the Board of Managers.

The property will be conveyed free and clear of all liens. The Sponsor will not dissolve or liquidate for a minimum of six (6) years. Copies of the Plans, exhibits and documents referred to herein shall be kept on file at the office of the Attorney for the Sponsor for a period of six years after filing of the Declaration of Condominium. No bond or other security has been furnished to secure Sponsor's obligations hereunder. The Sponsor will repair any damage from a casualty or other cause that occurs prior to the closing of any Unit; and no Purchaser shall be required to accept a damaged Unit.

In the event a Unit is rented or otherwise occupied by someone other than the Purchser, then the Purchaser shall be obligated to accept the Unit in "AS IS" condition. However, Seller warrants that all appliances shall be delivered in working condition.

Sponsor shall provide a Housing and Merchant Warranty for the Units and Common Elements pursuant to Section 777B of Article 36B which states as follows:

§ 777-a. Housing merchant implied warranty. 1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder;

or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such

repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless

the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

At closing of the Units Sponsor will assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the unit owner. There is no equipment or appliances installed in the common areas.

THE PURCHASE AGREEMENT MAY NOT BE ASSIGNED.

CONTROL BY THE SPONSOR

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

The By-Laws are reproduced in Part II. A summary of certain pertinent provisions of these By-Laws is set forth below. The By-Laws limit the number of Board of Managers (hereinafter called "Managers") to not less than three (3). The first Board of Managers to be elected by the Unit Owners shall consist of three (3) members.

At the time of the First Closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the Purchasers at a meeting to be convened within 60 days after First Closing; Sponsor designated managers may, however, be re-elected at such time.

The By-Laws provide that at such time as the Unsold Units constitute less than Fifty (50%) percent of the Common Interests, but in no event later than the second anniversary

of the Closing Date, a majority of the Board of Managers to be elected at all subsequent annual meetings of Unit Owners shall be elected by Unit Owners other than the Sponsor and must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. A meeting to elect a new Board of Managers will be held within thirty (30) days of 50% of the Common Interests being sold, or within thirty (30) days of the second anniversary of the Closing Date, whichever is sooner.

The Sponsor will have voting control of the Board of Managers until the second anniversary of the closing of the first Unit or until the unsold Units constitue less than fifty percent (50%) of the common interests, whichever occurs first. At the second annual meeting, and at all successive meetings, Sponsor may not designate a majority of the Board of Managers but may cast its votes to elect no more than two members of the Board of Managers.

So long as a majority of the Board of Managers consists of managers elected by the Sponsor or holders of Unsold Units, the board:

1. Shall not eliminate or reduce the number of employees, insurance coverage or any service to a level less than that provided in Schedule B unless a majority of Board Members elected by bona fide Unit Purchasers vote in favor thereof.

2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services and installations) to be kept operational, clean, and, in a good state of repair and condition;

3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law or work orders of an insurance carrier.

The Sponsor may exercise veto power over expenses other than those described in Item 3 above for a period ending not more than five years after closing of the first Unit, or whenever the Unsold Units constitute less than 25% of the Common Interest, whichever is sooner.

All Board members shall serve without compensation. Any member of the Board of Managers, who is a designee of the Sponsor, may contract or deal with Sponsor, or a partner, affiliate or entity controlled by the Sponsor, and no other member of the Board of Managers, or any Unit Owner may claim that such designee is self-dealing.The Board managers shall have a fiduciary duty to unit owners when they contract or deal with sponsor or its affiliates.

At the earlier of the second anniversary of the first closing date, or such time as less than fifty percent of the Units of the Condominium constitute unsold Units, control of the Condominium shall be transferred to a Board of Managers comprised of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Prior to that time, the Condominium will be controlled by a Board of Managers elected by the Sponsor. There are certain limitations on actions which can be taken by the Sponsor while he remains in control of the Board of Managers, which

limitations are set forth in this section of the Offering Plan entitled CONTROL BY SPONSOR

BOARD OF MANAGERS

The Condominium shall be governed according to the By-Laws in Part II.

The By-Laws limit the number of Managers to not less than three (3) members. The first Board of Managers shall consist of three (3) members designated by the Sponsor, and they are Oleg Krasnitskiy, Boris Tanskiy, and one Unit Owner who is independent of the Sponsor. Oleg Krasnitskiy is a principal of the Sponsor; Boris Tanskiy is a principal of the Sponsor. Within 60 days of the closing of title to the first Unit, a meeting of the Unit Owners shall be held at which time a Unit Owner-Occupant who is independent of the Sponsor shall be elected to the first Board of Managers by majority vote of the Unit Owners. Until succeeded by the Managers elected at the first annual meeting of the Unit Owners, Managers need not be Unit Owners; thereafter, all Managers other than designees or nominees of the Sponsor must be Unit Owner-Occupants or members of a Unit Owner-Occupant's household who are unrelated to the Sponsor and its principals. The By-Laws 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.

Managers shall be elected by a plurality of the votes at a meeting at which a quorum shall be present. When voting for Managers, each Unit Owner shall be entitled to cast one vote for each 1% of Common Interest in the Condominium appurtenant to such Owner's Unit, which may be cast all for one nominated manager or divided among any number of candidates. At such time as the Unsold Units constitute less than fifty percent of the Condominium, but in no event later than the second anniversary of the Closing Date, not less than a majority of Managers shall be residents of the Building and unrelated to the Sponsor. Members of the Board of Managers shall serve without compensation, except for reimbursement for expenses actually incurred in the course of any furtherance of business for the Board of Managers.

The Board of Managers shall meet at least annually, and at such regularly scheduled times as shall be adopted by resolution by the Board. Emergency meetings may be called on five (5) days written notice by any two Managers.

The Board of Managers will be responsible for the operations of the affairs of the Condominium including, but not limited to, the fiscal operation, repairs and maintenance of the common areas of the Property, replacement and capital improvements to the common areas of the Property; the hiring, supervisions and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws, and shall have the powers and duties necessary for the administration of such affairs. The Managers shall serve without compensation or remuneration.

Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate votes are at least 51% of the votes of the Condominium at a Unit Owner's meeting duly called for the purpose; provided, however, that the Manager(s) elected by the Holder(s) of Unsold Units can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of the Unsold Units.

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 willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of a member of members of the Board of Managers. 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/her interest in the Common Elements of all Unit Owners.

The principal officers of the Condominium shall be the President and the Vice President, who are automatically Board Members, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The President and Vice-President, but no other officers, need be members of the Board of Managers. All officers shall serve without compensation or remuneration. The Board of Managers shall elect the officers annually; and, each officer shall hold office at the pleasure of the Board of Managers or until succession, resignation, or death. Upon the vote of a majority of the Board of Managers, any officer may be removed, with or without cause.

The President shall be the chief executive officer of the
Condominium, and shall have all of the general powers and duties which are incident to the office of a president of a stock corporation organized under the Business Corporation Law of the State of New York.

The Vice-President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. The Vice-President shall also perform such other duties as shall from time to time be imposed upon his/her by the Board of Managers or by the President.

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers, and shall have charge of such books and papers as the Board of Managers may direct; and shall, in general, perform all the duties incident to the office of a secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for: keeping full and accurate financial records and books of account;

and, deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers.

The Board of Managers, or the Secretary, shall keep detailed records of the actions and minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and, financial records and books of account of the Condominium. In addition, an annual audited financial statement of the Condominium, and an income tax deduction statement certified by an independent Certified Public Accountant, shall be rendered by the Board of Managers to all Unit Owners March 1 of each calendar year.

The Secretary shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice shall state the purpose of the meeting as well as the time and place where it is to be held, and the notice will be given at least ten (10), but not more than forty (40) days prior to such meeting.

Each Unit Owner and each mortgagee of a Unit shall, upon prior request, be permitted to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Both the Declaration and the By-Laws may be modified or amended by the vote of two-thirds (2/3) of the Unit Owners, as that term is defined in Article II, Section 8 of the By-Laws, at a meeting of Unit Owners duly held for such purpose. Anything herein contained to the contrary notwithstanding, so long as the Sponsor is the owner of one or more unsold units, the By-Laws may not be altered, amended, repealed, or added to, without the consent of the Sponsor.

The Board of Managers shall be required to maintain hazard and casualty insurance on the building in an amount sufficient to ensure that the Condominium shall not be a co-insurer (which generally means that the policy must be retained at replacement value); and it shall also maintain liability insurance in an amount which it deems appropriate. The proceeds of the hazard and fire insurance policy shall be payable to the Condominium Board in the event of a loss amounting to $100,000 or less and to the insurance trustee, if the loss exceeds $100,000. Such proceeds shall be applied to the repairing, restoring or rebuilding the building unless otherwise determined by Unit Owners. In no event shall the proceeds of any such insurance policy be paid to the holder of any mortgage on a Unit unless there has been a determination by Unit Owners not to rebuild the building. The insurance trustee, if any, shall be a bank or trust company having an office in the City and State of New York.

The Condominium shall continue, unless terminated by reason of casualty, loss, or by condemnation, until such time as the Condominium shall be legally abandoned and terminated as a result of the vote of Unit Owners owning at least eighty (80%) percent of the total votes of the Condominium, at which time the Property shall be subject to an action for partition by any Unit Owner, or any lienor, as if owned in common, and the net

proceeds of the sale resulting therefrom shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, after first applying the share of the net proceeds of such sale otherwise payable to each Unit Owner to the payment of any liens on his/her Unit in the order of the priority of such liens.

Copies of the Declaration and By-Laws are set forth in Part II of the Plan.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Unit Owners will have the right to sell, lease, or mortgage their Unit, without restriction, except as set forth herein, subject to the requirements that all Common Charges are current. A Unit Owner may only sell or lease the entire Unit. A Unit Owner may not sell or rent only a portion of a Unit.

The By-Laws provide that the use of the Units shall be restricted to and be in accordance with the following provisions:

(a) A Unit Owner may only use his/her Unit for a purpose consistent with any applicable ordinance or statue, or regulation of a government authority that has jurisdiction over the Condominium, but in no event for a use that violates the By-Laws of the Condominium.

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

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

(d) No improper, offensive, or unlawful use shall be made of the Property or any part thereof. Violations of laws, orders rules, regulations, or requirements, of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated by, and at the sole expense of, the respective Unit Owners or by the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property, or comply with such laws.

(e) Each Unit Owner shall keep his Unit in a good state of cleanliness and repair in accordance with the provisions of the By-Laws, and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentages set forth in SCHEDULE A in Part I. Subject to the provisions of the By-Laws and Rules and Regulations, the Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements, and the Common Elements are for the common use of all Unit Owners.

Further restrictions on the use of Units are set forth in the By-Laws Rules and Regulations made in accordance with the By-Laws, which are set forth in Part II of the Plan. Rules and Regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers as provided in the By-Laws. Such restrictions include a restriction that the Unit shall be used for private residents only, or any home occupation use permitted under applicable zoning law, ordinances, building codes or other governmental regulations. Units may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and that consent of Board of Managers has been obtained. Units may not be used for any unlawful purpose and any use which amounts to a violation of law or to rules, regulations or requirements of any governmental agency having jurisdiction thereover shall be eliminated at the sole expense of the Unit Owner.

RIGHTS AND OBLIGATIONS OF THE BOARD OF MANAGERS

The Board of Managers shall from time to time, but at least annually, prepare a budget for the Condominium determining the amount of the Common Charges payable by the Unit Owners. Common Charges will be established by determining the operating budget for the coming year of Condominium operation and allocating to each Unit Owner a percentage of that budget in accordance with their percentage of ownership for Common Interest in the Condominium. The Common expenses 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. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property including, without limitation, an amount of working capital and a general operating reserve. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges payable by each of them, and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their mortgagees of record, if requested.

Under the provisions of Section 339-z of the Condominium Act, 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, together with interest thereon. Such lien shall be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on the first mortgage or record of such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the Kings County Office of the City Register, 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 started within such six year period), whichever may be earlier. 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 the foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the Unpaid Common Charges without foreclosing the lien. In the event the

Sponsor is more than thirty (30) days in arrears on Common Charges for any unsold Unit during the time the Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in section 339-aa of the Real Property law.

Under section 339-kk of the Real Property Law, the Board of Managers has the right to require the tenant in an apartment owned by a non-occupying Owner to make rental payments directly to the Board of Managers where such non-occupying Owner is in default on payments of Common Charges, assessments or late fees for such unit, for a period of 60 days after the expiration of any grace period after they are due. Payments by such rental tenant to the Condominium pursuant to this statute relieves such rental tenant from the obligation to pay such rent to such non-occupying owner, and is an absolute defense in any nonpayment proceeding commenced by such non-occupying Owner. The procedures by which the Board of Managers may enforce this right, including required notice, means of protest, and termination are set forth in the aforementioned section which is recited at page J-1 of this Offering Plan.

No Unit Owner may exempt himself from liability for Common Charges or Expenses by waiver of the use, or enjoyment of any of the Common Elements, or by abandonment of his Unit. The liability of each Unit Owner for the payment of the Common Charges and Expenses thereafter assessed or becoming due against the Unit shall terminate upon a permissible sale, transfer or other conveyance of such Unit, and the appurtenant interests in the Common Elements. In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, convey his/her Unit together with the said appurtenant interests to the Board of Managers or its nominee on behalf of all other Unit Owners, and in such event will be exempt from all Common Charges and Expenses thereafter assessed.

All maintenance or any repair to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the elevator doors and stairwell doors which do not face into a Unit, and the exterior side of windows), electrical (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein. All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building and exterior sides of the windows) and the painting and decorating of the side of the elevator doors and stairwell doors which do not face into a Unit shall be made at the direction of the Board of Managers, and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Unit Owners who enjoy use of a Limited Common Element are responsible for regular repair and maintenance of such Limited Common Element such as cleaning, painting, repair to surface damage, etc. Damage to the structural or mechanical systems serving such Limited Common Element (except where directly caused by act or omission of the Unit Owner, their agents, employees or invitees) are the responsibility of the Condominium through the Board of Managers.

No Unit Owner may make any structural addition, alteration or improvement in his Unit, or do any work which would jeopardize the soundness or safety of the Building, reduce the value thereof, or impair any easement or hereditament of the Property, without the prior written approval of the Board of Managers. As a condition of the granting of its consent to the above acts, the Board of Managers may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Managers setting forth the terms and conditions under which such alteration, addition, improvement, or repair, may be made, including without limitation, the days and hours during which any work may be done. No application shall be filed with any governmental authority for a permit covering an addition, alteration, or improvement to be made in a Unit, unless approved and executed by the Board of Managers; such approval, however, shall not result in liability on the part of the Board of Managers or any of them, to a contractor, subcontractor, materialman, architect or engineer, by reason 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 an Unsold Unit, provided that any alterations to such Unsold Units shall be in accordance with, and only as permitted, by the Condominium Act and all governmental regulations. Non-structural alterations and improvements to Residential Units that do not affect the exterior of the Building, or the value of other Units, may be made without prior approval of the Board of Managers.

Unit Owners may perform all standard repair and maintenance items within their apartment and standard home improvements items without permission of the Board of Managers. Thus Unit Owners may repair or replace fixtures, equipment, cabinetry, flooring, sheetrock, etc. without permission of the Board of Managers. However, Unit Owners may not relocate plumbing, heating, electric or other service lines affecting other Units in the building during the course of such repairs or improvements without receiving Board permission.

The Board of Managers shall obtain and maintain, to the extent determined by them to be appropriate; (1) hazard insurance, with extended coverage, insuring the Building and Units (but not including furniture, furnishings or other personal property supplied to, or installed by, Unit Owners), together with all service machinery contained therein covering the interests of the Condominium, The Board of Managers, and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the insured property without deduction for depreciation,; (2) machinery insurance; (3) water damage legal liability insurance; (4) liability insurance for personal injury or property damage in an amount not less than one million dollars; (5) Omitted; and (6) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgage clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interests may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation. Unit Owners shall be entitled to carry casualty insurance protection for their furniture and the interior of their Units and for personal liability coverage for their own benefit at their own expense, provided that such policies contain waivers of subrogation, and further

provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any other insurance carried by a Unit Owner.

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and storage areas and balcony, if any, to the Managing Agent and/or any other person authorized by the Board of Managers of the Managing Agent, for the purposed of performing installations, alterations or repairs to the mechanical or electrical services of other Common Elements in his/her Unit or elsewhere in the Building in which the Unit is located, to remove violations, cure defaults by a Unit Owner, and for any other purpose provided in the Plan, Declaration, or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner. In case of emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Board of Managers or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Each Unit Owner will deposit with the President of the Board of Managers a key to his/her Unit to allow for entry in an emergency. The Board of Managers may designate responsible individual(s) to hold such keys.

Each Unit Owner shall be required to pay the Common Charges and Expenses levied by the Board of Managers. All Unit Owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner, are subject to the By-Laws, the Declaration and the Rules and Regulations. A copy of the Declaration and By-Laws and Rules and Regulations appear in Part II of this Plan. The violation of any of the Rules and Regulations or the breach of any By-Laws or provision of the Declaration shall give the Board of Managers, in addition to other rights set forth in specific provisions of the By-Laws, the right to: (i) enter any Unit in which, or as to which, such violations or breach exists and to abate and/or remove same summarily, at the expense of the defaulting Unit Owner. The Board of Managers shall not thereby be deemed guilty or liable for trespass nor be liable for any damage to the Unit, nuisances or fixtures incurred in connection with such rights unless such damage is caused by negligence on the part of the Board of Managers; or (ii) enjoin, abate or remedy by appropriate legal proceedings, the continuance of any such violation or breach. The costs incurred by the Board by virtue of the exercise of its rights to correct such breaches or violations, including attorney's fees, shall be due upon demand from the Unit Owner in question, and shall constitute a Common Expense against his/her Unit.

As part of purchase of the Unit, Purchaser will be required to execute a Power of Attorney in favor of the Board of Managers of the Condominium. This Power of Attorney will give the Board of Managers the right to acquire and otherwise administer defaulted, abandoned or foreclosed Units in the name of the Condominium. It will also give the Board of Managers the right to execute amendments to the Condominium Declaration, Deeds conveying Condominium property, filing for severance of tax lots and other functions reasonable or necessary to effectuate the purposes set forth in the

Condominium Declaration, on behalf of all of the Unit Owners. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

REAL ESTATE TAXES

After the Units are separately assessed, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor subject to, any lien for non-payment of taxes on any other Unit. Units will not be separately assessed for the first year of Condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2014/2015 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual Condominium Unit is sold, the Purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2014/2015 tax year. It is anticipated that Units will be separately assessed for the 2015/2016 tax year, and that individual Unit Owners (whether purchasers, holders of unsold shares, or the Sponsor) will pay the taxes thereof as set forth in the attached SCHEDULE A.

The Property is taxed by the City of New York, which, through the Department of Finance, has assessed the property at a pre-construction value of $22,140.00, and imposes a tax rate of 13.1810%. The HPD regulations states that the basis for 421a abatement should be based on the assessed valuation (AV) of the entire property one year prior to the start of construction, which was tax year 2012/2013. Construction was started during February 2013. The assessed valuation of $22,140.00 times the current class two rate of 13.1810% apportioned over one(1%) percent of the common elements $22,140.00 times 13.1810% = $2,918.27 times one(1%) would equal $29.18per one (1%) per year or $2.43 per month. Without the benefit of the 421a abatement program the total assessed value of the property (i.e. the aggregate assessment of all units) following completion of construction is estimated to be approximately $112,400.00. Assuming the tax rate of $13.1810 per $100.00 of assessed value remains the same, the Real Estate taxes will be $148.15 per one (1%)percent of common elements per year or $12.35 per month.

The real estate taxes payable in SCHEDULE A are determined by applying the applicable tax rate to the non-exempt portion of the assessment and then allocating the amount due in conformity with the allocation of Common Interests. The City of New York is not bound by the allocation of Common Interests, and may allocate on a different basis. All figures are estimates.

Due to possible increases in the tax rate, and/or possible further increases in the property's non-abated valuation, real estate taxes may be higher than as set forth above. No Warranty is or can be made by Sponsor, or any other person, that the New York City Department of Housing Preservation and Development of Housing Preservation and Development or the New York City Real Property Assessment Department, or any other agency with jurisdiction, will approve Sponsor's application for a 421-a tax abeatment, and neither the Sponsor nor its counsel shall be liable if, because of changes in laws

and/or regulations or the interpretation of laws and/or regulations the property fails to obtain, in whole or in part a 421-a abatement. Should tax abatement and/or exemption be denied, in whole or part, then the Unit Owners will be responsible for all of the taxes due.

There are no tax certiorari proceedings currently pending. Individual Unit Owners may challenge the assessment of their property by filing a tax protest in accord with the rules of the New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessment, the general grant of power in the Board of Managers to operate the property in the best interest of Unit Owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all Unit Owners. The Building benefits from the limitations imposed by Sections 581 and 1805 of the Real Property Tax Law.

The Sponsor has applied for Real Estate Tax Exemption Benefits pursuant to Section 421-A of the Real Property Tax Law of the State of New York. The benefits provided pursuant to this section are stated in more particularity in the letter, included in the exhibits of this Offering Plan from Alex Kostovetsky, 1517 Voorhies Avenue, Suite 4R, Brooklyn, NY 11235, who is filing an application on behalf of the Sponsor. Briefly stated, however, the program provides an exemption from any increase in assessed value of the property for real estate tax purposes, to the extent that such increase results from the reasonable cost of alteration or improvement to the building, for a period of eleven (11) years after granting of the exemption. **Thereafter, the exemption declines by 20% per year until, after the fifteenth (15th) year, real estate taxes will be based on the full-assessed valuation of the property.** Sponsor has obtained an estimate from Alex Kostovetsky of a post-completion assessed value of $112,400.00, commencing in the July 2013.2014 tax year. SCHEDULE A includes the estimated tax payments in the event 421-A Tax Benefits are not obtained. The projections set forth herein are based on current New York City Tax rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate will not change in the future, or that the assessed value of the property will not rise due to changes in assessment practices and policies or increases in market value which are reflected in the assessed value. Therefore, the estimate contained in Schedule A for monthly real estate taxes in the event 421a tax benefits are not obtained may not accurately reflect the taxes which will apply at the expiration of the benefits period.

Sponsor will use best efforts to obtain the aforementioned real estate tax exemption benefits, and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the life of the benefits.

The explanation and projection prepared by the Sponsor's tax abatement expert, who prepared the 421-A application, is expressly adopted by the Sponsor and included as part of this Offering Plan.

Pursuant to 421-a rules and regulations issues by NYC Department of Preservation and Development ("HPD"), if the Offering Plan has not been declared effective for filing at a time fifteen months after HPD has issued the final 421-a Certificate of Eligibility, as of such date the building and all Units as they become occupied shall become rent stabilized and subject to the rent stabilization laws applicable thereto for the entire period which the building is receiving 421-a tax benefits. As of such date, the sponsor musty register the building and all residential Units as they become occupied with the NYS Department of Housing and Community Renewal ("DHCR"). Any leases and renewals thereof of to a residential unit that are required to be registered with DHCR shall contain at least 12 point type informing such tenant that the residential tenant shall be subject to deregulation upon the expiration of the 421-a tax benefit period and state the appropriate date of the benefits. During such rent stabilization period, the unit shall not be subject to luxury decontrol.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, under Sections 163 and 164 of the IRS Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the COUNSEL'S TAX OPINION LETTER. Each individual Unit Owner should, for New York State and New York City Income Tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid, or accrued, during the taxable year.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will have certain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal Income Tax purposes, Sponsor's Counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation, due to the fact that it will qualify as an exempt homeowner's association under section 528 of the IRS code. As a result, the Condominium may not be subject to Federal corporate income tax on its taxable income, if any.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial or administrative changes may be made which would require modification of such statements, or that, the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the COUNSEL'S TAX OPINION; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.

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Michael & Swerdloff, LLC
Attorneys at Law

2226 Ocean Avenue
New York, New York 11229
Telephone: (718)339-1400
Facsimile (212) 339-7761

Michael H. Michael, Esq.
Leonard Swerdloff, Esq.

November 16, 2013

2743 E 26th Street, LLC
101 Avenue U
Brooklyn, New York 11223

RE: THE 2743 East 26th Street CONDOMINIUM

Gentlemen:

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

We have given this matter careful study and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B. 1964-300) and the corresponding provision of the New York State Law (See Section 615 of the Tax Law), such interest payments and the aforesaid real estate payments are proper deductions by the Owner of a Residential Condominium Unit, in connection with his Federal and New York State income taxes.

Section 528 of the Code, affords certain Condominiums, substantially all of whose Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Units Owners and 90 percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium properties, which properties, as defined in Section 528 of the

Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. Based upon our examination of the Offering Plan and subject to the Condominium actually satisfying the minimum percentage income and expenditure criteria set forth above, it is our opinion that the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Code.

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

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

We have considered the relevant cases and rulings on the tax status of the Condominium, including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each unit Owner's assessment for such purposes would add to his tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that assessments for capital purposes, including reserves, are properly designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable

income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

As discussed in Section "Real Estate Taxes" of the Offering Plan, the Sponsor is applying for and is expecting to obtain approval from the New York City Department of Housing Preservation and Development ("HPD") for tax exemption for the Community under Section 421 of the New York State Real Property Tax Law ("Section 421"). Section 421 and the regulations promulgated thereunder pose certain requirements for the granting of tax exemption with respect to, among other things, whether the land for which an exemption is applied for is vacant and the number of bedrooms to be built on such parcel. Therefore, the Community is exempt from the payment of real estate taxes, on specified percentages of the increased assessed valuation of the Condominium resulting from construction of the Condominium for a period of fifteen years. Said exemptions are to be in the amount of 100% of the increased assessed valuation for the first eleven years after the completion of construction, 80% for the 12th year, 60% for the 13th year, 40% for the 14th year and 20% for the 15th year. At the end of said fifteen year period, Unit Owners will be required to pay real estate taxes on the then full-assessed valuation of their Homes, at the then effective rate, both as determined by the City of New York.

In addition, Section 421-a provides that if the floor area of commercial, community facility and accessory use space within a multiple dwelling exceeds twelve percent of the aggregate floor area of the building, the exemption will be diminished by an amount equal to the percent of the aggregate floor area by which the aggregate floor area of commercial, community facility and accessory use space exceeds twelve percent of the aggregate floor area of the Building. In the event it is determined that the commercial, community facility and accessory use space exceeds twelve percent of the entire building, the amount of the benefits may be reduced. Schedule A to the Offering Plan reflects the estimated taxes with Section 421-a tax benefits and without Section 421-a tax benefits.

Our opinion regarding the partial tax exemption under Section 421-a is based upon information and representations provided by the Sponsor and the following facts:

The Sponsor has commenced construction on the site of the building based on approved building plans issued by the Department of Building of the City of New York after July 1, 2008. Upon completion of construction, the building will be classified as a multiple dwelling pursuant to the Multiple Dwelling Law. The building will be substantially used for dwelling purposes for a period of at least fifteen years following its completion. Construction of the building will be completed on or before December 31, 2014. An application for Preliminary Certificate of Eligibility is filed with HPD upon start of construction. Upon completion, the project will consist of a condominium consisting of seven units.

Based solely on these representations, and if (I) the building is constructed substantially in accordance with the plans and specifications approved by the New York

City department of Buildings and comply with the requirements of section 421-a, the Regulations and HPD, and HPD is notified of any modifications to the plans for the building or the "sell-out" price; (II) HPD deterrnines that the property was "underutilized" (pursuant to the provisions of Section 421-a) 36 months prior to commencement of construction; (III) a preliminary Certificate of Eligibility is issued by HPD after commencement of construction and prior to the issuance of a temporary Certificate of Occupancy; (IV) temporary Certificates of Occupancy for all of the residential areas of the building or permanent Certificates of Occupancy for the building is issued and filed with HPD no later than six months after an application for a Final Certificate of Eligibility is filed with HPD, or prior to December 31, 2014 whichever is earlier; (V) a copy of such Final Certification and of the temporary or permanent Certificate of Occupancy for the residential units is field with the New York City Department of Finance succeeding the issuance of such Final certificate of Eligibility; and (VI) there is no change in Section 421-a, the Regulations and decisional law, the Building would appear to be eligible for the partial real estate tax exemption prided under Section 421-a.

The units of the condominium should be entitled to Section 421-a tax benefits under present law. Generally, for predominantly residential buildings, under section 421-a, 100% of the increased assessed value of the property resulting from the improvement thereon (i.e., the assessed value above the pre-construction assessed value) up to $65,000 of assessed value is exempt from taxation during construction and during the ten (10) years following the first taxable status date immediately following completion of construction. The exemption declines to 80% of the increased assessed value of up to $65,000 for the eleven (1 1) years and is further reduced by an additional 20% for each of the succeeding years. Following the 15-year period, the Unit Owners will pay real estate taxes based on the full assessed valuation of their Units and the tax rate then in effect, without the benefit of any exemption.

No warranties or representations are given by this firm that HPD, the Department of Finance of the City of New York or the Tax Commission of the City of New York will allow Section 421-a benefits or that the laws, regulations or interpretations thereof on which this opinion is based will not change. This firm will in no event be liable if the Property is not eligible for partial real estate tax exemption under Section 421-a as a result of changes in the information or oral representations made by the Sponsor or because of any changes in applicable law, regulations, interpretations or decisional law, nor will this firm be liable if the amount of the benefits received are reduced for any reason. In addition, we have not passed upon the accuracy of any figures or estimates contained in the Offering Plan and do not warrant the amount of tax savings if the units receive partial tax exemption pursuant to Section 421-a.

Finally, based on information received from the Sponsor, the percentage of Common Interest among the respective Units as set forth in Schedule A of the Offering Plan is in compliance with Real Property Law Section 339 (1) (ii).

It is our understanding that this letter will be made a part of the Offering Plan of The 2743 East 26th Street Condominium.

Very truly yours,

Michael & Swerdloff, LLC

By: _____
Michael Michael

RESERVE FUND

The budget includes as a line item a $300.00 line item for contingincies for unexpected maintenance and a reserve fund totaling $950.00 per year for the Building to be collected out of common charges paid by the Unit Owners. This fund is to be used for the replacement of major capital expenditures of the Common Elements of the Condominium, however the fund shall in no way be limited to such use.

No representation is made that this fund will be adequate to cover current or future expenses including repairs or replacements of Common Elements. If additional funds are required over and beyond said fund, it may be necessary to increase the Common Charges payable by the Unit Owners or to collect a special assessment from each Unit Owner.

WORKING CAPITAL FUND

At closing of title to each residential Unit, the Unit Owner for such Unit will contribute $750.00 to the capital of the Condominium as a Working Capital Fund contribution (see CLOSING COSTS AND ADJUSTMENTS). Thus, there will be a $4,500.00 Working Capital Fund created on closing. Sponsor will make the required contribution for all unsold Units at the time of the closing of the first Unit, and will be reimbursed therefore on each subsequent closing of a Unit by the Unit Purchaser. This Working Capital Fund will be used to make repairs and improvements, and for other appropriate purposes as determined by the Board of Managers, particularly to meet emergencies not budgeted for in SCHEDULE A. While the Sponsor controls the Board of Managers (see CONTROL BY SPONSOR), the Working Capital Fund will not be used to reduce estimated Common Charges.

No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.
The $750.00 contribution to the Working Capital Fund will not be reduced by any closing adjustments to the Sponsor. All adjustments represent reimbursement for prepayment of expenses already included in the budget set forth herein as Exhibit B, and therefore do not represent an additional expense to Condominium Purchasers.

MANAGEMENT AGREEMENT, COONTRACTS AND LEASES

Due to the size of the building, it is contemplated that the building will be self-managing, and that no managing agent will be employed. The Sponsor shall manage the Condominium for the first year at no charge to the Unit Owners for the first year or until

all the Units are sold, whichever comes first. Therefore, no amount has been included in the projected budget for the first year of operation for a management fee. In the event the Board of Managers determines that it is in the best interest of the Condominium to employ a managing agent, this item will represent an additional expense not included in the projected budget, and will require an increase in Common Charges of approximately 6 to 10%. Refer to footnotes to Schedule B for other contracts and agreements.

DENTITY OF PARTIES

Sponsor

The Sponsor is 2743 East 26th Street, LLC, having an office at 101 Avenue U, Brooklyn, NY 11223. The principals of the Sponsor are Boris Tanskiy residing at [redacted] Oleg Krasnitsky, residing at [redacted] Alexander Novikov residing at [redacted]

(i) There are no prior felony convictions of the Sponsor or of Boris Tanskiy, Oleg Krasnitsky, or Alexander Novikov

(ii) There are no prior bankruptcies, convictions, injunctions against the Sponsor or of Boris Tanskiy, Oleg Krasnitsky or Alexandr Krasnitskiy. Alexander Novikov had declared bankruptcy in 1998

The Sponsor has not taken part in any prior public offerings.

Oleg Krasnitsky is a real estate sales agent with Jack Patak Real Estate, with offices at 7115 20th Avenue, Brooklyn, New York. He is also a real estate investor. He has been a principal of:

i) OLK, LLC, which was a member of Bembo Realty, LLC who was the sponsor of The Ocean Plaza Condominium, located at 2805 Ocean Parkway, Brooklyn, New York, filed under file number CD05-0326.

ii) 390 King Highway, LLC, which was a member of 20 Highlawn Ave., LLC, the Sponsor of the 26 Highlawn Avenue Condominium, located at 26 Highlawn Avenue, Brooklyn, New York, filed under file number CD08-0386.

iii) OLBO, LLC, the Sponsor of the 2372 East 27th Street Condominium located at 2372 East 27th Street, Brooklyn, New York, filed under file number CD08-0612.

iv) 2409 Avenue Z LLC, sponsor of the 2409 Avenue Z Condominium located at 2409 Avenue Z, Brooklyn, New York, filed under CD11-00131

Alexander Novikov is a real estate agent with Maximillion Realty, with offices at 101Avenue U, Brooklyn, New York. He has been a principal of:

i) 20 Highlawn Avenue, LLC, the Sponsor of the 26 Highlawn Avenue Condominium, located at 26 Highlawn Avenue, Brooklyn, New York, filed under file number CD08-0386.

ii) OLBO, LLC, the Sponsor of the 2372 East 2ih Street Condominium located at 2372 East 27th Street, Brooklyn, New York, filed under file number CD08-0612.

iii) 2409 Avenue Z LLC, Sponsor of the 2409 Avenue Z Condominium located at 2409 Avenue Z, Brooklyn, New York, filed under CD11-00131

In 1998 Mr. Novikov filed for bankruptcy. An order discharging the debtor was entered in January 1998 and the case was closed in June 2000. Mr. Novikov is currently solvent and has not had and does not have any other financial troubles.

Boris Tanskiy is a real estate broker and the owner of Maximillion Realty, with offices at 101 Avenue U, Brooklyn, New York. He has been a principal of:

i) 390 King Highway, LLC, which was a member of 20 Highlawn Ave., LLC, the Sponsor of the 26 Highlawn Avenue Condominium, located at 26 Highlawn Avenue, Brooklyn, New York, filed under file number CD08-0386.

ii) OLBO, LLC, the Sponsor of the 2372 East 2th Street Condominium located at 2372East 27th Street, Brooklyn, New York, filed under file number CD08-0612.

iii) 2409 Avenue Z LLC, sponsor of the 2409 Avenue Z Condominium located at 2409 Avenue Z, Brooklyn, New York, filed under CD11-00131.

Selling Agent

The Selling Agent for the Property is the Sponsor, having an office at 101 Avenue U, Brooklyn, NY 11223. Boris Tansky is a principal of Maximilion Real Estate and has been a licensed Real Estate Agent and or Broker for over 20 years. Alexander Novikov has been a licensed Real Estate Agent for over 15 years

Sponsor's Attorney

Michael and Swerdloff, LLC located at 2226 Ocean Avenue, Brooklyn, New York, 11229, represents the Sponsor in connection with this Plan. Michael H. Michael, Esq. prepared the Plan. Michael H. Michael, Esq. will handle closings for the Sponsor and act as the escrow agent for the downpayments.

Sponsor's Registered Architect

Igor Zaslavskiy having an office at 1909 Avenue X, Brooklyn, NY 11235 prepared the plans and specification for the Building. Mr. Zaslavskiy has no financial interest in the Property, Sponsor, Condominium, Selling Agent, or any other party interested in this transaction, except for his fee for services rendered in connection with his report. Mr. Zaslavskiy has been a professional engineer for more than three (3) years. He designed and supervised the construction of several condominiums and over thirty (30) residential and commercial buildings including but not limited to 2747 East 26th Street, Brooklyn, N.Y 380 Kings Highway, Brooklyn, N.Y., 2409 Avenue Z, Brooklyn, N.Y. 384 Neptune Avenue Brooklyn, N.Y. .

GENERAL

The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained in Part II hereof of the Condominium Declaration, Purchase Agreement, Condominium By-Laws, and form of Unit Deed.

All of the Units offered in the Plan are vacant.

As of the date the Plan is accepted for filing, 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 and no deposits or advances of funds have been accepted by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Units.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons which might become a lien against the Property or which may materially affect this offering, the Property, Sponsor's capacity to perform all 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 are no preliminary binding agreements entered with any Purchasers, nor has any money been collected from any perspective Purchasers. There has been no market test pursuant to Cooperative Policy Statement No. 1.

In accordance with the provisions of the laws of the State and City of New York, the Sponsor represents that the Sponsor, and the Selling Agent will not discriminate against any person because of race, creed, color, sex, disability, age, marital status, national origin or ancestry in the sale of the Units offered by the Plan, or in the leasing of any apartment in the building.

If there is a material amendment to the Offering Plan that adversely affects a Purchaser, Purchaser shall have the right to rescind his Purchase Agreement within fifteen (15) days after the date of presentation by the Sponsor, which rescission shall be made by CERTIFIED MAIL - RETURN RECEIPT REQUESTED, and shall be deemed made on the date when notice of rescission is deposited with the United States Post Office. Sponsor shall return the deposit on contract to any purchaser who validly rescinds.

No person has been authorized to make a representation which is not expressly contained herein. This Plan may not be changed or modified orally.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Offering Plan, all documents referred to in the Offering Plan, and all exhibits submitted to the Department of Law in connections with the Offering Plan on file and available for inspection without charge, and for copying at a reasonable charge, at the Sponsor's office as set forth in this Offering Plan, or at the office of the Sponsor's attorney, for a period of six (6) years from the date of first closing. The Sponsor shall deliver to the Board of Managers of the Condominium, a copy of all documents filed with the appropriate recording office at the time of the first closing of a Condominium Unit.

REPORT TO UNIT OWNERS

The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

1) On or before March 1st of each year a financial statement. During the period the Sponsor is in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant.

2) Prior notice of the annual Unit Owners meeting.

3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this statement shall be certified by a qualified budget expert.

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan. With reference to such material, a licensed architect prepared the description of property and building condition contained therein.

The Sponsor represents that it does not know of any defect or need for major repairs except as hereinafter set forth, and that, to the best of the Sponsor's knowledge, the following description accurately states the condition of the building and its equipment (see DESCRIPTION OF PROPERTY AND BUILDING CONDITION in Part II of the Plan).

The Property will be offered in its present condition as described in this Plan and all appliances included in the sale are listed in the Archtect's report. In addition there will be hook ups for washer/dryer. Neither the Sponsor nor the Condominium will have any obligation to make repairs or improvements except as set forth in this Plan. The Sponsor will cure, or cause to be cured all violations of record against the Property on the closing date or within two (2) years thereafter, and eliminate all known dangerous or hazardous conditions prior to the first closing, and comply with all work orders from mortgagees.

PART II

THIS DOCUMENT IS A LEGALLY BINDING DOCUMENT AND SHOULD BE READ CAREFULLY BY EACH PROSPECTIVE PURCHASER AND SHOULD BE REVIEWED BY EACH PROSPECTIVE PURCHASER'S ATTORNEY BEFORE EXECUTING IT.

PURCHASE AGREEMENT ("Agreement")
The 2743 East 26th STREET CONDOMINIUM ("Condominium")

Purchaser's Name:_____

Social Security No.:_____

Address:_____

Telephone No.:_____

Additional Purchaser's Name:_____

Social Security No.:_____

Address:_____

Telephone No.:_____

Building's Address: 2743 East 26th Street, Brooklyn, N.Y.

Residential Unit No.: _____

Parking Space No. _____(if applicable)

Percentage Interest in Common Elements: _____%

Residential Unit: _____% Parking Space _____%

*Down Payment
(not including custom work) $_____

**Amount of Mortgage
(for a term of not less than _____ years) $_____

Balance Due at Closing (unfinanced) $_____

Total Purchase Price $_____

Name(s) and manner in which
title will be taken: _____

*Additional Downpayment for custom work $_____
**If Purchase Agreement is contingent upon financing see paragraph number 8 herein.

Statement of Seller

2743 East 26th Street,LLC, with an address at 101 Avenue U, Brooklyn, New York 11223 ("Sponsor" or "Seller"), has promulgated a Plan of Condominium Ownership of "The 2743 East 26th Street Condominium" ("the Plan") pursuant to which the land with appurtenances and the Residential Units and Parking Units (the "Units"), together with the parking spaces (the "Parking Spaces"), being constructed thereon by Seller and located at 2743 East 26th Street Brooklyn, New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

Statement of Purchaser

Purchaser acknowledges as follows:

I have received and read a copy of the Plan and all filed amendments thereto. Said Plan, which includes the Declaration to be made by the Seller and to be recorded in the Office of the Register of the City of New York, County of Kings, the Schedules, By-Laws and Rules and Regulations attached thereto, are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein.

AFTER DELIVERING AN EXECUTED AGREEMENT, TOGETHER WITH THE REQUIRED DEPOSIT, I WILL BE AFFORDED SEVEN (7)DAYS TO RESCIND THIS PURCHASE AGREEMENT AND HAVE THE FULL DEPOSIT REFUNDED TO ME PROMPTLY, PROVIDED THAT I HAVE NOT HAD AN OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SUCH DELIVERY. SUCH RESCISSION MUST BE BY WRITTEN NOTICE, ADDRESSED TO SPONSOR, AND BE POSTMARKED OR HAND DELIVERED NO LATER THAN MIDNIGHT OF THE SEVENTH (7TH) DAY SUBSEQUENT TO MY DELIVERING THE EXECUTED PURCHASE AGREEMENT. IF I HAVE HAD AN OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR NOT LESS THAN THREE (3) BUSINESS DAYS PRIOR TO MY MAKING THE AFORESAID DELIVERY, I SHALL NOT BE PERMITTED THE AFOREMENTIONED SEVEN (7) DAY TIME PERIOD TO RESCIND THIS PURCHASE AGREEMENT.

The seven (7) day rescission period is (delete whichever is incorrect): applicable; not applicable.

Purchaser has been given an opportunity to examine the architectural plans for the above-numbered Unit or Units and for the building in which it is located.

Purchaser is desirous of purchasing the above-numbered Residential Unit, and Parking Spaces as designated in the Declaration and on the floor plans filed or to be filed in the aforesaid Register's Office, together with an undivided interest in the Common Elements appurtenant thereto (the above-numbered Unit or Units and the undivided interest being hereinafter collectively called the "Unit");

Agreement Between Seller and Purchaser

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

1. **Payment for Unit**. Seller hereby agrees to sell and Purchaser hereby agrees to purchase the Unit for the Total Purchase Price stated above. The Down Payment stated above has been made on the signing of this Agreement, receipt of which by check subject to collection is hereby acknowledged by Seller. The Balance Due at Closing shall be payable at the closing of title, as hereinafter provided in Paragraph 2, by unendorsed certified or cashier's check of Purchaser drawn on a bank or trust company which is a member of the New York Clearing House Association to the order of Seller or as otherwise directed by Seller.

2. **Closing of Title**. The closing of title shall take place on no less than thirty (30) days' prior written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the Closing Date) to be specified by Seller. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Seller shall agree on an earlier Closing Date). Seller shall have the right, from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Seller shall fix a new date and time for the closing of title to the Unit and shall give Purchaser not less than five (5) days written notice of the newly scheduled Closing Date. Purchaser shall be entitled to one reasonable adjournment of up to ten (10) days, on five (5) days written notice by Purchaser to Seller, provided that Purchaser may not seek an adjournment of any kind based upon any provision set forth in Paragraph number 18(i) herein. If, through no fault of Seller, Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date and Seller does not have the right to, or elects not to, cancel this Agreement as a result of same, (a) the adjustments for real estate taxes and common charges will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the closing of title occurs, and (b) Purchaser will be required to pay Seller, as a reimbursement of Seller's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Seller under this Agreement and the Plan, an amount equal to three one-hundredths of one percent (0.03%) of the Purchase Price for each and every day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, though no fault of Purchaser, Seller 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.

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

Simultaneously with the delivery of the deed, Purchaser (i) shall, if applicable, cause the proceeds of any mortgage loan to be transferred to the Seller on account of the Total Purchase Price, (ii) shall, if applicable, execute and deliver to the mortgagee the note and

mortgage, and any other documents required by the mortgagee, as well as any documents required by Seller and (iii) shall deliver the Balance Due at Closing.

Title to the Unit will close only after or concurrently with the occurrence of the events set forth in the Section of the Plan entitled "Closing of Title to Units".

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

4. **Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations**. Purchaser hereby agrees to be bound by the Declaration, the By-Laws, the Rules and Regulations and the Plan.

5. **Condition of Title**. Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan, specifically in Part I thereof in the section titled "Terms of Sale", and Exhibits submitted in connection therewith (as well as a mortgage, if any, obtained by Purchaser).

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

6. **Expenses of Closing and Closing Adjustments**. Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) entitled "Unit Closing Costs and Adjustments," including, but not limited to, the amount of any credit for mortgage recording tax as set forth in such Section, payment for title insurance, if Purchaser elects or is required by lender to obtain same, recording fees for recording the Deed, Power of Attorney and any Partial Release and/or UCC-3 Termination Statement for the Unit related to Sponsor's construction or other financing, real estate taxes, New York City Real Property Transfer Tax, New York State Transfer Tax, ACRIS Service Fee of title company, Seller's attorney's fees for closing the Unit, and costs associated with obtaining a mortgage loan, if any. The Purchaser shall also pay at Closing an amount equal to 1.5% of the Total Purchase Price of the Unit as a reimbursement of Seller's cost in obtaining partial tax exemption benefits pursuant to Section 421-a of the New York State Real Property Tax Law. Purchaser will pay to the Sponsor $2,500.00 as partial reimbursement for the cost of preparing the Offering Plan. The legal fees of Seller's attorneys in the amount of one thousand seven hundred and fifty dollars ($1,750.00) will be payable by Purchaser **to** Michael and Swerdloff, **LLC**, if rendered by such firm, provided that an additional fee of five hundred ($500.00) per closing shall be due and payable for any Unit closing which occurs outside the office of Seller's Attorneys. A further fee of three hundred fifty dollars ($350.00) shall be payable by Purchaser to Seller's attorneys for the

work involved for each assignment or amendment of a purchase agreement or contract. Assignments are permitted only with prior written consent of Sponsor. Finally, a legal fee in the amount of three hundred fifty dollars ($350.00) shall be paid by Purchaser to Sponsor's attorneys for each cancellation and or release if prepared by such firm. Purchaser will also pay to the Board of Managers the sum of Five Hundred dollars for the Unit being purchased as Purchaser's contribution to the Working Capital Fund of the Condominium. Except as otherwise provided in this agreement, real estate taxes and Common Charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses or adjustments payable to Seller in excess of five hundred dollars ($500.00) shall be paid by certified check or bank check drawn on a bank or trust company which is a member of the New York Clearing House Association or any successor organization.

Notwithstanding anything herein to the contrary, one of Purchaser's costs of closing title to his or her Unit shall be the payment of the cost of fee title insurance. If requested by Purchaser, Sponsor shall order on Purchaser's behalf from Titlecrafters, Inc., provided Purchaser elects to obtain title insurance. Obtaining title insurance from Titlecrafters, Inc. shall facilitate the closing and avoid unnecessary delays. However, notwithstanding anything herein to the contrary, a Purchaser may elect to obtain title insurance and/or a title report from any other title insurance company and/or abstract company. Purchaser acknowledges that Purchaser has been advised that obtaining title insurance from another title insurance company and/or abstract company may cause a delay of the closing of title to the Unit.

7. **Agreement Subject to Mortgages**. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph 7, however, on the Closing Date the only mortgage to which the Unit will be subject will be any other mortgage(s) obtained by Purchaser.

8. **Mortgage Financing Contingency**. (DELETE THIS NUMBERED PARAGRAPH IF PURCHASE WILL NOT BE CONDITIONED ON FINANCING). This Purchase Agreement is conditioned upon Purchaser obtaining a written mortgage loan commitment from a lending institution approved by the Sponsor in an amount of not less than that set forth on page 1 hereof, at a prevailing rate of interest, for a term of not less than the number of years set forth on page 1 hereof. In no event shall the amount of the financing contingency be greater than eighty percent (80%) of the Total Purchase Price for the Unit unless agreed to in writing by Seller.

Any Purchaser who executes a Purchase Agreement making the purchase of a Unit contingent on financing must submit a copy of such financing application to the Sponsor/Selling Agent within five (5) days after Sponsor accepts and delivers the fully executed Purchase Agreement. Sponsor shall have the right, but not the obligation, to cancel the mortgage financing contingency if Purchaser fails to submit to Sponsor a copy of the application for such mortgage financing to the Sponsor/Selling Agent within such five (5) day time period. Purchaser further agrees to furnish Seller, Selling Agent and to any prospective mortgagee such information and data pertaining to his financial condition as may be required by Seller or such prospective mortgagee.

Purchaser shall have thirty (30) days from the date Sponsor accepts and delivers the fully executed Purchase Agreement to obtain a written loan commitment for financing from a lending institution. In the event Purchaser fails to obtain a written loan commitment within such time period or in the event the loan commitment is subsequently withdrawn, Purchaser must notify Sponsor of same within five (5) days subsequent to such thirty (30) day period or the date the loan Commitment is withdrawn, whichever is applicable, or this financing contingency is deemed waived. Unless waived by Sponsor, Sponsor, if it so desires, shall then have sixty (60) days after receipt of such notice to secure a mortgage loan commitment for Purchaser from the same or another lending institution in the same amount at the same or the then prevailing interest rate. In the event no such financing is furnished, the Purchase Agreement may be declared null and void by Sponsor pursuant to written notice to the Purchaser postmarked or delivered within ten (10) days subsequent to such sixty (60) day period or notification to Purchaser that such financing will not be furnished, whichever is sooner. In the event no such financing is furnished, Purchaser, provided Purchaser has not already waived the financing contingency as set forth above, may also declare the Purchase Agreement null and void by written notice to the Sponsor postmarked or delivered within ten (10) days subsequent to such sixty (60) day period or within ten (10) days subsequent to such notification by Sponsor to Purchaser that such financing will not be furnished, whichever is sooner. If the Purchase Agreement is properly declared null and void pursuant to this paragraph, the Down Payment shall be returned to Purchaser with interest, if any. If the notice declaring the Purchase Agreement null and void is not sent within the above mentioned (10) day period, this financing contingency clause shall be deemed waived. No other financing contingency is permitted by this Purchase Agreement. Notwithstanding anything to the contrary contained herein, Sponsor shall have no obligation to secure a mortgage loan for Purchaser from another lending institution.

If the Purchase Agreement is contingent upon financing, Purchaser shall deliver to Sponsor a fully executed copy of his commitment within five (5) days of receiving said commitment.

Further, notwithstanding anything above to the contrary, in the event that (i) Purchaser timely applies for mortgage financing from an approved Lender, Purchaser's loan commitment expires prior to the scheduled closing of title to the Unit, unless adjourned by Sponsor beyond the date the Purchaser's loan commitment expires, and Purchaser, after submitting a timely written request to the institutional Lender for a renewal or extension is unable to obtain either a renewal or extension of the loan commitment at the same or then prevailing interest rate or a new loan commitment at the same or prevailing interest rate and (ii) Seller does not secure a mortgage loan for Purchaser from another lending institution in

the same amount, at the same or then prevailing interest rate and (iii) Purchaser is not otherwise in default at such time under the Purchase Agreement, then, provided all the foregoing conditions are met, Purchaser shall have the right to rescind his or her Purchase Agreement by notifying Sponsor in writing within fifteen (15) days of Sponsor notifying Purchaser in writing that Sponsor has been unable to secure a new loan for Purchaser. Seller shall return to Purchaser the Down Payment, together with any interest earned thereon, within ten (10) days of the receipt of Purchaser's notice of rescission and Purchaser's executing a general release in favor of Seller. If Purchaser's notice of rescission is not sent within the above mentioned fifteen (15) day period, then the financing contingency clause shall be deemed waived and the Purchase Agreement shall remain in full force and effect and Purchaser must pay the balance of the purchase price at closing or be in default.

Notwithstanding the foregoing, if Purchaser's loan commitment expires and such expiration has occurred due to Purchaser's refusal to close title or Purchaser's delay in closing title, or in the event that as a result of Purchaser's acts or omissions, the terms of the loan commitment are changed or the loan commitment is revoked by Purchaser's lending institution, or Purchaser does not request a renewal or extension of the loan commitment in writing on a timely basis, the Purchase Agreement shall remain in full force and effect and Purchaser must pay the balance of the purchase price at closing or be in default.

Additionally, failure of Purchaser to comply with the terms and conditions of the commitment which are unrelated to Sponsor's responsibility to perform under the terms of the Plan does not relieve Purchaser of his obligation to close title.

Purchaser's failure to provide information promptly upon request therefor, as set forth in paragraph numbered 8 of the Purchase Agreement, or to accept a commitment issued to Purchaser on the terms set forth herein or to request an extension of such commitment, or Purchaser's failure to act in good faith hereunder, shall constitute an event of default for which Seller shall have the right to cancel the Purchase Agreement as provided in Paragraph numbered 9 thereof.

9. **Default by Purchaser.** If Purchaser shall fail to pay any portion of the balance of the purchase price when due, fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 2 hereof or fail to perform any of Purchaser's other obligations hereunder, such failure shall constitute a default by Purchaser. Seller shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days from the mailing date or thirty (30) days after personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD. If such default is not cured within thirty (30) days from the mailing date or thirty (30) days after personal delivery of such written notice, Seller has no obligation to extend the time to cure and may (but shall not be obligated to) elect to cancel the Purchase Agreement. If Sponsor elects to cancel the Purchase Agreement, Sponsor shall notify Purchaser in writing of said cancellation and the Down Payment and any other amounts paid by Purchaser for any special or custom work shall be paid over to Seller as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event that Seller shall elect so to cancel this Agreement, Seller shall certify to its attorneys, Michael

and Swerdloff, LLC that title has not closed because of Purchaser's default, that a notice to cure was delivered to Purchaser and Purchaser has failed to cure the default within thirty (30) days from the mailing date or within thirty (30) days from personal delivery of such notice and that Seller has elected to cancel this Agreement by reason thereof, and Michael and Swerdloff, LLC shall thereupon pursuant to Paragraph 16 hereunder, cause to have paid over to Seller as liquidated damages the Down Payment (and the actual cost incurred by Seller for any special work in the Unit ordered by Purchaser) and any interest earned thereon, and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. However, if there is no written agreement between the Purchaser and Sponsor to release the escrowed funds, Michael and Swerdloff, LLC. will not pay the funds to the Sponsor until Michael and Swerdloff,LLC. has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified the Escrow Agent in accordance with such provisions. A form of application to the Attorney General for a determination on the disposition of downpayments appears as Exhibit A to the Purchase Agreement. Michael and Swerdloff, LLC, shall have the right to continue to hold the Down Payment deposit pending resolution of such dispute (judicial or otherwise) or pay the Down Payment deposit into court. Seller shall reimburse Michael and Swerdloff,LLC insofar as it is acting in its capacity as Escrow Agent for its reasonable cost and expenses, including attorney's fees and the fair value of legal services rendered by the Escrow Agent to itself incurred as a result of any dispute or litigation concerning the right to the Down Payment. Sponsor shall not seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. If this Agreement shall be canceled by Seller pursuant to the provisions of this Paragraph 8, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Michael and Swerdloff, LLC may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

10. **Agreement May Not be Assigned; Advertising**. Purchaser shall have no right to assign this Agreement without the prior consent in writing of Seller and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller. In the event Sponsor consents to the assignment of this Agreement, Purchaser shall pay Michael and Swerdloff,LLC the legal fee of Sponsor's attorneys for reviewing the assignment agreement. Such fee shall be approximately three hundred fifty ($350.00) dollars, plus disbursements. Prior to the closing of title to the Unit, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of such Unit for sale.

11. **Notices**. Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery to Purchaser at the address given above and to Seller at Michael and Swerdloff, LLC, 2226 Ocean Avenue, Brooklyn, New York 11229. or at such other address as either party may hereafter designate to the other in writing. All such notices and communications shall be deemed to have been received on the date of personal delivery or on the fifth day after mailing.

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

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

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

15. **Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel**. This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective and before eighty percent (80%) of the Residential Units have been purchased. Seller also reserves the right to abandon the Plan after it has been declared effective pursuant to other provisions of the Offering Plan as set forth in the section titled "Effective Date of Plan". Additionally, the Plan shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed by the Plan. If the Plan is abandoned or does not become effective this Purchase Agreement shall be deemed canceled, and the Plan terminated and Purchaser is to receive back, not later than twenty (20) days thereafter, in full, all monies paid by him hereunder, and upon such repayment no party shall have any claim against any other party, person or entity, and all parties shall be released from all obligations hereunder and under the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in Paragraph 2 hereof or in the Plan, for any reason other than Purchaser's default, then, at Purchaser's option, upon prior written notice sent by Purchaser to Seller within fifteen (15) days subsequent to the end of the scheduled closing date, after permitted adjournments, this Purchase Agreement shall be deemed canceled. If this Purchase Agreement is canceled pursuant to the provisions of this paragraph, then not later than twenty (20) days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder, with the interest earned thereon, if any. Upon such

repayment, neither party shall have any claim against the other and both shall be released from all obligations.

Seller may cancel this Purchase Agreement by forwarding its check in the full amount paid by the Purchaser, together with a notice in writing, addressed to the Purchaser at his address hereinabove set forth in the event of the occurrence of any of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions shall prevent the Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (b) that the Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God or if the installation of public utilities is restricted or curtailed.

16. **Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing.**

16.1. The required downpayment pursuant to this Agreement will be ten percent (10%) of the purchase price for the Unit set forth in the Plan, as amended, which Down Payment shall be increased by special custom work or materials, if any, offered by Seller and ordered by Purchaser as itemized in this Agreement.

16.2. The law firm of Michael and Swerdloff, LLC , with an address at 2226 Ocean Avenue, Brooklyn, New York 11229, telephone number 718 339-1400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Michael H. Michael and Leonard Swerdloff . All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

16.3. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

16.4. The Escrow Agent has established the escrow account at Chase Bank, located at 1507 Avenue M, Brooklyn, New York 11230, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled IOLA Michael and Swerdloff, LLC/The 2743 East26th Street Condominium ("Escrow Account") . The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of [$250,000] per deposit. Any deposit in excess of [$250,000] will not be insured, [unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions].

16.5. All Deposits received by Purchaser shall be in the form of [checks, money orders, wire transfers, or other instruments], and shall be made payable to or endorsed by the Purchaser to the order of IOLA Michael and Swerdloff, The 2743 East 26th Street Condominium, as Escrow Agent.

16.6. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently 0%. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

16.7. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall

provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

16.8. The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

16.9. All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

16.10. Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

16.11. The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in [Paragraph/Section] ____ upon closing of title to the [Unit/Shares/Membership Interests/Fractional Interest]; or

(b) in a subsequent writing signed by both Sponsor and Purchaser; or

(c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the [unit/building] is located and shall give written notice to both parties of such deposit.

The Sponsor shall not object to the release of the Deposit 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.

The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

16.12. Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

16.13. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.
16.14. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).
16.15. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Purchase Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

16.16. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.
16.17. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.
16.18. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

16.19. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

16.20. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.
16.21. In the event of an uncured default by Purchaser in his obligations under the Purchase Agreement, no more than ten percent (10%) of the purchase price plus any interest earned thereon, may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Seller for any custom work in the Unit ordered by Purchaser may also be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. No Down Payment or other monies shall be released pursuant to an uncured default by Purchaser prior to the First Unit Closing and/or the Consummation of the Plan.

16.22. The balance of the Total Purchase Price will not be payable until closing of title to the Unit.

16.23. Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days prior written notice of the closing date for his Unit, which notice will also remind him of his obligation to pay the balance of the purchase price at that time and will state when Common Charges will be due and payable.

17. **Equipment and Furnishings**. Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the purchase price of the Unit. Furnishings, equipment, appliances and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale unless specifically included by a rider to this Purchase Agreement. The cost of any such items will be added to the purchase price of the Unit.

18. **Acceptance of Condition of Unit; Risk of Loss**.

(i) Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit, including custom work, or the Building in which the Unit is located, or (b) other Units or (c) the landscaped areas and/or amenities of the Condominium or (d) other portions of the Common Elements of the Condominium have not been completed. Minor details referred to in (a) above shall include, but is not be limited to, any items which Purchaser may set forth or which are set forth on the Punchlist Inspection Statement, appearing in Part II of the Plan.

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

(iii) Purchaser represents to Seller that he has either examined the floor Plans for the Unit or the Unit and agrees that his execution of this Purchase Agreement shall constitute acceptance of the Unit and the Building and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property represented in the Plan or contained in the Unit, in their represented or present condition on the date of this Purchase Agreement, subject to reasonable use, wear, tear and natural deterioration between the date of this Purchase Agreement and the Closing Date and subject to any other obligations of Seller with regard thereto under the terms of the Plan.

(iv) The risk of loss from fire or other casualty with respect to the Unit shall remain with Seller until the closing of title for the Unit. In the case of a casualty to the Unit, Seller at its sole discretion, reserves the right to either repair or restore such Unit whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore the Unit and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit. Additionally, in the event that Purchaser, or one claiming by or through Purchaser enters into possession of the Unit prior to the closing of title, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit and Seller shall not be obligated to repair any damages to the Unit or its appliances, fixtures and equipment. Accordingly, Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any

loss, Purchaser will remain obligated to purchase the Unit under the terms of this Purchase Agreement, without any abatement in the purchase price. PURCHASER SHOULD CONSULT WITH AN ATTORNEY AND/OR INSURANCE AGENT AS TO HIS OR HER INSURANCE NEEDS.

19. **Possession of Unit Prior to Closing.** It is expressly understood and agreed that the Purchaser shall in no event take possession of the Unit prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this Purchase Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Seller, and if the Seller so elects, the Seller may cancel this Agreement and the amount deposited hereunder shall belong to the Seller as liquidated damages deemed earned hereunder. It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the property before, on or after the closing of title herein.

20. **Limitation of Seller's Liability.** The Seller's liability under this Purchase Agreement for failure to complete and/or deliver title for any reasons whatsoever shall be limited to the return of the money deposited hereunder (with interest, if any), and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding or otherwise incur any expense to render the title to the Unit marketable or to cure any objection to title.

21. **Definitions.** The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

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

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

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

25. **Brokerage.** Purchaser represents and warrants to Seller that Maximillion Realty, as broker, (is) (are) the only broker(s) or sales agents with whom Purchaser has dealt in connection with this transaction, hereinafter "Broker". Seller agrees to pay the commission earned by Broker pursuant to separate agreements between Seller and Broker. Purchaser agrees that should any claim be made against Seller or Broker, for commissions by any other broker or co-broker, other than the aforementioned Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Seller and Broker free and harmless from and against any and all liabilities and expenses in

connection therewith, including reasonable legal fees. The provisions of this paragraph 25 shall survive the closing of title.

26. **Governing Law.** This Purchase Agreement shall be governed by and construed in accordance with the law of the State of New York, not withstanding the principles of Conflicts of Law.

27. **Jury Waiver.** Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Purchase Agreement or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

28. **Acceptance by Seller.** Within twenty (20) days after delivery to Seller or its Agent by Purchaser of this Purchase Agreement, executed by Purchaser, together with the required Down Payment, Seller will either:

(a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof or

(b) reject this Agreement offer and refund the Down Payment tendered by Purchaser.

If Seller takes no action within said twenty (20) day period this Purchase Agreement shall be deemed null and void and Seller will return Purchaser's Down Payment within twenty (20) days.

Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

29. **Transfer Tax Returns.** At closing, Purchaser will duly complete and sign before a Notary Public the transfer tax return required to be filed with the City of New York and the appropriate New York State form (TP-584 or its successor) required to be filed with the New York County Register's office. This transfer tax return and TP-584 form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Seller's attorney) for filing with the proper governmental officer.

30. **Foreign Investment in Real Property Tax Act.** Pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA), upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real

property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the Seller furnishes a certificate that it is not a foreign entity or individual. Seller, a New York limited liability company, will furnish to Purchaser a non-foreign certification at closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

31. **Custom Work.** Purchaser acknowledges and agrees that all custom work ordered by Purchaser is to be performed by Sponsor's contractors. The cost of such custom work will be in addition to the total purchase price for the Unit and will be at the sole cost and expense of Purchaser. The initial downpayment for the purchase of the Unit will be increased by the total cost of the custom work. Although initially deposited in escrow, upon the rescission of a Purchase Agreement by Purchaser, the funds deposited for the extra custom work will not be refunded to the Purchaser to the extent such funds have already been disbursed or are required to pay for the custom work. Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Residential Unit shall, except as may otherwise be provided in this Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Agreement even if Purchaser has already paid for such work or items. Purchaser's only right in the event of Seller's failure to perform such extra work or supply and install such extra items is to receive a refund or credit at the time of Closing equal to the total payments made to Seller for such extra work or extra items. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

32. **Damage to Public Improvements, Amenities and Common Elements.** Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Element on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This paragraph shall survive delivery of the deed at Closing.

33. **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 either Seller's rights or Purchaser's obligations hereunder.

34. **Survival.** The closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Seller with each and every term of this Purchase Agreement, except as to any item specifically listed and excepted therefrom. All representations under the Plan, all obligations pursuant to the General Business Law,

and such additional obligations under the Plan which are to be performed subsequent to the Closing will survive delivery of the deed.

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

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

Dated: Brooklyn, New York

_____ L.S.

_____ Purchaser

_____ L.S.

_____ Purchaser

Accepted:
Seller:
2743 East 26th Street, LLC

ESCROW AGENT:
Michael and Swerdloff, LLC

By: _____

By: _____

Dated: _____, 201__

UNIT DEED

THIS INDENTURE made the day of , 201 , between 2743 E 26th Street,LLC, 101 Avenue U, Brooklyn, New York 11223, (hereinafter "Grantor"), and

, (hereinafter "Grantee");

W I T N E S S E T H

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

The Unit described in the attached Schedule A.

TOGETHER with any strips or gores adjoining the above described premises on any of the sides thereof;

TOGETHER with an undivided percent interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements");

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

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

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

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

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Buildings, or as a result of repair or restoration of the Buildings, or any adjoining Unit, or of the Common Elements, after damage, condemnation, or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by, or with the consent of, the Board of Managers so that any such encroachments may remain so long as the Buildings shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units.

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for THE 2743 East 26th Street CONDOMINIUM recorded in the Kings County Office of the Register of the City of New York on the day of , in CRFN#

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

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

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

The use for which the Unit is intended is that of a residence and/or professional office as permitted by the By-Laws and the Declaration.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Condominium Act shall control.

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

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

2743 E 26th Street, LLC

_____

BY:

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 201 , 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 same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____

NOTARY PUBLIC

POWER OF ATTORNEY

THE UNDERSIGNED, the Owner of Unit No. in the Condominium known as THE 2743 East 26th Street CONDOMINIUM, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration recorded the day of , 201 , in the Kings County Office of the Register at CRFN# in the floor plan of file as Map No. , do hereby nominate, constitute, and appoint persons who may from time to time constitute the Board of Managers of THE 2743 East 26th Street CONDOMINIUM jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate, or otherwise, on behalf of all Owners of Units whose Owner in said Property, in accordance with their Common Interests, any Unit whose Owner desired to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners in all other assets of the Condominium as defined in the aforementioned Declaration, or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do, if the undersigned were personally present. In more particular delineation of, but not in derogation or limitation of, the power set forth above, the Board of Managers, notwithstanding bankruptcy of any Unit Owner, specifically has the power to do any act or thing, and execute any document necessary to effectuate the purposes set forth in the Declaration referenced above including, but not limited to, Amendment of said Declaration, execution of the Deed conveying Condominium property, filing for a severance of tax lots, and any other document or thing reasonable or necessary to effectuate the aforementioned purposes.

The acts of majority of such persons shall constitute the acts of said attorneys-in-fact.
The Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this day of , 201 .

_____ _____

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 201 , 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 same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
NOTARY PUBLIC

ESCROW AGREEMENT

AGREEMENT made this day of , 20___, by and among ("PURCHASER"), 2743 East 26th Street, LLC ("SPONSOR"), as sponsor of the The 2743 East 26th Street Condominium offering plan ("Plan") and Michael and Swerdloff, LLC ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium ownership interests at the premises located at 1495 East 28th Street, Brooklyn, 11230, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-(h) and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT Shall establish an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of unit__ the Purchase Agreement at CHASE Bank located at 1507 Avenue M, Brooklyn, New York 11230, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled IOLA Michael and Swerdloff/The 2743 East 26th Street Condominium ("Escrow Account"). The account number is _____.

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Michael H. Michael and Leonard Swerdloff. All designated signatories are admitted to practice law in the State of New York.
All of the signatories on the Escrow Account have an address of 2226 Ocean Avenue, Brooklyn, New York 11229, and a telephone number of 718 339-1400.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

1.5 The Escrow Account is an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of IOLA Michael and Swerdloff/ The Sherwood Condominium, as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest];

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the

Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the [unit/building] is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

3.4 Sponsor shall not object to the release of the Deposit to:

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 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 New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352(e)(2-b) and 352(h).

5.3 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by PURCHASER, using such transmittal forms as required by ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

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

12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or

arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h)and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

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

ESCROW AGENT:

Michael and Swerdloff. LLC

By: _____

Name: _____
Title: _____

2743 East 26th Street, LLC

By: _____

Name: _____
Title: _____

PURCHASER

By: _____

Name: _____
Title: _____

ZProekt

1909 Avenue X
Brooklyn, N.Y. 11235
Phone : (718) 934-2322
Fax : (718) 934-0179

ARCHITECT'S REPORT

PREMISES KNOWN AS THE2743 EAST 26TH STREET CONDOMINIUM

2743 East 26th Street
Brooklyn, New York
Tax Block Number, 8786
Tax Lot Number to be F/K/A,99

Prepared By:

Igor Zaslavskiy R.A.
1909 Avenue X
Brooklyn, N.Y. 11235
718-934-2322
April 28, 2014



This "**Report**" describes the building known as The 2743 East 26th Street Condominium, located in the Sheepshead Bay Section of the Borough of Brooklyn, County of Kings, City and State of New York; and located in Tax Block 8786 and designated as Tax Lot to be F/K/A, 99.

(a) LOCATION AND USE OF PROPEWRTY

The site is located in an R4 Zone as designated on Map 29A of the 1961 Zoning Resolution (ZR). The proposed residential uses are subject to approval by the New York City, Board of Standards and Appeals.

Location and use of property

The proposed residential uses will be fully comply with all zoning and use requirements and regulations per New York City Zoning Resolution. The prosed residential apartment building is not developed under regulations of Quality Housing program.

1. 2743 East 26th Street

2. Block 8786, Lot 99

3. Property Developed as a Residential Building under regulations of Residential District R4

4. Commercial Units not permitted at this location. Commercial Units not proposed under this location

5. Zoning requirements:

ZR: 23-141(C)) USING SPECIAL OPTIONAL REGULATIONS (PREDOMINANTLY BLOCK = 1.35 ;
1.35 x 4999 S.F = 6749 S.F
PROPOSED RESIDENTIAL FLOOR AREA= 6521 < 6749 S.F. - OK

ZR(23-141)C LOT COVERAGE BUILDING: 55% =.55 x 4999 S.F = 2749 S.F
PROPOSED LOT COVERAGE: 32'x55'= 1760 S.F.< 2749 S.F

YARD REQUIREMENTS RESIDENTIAL:
(ZR.: 23-45)FRONT YARD MIN. REQUIRED = 18'-0"
PROPOSED FRONT YARD = 18'-0" - O.K.
(ZR.: 23-462)A. SIDE YARD: 2 REQ W/ EACH A MIN OF 8'-0"
PROVIDED SIDE YARDS = 8'-0" & 10'-0" - O.K.
REAR YARD: (ZR.: 23-47) MIN. REQUIRED =30'-0"
PROPOSED REAR YARD = 30'-0" - OK

BUILDING HEIGHT:
MAX PERIMETER WALL (Z.R. 23-631(b)): 25'-0", **PROVIDED PERIMETER WALL** 24'-3"
MAX RIDGE HEIGHT (Z.R. 23-631(b)): 35'-0", **PROVIDED RIDGE HEIGHT** 35'-0"

DENSITY
(Z.R. 23-22) REQ. MIN 900 SQ.FT PER 1 D.U.
MAX. PERMITTED FLOOR AREA = 6615
6615/900=7.35=7 UNITS, PROPOSED 6 UNITS < 7 ALLOWED UNITS OK.

OPEN SPACE
(Z.R. 23-141) MIN OPEN SPACE: 45% = .45x 4,999 sq.ft. = 2249 SQ.FT.
PROPOSED OPEN SPACE= LA-LC= 4999- 1760=3239 sq.ft. OK >2249 SQ.FT. OK.

PARKING
(Z.R. 25-23) REQ. PARKING FOR PREDOMENNATLY BUILT-UP AREA: 66% OF D.U.=
66% x 6 = 3.92=> 4 SPACES
PROPOSED 6 PARKING SPACES OK.

BICYCLE PARKING
(Z.R. 25-80) REQ. SPACES: 1 PER 2 DWELLING UNITS
6/2=3 SPACES
BICYCLE PARKING WAIVED AS PER Z.R. 25-811(a)

ZR 26-42 TWO PLANTING STRIP IS LOCATED AT THE FRONT LOT LINE.
(20'-7"x 5'-0" AND 14' - 6" x 5'-0")

ZR 23-451 PLANTING REQIREMENTS: FRONT STREET WALL 43'-5"
FOR STREET FRONTAGE 35-59FEET REQIRED 30% OF FRONT YARD SHALL BE PLANTED.
FRONT YARD AREA 50'x 18' = 900S.F. x 30%= 270 SF
PROVIDED PLANTING: 18'-0" x 15' -0"= 270 SF. OK

6. Permissible Use
   Residential Uses, Zoning Use Group 2, Proposed Use group 2

(b)STATUS OF CONSTRUCTION

The building will be constructed upon approval of Plans which have been filed with the Brooklyn Office of the New York City, Department of Buildings. The proposed building plans have been assigned Department of Buildings, application number N.B. 320 492631.

The proposed Class of Construction will be non-combustible Construction Class II A, as described under the 2008 Administrative Building Code.

The building will be issued a Final Certificate of Occupancy with in three month time frame when the work is completed to the satisfaction of the Department of Buildings.

Perspective Buyers will have closing based upon issuance of Final Certificate of Occupancy. If Closing with Temporary Certificate of occupancy," A temporary Certificate of Occupancy(TCO) indicates that the property is safe for occupancy but it has an expiration date. TCO Typically expires within 90 days after it issued. When TCO expires and is not reviewed, it may be difficult or impossible to buy insurance, or sell, or refinance the property. Buyers should consider the negotiating a closing based upon a Final Certificate of Occupancy, not a TCO. If the property has a TCO, consult with a New York State license professional engineer or registered architect to determine the outstanding issue, and speak with attorney regarding the TCO status.

(1) The Anticipated date of substantial completion is June 1st, 2014. There is no further development to be anticipated after building completion.

(2) The Proposed Construction Class of the Building classified under New York Building Code of 2008 as 2A, The proposed building with construction class 2A will have fire resistance rating of the building's elements as follow:
   Structural Frame, columns, girders 1(one)hour fire resistance.
   Bearing Exterior and Interior walls : 1(one) hour fire resistance.
   Floor Construction including supporting beams and joists: 1(one) hour fire resistance.

Roof Construction including supporting beams and joists: 1(one) hour fire resistance. Building proposed to be equipped with fire alarm system connected to new York city fire department monitoring system and wet fire suppression sprinkler system.

(3) The Issuance of Final Certificate of occupancy will be in accordance with all rules and regulations of the Zoning Regulations of NYC, Latest Building Code of 2008.

(c)SITE

BEGINNING at a point on the easterly side of East 26th Street, distant 333 feet 4 inches southerly from the corner formed by the intersection of the easterly side of East 26th Street with the southerly side of Voorhies Avenue;

RUNNING THENCE easterly at right angles to East 26th Street, and along land now or formerly of Herman B. Scharmann, 100 feet;

THENCE southerly parallel with East 26th Street, SO feet;

THENCE westerly at right angles to said street, 98 feet 8 inches; THENCE

southwesterly 2 feet 4 inches to a point on the easterly side of East 26th Street, 48.7/100 feet southerly from the point or place of beginning;

THENCE southerly along the easterly side of East 26th Street, 48.7/100 feet to the point or place of BEGINNING.

1. Size: The site has an area of approximately 4999 square feet.
2. There will be one building built on the site.
3. Site facing Public City Street maintain by the Department of transportation City of New York.
   - (i) Street Asphalt Paving in good condition.
   - (ii) Concrete Curb in good condition.
   - (iii) There is no any catch basin facing the site.
   - (iv) There is no lighting on the street at the site.
   - (v) There is 5 feet wide concrete sidewalk along the street at the property
4. Drives, Sidewalks & Ramps

The streets and waterway beyond the lot lines are New York City sidewalks, curbs, roadways and waterway East 26th Street is a sixty foot (60'-0") wide, one-way street. Voorhies Avenue is sixty foot (60'-0") wide, two- way street.

There are existing concrete sidewalk and curb, fronting the property. The existing sidewalk and curb fronting the property will be replaced, as is required for all new buildings, when construction is near completion. New sidewalk providing access to the building will be free of tripping hazards and ponding. All sidewalks, curb cuts, ramps/aprons will be compliant with ADA requirements. There will be no any sidewalk vaults.

The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of Department of Transportation or Authority Having Jurisdiction.

The existing roadways are asphalt paved. The existing roadway fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion.

Catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. They are located along East 26th street.

Street lighting is provided by the City of New York, and consists of vertical stanchions surmounted with mercury arc lamps.

The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the Authority Having Jurisdiction (AHJ)

(d)UTILITIES

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

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

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

Telephone/Internet cable service, will be provided by the Verizon company, and each unit will be billed directly.

There will be two telephone lines connected to fire alarm and one telephone line connected to the elevator, provided by Verizon, which will be common charged.

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

The **Storm** water runoff will also be carried to the existing N.Y. City Storm System.

Cost of Services of common areas will be assigned as a common charge to the condominium's members.

(e)SUB-SOIL CONDITIONS

1. Based on the boring data that has been prepared by NY state License professional engineer the sub-soil bearing capacity is adequate to support the proposed building.
2. Building located within FEMA flood zone.
3. There will be no sub-grade drainage system to be provided for the foundation of the building.
4. The foundation walls will be placed below (four feet) freezing line of the soil. The proposed 1'-0" wide reinforced foundation wall to be rest over 1'-2" (Height) x 2'-0"(Wide) spread footing, placed four feet below grade.
5. No unusual water conditions such as flooding, ponding, or wetness were observed in the area, and no water was apparent on the surface. Soil test borings has been performed by a N.Y. State licensed professional engineer that determined the bearing capacity of the soil. A soil test report has been prepared and submitted to the N.Y. City Department of Buildings, prior to approval of the building plans, as is required for all new buildings.
6. The results of the Boring Investigation report showed that the depth of the water table is 8'-0" below grade. The Proposed Building Design Does not contain any cellar or basement floor located below water table. The depth of the foundation proposed to be above water table therefore there is no any potential risk of infiltration trough the foundation.
7. The foundation of the building is located in 3b Granular soils (soil group GC, GM, SW, SP, SM, AND SC) the allowable bearing is 3 tons per SQ. FT. The soil is adequate to support the building.
8. There will be no Passive Radon-Resistant Mitigation system provided. There will be a layer of polyethylene gas and moisture protection membrane under the slab of the building.
9. A sub-grade drainage system is provided for the foundation of the building.

10. The proposed design of the building does not contain any space below water table therefore there is no any danger of flooding. As per prepared Soil Investigation report the referenced types of soil prevent any potential mudslide or erosion.

(f)LANDSCAPING AND ENCLOSURES

1. There will be five feet wide planting strip along the curb of the street.
2. There is one proposed new street tree to be planted in 5'X8' pit, cover with mulch, tree to be pit located in front of the lot. A new planting strip will be planted on both sides of the sidewalk. The planting strip that is on the side touching the lot will extend on to the front yard 18'-0". The grass grown will be as per client's selection.
3. The Parking Area and South Side Yard will be surrounded with Corrosion resistant Metal fence. There will be no any proposed garden walls retaining wall.

(g)BUILDING SIZE

1. The proposed building height will be 35'-0".
2. There will be cellar floor below grade.
3. Cellar floor will be occupied manly as a crawl space for house sanitary and storm trap. Basement/Ground floor will be occupied residential lobby, sprinkler utility room and two residential apartment.
   Second Floor- Residential apartments.
   Third Floor- Residential apartments
   Attic Floor-Residential apartments
   The Residential Entrance Foyer in the building will be at Grade level with a floor to ceiling height of approximately 8'-0". The lowest level in the building will be the cellar floor with a floor to ceiling height of approximately 7'-3". The first floor ceiling height will be approximately 8'-0". The second and third floor levels will each have a floor to ceiling height of approximately 8'-0". The attic level will have a floor to ceiling height ranging from 5'-0" to 8'-11".
4. Sprinkler Equipment room, electrical, and gas meter rooms will be located at basement/ground floor.
5. The proposed parapet wall above finished roof at the attic floor to be 4'-0"
6. The façade of the building is not to subject to Local Law 11/98.

(h)STRUCTURAL SYSTEM

The structural system for the building is classified mainly as a structural steel columns and bearing beams type. The first floor will use masonry, load-bearing walls, which will support the metal floor joists at the ends. All the floors above will metal framing with metal studs. This type of structure has exterior wall constructed of the non-combustible materials and assemblies as specified by the Building Department requirements of the City of New York. The foundations will consist of spread footings of reinforced concrete on earth, for support of the load-bearing walls. The interior floor at the cellar is a concrete slab on grade. The interior floor assembly at above floor levels is concrete sub-floor supported by metal frame and columns, which in turn will be supported by the masonry load- bearing foundation walls.

The proposed thickness of the structural floors assembly is twelve inches. The floor assembly covered with one layer of plywood. Metal I beams with a dropped corrugated metal deck with concrete and above plywood sheathing covered with a finished wood plank. The total sound transmission class of the floor/ceiling assembly is complied with BC1207.2.

The roof areas above the third level shall be a concrete slab; supported by cast structural metal columns and beams.

The construction class of the building shall be noncombustible Construction Class II A as per Table 601 of the N.Y. City Building Code.

The Foundation and concrete slab of the building located below the grade to be provided with moisture and waterproofing self-adhesive membrane "CARLISLE, CCWMiraDRI 860" incorporated under the concrete slab and outside of concrete foundation wall.

The foundations will consist of continuous footing of concrete on earth, for support of the metal columns and foundation walls. The foundation walls shall be of reinforced concrete. The non-bearing walls shall be of light gauge metal studs with exterior stucco rested on structural floor slab of the building. The proposed waterproofing for the foundation wall is bituminous based membrane applied from outside the foundation. Floor slabs waterproofing will be provided with aluminum flashing.

(1)EXTERIOR OF BUILDING

(i) The exterior walls shall be load bearing light gage metal studs constructed of 6SW16 galvanized metal studs @ 16" O.C. with two layers of 5/8" type 'x'

G.W.B on the interior side and one layer of 5/8" dense glass gold – 'Fireguard' type exterior sheathing or approved equal, with R21 butt insulation throughout cavity of the wall between studs with a brick veneer masonry finish on exterior (2-hour rated UL Design (U418). U value 0.064.

a. All Exterior Walls to be constructed with integrated minimum R13 Fiberglass insulation.

The water protection system is a substrate "DuPont Tyvek StuccoWrap" moisture and waterproofing material provided between exterior gypsum wallboards and wire lath.

The Exterior wall to be veneer with EIFS (Exterior Insulation Finishing System). EIFS will be attached to the outside face of exterior walls with an adhesive (cementitious or acrylic based) and mechanical fasteners. Adhesives will be used to attach EIFS to exterior gypsum board. The supporting wall surface should be continuous (not "open framing") and flat.

The cross-sectional composition of the stucco veneer consists of 3 layers:

- A layer Expanded Polystyrene. The thickness for EIFS insulation is 1"
- A reinforced layer that is applied onto the face of the insulation with a trowel, consisting of a fiberglass reinforcing mesh (or "mesh") embedded in a cement nous adhesive. The fiberglass mesh 10-12oz.
- A final topcoat, or finish, which is a colored, textured paint-like material that is applied with a trowel, will have rough "stucco-like" texture.

All Openings to be provided with metal flashing barriers at its' bottom. All parapet walls to be covered with aluminum metal coping provided for water dumping.

Each opening is to be provided with metal flashing barriers at its bottom. All parapet walls are to be covered with aluminum metal coping provided for water dumping.

The interior surfaces of the masonry walls and the spaces between the metal stud walls, at the exterior of the building, shall be finished with batt insulation with a minimum R value of 19 and gypsum wallboard.

The exterior wall composition shall have a maximum thermal performance value (U) of 0.064 to comply with Table 502.1.2 of the New York State Energy Conservation Construction Code.

(ii) <u>WINDOWS/ DOORS</u>

a. Windows are to be double-glazed in aluminum exterior clad frame with wood cladding on interior to be attached from structural light gauge steel frame, provided aluminum nonferrous exterior flashing. All Windows will be equipped with a child proof safety guard stopper that allows the window to be opened only 4". (The removal of such safety guard will create a serious danger to the occupants of the unit). All windows and doors to be aluminum slider windows and balcony doors made by "CRYSTAL WINDOWS AND DOODRS LTD", Heavy Duty Thermal-Break Aluminum Sliding Windows Series 5600, Aluminum Sliding Doors Series 1410", Aluminum Double Hang Series 5000". Window assembles meet requirements of the Energy Code City of NY. U factor 0.30. All Windows and Doors Will have Ten Years warranty for the parts and hardware provided by "CRYSTAL WINDOWS AND DOODRS LTD".

b. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot in compliance with Table 502.1.4.2 of the New York State Energy Conservation Construction Code. The manufacturer guarantees one year, parts and hardware and five years glazing. Special Risk: Windows are not provided with child safety window guard.

c. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot in compliance with Table 502.1.4.2 of the New York State Energy Conservation Construction Code. The manufacturer guarantees one year, parts and hardware and five years glazing. "The parts and hardware" as defined per manufacturer's warranty: "All extruded vinyl window and door sashes and main frames are warranted against cracking, peeling, flaking, blistering, or corroding during the original purchaser's ownership of the property in which installed. Fading or color changes due to normal aging or weathering are not covered by this warranty." "Glazing" as defined per manufacturer's warranty: "Factory installed insulated glass units are warranted against hermetic seal failures and stress cracks during the original purchaser's ownership of the property"

d. Special Risk: Windows are not provided with child safety window guard. Further considerations could be answered through the manufacturer's warranty. All definitions to be found in the warranty.

e. The Sponsor reserves the right to provide windows by a different manufacturer as long as they comply with all necessary codes.

f. Exterior sliding doors have heavy-duty adjustable tandem ball bearing rollers. All exterior doors have heavy duty latch and wood tone handles. All exterior doors will have coordinated side lighting adequate for a residential dwelling. All exterior entrances will use corrosion resistant metal railings and fasteners wherever applicable

g. There are no proposed Lot Line Windows for the proposed building.

(iii) Landmark Status.

Building is not designated as a Landmark Building.

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

AREAWAYS

There will be no areaways at the exterior of the building.

(2) PARAPETS AND COPING

There will be Metal Framed parapet wall four feet height over concrete flat roof slab located at attic floor level. The Parapet will be structurally tied to the concrete roof deck with metal non-corrosive anchors that provide structural integrity to the composition. Coping of the parapet will be of aluminum coping.

(3)CHIMNEYS,FLUES&CAPS

There will be a low temperature PVC schedule 40, 4" Chimney pipe that serves exhaust system of the heating and ventilation for the entire building. Chimney and protective cap for the pipe fittings; Manufacture : HARVEL PLASTIC,INC, Model: 60004040 conforms to ASTM D 1784, Type 1(Normal Impact), Grade 1.Exhaust shafts located through the roof level.
There will be no any fireplaces or wood burning fires with in the building.

(4) BALCONIES/OPEN TERRACES

There will be balconies located at the first and second floor levels of the building and roof terrace at the attic level. Balconies shall be limited common elements to the units to which they are adjacent to.

(i) Balconies shall be of concrete construction, with metal framing.

(ii) Balconies shall be pitched at a minimum slope of approximately 1/8" per foot from the exterior face of the building, provided perimeter edge drip groove at the exterior perimeter and roof drain.

(iii) Balconies facing to the street and the rear shall be protected at the perimeter with corrosion resistant metal Balustrade with metal Guard rails, with a minimum height of three feet, six inches (3'-6") above the finished balcony level. The spacing between vertical posts shall be approximately forty eight inches (48"), between vertical posts shall be installed metal ½" square spindles 4"o.c. full height if the guard rail required by the N.Y. City Building code. All balconies and open terraces have slip resistance surface made of ceramic tile, 12"x12", manufacture, color and grade of the tile reserved by the sponsor.

(iv) Metal railing composition will be attached to concrete with corrosion resistant steel anchors. Railing composition will be steel, primed and painted with corrosion resistant paint.

(v) There will be no soffits under balconies.

(vi) The Access Sliding Doors provide access to balconies and terraces. Doors to be aluminum clad sliding doors with self-flashing made by "CRYSTAL WINDOWS AND DOODRS LTD". There will be provided weatherproof caulking around doors.

(vii) All Coping Material for the Parapet Walls and Flushing shall be corrosion resistant sheet metal.

(a) All exterior metals, including fasteners shall be corrosion resistant.

(b) The horizontal railings without protection for ladder effect pose a serious safety risk for children therefore there is no proposed design with horizontal spindles between top horizontal rail and bottom horizontal rail.

(c) The drainage for attic floor will be provided with roof drains connected to storm sewer discharge.

(d) There will be vinyl soffit materials insulation for floor underside exposed to the elements.

(e) "Balconies must remain open as-built. If the owner wants to install an enclosed and the condominium by-laws would allow it, the enclosure must be built via the proper approvals and in strict compliance with the requirements of DOB or Local Authority Having Jurisdiction"

(5)EXTERIOR ENTRANCES

There will be one (1) exterior entrance to the building to the residential units located at the left side yard of the property. There will be one main entrance to the residential units, facing side yard at the ground/basement floor level, and will provide access to the foyer, and interior egress stairs. All entrances to the building shall be built free of tripping hazard. Exterior Entrances are complies with ADA requirements.

(i) Exterior Doors and frames will be aluminum frame construction with aluminum handles and corrosion resistance self-closing locks.

(ii) Vestibule Doors and frames will be aluminum frame construction with aluminum handles and corrosion resistance self-closing locks.

(iii) All exterior doors to be aluminum frame with thermal strut technology that thermally breaks conductivity of the aluminum frame to substantially reduce thermal transfer from exterior of door frame to interiors.

(iv) The exterior doors have double strength tempered glass panes with PPG Intercept insulated glass spacer.

(v) There is no exterior stair at the building.

(vi) U.S. Approved type mailboxes will be provided for the residential units at a central location at the first floor lobby area. Mailboxes Manufactured by "AUTH-FLORENCE CO", model# STD-4C made of non-ferrous aluminum, with Aluminum exterior Finish.

(vii) There will be Exterior Weatherproof Lighting fixture at the exterior entrance doors providing adequate lighting at the entrances to the building.

(6) SERVICE ENTRANCE

(i) There are no service entrances in the building.
(ii) There is no any gates for the building.

(7)ROOF AND ROOF STRUCTURES

(i) There will be a sloped roof located above the second floor of the building.

The sloped roof areas shall be finished with asphalt shingles, the flat portions of the roof will be finished with built up roof as manufactured by Firestone. The roof membrane is to be a typical 0.045" thickness. 10-yar NDL manufacturer's warranty shall be provided on rigid insulation. All exterior metals, including fasteners, shall be corrosion resistant.

Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed. Rigid insulation minimum R value of 19 (as per Table 402.2.1.1 of the 2010 Energy Conservation Construction Code of New York State) with min U factor of 0.030, shall be provided over the roof. The expected life span of the roof type is ten (10) years.

"Please be advised, the sponsor is not providing a NDL Manufacturer's warranty for new roof. This is a red flag, indicative that most likely, the roof membrane and appurtenance were not installed in accordance with the manufacturer's specifications. As such, premature deterioration, roof leaks, and replacement of the roof membrane are to be anticipated and budgeted for."

The Sponsor reserves the right to provide roof covering by a different manufacturer, which is equal to or better than listed above. Any roof covering such as roof pavers shall be professionally installed so as not to impede drainage nor void the roof manufacturer's warranty.

(ii) ROOF DRAINAGE

Roof areas, shall be pitched at a minimum slope of approximately 4" per foot. Roof areas shall be drained with aluminum 5" gutters to vertical aluminum leaders. Part of the run-off from the roof areas will be transported via the leaders and below grade horizontal drains, to the existing, storm sewer, located in the roadway beneath East 26th street. The rest of the run-off from the roof areas will be drained to two (2) underground drywells located towards the rear of the house.

(iii) SKYLIGHTS

There will be no any skylight in the building.

The is no proposed Bulk Head as an accessed to flat roof which would require skylight as a per requirements of Multiple Dwelling Law.

(iv) **METAL WORK AT ROOF LEVEL**

All exterior stair, guard railing, gooseneck, fasteners located at the roof level to be corrosion resistance materials.

(v) COMPRESSORS, CONDENSERS & FANS LOCATED at THE ROOF ABOVE DWELLING UNITS WILL HAVE TO BE MOUNTED ON VIBRATION ISOLATORS OVER THE CONRETE ROOF STRUCTURE.

(8) FIRE ESCAPES

There will be no any exterior fire escapes at the building.

(9) YARDS AND COURTS

The building will have a rear yard which will be occupied by the parking area. The Access to the parking at the rear yard shall be trough the concrete driveway located at the south southern side of the building.

(i) Paving to be poured concrete slab.

(ii) There are Three provided area drains to collect storm water.

(iii) There will be metal fencing around rear yard.

(iv) There will be provided exterior lighting at rear yard.

(v) There will be yards at the front, rear and to the west and east of the building. There are proposed areal drains for the site storm water runoff located at the rear and front yard of the building.

(vi) The yards are all paved with concrete except for where the grass strips are located in the front yard.

(vii) The area around the entrance will have exterior lighting.

(viii) All Fencing at the rear and sides of the property to be corrosion resistance materials.

(ix) There are no trees located on the lot.

(x) Front yard is to be 18' -0" and in compliance with ZR 23-45 where the minimum required yard is 18' -0". The side yards are to be 8' -0" and 8' -7" and in compliance with ZR 23-462(a) where the minimum required side yards are to be 8' -0" each. The

rear yard is to be 30' -0" and in compliance with ZR 23-47 where the minimum required rear yard is to be 30' -0".

(10)INTERIOR STAIRS

(i) One(1) Common interior stairs serves as a means of egress for the building.

(ii) Shall be steel construction with metal handrails, The handrails are to have 4" spacing between the balusters.

(iii) Common interior stairs shall be two (2) hour rated Stair enclosures shall be non-combustible and shall be of masonry or metal studs with gypsum wallboard finish. Stair enclosures shall be supported with metal framing.

(iv) The staircase will be constructed of 12"x 1 ½"F Metal stringers.

(v) Metal Risers to be welded to Metal stringers by 1 ¼"X1 ¼" steel angle.

(vi) Concrete Fill Tread to be attached to Metal pan stair case.

(vii) The 1 ½" diameter steel tube painted guard railing.

(11) INTERIOR DOORS AND FRAMES

(i) All interior doors; providing access to the units from the common stair hallways, to mechanical spaces, to roof and to gas and electrical meter rooms are to be fireproof self-closing metal doors with a minimum fire rating of 1 ½ hr. and with metal frames.

(ii) Doors within the units may be of wood or metal framing and do not have to be fire rated. Doors and frames within the units made of wood composite. All interior doors shall be of solid wood core with a flat panel exterior primed and painted white.

(iii) Exterior Doors at exterior openings to the building, may be glass or metal and do not have to be fire rated.

EXTERIOR STAIRS

There will be no stairs at the exterior of the building.

(i) AUXILIARY FACILITIES:

(1) Laundry Rooms

The residential units will be provided with hookups for domestic type washers and dryers. Laundry spaces shall be equipped with vented electric type washers and gas fired dryers.

The actual laundry equipment will be the responsibility of each unit's owner. Laundry equipment shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary.

(2) Refuse Disposal

Refuse disposal will be the responsibility of each unit's occupant. They will collect their own garbage and carry it to refuse storage areas located on in the rear yard near Parking Space 1. The garbage will be taken to the outside from the refuse area through side yard by a building unit's occupant twice a week, where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

ELEVATORS

There will be no elevators in the building.

(j)**PLUMBING AND DRAINAGE**

(1)Water Supply

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a minimum 2" water main conveying the water into the building. Each unit is to be supplied with cold water from a minimum ½" copper piping. Each unit will have its own hot water heating unit, located in a mechanical room at each floor level.

The building relies on normal New York City water pressure for raising the water to the penthouse floor level, so that no water tanks are required. The main shut-off valve, backflow preventer devices for the building will be located at the in the mechanical space water meter room at the basement floor. "Hot & Cold water piping shall be installed throughout the entire building." There will be provided ¼" insulation for hot and cold water piping.

(2)Fire Protection

Building will be equipped with a fire suppression sprinkler system throughout; in accordance with NFPA 101. The sprinklers system is to be distributed and supplied through the building via pipes and sprinkler heads. Sprinkler Head is to be concealed ceiling and wall mounted type manufactory approved. The Sprinkler system to be connected to City water main located underground with 4" tap connected to the sprinkler equipment located at the cellar floor in the sprinkler room.

(3)Water storage Tanks and Enclosures

The building relies on normal New York City water pressure for raising the water to the penthouse floor level, so that no water tanks are required.

(4)Water pressure and how maintained

The adequate water pressure for the apartment is to be 20-30ppsi. The top floor apartment water pressure is to be 30psi.

(5)SANITARY SEWAGE SYSTEM

The sanitary waste will be conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located in the cellar floor area towards the front of building, East 26th street . Beyond the house trap there will be an extra heavy cast iron pipe conveying the sewage to a 6" sanitary drain. The 6" sanitary drainpipe will be connected to the existing 12" sanitary sewer located in the roadway beneath East 26th street.

There is no proposed any ejector pump with in the building's sanitary sewer system, all sanitary sewer convey to the city sanitary sewer by gravity.

(6) Required Permits

DEPARTMET OF BUILDINGS
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DEPARTMENT OF TRANSPORTATION
DEPARTMENT OF PARKS

(7) STORM SEWAGE SYSTEM

The storm waste will be conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located in the cellar floor area towards the front of building, East 26th street. The 6" storm drainpipe will be connected to the storm sewer detention tank located under the driveway, which will then be connected through a 6" storm drainpipe with the existing 12" storm sewer located in the roadway beneath East 26th street.

There is no proposed any sump pump with in the building's storm sewer system, all storm drainage distributes partially into city sewer and partially into drywells located underground at the rear yard . Storm Water convey to the city storm sewer and drywells by gravity.

(K)HEATING/ COOLING,AIRCONDITIONING

Heating/Cooling for each residential unit located at first, second and attic floors shall be provided by a split heat-pump indoor unit, located at each apartment individually for each room. Heat will be distributed to the spaces in the units via, air conditioner/heat pump unit. There will be one such unit in each habitable room, providing adequate space heating to satisfy the minimum requirements of the N.Y. City Building Code. The wall mounted Heating/Cooling units shall be located at the upper part of wall in each room, at each floor level and shall be Multi-Split VRV heat pump, Model # CTXS09, FTXS18DVJU (indoor units),with a rated capacity of approximately 9,000 B.T.U. to 18,000 B.T.U. per HR. Outdoor Heat pump compressor to be located at the rear balconies at each floor, outside back terraces, and roof level, Model#4MXS32GVJU, RXS18DVJU (Outdoor units).The Units Provided to have **Seasonal Energy Efficiency Ratio (SEER)** 17.6. Heating/Cooling for each residential unit at basement and cellar floor shall be central air conditioner. Heat will be distributed to the spaces in the units via, air conditioner/heat ducts. The manufacturer's warranty on the water heater is valid for a year.

The Sponsor reserves the right to provide furnaces by different manufacturers as long as they comply with all necessary codes.

Owners to be responsible for cost of maintenance and replacement of the space heating/cooling A/C equipment.

(l)DOMESTIC HOT WATER

Domestic hot water shall be provided for each residential unit by separate, gas fired domestic hot water heaters located at each floor level.

The proposed instant or on demand hot water heaters for the units shall be Model # **NR 180**, as manufactured by **Navien**, with a N.Y. City approval number **(M.E.A. # 160-08-E),** each with an input rating of approximately 150,000 B.T.U. per hour and an efficiency rating of eighty (96 %) percent, which should be adequate to provide hot water for each unit.

All Operation and Maintenance manuals for mechanical equipment to be provided to the condominium management.

Most recent balancing report shall be provided to the condominium management for the Heating System at the initial startup of the system.

The Sponsor reserves the right to provide hot water heaters by different manufacturers as long as they comply with all necessary codes.

Owners to be responsible for cost of maintenance and replacement of the domestic hot water heating equipment.

(M)GAS SUPPLY

Gas service will be provided by National Grid. The gas will be used for domestic cooking, hot water heating, HVAC furnace and clothing drying. All piping shall be of black iron. Each Unit supplied with ¾" minimum diameter gas pipe.

(N)VENTILATION

The spaces that require mechanical ventilation in the units are the interior bathrooms and kitchenettes. These spaces shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 75 cfm, for bathroom and toilet room areas and 150 cfm for the kitchenette areas as required by the New York City Building Code. Exhaust equipment shall be New York City M.E.A. or B.S.A. approved.

The Proposed Fan for exhaust ventilation of bathroom and toilet shall be:

Manufacture: **Panasonic, WhisperCeiling**, Model: **FV-08VKM3**

The Proposed Fan for exhaust ventilation at the kitchenette areas shall be:

Manufacture: **Panasonic, WhisperCeiling**, Model: **FV-15VQ5**

The Sponsor reserves the right to provide exhaust ventilation by different manufacturers as long as they comply with all necessary codes.

(O)ELECTRICAL SYSTEM

The electrical service to the building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to the building, shall be 1200 Amps, 208/230 Volt triple phase service.

The electrical service to be provided to each residential unit shall be 100 Amps. The main feed will bring the service to a minimum of six (6) separate meters, one (1) each for service to the individual units, one (1) for the common areas in the building. There will be a minimum of six (6) main panels in the building, one (1) for each unit, and one (1) for the common spaces. There will be approximately eight (8) circuits equipped with circuit breakers for each unit; which will separate, air conditioning equipment, dishwashers, kitchen appliances, lights and outlets etc. All AFCI & GFCI shall be provided at all kitchens and bathrooms and complied with the latest New York City Electrical Code. All exterior receptacles will be water-resistant and complied with the latest New York City Electrical Code. There will be provided three-way switches at the staircase for the cellar floor. There are no proposed children play area at the building.
There will be provided in each unit circuits equipped with Arc Fault Circuit Interrupters(AFCI) and Ground Fault Circuit Interrupters(GFCI.

The service will be adequate for the usage of modern equipment and appliances.

COMMON AREAS/RECREATION FACILITIES

The main common areas in the condominium will be the interior stairs and hallways approximate 519 square feet.

(P)INTERCOM

The building will be equipped with an intercom system at the main residential entrance, connected to panels within each residential unit, which will permit voice contact between the residential units and the entrance lobby at the first floor level. An electric door release in the first floor entry door, activated by the unit occupant, will release the door for entrance into the building.

The intercom system shall be model number LAF 3, as manufactured by Airphone.
The Sponsor reserves the right to provide equipment, which is equal to or better than specified above.

(Q)PUBLIC AREA LIGHTING

Lighting fixtures shall be provided at each entrance providing an aggregate illumination of twenty (20) watts compact fluorescent or its equivalent.

Make: **Lithonia Lighting,** Model: **OFTR 200Q 120 LP BZ M12**

There shall also be lighting provided at the parking areas. Lighting fixtures in the parking areas shall be approximately ten to twenty feet apart and each fixture shall provide at least twenty (20) watts compact fluorescent.

Make: **Lithonia Lighting,** Model: **OFTR 200Q 120 LP BZ M12**

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

(R)PARKING AREAS

The parking area shall be located on ground at the side, rear, and front of the building. The parking area shall be constructed of poured concrete. There will be eight (6) open parking spaces located at the rear, side, and front of the building. There will be provided waterproof spray paint 6" wide stripping over the concrete surface that will indicate each parking space. Each Parking Space will be assigned with number, assigned numbers shall be painted with waterproof spray paint over concrete parking surface. Lighting fixtures for the parking areas shall be approximately ten to twenty feet apart and each fixture shall provide at least twenty (20) watts compact fluorescent for adequate light. The provided Curb Cut, Sidewalk adjacent to the building, and any access passages/ramps will be ADA compliant.

There will be 3 drains located in the parking area directing running water into a storm detention tank.

(S)SWINING POOLS

There will not swimming pool in the building.

(t) Tennis courts, playground and recreation facilities.

There will be no tennis court, playground at the building. There will be proposed open recreation space at the roof level.

(u) Permits and

DEPARTMET OF BUILDINGS:

New Building Permit #320492631, issued 05/15/13

Builders pavement plan:#320585103, issued 01/03/13

DEPARTMENT OF ENVIRONMENTAL PROTECTION: sck-373-12SB
DEPARTMENT OF TRANSPORTATION: BNP 12-273
DEPARTMENT OF PARKS: 9886 (tree permit).

(v)VIOLATIONS AND PERMITS

There are currently two open violations for the property. Prior Final Issuance of certificate of occupancy all related violations to be resolved and removed. All required permits and signoffs, including a Certificate of Occupancy, are to be obtained by the Sponsor.

TENANT PROTECTION PLAN

The building will not be occupied prior to obtaining the Final Certificate of Occupancy.

CORROSIVE MATERIALS

No proposed Corrosive Drywall Materials are specified to be incorporated in the building.

(w) UNITS INFORMATION

The condominium will have a total of six (6) residential units.

There will be two (2) residential units located at the basement floor level, two (2) residential units located at first floor, and be two (2) residential duplex unit located on the second and attic floor levels.

Unit 101 will consist of:
On the basement floor: One (1) bedrooms, One (1) bathroom, (1) living/dining room, (1) kitchen, and will be Handicap Accessible;

Units 102 will consist of:
On the basement floor: One (1) bedrooms, One (1) bathrooms, (1) living/dining room, (1) kitchen, One (1) Dining room, and will be Handicap Accessible;

Units 201 will consist of:
On the basement floor: One (1) bedrooms, One (1) bathroom, (1) living/dining room, (1) kitchen
Units 202 will consist of:
On the basement floor: One (1) bedrooms, One (1) bathrooms, (1) living/dining room, (1) kitchen, One (1) Dining room

Units 301 will consist of:
On the second floor: One (1) bedrooms, One (1) bathroom, one (1) kitchen, and (1) living/dining room;
On the attic floor: Two (2) bedroom, and one (1) bathroom;

Units 302 will consist of:
On the second floor: One (1) bedroom, One (1) bathroom, one (1) kitchen, (1) living/dining room, and One (1) Dining room;
On the attic floor: One (1) bedroom, and one (1) bathroom;

The approximate, net square footages for each unit are as follows:

Unit 101	Basement Floor	=540.00 square feet
Unit 102	Basement Floor	=1003.00 square feet
Unit 201	First Floor	= 667.00 square feet
Unit 202	First Floor	=1005.00 square feet
Unit 301	Second Floor/ Attic Floor	= 705.00 + 625.00 square feet
Unit 302	Second Floor/ Attic Floor	= 964.00 + 409.00 square feet
Unit PS 1	Ground Floor	= 162.00 square feet
Unit PS 2	Ground Floor	= 162.00 square feet
Unit PS 3	Ground Floor	= 162.00 square feet
Unit PS 4	Ground Floor	= 162.00 square feet
Unit PS 5	Ground Floor	= 162.00 square feet
Unit PS 6	Ground Floor	= 162.00 square feet

UNIT INTERIORS

The residential units will be finished as described herein.

The finished floor of the living, dining, kitchen and bedroom areas of the residential units shall be a hardwood (White Oak, size 2 1/4 "x3' plank) finish. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

The walls and ceilings shall be gypsum wallboard. When finished the walls and ceilings shall be primed and painted White off color, by Benjamin More, II grade. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, mirrors, etc. of their own choice.

Kitchens will have ceramic tile covering the floors, and gypsum wallboard walls and ceilings.

Full bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Residential Unit PH1 will have a shower in the Master Bedroom. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 20 watts of compact fluorescent illumination. Lighting fixtures and electrical outlets shall be installed by a licensed electrician, and in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

The front, rear, and side exterior walls shall be of shall be of brick veneered . The interior surfaces of walls and ceiling shall be unfinished. The unit's owner will be responsible for finishing with materials of their own choice. Finishes shall be in compliance with the New York City Building Code.

FINISHES

When completed, the following interior finishes will be installed.

Location	Floors	Base	Walls	Ceilings
Living/Dining Room	Hardwood Wood	G.W.B. Painted	G.W.B. Painted	G.W.B. Painted
Bedroom	Hardwood	Wood	G.W.B. Painted	G.W.B. Painted
Kitchen	Hardwood	Wood	G.W.B. Painted	G.W.B. Painted
Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
Laundry/Mech. Cl.	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
Common Areas	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
Commercial Space	Concrete	Masonry	Masonry/Glass.	Exposed
Parking	Concrete	Masonry	Masonry	Exposed

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

All appliances not specified within this report are to be supplied by the unit occupant.

FIXTURE SCHEDULE

A. Water Closets: shall be manufactured by TOTO Aquia II Dual Flush Toilet model:CST416M

B. Countertop lavatory: shall be manufactured by TOTO model: LT181 contemporary, with Delta faucet model: 753LF.

C. Bathtubs: shall be manufactured by MAAX model: Avenue – 102576, with flow outlet and Delta showerhead and trim model; 174939-SS-I.

D. Showers: shall be as manufactured by MAAX model: 36" Beaufort - 105526with showerhead and trim by Delta, model: liv477.

The Sponsor reserves the right to provide fixtures by different manufacturers as long as they comply with all necessary codes.

KITCHEN EQUIPMENT

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

1. Formica or wood laminate, wall and base cabinets and Formica or wood laminate countertops.Stainless steel sinks by Empire Industries Model S1 21inches by 23 inches and 9 inches deep, with faucet by Delta model: 9959T-DST
2. Frigidaire Gallery Series DGGF3042KF Free Standing Gas Range
3. Frigidaire Gallery Series FGHC2342LF – Refrigerator
4. Frigidaire FBD2400KS Dishwasher
5. Frigidaire FFMV164LS over the range Microwave

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

The sponsor reserves the right to provide fixtures by different manufacturers as long as they comply with all necessary codes.

HANDICAPPED ACCESS

This building provides access for the handicapped in that the first floor level is directly accessible from ground to first level. The elevators will be accessible from the first floor level. The elevator will provide access to all the levels of the building.

Doors and accessible paths within units, shall comply with N.Y. City Local Law 58/87 and A.N.S.I., A117.1-1986.

TENANT PROTECTION PLAN

Building will not be occupied by unit owners prior Department of Building's issuance of final Certificate of Occupancy.

SPECIAL RISK

Languages on warranties in this condominium offering plan must be in accordance of Section 777-a(New York Housing Merchant Implied Warranty(and Section 777-b(New York Exclusion or Modification of Warranties) on sale of new home of The New York General Business Law.

Any exclusions or modifications of warranties that does not meet or exceed a relevant specific standard of the applicable building code or in the absence of such standard, a locally accepted building practice, shall be void as contrary to public policy. In addition, any exclusion or modification of warranties that fails to ensure that a home is habitable by permitting conditions to exist which render the home unsafe, shall be considered void as well.

The sponsor ma rent any off-street parking spaces accessory to the residential units to non-residents of the building, for periods of not less than a one week and not more than one month. All off-street parking spaces accessory to the residential units shall be made available to residence within 30 days after written request made to the sponsor, by such residents.

DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGMENT

Operation& Maintenance manuals for mechanical equipment, Electronic system manual, Re-commissioning manual, Equipment warranties, Roof Warranty, Major Equipment Start-up sheets, Control System As-built, Original Test& Balance Report for HVAC System, In-Door Air Quality report, Final as-built drawings as maintained during construction, structural, mechanical, electrical, plumbing, shop drawings.

GENERAL COMENTS

CORROSIVE MATERIALS

No Chinese drywall or other corrosive drywall materials are to be incorporated in the building's construction.

COMMISSIONING AGENT

There will be no commissioning agent designated to the building.



SCHEDULE A TO THE DECLARATION OF THE 2743 EAST 26th STREET CONDOMINIUM

2743 East 26th Street
Brooklyn, New York

Tax Block Number 8786
Tax Lot to be F/K/A, 99

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

BEGINNING at a point on the easterly side of East 26th Street, distant 333 feet 4 inches southerly from the corner formed by the intersection of the easterly side of East 26th Street with the southerly side of Voorhies Avenue;

RUNNING THENCE easterly at right angles to East 26th Street, and along land now or formerly of Herman B. Scharmann, 100 feet;

THENCE southerly parallel with East 26th Street, SO feet;

THENCE westerly at right angles to said street, 98 feet 8 inches; THENCE southwesterly 2 feet 4 inches to a point on the easterly side of East 26th Street, 48.7/100 feet southerly from the point or place of beginning;

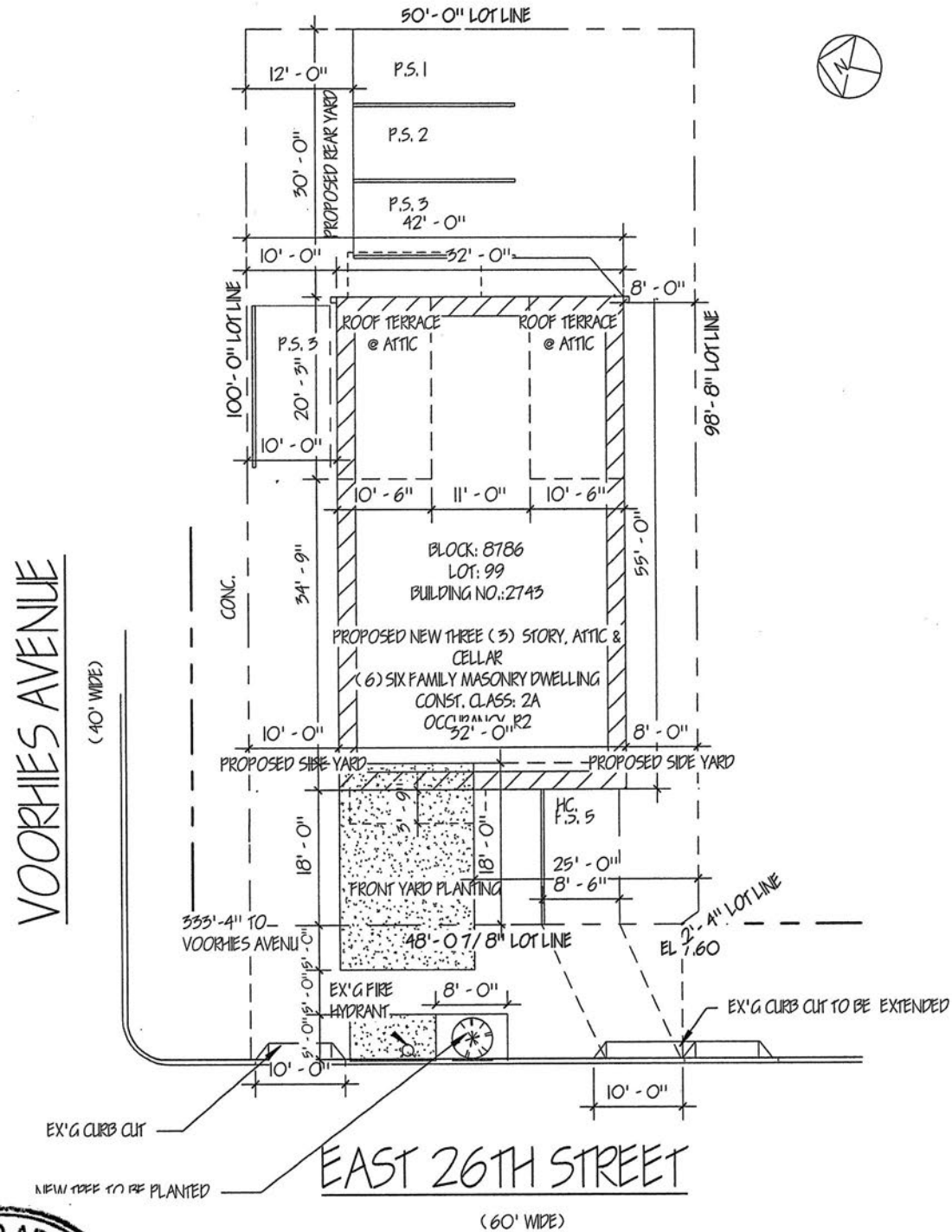
THENCE southerly along the easterly side of East 26th Street, 48.7/100 feet to the point or place of BEGINNING.

SCHEDULE B TO THE DECLARATION OF THE 2743 EAST 26th STREET CONDOMINIUM

2743 East 26th Street
Brooklyn, New York

Tax Block Number 8786
Tax Lot to be F/K/A, 99

UNIT	TAX LOT	PERCENTAGE OF COMMON INTEREST	LOCATION	SQ.FT.	ROOMS/BATHS/BEDROOMS	LIMITED COMMON AREAS: SQ.FT.
101	1101	7.84%	Basement	540	2/1/1	
102	1102	14.56%	Basement	1003	3/2/2	
201	1103	9.68%	First Floor	667	2/1/1	52.5 SF
202	1104	14.59%	First Floor	1005	3/2/2	75 SF
301	1105	19.30%	Second/Attic	1330	4/2/3	52.5 SF+ 200 SF
302	1106	19.93%	Second/Attic	1373	4/2/3	75 SF+ 200 SF
PS1	1107	2.35%	Ground Floor	162		
PS2	1108	2.35%	Ground Floor	162		
PS3	1109	2.35%	Ground Floor	162		
PS4	1110	2.35%	Ground Floor	162		
PS5	1111	2.35%	Ground Floor	162		
PS6	1112	2.35%	Ground Floor	162		



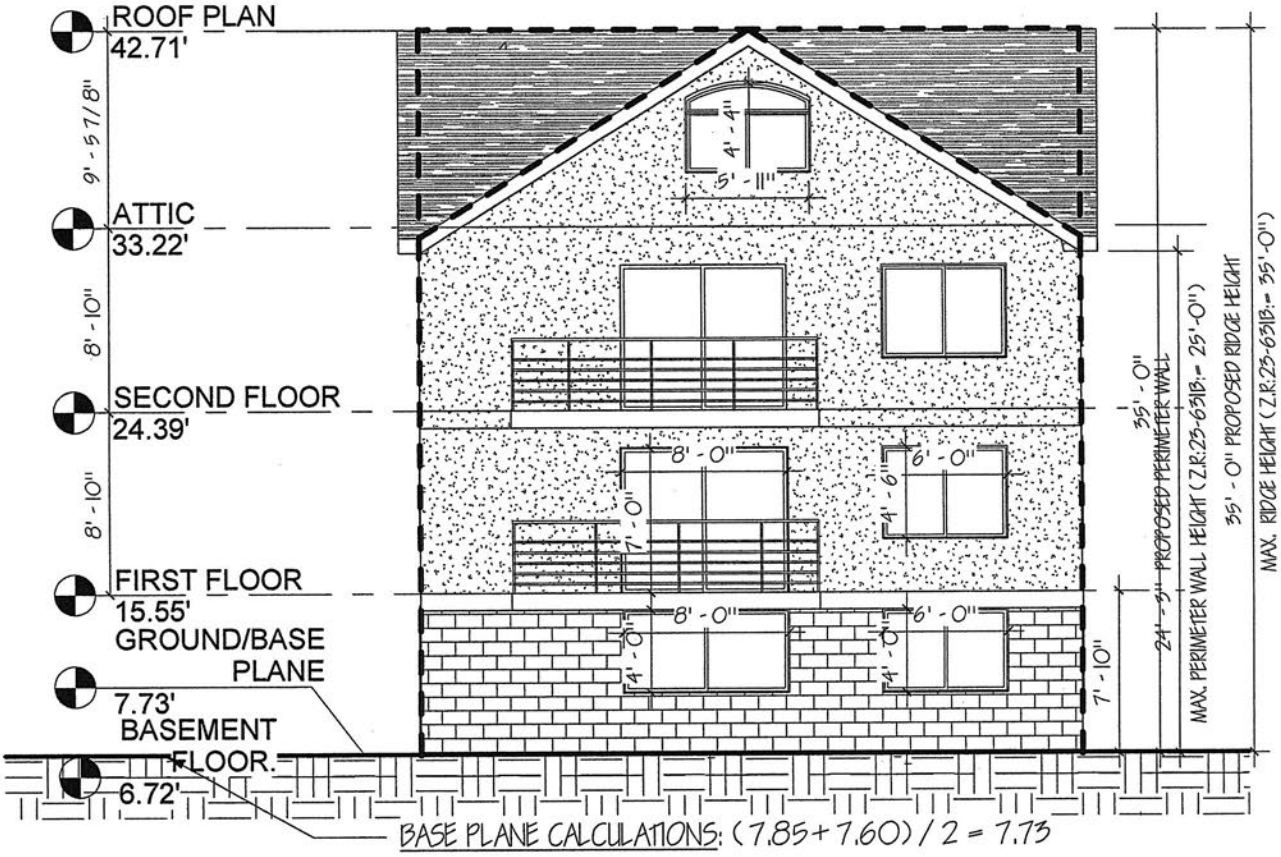
1 condo PLOT PLAN
1/16" = 1'-0"

REGISTERED ARCHITECT
IGOR ZASLAVSKIY
030655
STATE OF NEW YORK

ALL SPECIFIED AREAS AND DIMENSIONS SHOWEN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION TOLERANCE AND VARIENCES. ALL DIMENSIONS ARE MAXIMUM OVERALL: SPONCOR RESERVES RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLANS

ZPROEKT
ARCHITECTURE PLANNING CONSULTING
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TEL. 718.934.2322
FAX. 718.934.0179

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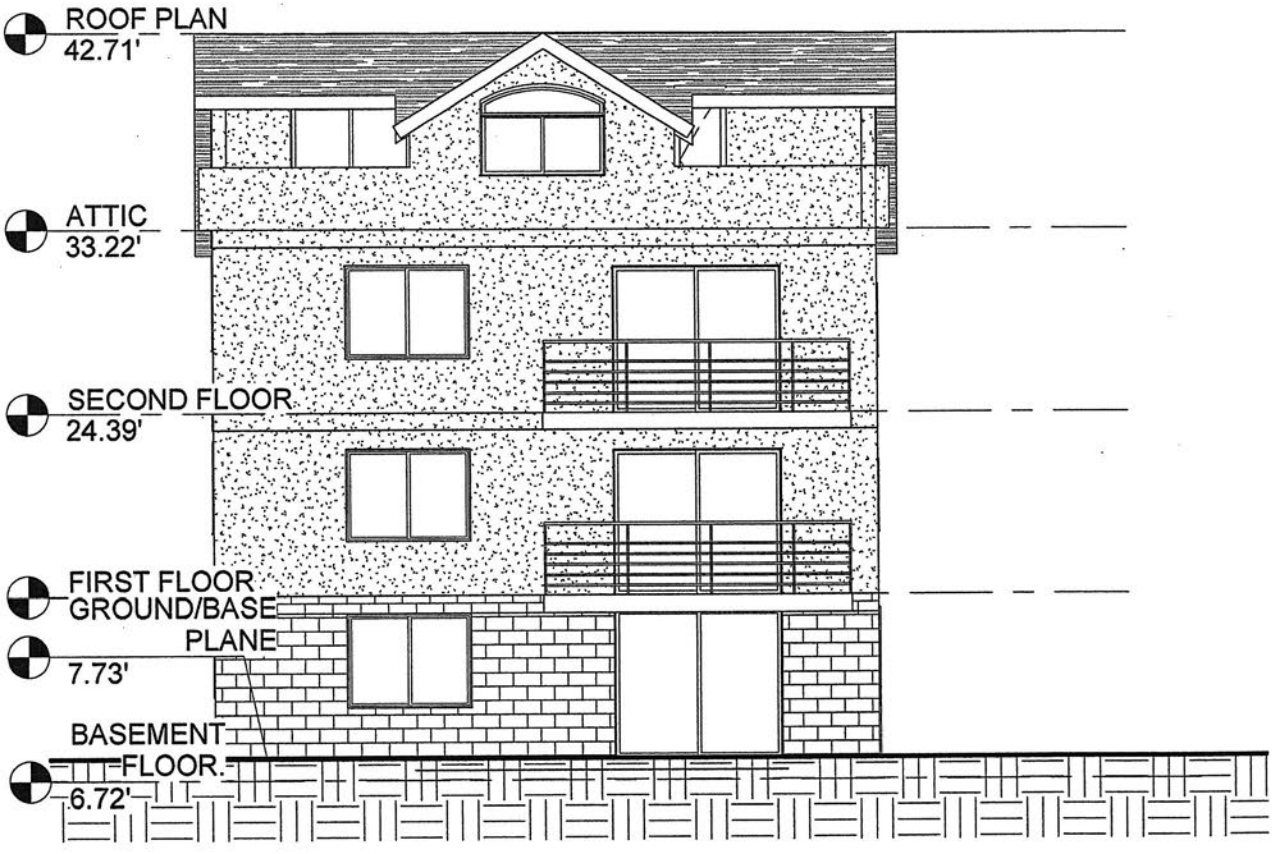
1 c. FRONT ELEVATION
1/8" = 1'-0"

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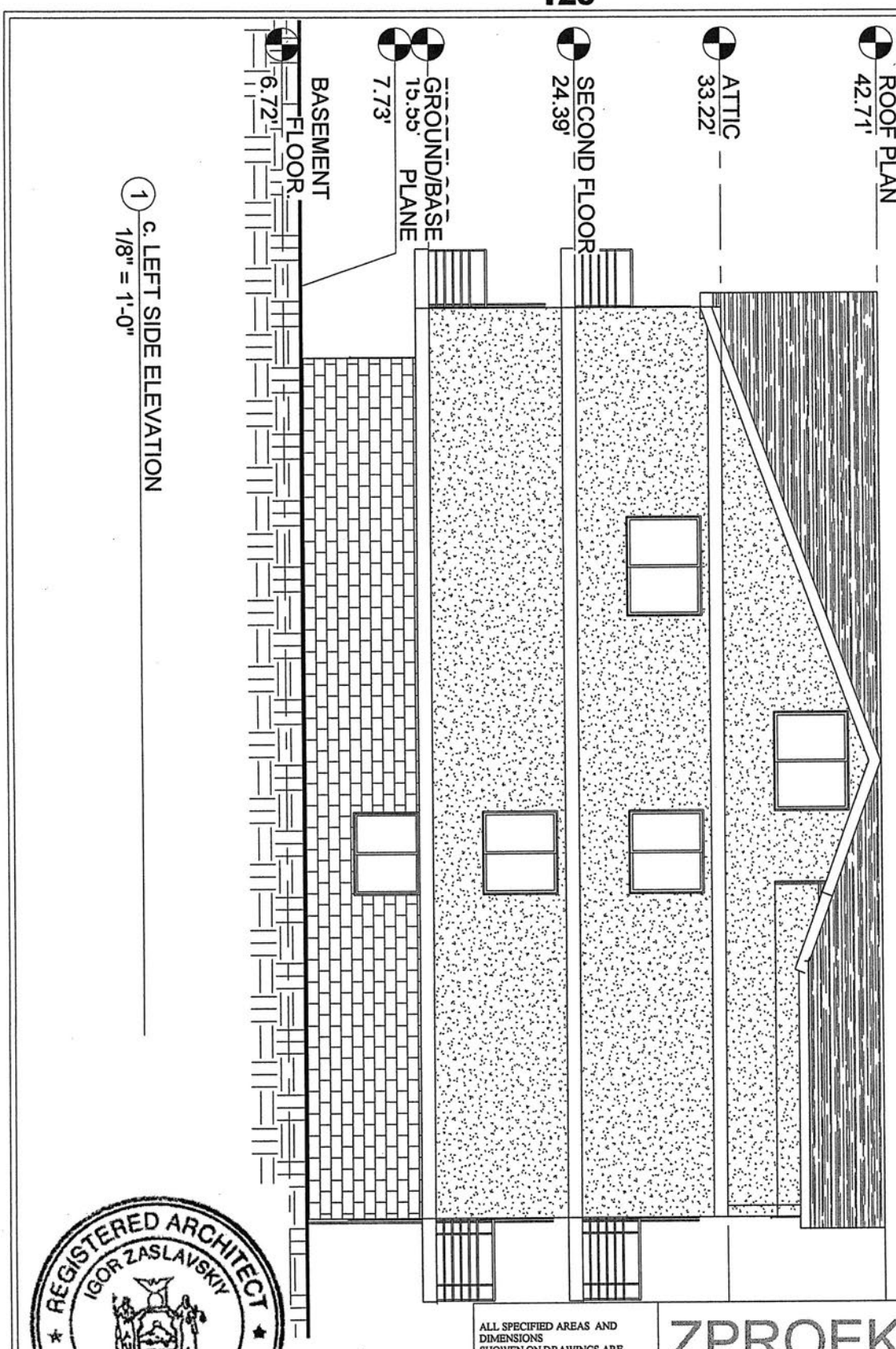
1 c. REAR ELEVATION
1/8" = 1'-0"

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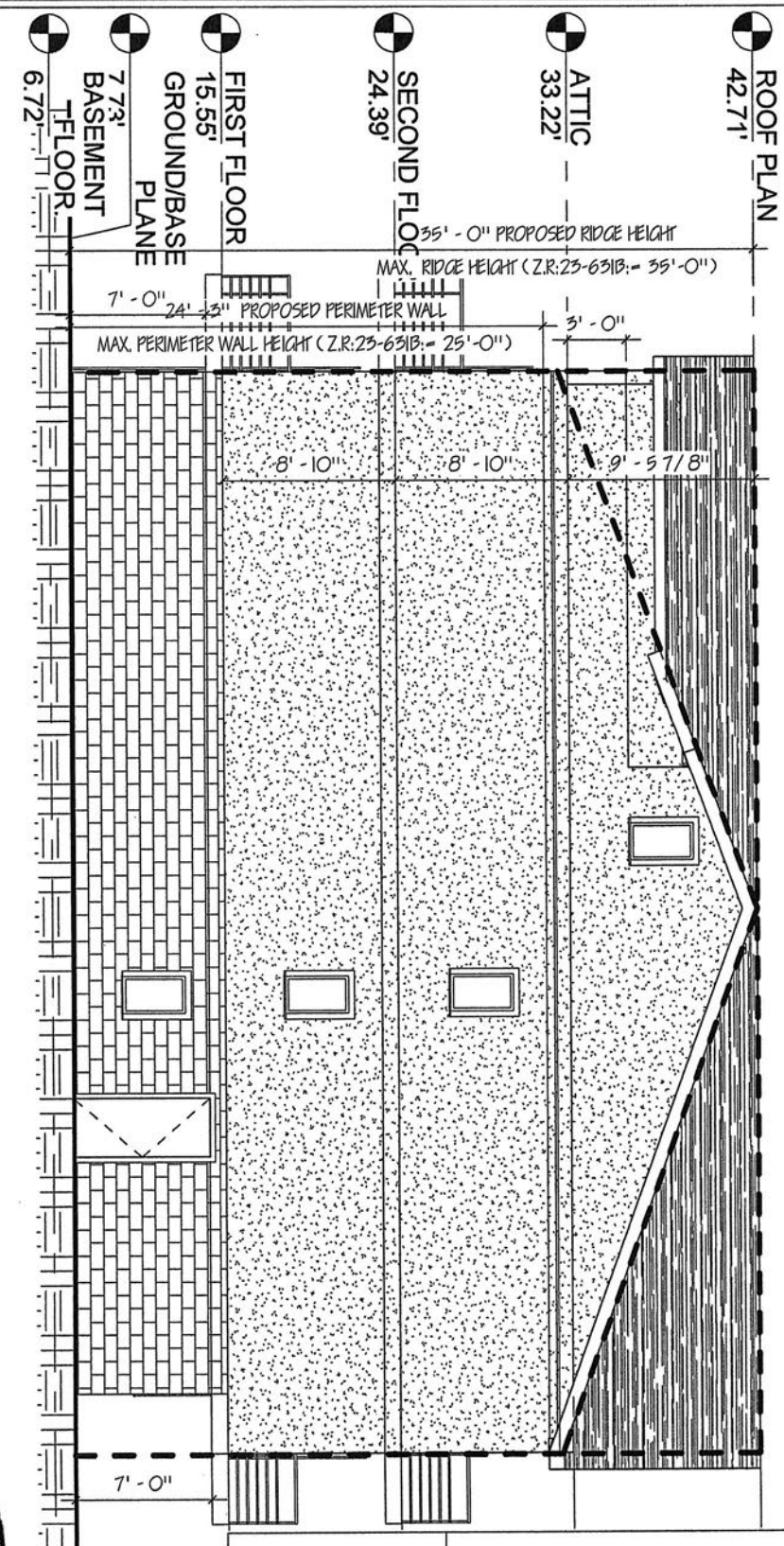
1 c. LEFT SIDE ELEVATION
1/8" = 1'-0"

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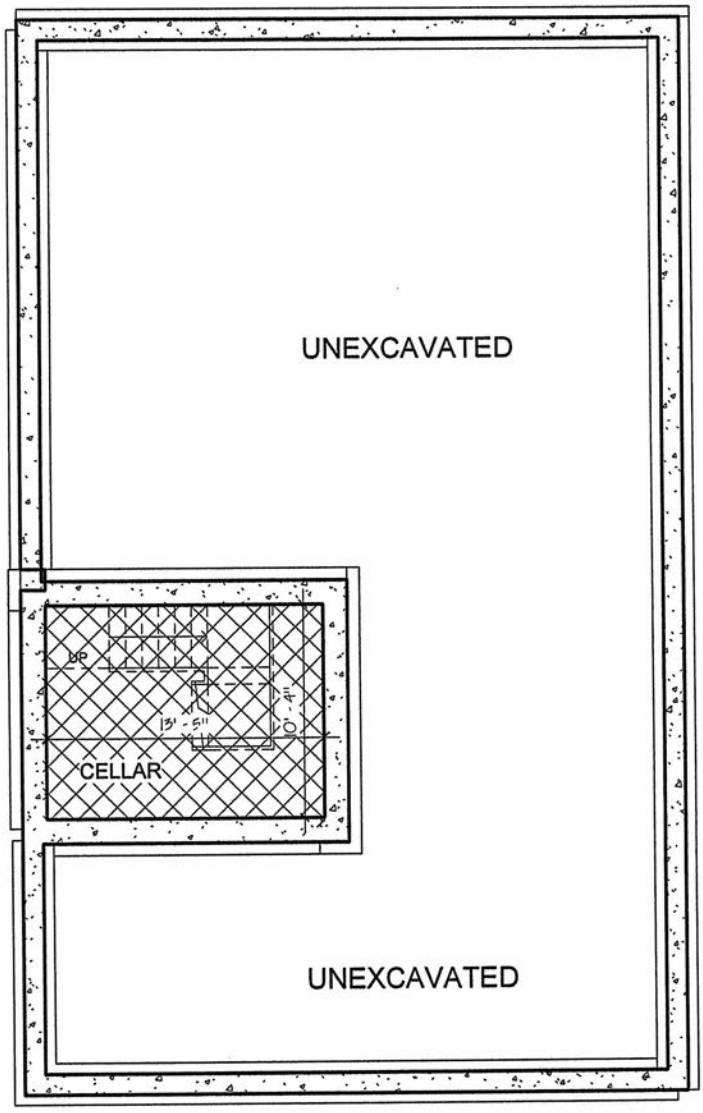
1 c. RIGHT SIDE ELEVATION.
1/8" = 1'-0"

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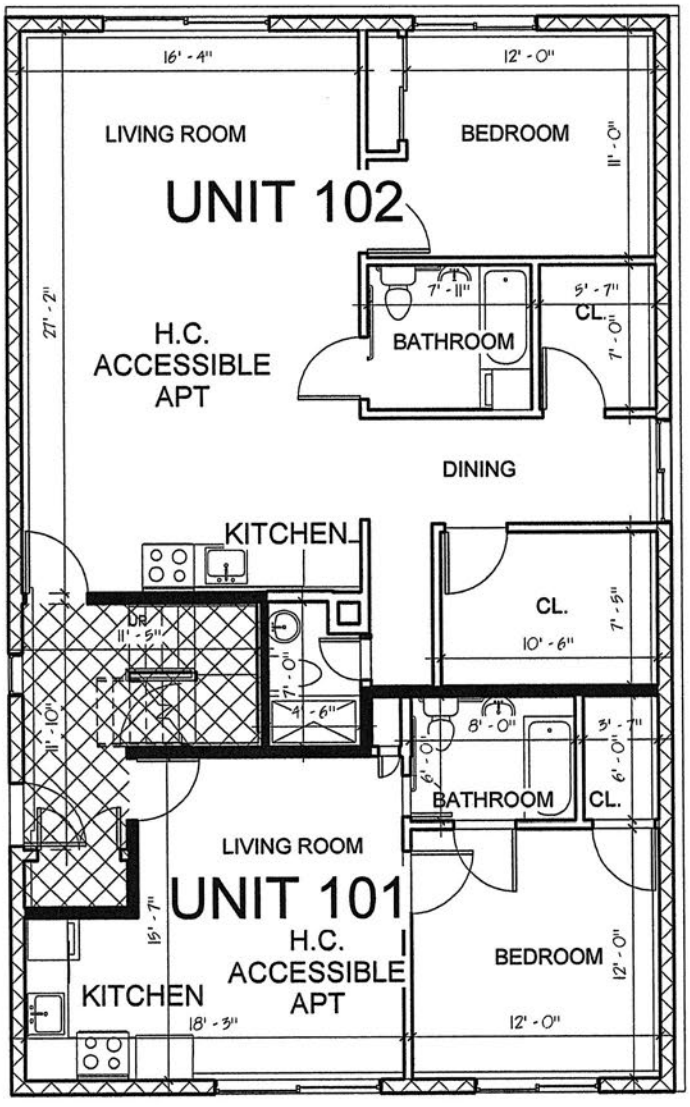
1 c. CELLAR FLOOR PLAN
1/8" = 1'-0"

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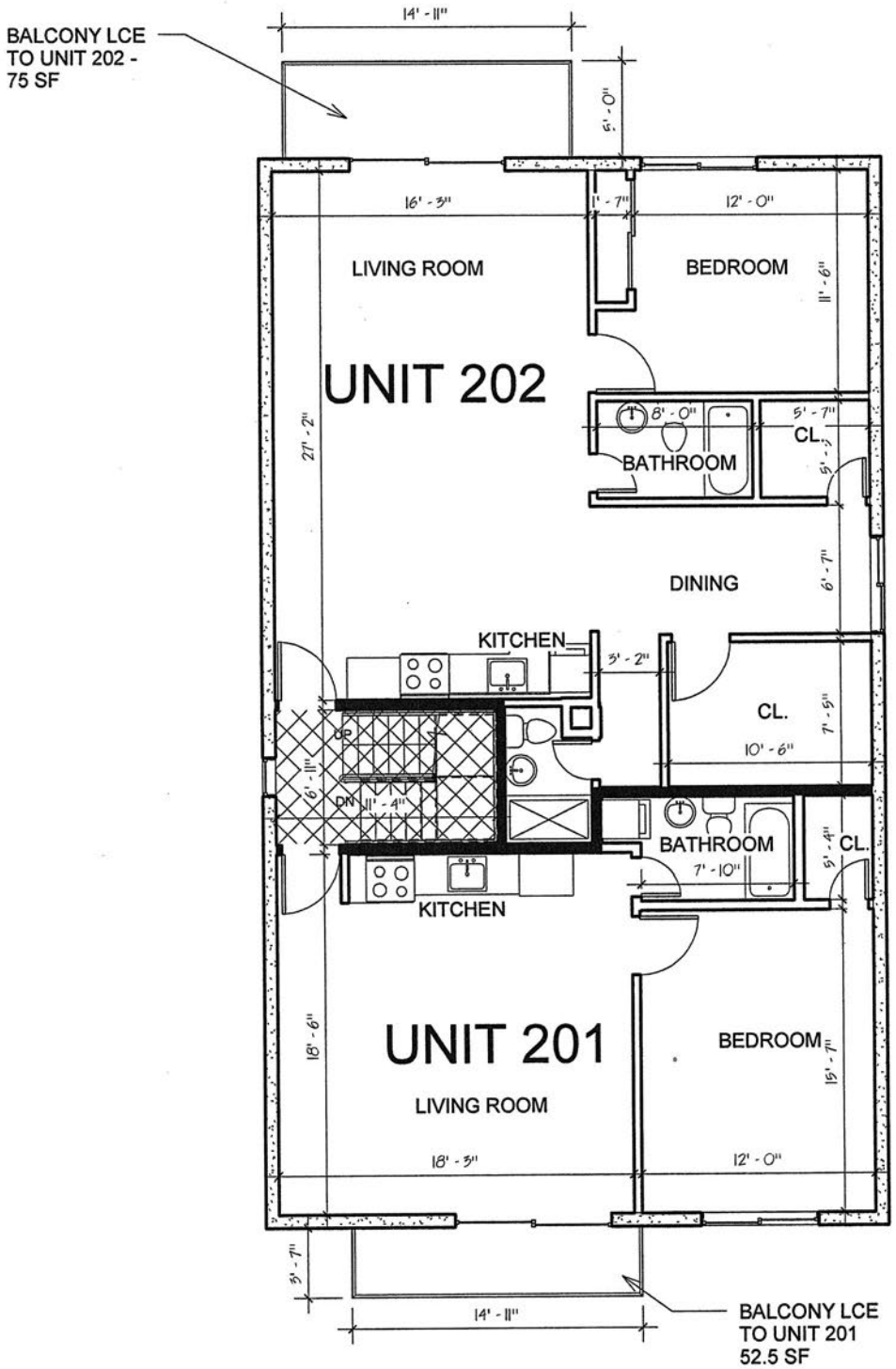
1 c. BASEMENT FLOOR PLAN
1/8" = 1'-0"

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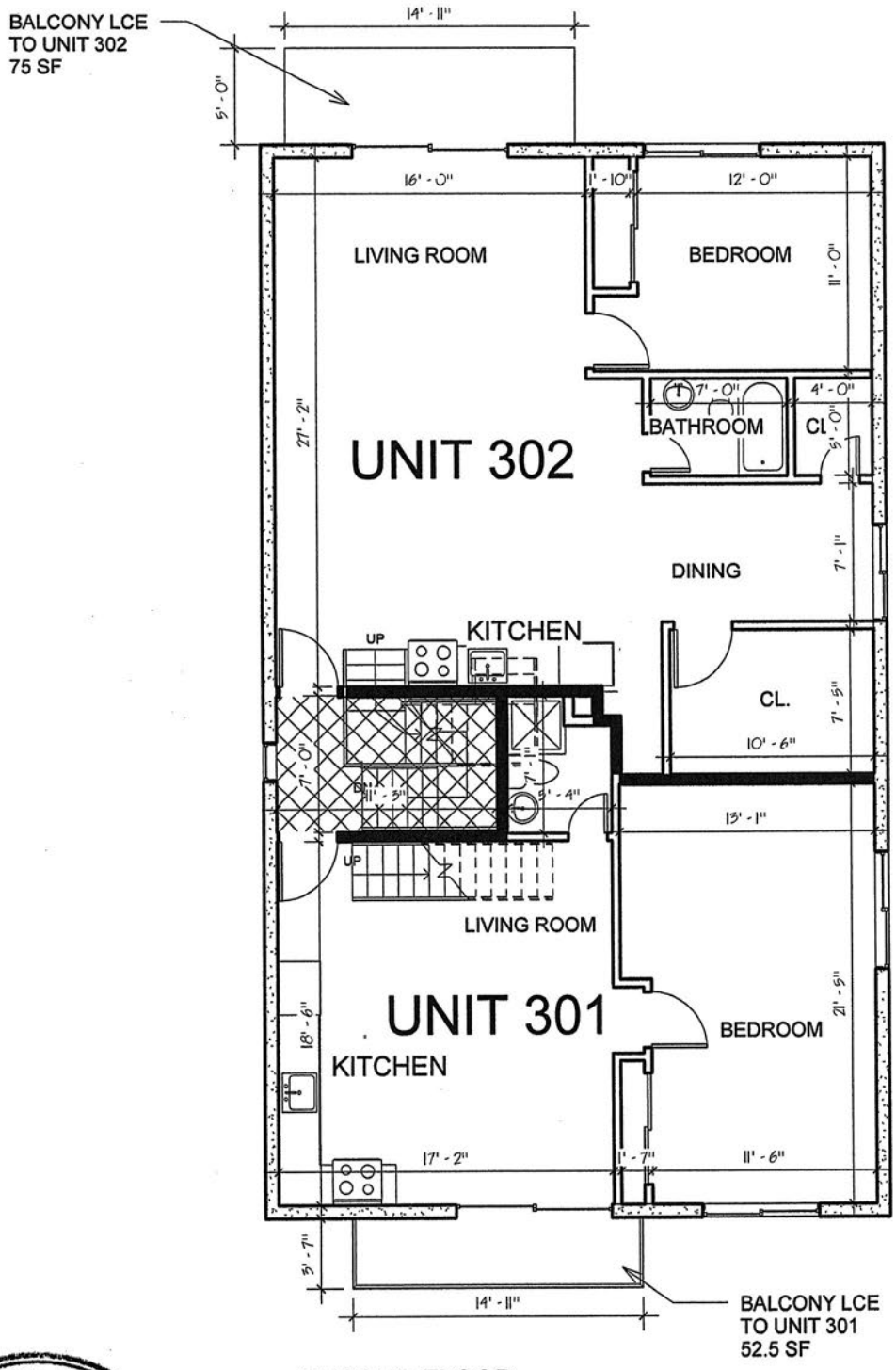
1 c. FIRST FLOOR
1/8" = 1'-0"

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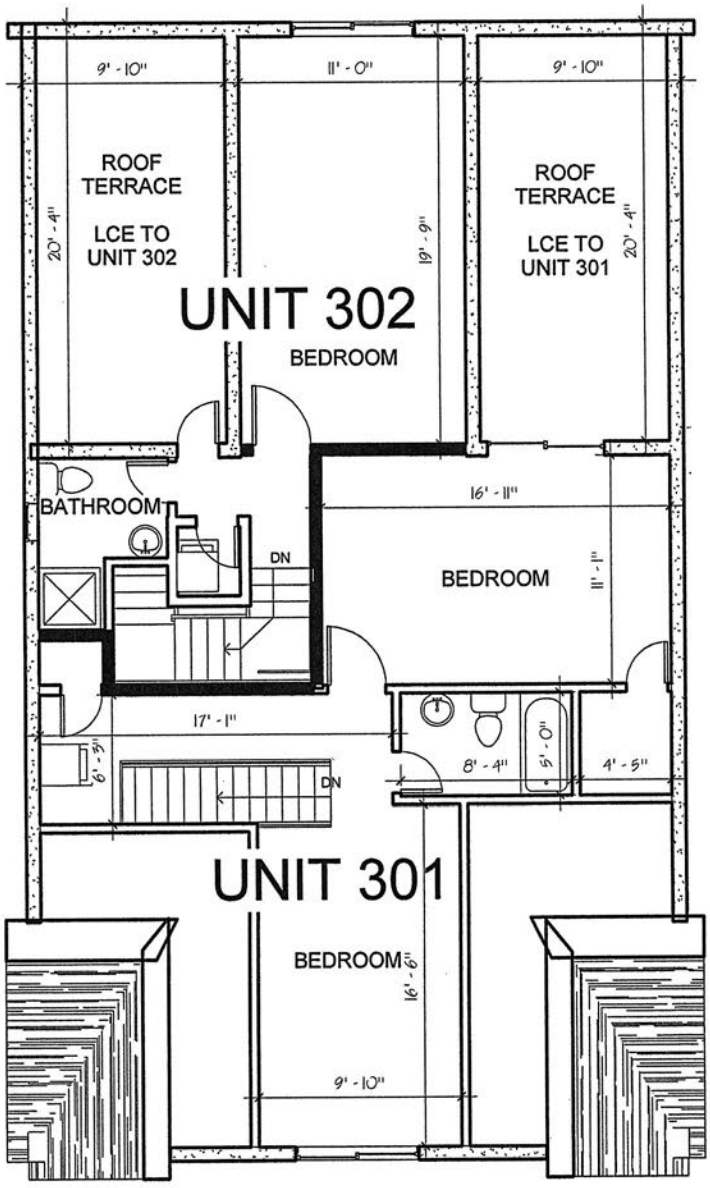
1 c. SECOND FLOOR
1/8" = 1'-0"

REGISTERED ARCHITECT
IGOR ZASLAVSKIY
030655
STATE OF NEW YORK

ALL SPECIFIED AREAS AND DIMENSIONS SHOWEN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION TOLERANCE AND VARIENCES. ALL DIMENSIONS ARE MAXIMUM OVERALL: SPONCOR RESERVES RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLANS

ZPROEKT
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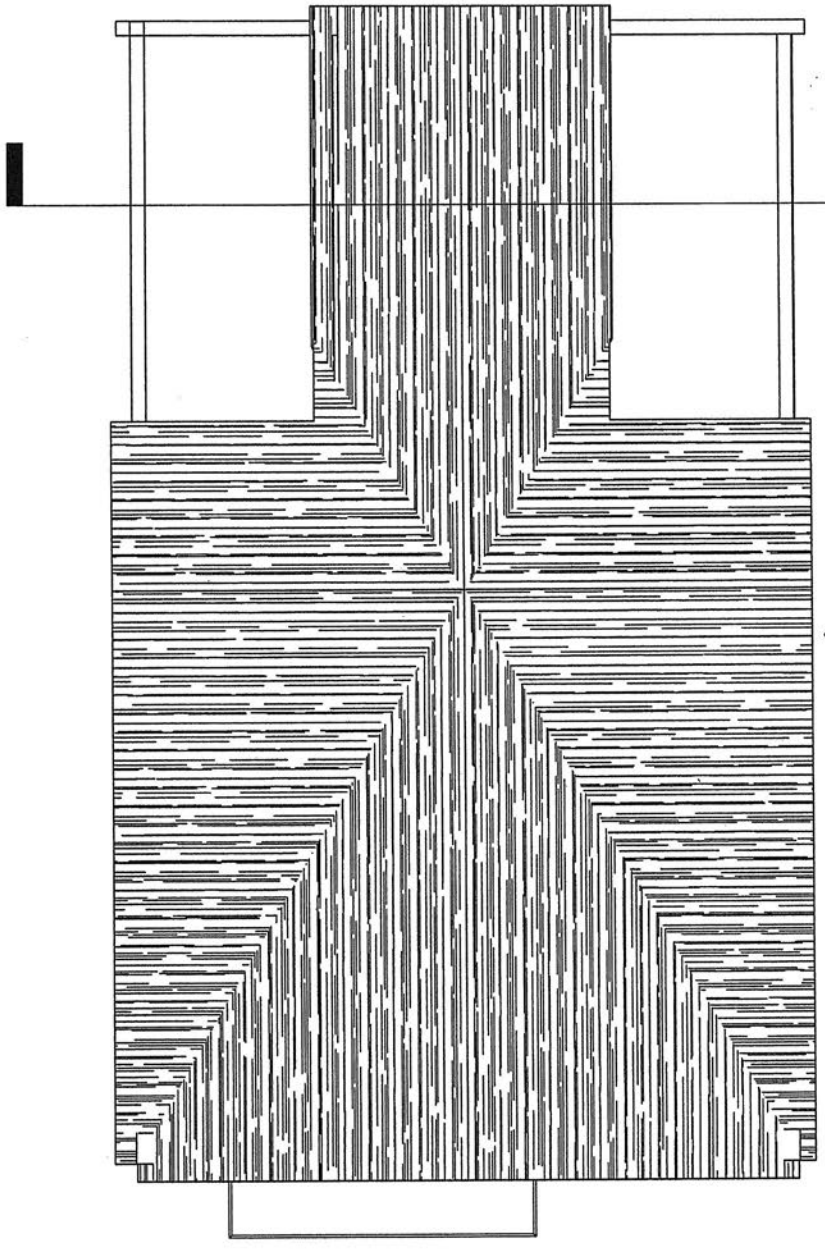
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C103
1



4
A-005.00

C105 1

1 C104

c. ROOF PLAN
1/8" = 1'-0"

1
C102

REGISTERED ARCHITECT
IGOR ZASLAVSKIY
030655
STATE OF NEW YORK
02-22-12
10-029
PROPOSED NEW BUILDING

ALL SPECIFIED AREAS AND DIMENSIONS SHOWEN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION TOLERANCE AND VARIENCES. ALL DIMENSIONS ARE MAXIMUM OVERALL: SPONCOR RESERVES RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLANS

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339-KK. RENTS.

(A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.

(B) IF A NON-OCCUPYING OWNER RENTED 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 SUBDIVISION (C) *OF* THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.

(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERRIOD 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 MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONCE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL GIVEN WIHTIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL 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 SEEKS TO DISPUTE SUCH CLIAM.

(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.

(E) 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.

4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

6. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO SHELDON SILVER
TEMPORARY PRESIDENT SPEAKER OF THE ASSEMBLY
OF THE SENATE

DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF PREMISES LOCATED AT
2743 East 26th Street, BROOKLYN,
KINGS COUNTY, CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

NAME: THE 2743 East 26th Street CONDOMINIUM

SPONSOR: 2743 E 26th Street, LLC
101 AVENUE U
Brooklyn, New York 11223

DATE OF DECLARATION:

Michael & Swerdloff, LLC
Attorneys for the Sponsor
2226 Ocean Avenue
Brooklyn, New York 11229

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PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF 2743 E 26th Street, LLC
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In the County of Kings, City and State of New York, on this day of , 2012, 2743 E 26th Street, LLC, whose principal office is situated at 101 Avenue U, Brooklyn, New York 11223, hereinafter referred to as the "Owner" represented in this Declaration by, Oleg Krasnitskiy,who is fully empowered and qualified to execute this Declaration on behalf of the said LLC does hereby state:

FIRST: Submission of Property. By this Declaration the Owner submits the property described in this Declaration, including the land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: Description of Property. The Owner owns all that certain plot, piece or parcel of land situate, lying and being in Brooklyn, in the Borough of Brooklyn, in the County of Kings, City and State of New York, and more particularly described in Schedule A annexed hereto.

THIRD: Definitions.

(a) "Units" shall refer to the 7 residential units, 7 parking units and 5 storage units contained in the Condominium.

(b) The Owner of a Unit is hereinafter referred to as a "Unit Owner". The Unit Owner(s) are hereinafter collectively referred to as the "Unit Owners" and individually as a "Unit Owner". The description of the Units set forth herein pertains to the location of the walls, floors and ceiling of the Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

Each 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 or whether the Unit is owned by an individual, corporation, partnership, fiduciary or any other entirety. Where such ownership is joint, in common or by tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote referred to in Article Eighth of this Declaration.

(c) A "Unit" as hereinafter referred to shall be defined as follows: 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 Residential Unit from corridors, stairs or other Unit and vertically by the upper face of the sub-floor of the Residential Unit up to the unexposed side of the sheetrock forming the upper ceiling or the plaster ceiling of the Residential Unit. Doors and windows that open from a Residential Unit and interior walls of a Residential Unit shall be deemed to be part of the Residential Unit.

(d) A "Building" as hereinafter referred to shall be defined as a number of Units all of which are constructed under a continuous roof.

(e) "Party Wall" as hereinafter referred to shall be defined as a wall that is common to and separates two Units.

(f) "Condominium" as hereinafter referred to shall mean THE 2743 East 26th Street CONDOMINIUM that is composed of the Unit Owners.

(g) The term "Unit Owner", as used herein shall be construed to mean Unit and Unit Owner as defined in Section 339-e of Article 9-B of the Real Property Law of the State of New York.

FOURTH: Community. The Owner is constructing on the parcel of land described above a Condominium Community known as THE 2743 East 26th Street CONDOMINIUM according to the plans filed simultaneously with the recording of this Declaration in the Office of the Register of Kings County, which Plans, set forth a description of the buildings stating the number of stories and number of Units.

The Community will consist of 7 Residential Units,6 parking units and 5 storage units located in a Three (3) story building plus attic. The Building is constructed of concrete foundations, exterior walls of concrete block and brick construction, with double-pitched roof, concrete slab on metal decking with waterproofing membrane as set forth on the Plot Plan filed simultaneously herewith. Each of the Units has access to each other Unit or to any other portion of the Community or to a street upon which the Community abuts by means of a walk or hallway. For the purposes of describing the location of the buildings, approximate area, type and

number of rooms of each Unit and the common elements to which each Unit has immediate access, each Unit is described on Schedule B annexed hereto.

Each Unit will be sold to one or more Owners, each Owner obtaining fee ownership, together with an undivided interest in the Common Elements of the Community, 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 designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Owner and the Unit Owner at the time of construction of the Unit.

The aforesaid Community has a total plot area of approximately 6,393 feet.

FIFTH: (a) Common Elements. The Common Elements consist of all portions of the Property other than the Units, including, without limitation, the following:

1. The land on which the Building is erected and all other land within the boundaries of the Property;

2. All foundations, columns, girders, beams and supports;

3. All exterior walls of the Buildings;

4. Roofs, halls, corridors, lobbies, stairs, stairways and entrances to and exits from the Buildings;

5. All utility or other pipes, ducts, wires, chutes, cables, conduits and materials located outside of the Units and all other mechanical equipment spaces;

6. All other parts of the Property and all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

(b) Limited Common Elements: Certain portions of the Common Elements are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element. Any portion of the Common Elements, which is not restricted in use, may be used by any Unit Owner. Following are detailed descriptions of the Limited Common Elements:

1. Any balcony appurtenant to a Unit shall be limited in use to the Unit Owner who has direct access to the balcony from the interior of his Unit. Also, the roof terraces appurtenant to the Units 301 and 302 shall be limited in use to the unit appurutenant to it. However, each Unit Owner shall have a right of access over any such balcony for emergency ingress or egress from the building.

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

The percentage of the undivided interest in the Common Elements established herein shall not be changed for a Unit except with the consent of all of the Unit Owners affected 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 instrument.

SIXTH: Easements. (a) All pipes, wires, conduits, vents and public utility lines located within each Unit shall be owned by such Unit Owner. Any portion of such pipes, wires, conduits, vents and public utility lines located in the Common Elements will be owned in common by all the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing the Common Elements. The cost of such repairs shall be a common expense. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not;

(b) The Owner, its successors, assigns, and purchasers, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements and Limited Common Elements of all Units of the Condominium for the purpose of the sale of Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements and Limited Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Owner, its successors, assigns, and purchasers, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Elements or Limited Common Elements. Finally, the Owners, its successors, assigns and purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model units, signs located on the Common Elements or Limited Common Elements, in its efforts to market

Units in the Condominium. This paragraph shall not be amended without the consent of the Owner.

SEVENTH: Service of Process: Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Board of Managers of THE 2743 East 26th Street CONDOMINIUM,Brooklyn, New York.

EIGHTH: Common Interest. Each Unit Owner shall have such percentage interest in the Common Elements as is set forth in Schedule B attached hereto and shall bear such percentage of the Common Expenses of the Condominium. All expenses of the Condominium shall be common expenses and shall be apportioned among all the Unit Owners according to the method set forth in the By-Laws. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners. The percentage of interest of each Unit in the Common Elements has been based upon the approximate proportion that the floor area of the Unit bears in relation to the floor area of all the Units, reflecting the substantially exclusive advantage enjoyed by some, but not all of Units in the Common Elements as of the recording of the Declaration.

NINTH: Administration. The administration of the Condominium, the Community and 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 as Exhibit "A".

TENTH: Amendments and Withdrawal.

(a) The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless 80% of the Unit Owners in number and in common interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

(b) The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of 80% of the Unit Owners in number held at a duly called meeting of the Unit Owners, provided however, that:

(i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the common charges, nor the voting rights appurtenant to any Unit, unless all of the record Unit Owner(s) in number and common interest thereof and the first mortgagees, if any, of each of these same units agree to such revocation by recorded instrument.

(ii) 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 percentage was obtained. After the 60-day period such presumption will be deemed conclusive.

execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the County of Kings and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) 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 (ii) utility easements or (iii) the carrying out of other provisions of the Offering Plan of THE 2743 East 26th Street CONDOMINIUM.

(d) Any amendment to this Declaration shall not take effect until it is recorded in the Register's Office of Kings County, City and State of New York.

Irrespective of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of Condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

ELEVENTH: Subject to Declaration, By-Laws, etc. All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Community 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 of the Community or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: Common Charges. All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York 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 subdivisions of any governmental authority, including but not limited to State, County, City, 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 attorney's 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 the Common Charges will be charged to all other Unit Owners as a common expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, mortgage company, pension fund, trust company or other institutional lender or a mortgage granted by the Owner to a purchaser of a Unit or in which the Owner participates with one of the above.

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 the Common Charges applicable to his Unit 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 accruing subsequent to a sale, transfer or other conveyance by him of such Unit made 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 at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

In order to carry out the provisions of this paragraph each Unit 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 to 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 original construction or settling of the Buildings, 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 as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owner and Condominium agree that encroachments of any portion of the Unit or the Common Elements as afore-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 Buildings or reconstructed Buildings shall stand.

FIFTEENTH: Unit Ownership. Upon the closing of title to a Unit, a Purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as he ceases to own the 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 applicable to the Unit, against the latter 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 amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charges and 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 Charge 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 alteration to any part of the Common Elements may be made without the written consent of the Board of Managers.

(c) No alterations, enclosures or additions to the exterior of the Unit may be made without the written consent of the Board of Managers. No alterations to the inside of a Unit that would impair the structural soundness of the Buildings 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 Agent, if any, or to a member of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have the obligation to answer within sixty (60) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration. The provisions of this paragraph shall not apply to Owner.

(d) Any Unit Owner who mortgages his Unit shall notify the Board of Managers providing the name and address of his mortgagee.

(e) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(f) No nuisances 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.

(g) 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.

(h) 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 regulations become effective.

(i) The Common Charges shall be paid when due.

EIGHTEENTH: Use of Buildings and Units. (l) Each of the Units in the Building shall be used as a residence only, except that while the Sponsor or his designee owns any Unit, he shall have the right to use such Unit for general and sales office purposes, as models and for other promotional purposes in connection with the sale or lease of Units and to erect and maintain signs at the Building.

NINETEENTH: Invalidity. Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

2743 E 26th Street, LLC

By: _____

President ATTEST:
Secretary
[Seal]

In presence of:

UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT (WITHIN NEW YORK STATE)

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

On the _____ day of _____ in the year 201 , 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 by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and Office of individual
taking acknowledgment

SCHEDULE A

TO BE COMPLETED PRIOR TO
RECORDING OF DECLARATION

SCHEDULE B

Unit Number	Percentage of Common Interest	Tax Lot Number	Approximate Area in Square Feet	Number of Rooms and Bath

TO BE COMPLETED PRIOR TO RECORDING OF DECLARATION

BY-LAWSOF

The 2743 EAST 26th Street CONDOMINIUM

Michael & Swerdloff, LLC
Attorneys for the Sponsor
2226 Ocean Avenue
Brooklyn, New York 11229

BY-LAWS

OF

THE 2743 East 26th Street CONDOMINIUM

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BY-LAWS

OF

THE 2743 East 26th Street CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership. The property located at 2743 East 26th Street, Brooklyn, New York, as specifically set forth in the Declaration and more commonly known as THE 2743 East 26th Street CONDOMINIUM has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the building and improvements thereon including the Condominium Units (hereinafter referred to as "Units") and the Common Elements and the use and occupancy thereof, the Term "Building" as hereinafter used shall be defined as the exterior walls and roof of a Unit or number of Units all of which are constructed under a continuous roof or the entire interior and exterior of any building or structure which shall form a portion of the Condominium but which does not contain any of the Units.

Section 3. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Community in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean all of the owners of each Residential Unit.

Section 2. Voting. Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote at all Unit Owners` meetings for each Unit or Units owned by such Unit Owner, but in the event the Board of Managers acquires a Unit on behalf of the Condominium it shall not cast any of its votes for the election of any member to the Board.

Section 3. Quorum. So many Unit Owners as shall represent at least 51% of the total authorized votes of all Unit Owners 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 shall not be present or represented at any meeting of the Units Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting. At least 5 days written notice of such adjourned meeting shall be given to all Unit Owners. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting, so many Unit Owners as shall represent at least 33-l/3% of the total authorized votes of all Unit Owners shall constitute a quorum.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. 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. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. 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 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. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings - Control of Board of Managers by Sponsor. Within one year after the transfer of title to the first Unit, the Sponsor shall call the first annual Unit Owners meeting. At such meeting a new Board of Managers shall be elected by the Unit Owners and the former members of the Board shall thereupon resign. Thereafter annual meetings shall be held on the anniversary of such date each succeeding year. At such meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them. The Sponsor will have voting control of the Board of Managers until the second anniversary of the closing of the first Unit or until the unsold Units constitue less than fifty percent (50%) of the common interests, whichever occurs first. At the second annual meeting, and at all successive meetings, Sponsor may not designate a majority of the Board of Managers but may cast its votes to elect no more than two members of the Board of Managers.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners having been presented to the Secretary.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at least five but not more than ten days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election)
(g) Election of managers (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Managers designated by the Sponsor who shall hold

office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Within 60 days of the closing of title to the first Unit, a meeting of the Unit Owners shall be held at which time a Unit Owner-Occupant who is independent of the Sponsor shall be elected to the first Board of Managers by majority vote of the Unit Owners. Until succeeded by the Managers elected at the first annual meeting of Unit Owners, Managers need not be Unit Owners; thereafter, all Managers, other than designees or nominees of the Sponsor, must be Unit Owner-Occupants or members of a Unit Owner-Occupants's household who are unrelated to the Sponsor and its principals. The Managers shall be elected at the annual meeting of the Unit Owners. At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II, three (3) Managers shall be elected by the Unit Owners. The term of office of one (1) of the Managers shall be fixed for three (3) years, the term of office of one (1) of the Managers shall be fixed at two (2) years, and the term of office of one (1) of the Managers shall be fixed at one (1) year. Separate ballots shall be conducted for each of the three terms of office. Each Homeowner shall be entitled to cast one vote on each ballot for each Home he owns. The three nominees on each of the ballots receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Manager, his successor shall be elected to serve a term of three (3) years. The Managers shall hold office until their successors have been elected and hold their first meeting. But in any event, at least one-third of the terms of the members of the Board of Managers shall expire annually. Notwithstanding the foregoing, the Sponsor shall have the right to designate a majority of the Board of Managers so long as it continues to own 50% or more of the common interests or until the second anniversary of the closing of the first Unit, whichever is sooner, after which time 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. This Section 1 may not be amended without the consent of Sponsor.

Section 2. Vacancy and Replacement. If the office of any Manager or Managers becomes vacant by reasons of death, resignation, retirements, 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 or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. If the vacancy occurs with respect to any member who has been designated by the Sponsor or its designee, as the case may be, only they shall have the right to choose such Manager's successor to fill the unexpired portion of that 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 member of the

First Board of Managers or designees or nominees of the Sponsor shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner.

Section 4. First Board of Managers. The first Board of Managers shall consist of principals and affiliates of the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. A Unit Owner, who is independent of the Sponsor, shall be elected by a majority of the Unit Owners other than Sponsor to the first Board at a meeting held within 60 days of the closing of title to the first Unit. If no such election has been made, then Sponsor may designate such member. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 5. 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 be Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of common expenses, payable in advance. The Board 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, but said increases can only be assessed among the Unit Owners pro-rata according to their respective Common Interest;

2. To collect, use, and expend the assessments collected to maintain, care for and preserve the Common Elements;

3. To make repairs, restore or alter any Units or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

4. 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;

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 and Unit in accordance with Article VII of these By-Laws;

7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the 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, and such rules and regulations and amendments shall be binding upon such Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit Owner.

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters herein-above set forth.

10. To bring and defend actions by or against one or more Unit Owner and pertinent to the operation of the Condominium and to levy special assessments to pay for the cost of such litigation.

11. To acquire Units in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a 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.

12. To make additions, alterations, or improvements to the Common Elements of the Community, the cost of which addition, alteration, or improvement does not exceed $10,000. The Board of Managers may make additions, alterations or improvements to the Common Elements costing in excess of $10,000 only with the approval of a majority of the Unit Owners as affects the Common Elements. While the Sponsor is in control of the Board of Managers, the Board may make additions, alterations, or improvements to the Common Elements costing in excess of $10,000 or enter into service or maintenance contracts the duration of which will extend more than one year after the Sponsor loses control of the Board of Managers, only with the approval of a majority of the Unit Owners, excluding the Sponsor, voting at a duly held meeting of the Unit Owners. In addition, the Sponsor must give his written approval pursuant to the terms of Section 6(c) herewith.

13. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least 66-2/3% in number of all Unit Owners for Common Elements obtained at

a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of $10,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the common elements without the written consent of the Owner of said Unit.

14. To act as an agent for one or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.

15. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

(b) The Board of Mangers 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 two (2) mangers or two (2) Unit Owners one (1) 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 affairs of the Condominium and may have power to sign all papers which may be required, provided the said 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, so long as the Sponsor or its designee shall continue to own Units representing 5% or more in Common Interest of the Units but in no event later than five (5) years from the date of the recording of the Declaration of Condominium, the Board of Managers may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements costing

cumulatively more than $10,000, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, or (iii) hire any employee in addition to the employees referred to in the Plan of Condominium ownership, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date the said Plan is declared effective or (v) borrow money on behalf of the Condominium. The provisions of this Paragraph may not be amended without the written consent of Sponsor.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacements to the Common Elements of the property including but not limited to exterior walls, roof and roof members, as well as all maintenance, repairs and replacements to any public utility lines as are located in the Common Elements and serve one or more Units, and exterior maintenance shall be a common expense. All maintenance (including electrical and plumbing repairs in the Units and painting and decorating of the inside of the Units), repairs and replacements to the Units including windows (including all glass breakage), doors, windows and doors which open from a Unit (except painting and maintenance of the exterior surface which is performed by the Board of Managers), and repairs to the pipes, wires and conduits located within or without 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 Board of Managers except for general cleaning and snow removal on any balconies. The Board of Managers shall repair and replace any public utility lines located underground or overhead of 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 Unit Owner shall make such repairs or replacements at his own expense. 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. The Board of Managers will provide snow plowing for any driveways located on the property. All replacements, 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 Buildings, including roofs, or to any generally visible portion of the Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor. In the event that a Unit Owner fails to make any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements or any other Unit, the Board of Managers shall have the right to make such maintenance or repair (after the 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 any emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that the Board of Managers charges a Unit

Owner for repairs or maintenance to his Unit or for repairs to any Common Element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, 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 due.

Section 7. Compensation. Managers, committee members and officers, as such, shall receive no compensation for their services.

Section 8. Meetings. (a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided 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 same, at which time the dates, places and times of regularly scheduled meetings of the Board shall take place.

(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 manager either personally or by 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 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 by these By-Laws. If a quorum shall not be present at any meetings 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 the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Annual Statement. The Board of Managers shall furnish to all Unit Owners, their mortgagees and if required by applicable law, statute or

regulations of the Department of Law of the State of New York and shall present annually (at the annual meeting, but in no event later than four months after the close of the fiscal year) 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 Owner and a notice of the holding of the annual Unit Owners meeting.

Section 10. Fidelity Bonds. The Board of Managers shall 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.

Section 11. 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 delegable duties of the Board listed in this Article. While Sponsor is in control of the Board of Mangers it will not enter into contracts that bind the Condominium for a period of more than two (2) years (except Cable Television agreements) after the recording of the Declaration unless the contract provides that it may be canceled by the Condominium upon 90 days notice.

Section 12. Liability of the Board of Managers, Officers and Unit Owners. Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent for the Unit Owners as a group only and that no member of the Board of Managers, Officer of the Condominium or individual Unit Owners shall be liable for such contract, agreement or commitment. The Unit Owners shall be liable as a group under such contract, agreement or commitment but the liability of each Unit Owner shall be limited to such proportion of the total liability thereunder as his Common Interest bears to the Common Interest of all Unit Owners. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all members of the Board of Managers and Officers of the Condominium against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited as to each Unit Owner to such proportion of the total liability thereunder as such Unit Owner's Common Interest bears to the Common Interest of all Unit Owners.

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 Unit Owners or designees of the Sponsor. The same person may not hold two or more offices.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners Meeting 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 Officers. The Board may appoint such other officers and agents as it shall deem necessary 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 until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Mangers 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 Board of Managers shall fill the vacancy.

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 Managers, he 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 stock corporation organized under the Business Corporation 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 stock corporation organized under the Business 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 Unit Owners meetings 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 Unit Owners meetings 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 Managers, at the regular meeting of the Board of 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 account of the Condominium, including a separate account for 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.

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. 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, any manager or Unit Owner, 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 letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such manager, Unit 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 VI. FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such

other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Common Elements and shall send a copy of the budget and any supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the Common Elements and other operating expenses as well as charges to cover any deficits from prior years. The total annual requirements shall be assessed and prorated against each of said Units according to the respective common interest appurtenant to all such Units. This proration of assessments shall remain constant regardless of the percentage of the building square footage included in each Unit or the Common Elements restricted to the use of the Unit Owner of said Unit. Said assessments shall be payable monthly in advance as ordered by the Board of Managers. Special assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his own Unit. In the event of a default in payment of monthly Common Charge assessments by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five day grace period in which to make his payment. The Board may charge the delinquent Unit Owner a fee as the Board may determine to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the Board on the Common Charge assessment from its due date to the date payment is actually received from the Unit Owner. Special assessments should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments. The Board shall take action to collect any Common Charges due from any Unit Owner which remains unpaid 90 days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise.

No Unit Owner shall be liable for any Common Charges that accrue against his Unit subsequent to a sale, transfer or other conveyance by him of his Unit in accordance with these By-Laws and the Declaration. A Purchaser of a Unit (other than a mortgagee or a Purchaser at a foreclosure sale) shall be liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

Section 3. Foreclosures of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any

action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit.

Section 4. Statement of Common Charges. Upon the written request of any Unit Owner or his mortgagee, the Board shall promptly furnish such Unit Owner or his mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 5. Liability for Electricity and Utilities. All electricity consumed in the Units shall be an expense of each individual Unit Owner. Any other utility that is separately metered for each Unit shall be an expense of each individual Unit Owner.

Section 6. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account," into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 7. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring the Building in the Condominium including all of the Units and the bathroom and kitchen fixtures initially installed therein by the Sponsor (but not including wall, ceiling or floor decoration, furniture, furnishings, fixture, equipment or other personal property supplied or installed by Unit Owners), together with all heating, air-conditioning and other service machinery, contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as interest may appear, in an amount equal to the full replacement value of the Buildings. Each of such policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance

Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee.

The casualty insurance and property damage will commence with the closing of title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum of $1,000,000 for the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the 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 expiration of 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 Common Elements appurtenant thereto 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 and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be in a single limit of $1,000,000 for covering all claims for bodily injury and property damage arising out of one occurrence. Such public liability insurance shall commence on the closing of title to the first Unit.

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

Section 2. The Insurance Trustee. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of

Managers and shall constitute a common expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee that shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $50,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless 75% or more of the Units are destroyed or substantially damaged and 75% or more of either Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Units and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess the Unit Owners for such deficit as part of the Common Charges.

If 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed 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 or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII. HOUSE RULES

Section 1. In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all residents thereof.

Section 2. The Units shall be used for residential purposes only.

Section 3. Owners of a Unit members of their families, their employees, guests and their pets shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said owners, or in such a way as to be injurious to the reputation of the Condominium.

Section 4. The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

Section 5. Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct he is legally responsible.

Section 6. (a) Every Unit Owner must perform promptly all maintenance and repair work to his own Unit which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the buildings of which his Unit forms a part, he being expressly responsible for the damages and liabilities that his failure to do so may engender.

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

Section 7. A Unit Owner may not make any alterations or modifications to the exterior of their Unit or any part of the Common Elements without the written consent of the Board of Managers. No alterations to the inside of a Unit that would impair the structural soundness of the buildings 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 Agent, if any, or to a member of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have the obligation to answer within sixty days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration. This Paragraph shall not apply to Sponsor.

Section 8. (a) No Residential Unit Owner shall post any advertisement or posters of any kind in or on the Property except as authorized by the Board of Managers.

(b) No television or radio antenna or storm and screen windows and doors shall be erected on the exterior of the Units or the Common Elements without the prior written consent of the Board of Managers.

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

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

(e) It is prohibited to hang garments, rugs, etc., from the windows or from the Building or to string clotheslines on or over the Common Elements (including the irrevocably restricted areas) or to use any of the Common Elements for storage purposes.

(f) No repair of motor vehicles shall be made in any of the parking areas, if any, of the Condominium nor shall such areas be used for storage or long-term parking (in excess of 24 hours without use) of any boat, trailer, camper, bus, truck or commercial vehicle. Any such parking shall be subject, in addition, to any restriction due to zoning or local ordinance requirements.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge of assessment shall remain unpaid for 90 days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the Owner of a Unit does not pay the assessment required to be paid by him within thirty (30) days of its due date, said sum shall bear interest at the maximum amount permitted by the State of New York from its due date and said Unit Owner shall be liable for the Condominium's reasonable costs and a reasonable attorney's fee incurred by it incident to the collection or enforcement of such lien.

ARTICLE X. AMENDMENTS

(a) These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by eighty 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 Owner's interest and the interests of holders of a mortgage encumbering a Unit or Units.

(b) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be

effective in any respect against Sponsor or its designee, any Unsold Unit, the Commercial Unit Owner(s), the Commercial Unit(s), the holder of any present or future mortgage, pledge, lien, or security agreement covering any Unsold Unit, unless and until Sponsor, such designee, all such existing holders (as the case may be) shall consent to the same in writing.

C) i. Amendments of a material adverse nature to mortgagees shall be agreed to by mortgagees that representt at least fifty one (51%) percent of the votes of unit estates that are subject to mortgages.

ii. In any action to terminate the legal status of the project after substantial destruction or condemnation occurs or for other reasons to be agreed to by mortgagees that represent at least fifty one (51%) percent of the votes of the unit estates that are subject to mortgages

iii. The Condominium Board of Managers shall give a prompt written notice to any mortgagee and guarantor of the mortgage regarding the following:

- any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage, which is in excess of 60 days;
- a lapse, cancellation, or material modification of any insurance policy maintained by the homeowners' association; and
- any proposed action that requires the consent of a specified percentage of mortgagees.

iv. No provision of the condominium project documents shall give a condominium unit owner or any other party priority over any rights of the first mortgagee of the condominium unitpursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of condominium units and/or common elements.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing Units. Units may be conveyed or leased by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until all unpaid Common Charges assessed against his Unit shall have been paid to the Board of Managers. However, such unpaid Common Charges can be paid out of the

proceeds from the sale of a Unit, or by the Grantee. Further, a Unit Owner may convey his Unit and his Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

The provisions of this section shall not apply to the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owners undivided interest in the Common Elements and the Unit Owners interest in any Units acquired by the Board of Managers.

Section 2. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 3. Mortgaging of Units. No Unit Owner shall mortgage his Unit except by a mortgage loan granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, mortgage company, union pension fund, agency of the United States Government or agency of the State of New York or a purchase money mortgage loan granted by the Seller or in participation with one of the above institutions.

Section 4. Gifts, etc. Any Unit Owner may convey or transfer his Unit by gift during his lifetime or devise his Unit by will or pass the same by intestacy, without restriction.

ARTICLE XII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $50,000 and to the Board of Managers if the award is $50,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

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

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

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

ARTICLE XIII. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in his Unit that will increase the insurance rates on his Unit or any other Unit or on the Common Elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed by void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. A Unit Owner who mortgages his Unit, shall notify the Condominium through the Management Agent, if any, or the President of the Board of Managers in the event there is no Management Agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Units".

Section 4. Notice of Unpaid Assessments. The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid assessments due from the Unit Owners of such Unit.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 7. Compliance with Article 9-B. 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 said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO PART 20 OF TITLE 13 NYCRR SECTION 20.4 (b)

November 20, 2014

Department of Law
120 Broadway
New York, NY 10271

RE: THE 2743 East 26th Street Condominium
2743 East 26th Street, BROOKLYN, NEW YORK

Sir/Madame:

We are the Sponsor and the principals of 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 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(1) 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 I/we:

(1) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth, or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

2743 E 26th Street, LLC
Sponsor

By: _____
Boris Tanskiy

Principal
Title or Position

SPONSOR'S PRINCIPALS:

_____
Boris Tanskiy - Principal

_____
Oleg Krasnitskiy - Principal

_____
Alex Novikov - Principal

Sworn to before me this
14 day of Nov, 2014.

Notary Public

MICHAEL MICHAEL
Notary Public, State of New York
No. 02MI5026916
Qualified in Kings County
Commission Expires April 25, 2018

ATLANTIC PROPERTIES REALTY

2721 AVENUE U BROOKLYN, NY 11229 PHONE: (718)743-1414 FAX: (718)743-7141

CERTIFICATION BY THE SPONSOR'S EXPERT ON ADEQUACY OF BUDGET
PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED
PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINES LAW, AS AMENDED

March 19, 2012

Real Estate Financing Bureau
New York State Department of Law
120 Broadway, 23rd floor
New York, NY 10271

Re: 2743 East 26 Street Development, LLC
101 Avenue U
Brooklyn, NY 11223

Dear Sir/Madam

The sponsor of the condominium offering plan for the captioned property retained me to review or prepare Schedule B and B-1, containing projections of income and expenses for the first year of condominium operation. My experience in this field includes being licensed real estate broker and salesman for over ten (10). I am familiar with prices, practices and procedures in the area of the condominium. I have managed seven properties for five years.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

I have reviewed the Schedules B and B-1 and investigated the facts set forth in the Schedules and the facts underlying them with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses to the projected first year of condominium operation.

I certify that the Schedules:

(i) Set forth in detail the projected income and expenses for the first year of condominium operation.

(ii) Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) Do not omit any material fact;

(iv) Do not contain any untrue statement of a material fact,

(v) Do not contain any fraud, deception, concealment, or suppression

(vi) Do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) Do not contain any representation or statement which is false, where i:

(a) Knew the truth;
(b) With reasonable effort could have know the truth;
(c) Made no reasonable effort to ascertain the truth; or
(d) Did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controller by the sponsor. I understat that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee r warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalies of the general business Law and Penal law.

ALEX VAYNTRAUB

Subscribed and sworn to before me this 17 day of March, 2012

Notary Public

ARSEN AVBASHYAN
NOTARY PUBLIC, STATE OF NEW YORK
No. 01AV6116580
QUALIFIED IN SULLIVAN COUNTY
MY COMMISSION EXPIRES NOV. 15, 2012

ZProekt

1909 Avenue X
Brooklyn, N.Y. 11235
Phone : (718) 934-2322
Fax : (718) 934-0179

CERTIFICATION BY SPONSOR'S ARCHITECT PURSUANT TO PART 20.4 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

Department of Law of
The State of New York
120 Broadway, 23rd Floor
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 2743 east 26th street
Brooklyn, New York 11235

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of the property (the "Report"). I prepared the plans and specifications dated February 29th 2013 and the Report dated August 2nd, 2013. A copy of he Report is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a licensed professional architect in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

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

I certify that the Report:

(i) sets forth in narrative form the description and physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I prepared;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I prepared;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I:

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

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

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



IGOR ZASLAVSKIY, R.A.
N.Y.S. LIC. # 30655

ZProekt
1909 AVENUE X
BROOKLYN, N.Y.11235
Phone # (718) 934-2322

Sworn to before me this
day of , 2014

Notary Public