CONDOMINIUM OFFERING PLAN
THE 2640 EAST 14TH STREET CONDOMINIUM
2640 East 14th Street
Brooklyn, New York 11235

Residential Units.....5	$ 3,028,152.00
Commercial Units.....2	$ 1,761,600.00
Parking Units.....5	$ 300,000.00
Total Amount of Offering	$ 5,089,752.00

SPONSOR AND SELLING AGENT:

2640 EAST 14 LLC
2640 East 14th Street
Brooklyn, New York 11235

THIS PLAN CONTAINS SPECIAL RISKS TO THE PURCHASER. SEE PAGE 1.

Date of acceptance for filing of this Offering Plan is 4/17/15. This plan may not be used after 4/16/16 unless extended by a duly filed amendment.

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

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

Prepared By:

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SPECIAL RISKS

1) The Sponsor will file an application for real estate tax benefits pursuant to section 421 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. Sponsor will make the application at his own cost and expense. Sponsor will use his best efforts to obtain the real estate tax benefits set forth herein. If real estate tax benefits cannot be obtained, the Offering Plan will be amended, prior to any closings, to disclose the unavailability of real estate tax benefits; and the Purchaser will be offered a right of rescission. It is anticipated that benefits will commence within one year after the date of first closing, but will apply retroactively to the date on which the Certificate of Occupancy was obtained; so that a Purchaser who pays real estate taxes in excess of the amount due after granting of benefits may be entitled to a refund or remission. As a result of the foregoing, if a Purchaser acquires his unit after the effective date of commencement of benefits, a portion of the benefits will have expired and be unavailable to the Purchaser.

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 in 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 HEREIN 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.

2) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a Final Certificate of Occupancy ("FCO") covering the entire building but with only a Temporary Certificate of Occupancy ("TCO"), and sometimes with several successive Temporary Certificates of Occupancy. Certificates of Occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance.

When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for Sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its Principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its Principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings.

Furthermore, because Sponsor and the by-laws of the Condominium may permit unit owners to undertake renovations to individual units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

3) 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 written notice of said default, will both have the Contract canceled and lose his downpayment. Similarly, a Purchaser who fails to notify the Sponsor in the event he has failed to obtain mortgage financing within forty (40) days after receiving a fully executed copy of the Purchase Agreement from the Sponsor, 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 the section of the Offering Plan entitled PROCEDURE TO PURCHASE, along with the PURCHASE AGREEMENT, set forth in Part II, for a statement of all applicable time limitations.

4) The terms of this Offering Plan transfer the statutory obligation to pay New York City Real Property Transfer Taxes (1% of purchase price for residential units, 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 $2,000.00, and may be responsible for certain other fees such as travel fees and default fees. Purchasers shall also make a Working Capital Fund contribution equal to one month's common charges. See the section of the Offering Plan entitled CLOSING COSTS AND ADJUSTMENTS.

5) Until the earlier of five (5) years from the date of first unit closing, or at the time at which the Sponsor or other Holder of Unsold Units owns units consisting of less than 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those expenses described in Schedule B or expenses required to comply with applicable laws or regulations, to remedy any notice of violation or to remedy any work order by an insurer; or for any repair or replacement necessary for the preservation or safety of the building; or for the safety of occupants of the building; or required to avoid the suspension of any necessary service to the building. 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 THE SPONSOR for a more complete explanation.

6) 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, escrow deposit, or other security has been furnished to secure the Sponsor's obligations. Please see the section of the Offering Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR for a more detailed explanation.

7) Pursuant to existing law and regulation, the Sponsor may declare the plan effective by entering into a contract for a minimum of 15% of the apartments in the building. In the event Purchase Agreements counted towards the minimum number of unit sales required to declare the plan effective fail to close, it is possible that the building will be converted to condominium status with less than 15% of the apartments in the building actually sold to Purchasers. Please see the EFFECTIVE DATE section of this Offering Plan.

8) 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 a 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 or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings 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 resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

9) While it is the Sponsor's intent to sell all units in the subject premises, the Sponsor is not limiting the conditions under which it will rent rather than sell units after plan consummation. There is no commitment to sell more units than the 15% necessary to declare the plan effective. Owner-Occupants, therefore, may never gain effective control and management of the condominium. See the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

10) The By-Laws do not include a provision that after the end of the initial Sponsor control period, a majority of the Board of Managers must be Owner-Occupants or members of an owner occupant's household, who are unrelated to the Sponsor and its Principals. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to purchase as an investment. See the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR and BOARD OF MANAGERS sections of this Offering Plan for a more complete explanation.

11) All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account set forth herein. However, Purchasers should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to a rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras, provided the Offering Plan is consummated. In the event the plan is abandoned by the Sponsor, all sums deposited with the Sponsor, including those used for upgrades or extras, shall be returned to the Purchaser. See the PROCEDURE TO PURCHASE Section of this Offering Plan for a more complete explanation.

12) All down payments will be placed in an IOLA account. Individual deposits will be insured by the Federal Deposit Insurance Corporation to a maximum of $250,000.00 per deposit. All funds maintained by a depositor at an institution (including all branches of the institution) will be aggregated for purposes of the $250,000.00 threshold. IOLA stands for "interest on lawyer accounts," and is a special type of escrow account maintained by an attorney. Interest earned on an IOLA account does not accrue to the benefit of either the buyer or the seller but is paid over to the state of New York. Please see the PROCEDURE TO PURCHASE section of this Offering Plan for a more complete explanation.

13) All residential units will have allocated, as a limited common element, a balcony or terrace (terraces) as indicated in the FLOOR PLANS in Part II of this Offering Plan. No structures may be built on these areas without the express written permission of the Board of Managers, other than temporary structures. Unit owners shall be responsible for regular items of maintenance such as painting, brush sweeping and surface repairs. The Condominium shall remain responsible for structural repairs such as girders, beams, etc. Additionally, these areas may not be enclosed to be used as dwelling space. Use of these spaces as habitable dwelling spaces may result in a violation being placed against the building issued by the Buildings Department, which would be the responsibility of the individual unit owner to remove at their own cost and expense. Please see the RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS in Part I of this Offering Plan, and the ARCHITECT'S REPORT in Part II of the Offering Plan for a more complete explanation.

14) The square footage set forth in SCHEDULE A is based upon a "gross" square footage measurement, which includes as part of the unit the entirety of any exterior walls; the entirety of any wall dividing the unit from any common element; and ½ of walls dividing units from each other. As a result, the actual floor area of the unit may be significantly smaller than the

square footage indicated in SCHEDULE A. Please see FOOTNOTES TO SCHEDULE A, the ARCHITECT'S REPORT, and the FLOOR PLANS in Part II of this Offering Plan for a more complete explanation.

15) The building constituting this condominium is not located within the state's geographic exclusion area for Section 421-a benefits. As a result, there is no requirement to create "affordable" housing units; nor to record any restrictive declaration regarding affordable housing units. Additionally, the building is exempt from the "prevailing wage requirements" for 421-a, since it contains fewer than 50 units.

If prior to consummation of the Offering Plan, Sponsor rents any residential unit or portion thereof to any person other than a person who occupies pursuant to an interim lease, Sponsor is obligated to abandon the Offering Plan and, if Sponsor intends to continue to rent condominium units, file a new Offering Plan in conformity with 13 NYCRR Section 23 et seq.

Sponsor has not received a preliminary certificate of eligibility as of the date hereof. Upon receipt of such preliminary certificate if eligibility, Sponsor shall furnish a copy thereof to the New York State Department of Law, and amend the Offering Plan and disclose the existence of the preliminary certificate of eligibility; and shall further revise Schedule A of the Offering Plan to conform to the real estate tax benefits as outlined in the preliminary certificate of eligibility.

The Sponsor has fifteen (15) months from the date of issuance of a Final Certificate of Eligibility from the New York City Department of Housing Preservation and Development to declare its Offering Plan effective. Thereafter, if the Plan has not been declared effective within the foregoing timeframe, Sponsor is obligated to register units in the building as rent stabilized as they become occupied.

Purchasers may obtain more information about the 421-a application process, tax benefits, and requirements associated therewith at: http://www.nyc.gov/html/hpd/html/developers/421a.shtml.

16) The Reviewing Engineer at the Attorney General's office has requested that the following items be highlighted as special risks.

a) Windows are not provided with child safety window guard.

b) The flat roof areas shall be finished with built-up roofing, as manufactured by Firestone. Warranty provided by manufacturer (not Sponsor) is ten years on rigid insulation.

c) Please be advised the Sponsor is not providing an NDL Manufacturer's warranty for the 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.

d) The balconies/terraces or outdoor areas may not be used for any type of occupancy, including but not limited to dining, sleeping, living room, recreation, office, etc. To do so may result

in a violation against the building being issued by the Building Department.

e) Refuse must not be placed on the sidewalk except on days of collection under penalty of fine.

f) Plants maintained on the terrace or balconies, if any, shall be contained in boxes of wood lined with metal or other materials impervious to dampness and standing on supports at least two (2") inches from the surface, and, if adjoining a wall, at least three (3") inches from such wall. Suitable weep holes should be provided in the boxes to draw off water. In special locations, such as a corner abutting a wall, plants may be contained in masonry or hollow tile walls which will be at least three (3") inches from the wall and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. It will be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. There shall be no blockage of drainage if there is one. Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plants. The size of such plants shall be subject to the consent of the Board of Managers.

g) To insure that the warranty on the roof, if there is one, of the Building is not violated and in furtherance of the Board of Managers' right to determine rules applicable to the Common Elements, the House Rules included in the By-Laws are amended to provide that Unit Owners and their guests may walk on the roof surfaces. However, no Unit Owner may place any objects directly upon the surface of the roofs nor shall any structure be built or placed upon the roofs without the prior written consent of the Board of Managers. Purchasers are advised that additions and improvements or repairs to their Unit, including the Limited Common Elements appurtenant to them cannot be made without the prior written approval of the Board of Managers.

h) The actual laundry equipment will be the responsibility of each unit's owner. Laundry equipment should be UP approved or New York City M.E.A or B.S. and A. approved if necessary.

i) Any loss or damage caused by or stemming from an accident, catastrophe, unnatural forces due to violence or gross negligence, fire, explosion, smoke, motor vehicle, acts of God, lightning, windstorm, hail, flood, earthquake, .soil movement, and changes in the underground, water base shall not be covered under the Housing Merchant Implied Warranty.

j) The Residential Units will be delivered with wood floors, which should not be washed with water and need to be maintained according to the manufacturer's recommendations. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after the same are subject to wear and tear.

k) Flood insurance isn't federally required in moderate-to-low flood risk areas, but it is

recommended for all property owners and renters.

l) Sponsor does not provide a refrigerator. It is unit owner's responsibility to purchase, install and maintain a refrigerator (should be UL approved or New York City M.E.A. or B.S. and A. approved if necessary).

INTRODUCTION

This is an Offering Plan for the sale of condominium apartments at 2640 East 14th 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 statute.

The Sponsor of this offering is 2640 EAST 14 LLC. The Principals of the Sponsor are Yanina Ilan, Boris Maiden, Nikolay Lipetsker and IFMK Realty II, LLC. The Principals of IFMK Realty II, LLC are Iosif Fodymanov, and Maria Kogan. The Sponsor acquired title to the property on September 9, 2011. 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 condominium consists of a single building comprised of a cellar and four stories, and containing in aggregate five (5) residential units and two (2) non-residential units. The non-residential units are designated as community facility units, which is a special class of commercial unit, which uses are explained in more detail in the COMMERCIAL UNITS section of this Offering Plan. Additionally, there are five (5) parking units located in the cellar of the subject premises. There will be no on-site laundry facilities. However, all apartments will be equipped with washer/dryer hook-ups, but no appliances will be supplied. See the ARCHITECT'S REPORT included in Part II of this Offering Plan for a more complete explanation.

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, sexual orientation, 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. 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 September of 2015.

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

(i) Each Purchaser owns his unit outright and is entitled to exclusive possession of his 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.

(ii) 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. In this condominium, all residential units will have allocated, as a limited common element, a balcony or terrace (terraces), as indicated in the FLOOR PLANS set forth in Part II of this Offering Plan.

(iii) After filing of the Declaration, each unit will be separately taxed and may be separately mortgaged; each Unit Owner may deduct from adjusted gross income for income tax purposes real estate taxes and mortgage interest. No Unit Owner will be responsible for payment of, or any lien arising out of non-payment of, real estate taxes assessed against any other unit in the building.

(iv) 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.

(v) Each Unit Owner must pay common charges in accordance with the New York Condominium Act (Real Property Law Sections 339 (i) and (m)), and 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.

(vi) 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.

(vii) Unit Owners are responsible for maintenance and repairs to their individual units.

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

(ix) Each Unit Owner is obligated to comply with the DECLARATION, the BYLAWS, rules and regulations, and any other requirements of the Board of Managers.

The Unit Purchase Prices, estimated Common Charges, and Real Estate Taxes for the first year of Condominium operation are set forth in SCHEDULE A. The projected budget for the first year of Condominium operation is set forth in SCHEDULE B.

While the Sponsor will make good faith efforts to sell rather than rent units, the Sponsor is not limiting the conditions under which it will rent rather than sell units after plan consummation. There is no commitment to sell more units than the 15% necessary to declare the plan effective. Owner-Occupants, therefore, may never gain effective control and management of the condominium. Additionally, the By-Laws do not include a provision that after expiration of the initial Sponsor control period, a majority of the Board of Managers must be Owner-Occupants or a member of an Owner-Occupant's household, who are unrelated to the Sponsor and its Principals. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to purchase as an investment. If the Sponsor makes a bulk sale of all or some of its unsold units, the transferee successor is bound by Sponsor's representation regarding its commitment to sell units.

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 APARTMENT.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The condominium consists of a single building comprised of a cellar and four stories, and containing in aggregate five (5) residential units and two (2) non-residential units. The non-residential units are designated as community facility units, which is a special class of commercial unit, which uses are explained in more detail in the COMMERCIAL UNITS section of this Offering Plan. Additionally, there are five (5) parking units located in the cellar of the subject premises. There will be no on-site laundry facilities. However, all apartments will be equipped with washer/dryer hook-ups, but no appliances will be supplied. See the ARCHITECT'S REPORT included in Part II of this Offering Plan for a more complete explanation.

This is a newly constructed building. Work on the building is scheduled for completion in September of 2015.

The Sponsor will complete the work set forth in this plan relating to the building, and the apartments contained therein, in accordance with all applicable zoning and building laws, including, but not limited to, the New York City Administrative Code and the Zoning Resolution of 1961 as amended, and subject to procurement of all applicable and proper permits which are required.

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. In this condominium, all residential units will have allocated, as a limited common element, a terrace or balconies, as indicated in the FLOOR PLANS set forth in Part II of this Offering Plan.

The Sponsor hereby adopts the detailed description of property and building condition set forth in the section entitled ARCHITECT'S REPORT in Part II of this Offering Plan. With reference to such material, a licensed architect prepared the ARCHITECT'S REPORT 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.

LOCATION AND AREA INFORMATION

Address: 2640 East 14th Street, Brooklyn, NY 11235

This is a highly developed area mainly residential in character. However, it is also served by an assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network of streets and roads, and urban transportation. The City of New York provides police, fire, water, sanitation, snow removal, and road maintenance.

Police Precinct: The 61st Police Precinct is located less than 1 mile from the project on Coney Island Avenue.

Hospital: Coney Island Hospital is located less than 1 mile from the project on Ocean Parkway.

Library: Sheepshead Bay Public Library is located less than 1/2 mile from the project.

Schools: Public School 209 for elementary and middle school; Sheepshead Bay High School for high school; or any of the local private or religious schools.

Zoning: R5 allows residential and community facility use is allowed as a matter of right. 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 option or right to acquire in whole or in part, any adjacent areas which are not fully developed.

SCHEDULE A
PURCHASE PRICE AND ALLOCATION OF COMMON INTEREST
First Year of Operation
October 1, 2015 - September 30, 2016

Unit	Sq. Ftg. (1)	Bdrms/ Bths (2)	% of Common Interest (3)	Unit Offering Price (4)	Monthly Common Charges (5)	With Tax Ben. Monthly Real Es. Taxes (6)	With Tax Ben. Carrying Charges (7)	Without Tax Ben. Monthly Real Es. Taxes (8)	Without Tax Ben. Monthly Carrying Charges (9)	Annual Real Estate Taxes with 421-a Tax Exemption (10)	Annual Real Estate Taxes Without 421-a Tax Exemption (11)
C1	2,094	0/3	20.58%	$1,047,400	804.01	$260.32	$1,064.33	5,891.04	$6,695.04	$3,123.83	$70,692.45
C2	1,428	0/2	14.03%	$714,200	548.23	$177.51	$725.74	4,016.97	$4,565.21	$2,130.08	$48,203.69
2A	992	2/2	11.22%	$570,860	438.20	$141.88	$580.08	3,210.77	$3,648.97	$1,702.57	$38,529.21
2B	992	2/2	11.70%	$595,680	457.26	$148.05	$605.31	3,350.37	$3,807.62	$1,776.59	$40,204.39
3A	992	2/2	11.41%	$580,788	445.83	$144.35	$590.17	3,266.61	$3,712.43	$1,732.18	$39,199.28
3B	992	2/2	11.41%	$580,788	445.83	$144.35	$590.17	3,266.61	$3,712.43	$1,732.18	$39,199.28
4A	1,147	2/2	13.75%	$700,036	537.36	$173.99	$711.35	3,937.31	$4,474.67	$2,087.83	$47,247.72
PS1	153	N/A	1.18%	$60,000	46.06	$14.91	$60.97	337.47	$383.52	$178.95	$4,049.60
PS2	153	N/A	1.18%	$60,000	46.06	$14.91	$60.97	337.47	$383.52	$178.95	$4,049.60
PS3	153	N/A	1.18%	$60,000	46.06	$14.91	$60.97	337.47	$383.52	$178.95	$4,049.60
PS4	153	N/A	1.18%	$60,000	46.06	$14.91	$60.97	337.47	$383.52	$178.95	$4,049.60
PS5	153	N/A	1.18%	$60,000	46.06	$14.91	$60.97	337.47	$383.52	$178.95	$4,049.60
TOTALS	9,402		100.00%	$5,089,752.00	$3,907.00	$281.00	$5,172.00	$5,275.00	$32,534.00	$15,180.00	$343,524.00

Notes:

- All residential units will have allocated, as a limited common element, a balcony or terrace (terraces), as indicated in the FLOOR PLANS set forth in Part II of this Offering Plan.

FOOTNOTES TO SCHEDULE A

1. Unit square footages are calculated using a "gross" square footage method which incorporates as part of the unit exterior walls; walls separating the unit from common elements; and one half of the wall separating the unit from an adjoining unit. As a result, the usable floor area of the unit will be significantly smaller than the square footage projected in the Offering Plan. The estimated square footage of each unit is based on the FLOOR PLANS and ARCHITECT'S REPORT set forth in Part II of this Offering Plan, and may vary, within reasonable tolerances, from the "as-built" square footage as subsequently described in the condominium Declaration.

2. The bedroom and bathroom count is based on the method suggested by the Real Estate Board of New York. This method counts each fully partitioned bedroom as one room; each bathroom containing a sink, toilet, and shower or bath as a full bathroom; and each bathroom not containing a shower or bath as a half-bath. Multi-use rooms, such as living/dining rooms are counted as a single room. Baths which do not include a tub or shower are counted as half baths. See the sections entitled ARCHITECT'S REPORT and FLOOR PLANS, both of which are included in Part II of this Offering Plan, for a more complete description of each apartment.

3. The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to such other items of relative value as the location of the space in the condominium, uniqueness of the unit, the availability of limited common elements for exclusive or shared use, and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.

4. Across-the-board changes in unit prices, advertised price changes, and increases in individual unit prices may be made only by an amendment duly-filed with the New York State Department of Law. However, individually negotiated reductions in the purchase price of a unit may be made without prior amendment. Purchasers will also incur certain closing costs in connection with the purchase of their unit. See the CHANGES IN PRICES OF UNITS and CLOSING COSTS AND ADJUSTMENTS sections of this Offering Plan.

5. Projected Common Charges for the first year of operation include only those expenses which are enumerated in SCHEDULE B. Maintenance charges do not include such expenses as repairs to the interior of the owner's unit, and the owner's individual gas, electricity, and telephone expenses; individual costs for heat and hot water for each apartment is set forth in SCHEDULE B1 of this Offering Plan. Moreover, if the purchaser should obtain financing for the purchase, the debt service on that loan will be an additional expense not covered by the Common Charges. Common Charges are arrived at by allocating to each unit a share of the Monthly Charges proportionate to the Common Interest which that unit bears in the condominium.

6. After the condominium is divided into individual tax lots, each lot will be separately taxed for New York City property tax purposes. A unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non payment of taxes on other units. Sponsor is applying for Real Estate Tax Benefits pursuant to Section 421-a of the

New York State Real Property tax law. This will result in an exemption of the building from increase in actual assessed valuation due to improvements to the premises for a period of fifteen (15) years, with the full assessment thereafter being phased in over a five (5) year period. Sponsor has obtained an estimate from Real & Proper Inc., 10 Jay Street, Suite 501, Brooklyn, NY 11201 as to the likely effects of Sponsor's application for Real Estate Tax Benefits. Purchasers are directed to the section of this Offering Plan entitled REAL ESTATE TAX BENEFITS OPINION LETTER for a complete explanation.

The anticipated date of completion of construction is September of 2015.

Calculations of Real Estate Taxes are arrived at by applying the current tax rate to the assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. In the event Tax Abatement and Exemption benefits are obtained, the assessed value will be based on the pre-construction assessed value of $25,620.00. In the event tax exemption benefits are not obtained, the assessed value used for calculations is the $481,575.00 post-completion assessed value estimated by the Sponsor's real estate tax exemption and abatement expert, and set forth in his letter included in this Plan. In either case, the tax rate used for the calculation is 13.145%, which is the current tax rate. See COUNSEL'S TAX OPINION hereinafter set forth for a more complete discussion.

7. While Sponsor is applying for real estate tax benefits, and the expert opinion included in this Offering Plan projects that such benefits are available and will be granted, no guarantee can be made, or is made, that said benefits will be obtained or will continue to be available. Therefore, Sponsor has projected in Schedule A the real estate taxes in the event no such benefits are obtained.

8. Monthly carrying charges are composed of the monthly common charges and the monthly real estate taxes projected against each unit. Monthly carrying charges do not include debt service on any individual mortgage financing obtained by the purchaser. This will represent an additional expense to unit purchasers.

9. Unit owners who itemize their deductions should, for federal income tax purposes, be entitled to a deduction for real estate taxes in the year in which same are paid or accrued. The projected tax deduction may vary in future years due to changes in the interest rate on the unit owner's mortgage (if any), or from changes in the allocation of constant debt service payments to interest and principal; or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, tax rates, or the method of assessing real property; or from changes in the tax laws governing deductibility of mortgage interest and real estate taxes. Please see the COUNSEL'S TAX OPINION LETTER set forth in this Offering Plan for a more complete explanation.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

October 1, 2015 – September 30, 2016

INCOME	
Common Charges	$46,880
EXPENSES	
Heat and Hot Water (1)	$ 0
Electricity (2)	$ 6,294
Water and Sewer (3)	$ 6,786
Repairs and Maintenance Reserve (4)	$ 9,900
Services and Supplies Reserve (5)	$ 750
Insurance (6)	$ 13,150
Legal and Accounting Fees (7)	$ 3,500
Labor (8)	$ 0
Management (9)	$ 0
Miscellaneous Reserve (10)	$ 500
Capital Reserve Fund (11)	$ 6,000
Total	$46,880

Note: All figures are rounded to the nearest dollar.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT OF CONDOMINIUM OPERATION IS TO BE DELAYED MORE THAN SIX (6) MONTHS BEYOND THE BUDGET YEAR PROJECTED IN THE OFFERING PLAN, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTION EXCEEDS ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR MUST OFFER ALL PURCHASERS THE RIGHT TO RESCIND IN A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION OF SAID AMENDED BUDGET, TO EXERCISE SAID RIGHT, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. SPONSOR MUST RETURN ANY DEPOSIT OR DOWN-PAYMENT TO A PURCHASER WHO RESCINDS WITHIN 10 DAYS AFTER RECEIPT OF NOTICE OF RESCISSION.

ADDITIONALLY, PURCHASERS WILL BE OFFERED THE OPPORTUNITY TO RESCIND THEIR PURCHASE AGREEMENT IN THE EVENT CLOSING DOES NOT OCCUR WITHIN 12 MONTHS FROM THE COMMENCEMENT DATE OF THE PROJECTED BUDGET.

FOOTNOTES TO SCHEDULE B

1. 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 B1 hereinafter set forth for an estimate of individual heat and hot water charges.

2. The Sponsor has obtained an estimate from Levin Engineering PLLC, 28 Dooley Street, 2nd Floor, Brooklyn, NY 11235, dated December 21, 2013, of approximately 29,977 kilowatt hours per year of electrical usage for the common areas. The projected cost in SCHEDULE B is based on 21 cents per kilowatt hour, and includes a 10% allowance for inflation, and the cost of all applicable state and local taxes. Purchasers shall be responsible for individual utility costs for their own apartments.

3. Water is supplied to the building by the City of New York through a single water meter serving the entire building. The Sponsor has obtained an estimate from Levin Engineering PLLC, 28 Dooley Street, 2nd Floor, Brooklyn, NY 11235, dated December 21, 2013, of the projected water and sewer costs which anticipates a total usage of 732 hundred cubic feet (HCF) at $9.27 per hundred cubic foot, and also includes a 10% allowance for inflation.

4. Repairs and maintenance to building: The budgeted figure is based on normal maintenance and repairs to the common elements of the building and its systems and equipment. Insofar as this is a newly constructed building it is not anticipated that any major repairs will be required. The budgeted figure includes such items of regular maintenance as cleaning, painting and minor mechanical, carpentry, or electrical work. Individual unit owners will be responsible for the cost of interior repairs, and decorations, and painting of their respective apartments, including appliances. Anticipated costs of repairs and maintenance include the estimated of an elevator service contract.

5. Services and supplies: These include items expected to be consumed in the normal course of building operation, including light bulbs, cleaning supplies, paints, and hardware items.

6. Insurance: Sponsor has received a letter, dated November 19, 2013, estimating the cost of coverage for the building via a package policy through First Fidelity Brokerage, Inc., 1350 Avenue of the Americas, 18th Floor, New York, NY 10019, in the following coverage amounts:

Building	$3,000,000 "All Risk" agreed amount Replacement Value
Liability	$1,000,000 per occurrence $2,000,000 aggregate
Umbrella	$5,000,000 "All Risk" agreed amount
Directors & Officers	$1,000,000
Crime Prevention	$ 250,000
Flood Coverage	$1,500,000
Deductible	$5,000

The foregoing insurance, including the public liability coverage included therein, will be in effect at the time of closing. The insurance company has advised the Sponsor via letter that in its opinion, the amount of coverage is adequate to rebuild the building structure if totally destroyed by any insured peril. However, the policy does not guaranty the replacement of individual fixture and improvements installed by individual unit owners. This policy waives a standard co-insurance clause, so that no insured thereunder shall be a co-insurer. The policy will provide that:

(i) each unit owner will be an additional insured;
(ii) there will be no cancellation without notice to the board of managers and individual unit owners;
(iii) will waive subrogation;
(iv) will waive invalidity because of the acts of the insured and individual unit owners;
(v) and, will waive pro rate reduction if individual unit owners obtain additional individual coverage.

7. Legal and Accounting Fees: This figure is based on the estimate, dated November 13, 2013, received by the Sponsor from Universal Accounting Systems, Inc., certified public accountants, 328 Neptune Avenue, Brooklyn, NY 11235. The estimate was $2,500.00 for preparation of a certified financial statement for the first year of operation and City, State and Federal tax returns. The balance of the budgeted figure, $1,000.00, anticipates minor legal services during the first year of operation, but would be insufficient to cover any substantial litigation.

8. It is expected that no superintendent will be employed. Should the Board of Managers elect at any time to employ the services of a superintendent, this will represent an additional cost, which may require an increase in the common charges. Activities which the unit owners will need to perform in the event no superintendent is employed include rubbish removal, cleaning, painting, bulb replacement, snow removal, landscaping and minor repairs. Neither the health, labor, nor housing laws applicable to this project require a level of staffing greater than those set forth herein.

9. It is expected that the building will be self-managing. Should the Board of Managers elect at any time to employ the services of a managing agent, this will represent an additional cost of approximately 6% - 10% of the annual operating budget, which would require a concomitant increase in the common charges.

The activities which the Board of Managers, on behalf of unit owners, will need to perform in the event no managing agent is employed include maintenance of checking and savings accounts for the condominium; collection of monthly common charges; payment of all condominium common charges; processing of all individual unit sales; supervision and payment of building employees; building maintenance; review and resolution of any problems arising in the day-to-day operation of the building; compliance with all government laws and regulations affecting building operation, ownership and maintenance; filing of annual tax returns; enforcement of condominium-adopted rules and regulations including enforcement of maintenance obligations;

seizure and sale of delinquent units; and response to individual unit owner complaints, questions or issues. In addition to the foregoing, any additional issues or problems arising out of the operation, maintenance, ownership, or occupancy of the building, will need to be dealt with by the Board of Managers.

10. The miscellaneous budgeted item is intended to provide a reserve for unforeseen costs for future expenses.

11. The budgeted figure represents the creation of a reserve fund for repair or replacement of major mechanical systems or structural items within the building, and may not be used for general operating expenses, or to reduce the common charges.

12. 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 duly filed amendment to the Offering Plan.

SCHEDULE B1

October 1, 2015 – September 30, 2016

Heat will be provided to each individual unit by a separate HVAC system; hot water shall be provided to each unit by separate hot water heaters. The attached Exhibit A includes estimates for the annual cost of providing electricity, heat and hot water for each residential unit. The costs do not include an estimate of domestic cooking gas.

The estimate assumes the following:

(a) Current National Grid gas rate of 1.10 cents per therm;
(b) Estimate of 16 hours per day at 70 degrees;
(c) Estimate of 8 hours per night at 60 degrees;
(d) Current Con Edison rates of 21 cents per kilowatt hour.

Taxes are based on current New York City and New York State sales taxes applicable to the sale of natural gas use for home heating purposes and to electricity.

A 10% inflation factor has been included with regard to heating and electrical costs.

The cost of providing hot water for domestic use (washing, bathing, etc.) is based on normal estimated usage for a family of 5, and is highly dependent both on the number of people located in the apartment, and their pattern of usage.

The table includes only gas use for heating and hot water and does not include gas used for cooking or any other purpose.

SCHEDULE B1 EXHIBIT A
First Year of Operation
October 1, 2015 - September 30, 2016

Unit	Electrical Cost	Electrical Usage (kwh)	Hot Water Cost	Hot Water Usage (therms)	Inflation	Total
C1	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90
C2	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90
2A	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90
2B	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90
3A	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90
3B	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90
4A	$3,961.00	18,862	$1,188.00	1,080	$514.90	5,663.90

COMMERCIAL UNITS

The premises are located in a R5 zone, which allows both residential and community facility use. Units C1 and C2 are designated as Community Facility. It is currently anticipated that these units will be utilized for non-custodial medical care. Notwithstanding the forgoing, there are no restrictions on the use of the commercial unit other than that such use must conform to applicable zoning regulations or any variance granted thereof, and the Certificate or Occupancy for the premises or any amendment thereto.

The common charges payable by the commercial unit owner are sufficient to cover the expenses attributable to said unit. Heat, hot water, cold water, and utility services are all separately metered and will, therefore, not consume any portion of the condominium budget. The commercial unit owners will be entitled to a credit against common charges for their proportionate share of the water bill for the residential units. Moreover, since the commercial unit owners are responsible for all internal repairs and maintenance, heavier wear and tear attributable to commercial use should not impact on the budget for the condominium. The insurance projection in SCHEDULE B anticipates these commercial uses, so it is anticipated that the use of these spaces for non-residential purposes will not increase the cost of insurance beyond that projected in Schedule B. Insofar as the exact usage of the space has not yet been determined, it is not possible to estimate such cost at this time. However, such information will be provided to a prospective commercial unit purchaser prior to executing a contract of sale therefore.

The commercial unit owner(s) have rights and obligations, which differ substantially from that of the residential units. A commercial unit owner may subdivide and sublet any or all of the commercial unit. A commercial unit may be divided into any number of smaller condominium units, or combined into any number of larger units, provided that the net common interest of such newly created units shall not exceed the original common interest allocated to the commercial unit or units involved.

CHANGES IN PRICES OF UNITS

Across-the-board changes in unit prices, advertised price changes, and increases in individual unit prices may be made only by an amendment duly filed with the New York State Department of Law. 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 affected purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that unit, and said agreement is in effect. 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.

MULTIPLE LISTING SERVICE MLS

Golden Real

Tel: (718) 891-8882 (646) 208-9393 Fax: (718) 646-1547 (718) 996-3196

March 4, 2014

COMPLIANCE WITH REAL PROPERTY LAW 339(i)(1)(iv)

RE: The 2640 East 14th

Street Condominium

Brooklyn, New York 11235

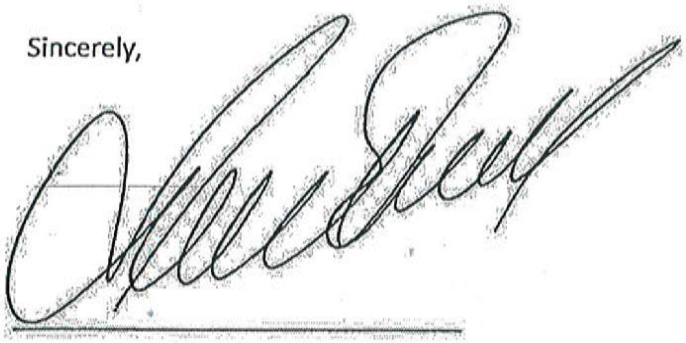
To Whom It May Concern:

You have requested an opinion from us with regards to your allocation of common interest to units in your proposed condominium at 2640 East 14th Street, Brooklyn, New York, with Section 339(i)(1)(iv) of the New York Real Property Law. You have informed us that common interest is allocated based on floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for shared or exclusive use, and the overall dimensions of the particular Unit. Based on our review of the foregoing factors, we have concluded that the proposed allocation of common interest to individual units is in compliance with Section 339-i (1)(iv) of the New York Real Property Law.

I have been a licensed real estate broker for fifteen years. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in Offering Plans for the sales thereof. We are not, in any way, associated with you or any other participant in the project, and have no beneficial interest in your business, or in profitability of the project.

This is an opinion only as to the relative value of each unit in relation to the value of the project as a whole; is strictly based on the information provided to us in such reasonable inquiries as to the validity thereof as we deemed appropriate under the circumstances; and, is not intended as a guarantee of the actual value of any individual unit. We consent to the inclusion of this letter in your Offering Plan.

Sincerely,



Arnold Borisov

Licensed Real Estate Broker

Golden Real USA

415 Brighton Beach Avenue, 2nd

Floor

Brooklyn, NY 11235

INTERIM LEASES

The Sponsor will not offer Interim Leases to prospective purchasers.

PROCEDURE TO PURCHASE

Persons desiring to purchase condominium units will be required to execute a Purchase Agreement 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 GABRIELLA ILAN, ESQ. Sponsor reserves the right to accept a lesser down payment to accommodate Purchasers, but in no case will the down payment be less than 5% of the purchase price.

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. In the event Sponsor fails to act within said twenty (20) days period, the contract will be deemed no accepted and the Purchaser will be entitled to a full refund of their down payment. The Plan will expire twelve (12) months from the date on which it is accepted by the New York State Department of Law, 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.

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

The law firm of Ilan Law Firm, P.C., with an address of 2709 Coney Island Avenue, Brooklyn, NY 11235, telephone number (347)933-6333, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney(s) to serve as signatory: GABRIELLA ILAN, ESQ. 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.

The Escrow Agent has established the escrow account at Chase Bank located at 722 Brighton Beach Avenue, Brooklyn, NY 11235, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Ilan Law Firm, P.C. IOLA" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit. Any deposit in excess of $250,000.00 will not be insured.

All Deposits made 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 GABRIEL LA ILAN, ESQ., as Escrow Agent.

The interest rate for all Deposits made into the Escrow Account (if the Escrow Account is interest-bearing) shall be at the prevailing rate for such accounts. 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. Notwithstanding the foregoing, the Escrow Account is anticipated to be an IOLA account and no interest is anticipated to be earned thereon.

The Purchase Agreement is attached hereto in Part II of the Offering Plan. The relevant escrow trust fund provisions are included in Section 5 of the Purchase Agreement, which incorporates all of the provisions of the Escrow Agreement set forth in Part II of this Offering Plan. The Purchase Agreement must be executed by the Purchaser, Seller, and the Escrow Agent.

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. Within ten (10) business days of placing the deposit in the escrow account, Escrow Agent shall provide written notice to Purchaser(s) and Sponsor confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit, if any.

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.

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.

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 a post-closing 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.

The Escrow Agent shall release the Deposit if so directed:

(i) pursuant to terms and conditions set forth in the Escrow Agreement and the Purchase Agreement upon closing of title to the Unit; or

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

(iii) 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 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 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:

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

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

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.

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.

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.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed.

Purchase Agreements will be contingent on Purchaser obtaining a firm written commitment for financing, provided that Purchaser applies for mortgage financing within five (5) days after receipt of a fully executed copy of the contract of sale. Purchaser shall have forty (40) 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 forty (40) day period, and fails to notify Sponsor's attorney within five 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 ten (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 ten (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.

Sponsor will notify Purchaser within ten (10) days after receipt of notice of casualty damage to a unit prior to closing whether or not Sponsor will repair such damage. If Sponsor does not repair such damage, Purchaser will be offered a right of rescission. If the Sponsor elects to repair the damage, it will do so as promptly as possible and restore the unit/common elements to substantially the same condition as immediately prior to the casualty and its essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street have been restored. Additionally, a Purchaser will be required to make a good faith effort to extend the term of the commitment to enable the Sponsor to repair the damage. But in the event that an extension is not obtained, the Purchaser will be offered a right of rescission, and the down payment will be returned to Purchaser within ten (10) days after Purchaser notifies Sponsor that it is validly terminating the contract pursuant to the foregoing representation.

Certain provisions of the Purchase Agreement are "time of the essence". This means that failure to strictly comply with the time requirements of said provisions 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 receipt of written 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 thirty (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 (40) days after Purchaser receives a fully executed Purchase

Agreement, 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 thirty (30) days prior to the closing date set therein. Sponsor will permit Purchasers to waive this thirty (30) day provision by delivering to Sponsor's attorney written notice that Purchaser wishes to close prior to the expiration of the thirty (30) day notice period.

The first closing of a Unit is expected to occur on or about October 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.

Purchasers should also note that even if the first closing occurs on or before October 1, 2015 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a temporary Certificate of Occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays, and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission.

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 APARTMENT.

EFFECTIVE DATE

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 will only be declared effective by a duly filed amendment, or by personal service of notice to all Purchasers. If declared effective by notice, an amendment to that effect, specifying the date on which the plan was declared effective, shall be filed within five (5) days thereafter with the New York State Department of Law. No closing on any individual unit will be held prior to the acceptance for filing of such amendment by the New York State Department of Law.

The Plan may be declared effective upon the execution of Purchase Agreements for 15% (in number, not common interest) of the residential and non-residential (but not parking) units in the building to bona fide Purchasers, including investors. A minimum of two (2) units must be sold to declare the Plan effective. 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 been waived; a Purchaser who has not been afforded the protections required by 13NYCRR20.3(o)(15), to wit, the Purchaser must either have three (3) business days to review the Offering Plan and all the filed amendments prior to executing a Purchase Agreement, or seven (7) days after delivering an executed Purchase Agreement, together with the required deposit, to rescind the Purchase Agreement and have the full deposit refunded promptly; 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, the selling agent, or the managing agent, or to any principal of the Sponsor, 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 residential and non-residential (but not parking) units, which, in the case of this Plan means six (6) units. Prior to the sale of 80% of such units, or prior to being declared effective, the Plan may be abandoned by the Sponsor at his option. 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. If payments under Purchase Agreements have been received, the amount of such funds and the manner and time when these funds will be returned to Purchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing.

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 litigation, or expenditure of an amount in excess of one-half (1/2) of one percent (1%) of the total offering price (which in this Plan means

$25,449.00), or substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half (1/2) of one percent (1%) of the total offering price ($25,449.00), or the taking of any material portion of the property by condemnation or eminent domain. Such title defects, violations, or substantial damage or destruction of the building by fire or other casualty, or determinations of any authority or regulatory association, which exist on the date of the presentation of the plan, and are either known to the Sponsor, or are a matter of public record, 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. The Sponsor may also not abandon the plan on account of any judgments or liens against the property resulting from the acts of the Sponsor or any of its Principals or which are known to the Sponsor or any of its Principals on the date of the Plan.

TERMS OF SALE

Sponsor will deliver to Purchaser, on closing, 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, mortgages, leases, and title exceptions, other than those described in this Offering Plan and the proposed Deed.

Risk of loss from fire or other casualty remains with the Sponsor until title is passed. Upon Purchaser acquiring right of possession of the unit, all risk of loss, to the extent not covered by building insurance, passes to Purchaser, and Sponsor shall not thereafter be responsible to repair any damage which occurs after possession but 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.

A closing will take place only concurrently with the issuance of a temporary or permanent Certificate of Occupancy for the entire project, or issuance of a partial, temporary or permanent Certificate of Occupancy for the unit closed or the building in which the unit is located. Purchasers should also note that even if the first closing occurs on or before October 1, 2015 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a temporary Certificate of Occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a Certificate of Occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission.

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.

If the existing mortgages will not be satisfied at, or prior to, the time of the conveyance of the first unit, each such mortgagee will either consent to the formation of a Condominium, and acknowledge that its lien will be limited to Unsold Condominium Units; or subordinate the lien of its mortgage to

the Declaration of the Condominium; or release its lien upon the Condominium Unit being conveyed, and its interest in the Common Elements.

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 which will vary depending upon the Purchase Price of the Unit. Rates set by the New York Board of Title Underwriters are currently $1,117.00 on a Purchase Price up to $200,000.00 and approximately $4.00 for each additional thousand dollars or fraction thereof. Mortgage title insurance is currently $806.00 on a mortgage of $160,000.00 and $3.50 for each additional thousand dollars or fraction thereof; however, where mortgage and fee title are obtained simultaneously the charge for mortgage insurance is reduced to 30% of the usual applicable rate, up to the amount of the fee insurance.

(b) Fees for recording the Deed, Power of Attorney, and any mortgage obtained by the Purchaser are $42.00 for the first two pages, plus $5.00 per page for every page thereafter, and a $50.00 service charge per instrument. Additionally, there is a $25.00 charge for recording the Real Property Transfer Tax Return along with the deed.

(c) If the purchaser obtains a mortgage loan, the purchaser will pay a mortgage tax of 2.05% of the principal amount of the mortgage if the mortgage is under $500,000.00, and 2.175% if the mortgage is over $500,000.00. If the mortgage is from an institutional lender, the lender will be required to pay a portion of that mortgage tax equal to .25%, thus reducing the effective mortgage tax to 1.80% on a mortgage of $500,000.00 or under; and 1.925% on a mortgage which is over $500,000.00. 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) All legal costs, fees and expenses charged by the purchaser's attorney will be the sole responsibility of each purchaser.

(e) New York City Real Property Transfer taxes, currently one (1%) of the Purchase Price of up to $499,999; 1.425% for those priced $500,000 or above, 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 and of itself taxable, which will result in a "tax on a tax" effect.

(f) New York State Documentary Stamp taxes are 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 tax stamps by

the Purchaser is deemed an additional consideration to the Seller, and so is in and of itself taxable, which will result in a "tax on a tax" effect.

(g) Each purchaser will be required to make a contribution to the Working Capital Fund in an amount equal to one month's Common Charges for his/her unit.

(h) 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.

(i) All closings will occur at the office of the Sponsor's Attorney. Under no circumstances will Sponsor be required to close at any place other than the offices of Sponsor's Attorney. In the event that Sponsor consents to a closing outside of the office of Sponsor's Attorney, there will be an attendance fee of $500.00 for closings in Kings or New York counties; $850.00 for closings in any other location.

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.

Purchasers shall pay to the Sponsor's Attorney at closing a fee of $2,000.00 for the preparation of closing documents. If a Purchaser, through no fault of the Sponsor or the Sponsor's attorney, 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 $150.00 added to the above. In the event Purchaser fails to fulfill their terms of the Purchase Agreement and Sponsor's Attorney mails a Notice of Default, there will be a $100.00 charge for such notice. 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; the Sponsor shall be entitled to reimbursement from unit owners for any taxes paid on their behalf. The amount of escrow the Sponsor deposits with the Board of Managers for unsold units will be disclosed in the initial post-closing amendment. Under such circumstances, the unit owner's lender may also require an escrow for taxes. The authorization for the Board to collect real estate taxes if Units have not been separately assessed is set forth in Article VI, Section 1 of the By-Laws in Part II of this Offering Plan.

Except as specifically set forth 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 are set forth below.

SAMPLE CLOSING COSTS

Unit 2B

$595,680.00 Purchase Price
$476,544.00 Mortgage

A. Mortgage and Fee Title Insurance	$ 2,157.00
B. Deed and Power of Attorney Recording	$ 223.00
C. Mortgage Recording Tax	$ 8,547.00
D. New York City Transfer Tax	$ 8,643.00
E. New York State Documentary Stamp Tax	$ 2,428.00
F. Working Capital Fund Contribution	$ 457.26
G. Document Preparation Fee	$ 2,000.00
H. Mortgage Recording Fee	$ 295.00
Total:	**$24,750.26**

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. Purchaser will also be responsible for the mortgage recording charge which is calculated on the basis of $42.00 for the first two pages, plus $5.00 per page for every page thereafter, and a $50.00 service charge.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

The Sponsor is using its own capital to complete the construction of the building as set forth herein.

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 of buildings or units, other improvements, or common elements, if such changes adversely affect the public areas, or 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 all affected unit owners consent in writing to such change, and all affected purchasers 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 or temporary Certificate of Occupancy has been obtained for the premises. In the event closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor to, at its own cost and expense, obtain such permanent Certificate, and the Certificate must be obtained within two (2) years from date of closing. Prior to obtaining the permanent Certificate of Occupancy, the Sponsor is required to either: (a) maintain all deposits and funds in a special escrow account required by GBL-352e(2)(b) unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified may be released; or (b) deposit with an escrow agent an unconditional, irrevocable letter of credit, or post a surety bond, in the aforesaid specified amount. In the event option "(b)" is employed, posting of the surety bond or letter of credit must be in compliance with the applicable laws and rules of the New York State Department of Law, and previously disclosed in a filed amendment to the plan. Notwithstanding the foregoing, alterations or improvements to the common areas and public portions of the building will be completed before the closing of the first unit.

It has been customary for units in newly constructed and gut rehab co-ops and condominiums to close after a Temporary Certificate of Occupancy covering such units has been issued. Sponsor will send closing notices for units covered by Temporary Certificates of Occupancy and purchasers will be required to close with a Temporary Certificate of Occupancy, rather than a Permanent Certificate of Occupancy in place. Temporary Certificates of Occupancy are issued for six (6) months at a time and may be extended for up to two (2) years after which they must be succeeded by a Permanent Certificate of Occupancy.

The New York City Department of Buildings advises purchasers of houses and apartments, who close with only a Temporary Certificate of Occupancy in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for sponsor to obtain a permanent or final Certificate of Occupancy.

The Sponsor gives no warranty as to materials or workmanship that shall survive sale of a unit. Notwithstanding the foregoing, Sponsor remains under an obligation to complete the building in accord with all representations made in this Offering Plan and all Building Plans and specifications filed with any governmental agency having jurisdiction thereover.

Sponsor will have no liability of any kind for any visible damage to a unit which might be readily ascertained by a visual inspection of the property, and which is not reported prior to closing. A purchaser is under the obligation to inspect the unit prior to closing. 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.

Sponsor will notify Purchaser within ten (10) days after receipt of notice of casualty damage to a unit prior to closing whether or not Sponsor will repair such damage. If Sponsor does not repair such damage, Purchaser will be offered a right of rescission. If the Sponsor elects to repair the damage, it will do so as promptly as possible and restore the unit/common elements to substantially the same condition as immediately prior to the casualty and its essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street have been restored. Additionally, a Purchaser will be required to make a good faith effort to extend the term of the commitment to enable the Sponsor to repair the damage. But in the event that an extension is not obtained, the Purchaser will be offered a right of rescission, and the down payment will be returned to Purchaser within ten (10) days after Purchaser notifies Sponsor that it is validly terminating the contract pursuant to the foregoing representation.

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.

Disclaimers or limitations of liability on the part of the Sponsor or its Principals for failure to perform any obligation imposed by applicable statute or regulation may not be included. The Offering Plan may not include any financial limitation on Sponsor's liability for failure to perform its obligations under the Offering Plan.

The Sponsor guarantees payment of all common charges and special 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 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 addition, no escrow account has been created to guarantee payment of common charges. 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 of the 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, 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 which 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 this 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 respect to 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.

Sponsor is retaining the unconditional right to rent rather than sell units after plan consummation. Thus, Sponsor may never sell more than the 15% of units required to declare the plan effective. As a result of this, the plan may not result in the creation of a condominium in which a majority of the units are owned by Owner-Occupants, or investors unrelated to the Sponsor. The condominium Board does not have the right to approve or disapprove Purchasers, so that there is no limit on the number of owners who may purchase for investment rather than personal occupancy. There may always be a substantial percentage of owners who are non-residents. Owner occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to purchase as an investment). Sponsor will endeavor in good faith to sell rather than rent units, however Sponsor is retaining the unconditional right to rent rather than sell units.

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, beginning on page CBL-1. 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. If the Sponsor still owns 50% or more of the units in the building at this time, a majority of the new Board of Managers may be Sponsor-appointees.

Transfer of control of the Condominium Board of Managers shall pass to unit owners, other than the Sponsor, at the later of the following:

(i) One-hundred and twenty (120) days after the date by which 75% of the units have been conveyed to unit purchasers; or

(ii) Three (3) years after the first conveyance of a unit to a unit purchaser.

Notwithstanding the foregoing, Sponsor may vote for unit owners of his choice.

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

(i) Shall not eliminate or reduce the number of employees, insurance coverages, 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.

(ii) 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;

(iii) Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law or order of an insurance carrier; nor any expenses necessary for the preservation or safety of the building or the safety of its occupants.

The Sponsor may exercise veto power over other expenses for a period ending not more than five (5) years after the closing of the first unit, or whenever the unsold units constitute less than 25% of the common interest, whichever is sooner. Additionally, the By-Laws do not include a provision that a majority of the Board of Managers must be owner occupants or members of an

owner occupant's household who are unrelated to the Sponsor and its Principal after the end of the initial Sponsor control period.

Until the earlier of five 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 that 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or which are required to comply with applicable laws or regulations; remedy any notice of a violation; remedy any work order from an insurer; or for any repair or replacement necessary for the preservation or safety of the building, or for the safety of occupants of the building, or is required to avoid the suspension of any necessary service to the building. 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.

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; however, such Board members shall remain under a fiduciary duty to act in the best interest of the Condominium. Additionally, such Board members shall be required to disclose the nature of their relationship in dealing with the Sponsors to all unit owners; Sponsor designated Board members are also required to disclose to unit owners the terms of contracts and/or transactions/contracts entered into when dealing with Sponsor or Sponsor affiliate.

BOARD OF MANAGERS

The Condominium shall be governed according to the By-Laws in Part II, beginning on page CBL-1.

The By-Laws limit the number of Managers to not less than three (3) members. The first Board of Managers shall consist of Iosif Fodymanov, Nikolay Lipetsker, and Boris Maiden, the Principals of the Sponsor. However, these Officers and Managers will resign in favor of Officers and Managers which will be elected by the Unit Owners at a meeting to be convened within 60 days after the First Closing; they may however, be re-elected at such time. The By-Laws do not include a provision that a majority of the Board of Managers must be owner occupants or members of an owner occupant's household who are unrelated to the Sponsor and its Principal 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 .01% 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 unit owners other than, 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. Special meetings may be called on five (5) days written notice by any two Managers.

The Board 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, supervision 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 thereunder as his/her interest in the Common Elements of all Unit Owners.

The principal officers of the Condominium shall be the President, the Vice President, Secretary and Treasurer, all whom shall be elected by the Board of Managers. All officers shall serve without compensation or remuneration. The officers shall be elected annually by the Board of Managers; 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 pursuant to Section 9B of the Real Property Law of the State of New York (New York's Condominium Act).

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 pursuant to Section 9B of the Real Property Law of the State of New York (New York's Condominium Act).

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 this Offering Plan.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Unit Owners will have the right to sell, lease, or mortgage units, 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 Board of Managers does not have a right of first refusal with regards to the sale or lease of a unit. While lease of a Condominium unit, like any other contract, is subject to regulation by certain state laws (General Obligations Law, Multiple Dwelling Law, etc.) the terms of the lease (including rent) will not be subject to any state or local rent regulatory laws. The Board of Managers does not have a right of first refusal with regards to the sale or lease of any Unit.

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

(i) A Unit Owner may only use his/her Unit for a purpose consistent with any applicable ordinance or statute, 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.

(ii) 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.

(iii) 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.

(iv) No improper, offensive, or unlawful use shall be made of the Property nor 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.

(v) 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, which are set forth in Part II of this Plan, and any Rules and Regulations made in accordance with the By-Laws. 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 residence 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. 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.

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 New York State 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 RE1 in Part II 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 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), 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 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, except cosmetic work such as surface restoration or repainting, and replacement or repair of cabinetry and appliances, 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, material man, 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; (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) officer's and director's insurance covering the Board of Managers; 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. Please see footnote #6 in FOOTNOTES TO SCHEDULE B in Part I of this Offering Plan for the details of the insurance coverage.

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.

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and to all appurtenant areas, 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.

At the time of closing, Purchaser will be required to execute a broad 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. Purchaser must sign the Power of Attorney at closing; failure to sign the Power of Attorney will be deemed a default and will result in cancellation of the transaction and possible loss of the downpayment. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

REAL ESTATE TAXES AND TAX BENEFITS

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 $25,620.00, and imposes a tax rate of 13.145%. The real estate taxes payable in SCHEDULE A are determined by applying the applicable tax rate to the non-exempt portion of the assessment as set forth in the attached letter from Real & Proper Inc., 10 Jay Street, Suite 501, Brooklyn, NY 11201, 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.

There are no tax certiorari proceedings currently pending. Individual 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 (which prevents a building from being assessed at a higher level than similarly situated rental properties merely because of its status) and 1805 (which limits the annual increases due to changes in market value) 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 this Offering Plan from Real & Proper Inc., 10 Jay Street, Suite 501, Brooklyn, NY 11201, who have filed 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 value of the property. Sponsor has obtained an estimate from Real & Proper Inc. of a post-completion assessed value of $481,575.00, commencing in the July 2015 tax year. SCHEDULE A includes the estimated tax payments in the event 421-a Tax Benefits are not obtained. This projection is based on a full year of post-completion assessed value. The following table indicates the application and expiration of benefits:

YEAR	ASSESSED VALUE	TAXES
1-11	$25,620.00	$3,367.75
12	$116,811.00	$15,354.81
13	$208,002.00	$27,341.86
14	$299,193.00	$39,328.92
15	$390,384.00	$51,315.98
16	$481,575.00	$63,303.03

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

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.

As required by the 421-a Rules and Regulations issued by the New York City Department of Housing and Preservation ("HPD"), if the Offering Plan has not been declared effective for filing at a time fifteen (15) 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 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 is required to be registered with DHCR shall contain a notice at least twelve (12) point type informing any such tenant that the Residential Unit shall be subject to deregulation upon the expiration of the 421-a tax benefit period and stating the approximate date on which such benefit period is expected to expire. If each lease and renewal thereof does not contain the aforementioned notice, then, the unit shall remain rent stabilized after the expiration of the 421-a tax benefits until the Unit becomes vacant. During such rent stabilization period, the Unit shall not be subject to luxury decontrol. After any such registration of the building and applicable Units with DHCR, the plan shall be amended to disclose the rights of existing tenants.

The building constituting this condominium is not located within the state's geographic exclusion area for Section 421-a benefits. As a result, the requirement to create "affordable" housing units; nor to record any restrictive declaration regarding affordable housing units. Additionally, the building is exempt from the "prevailing wage requirements" for 421-a since it contains fewer than 50 units.

Sponsor intends that the building shall be exempted from the statutory obligation to register units as rent stabilized by reason of its condominium status. An Offering Plan which is not declared effective within fifteen (15) months of the issuance by HPD of the 421-a final certificate of eligibility becomes subject to rent regulations under the Rent Stabilization Laws and Code ("Code"). The Code imposes registration requirements on owners and grants tenants the right to reside in the premises, provided that they abide by their lease terms, for the duration of the 421-a partial real estate taxes exemption. Leases given to tenants must contain language advising of when the 421-a partial real estate exemption will expire. Tenant's rents cannot be increased over and above Rent Guidelines Board restrictions plus 2.2% annually. Further, an individual who takes possession pursuant to a lease with the Sponsor will have the aforementioned rights of continued possession and rent increase protection, but a tenant of a unit Purchaser unrelated to the Sponsor would not enjoy these protections.

If prior to consummation of the Offering Plan, Sponsor rents any residential unit or portion thereof to any person other than a person who occupies pursuant to an interim lease, Sponsor is obligated to abandon the Offering Plan and, if Sponsor intends to continue to rent condominium units, file a new Offering Plan in conformity with 13 NYCRR Section 23 et seq.

Sponsor has not received a preliminary certificate of eligibility as of the date hereof. Upon receipt of such preliminary certificate if eligibility, Sponsor shall furnish a copy thereof to the New York State Department of Law, and amend the Offering Plan and disclose the existence of the preliminary certificate of eligibility; and shall further revise Schedule A of the Offering Plan to conform to the real estate tax benefits as outlined in the preliminary certificate of eligibility.

Purchasers may obtain more information about the 421-a application process, tax benefits, and requirements associated therewith at: http://www.nyc.gov/html/hpd/html/developers/421a.shtml.

REAL & PROPER INC

October 15, 2013

Mr. Alex Karshenboym
c/o 2640 East 14, LLC
2640 East 14th Street
Brooklyn, NY 11235

Re: 421A Tax Exemption (6) six residential condo units
2640 East 14 Street, Brooklyn, NY 11235
Block: 7458 Lot: 23

Dear Mr. Karshenboym,

The following estimates are provided in response to your request for an opinion regarding the eligibility of a construction project (hereinafter, "the Project") at the referenced site for tax benefits pursuant to Section 421-A of the Real Property Tax Law. This letter is being sent to you with the express understanding that our firm assumes no liability for our opinions presented herein. These opinions are presented only for your assistance in preparation of your offering plan, and are based solely on the representations made to us by you and your architect.

Please note that the Rent Act of 2011 extended the 421-a Program through June 15, 2015. You stated that the construction of the Project would commence before June 15, 2015. Therefore, if all of the statutory requirements in effect at the time of issuance of the Certificate of Eligibility are satisfied, the Project will come within the scope of the 421-a Program.

To be eligible for Section 421-a tax benefits, the Project must comply with each of the eligibility requirements set forth in Chapter 6 of Title 28 of the Rules of the City of New York (hereinafter, "the Rules"). The application of these requirements to the Project is discussed in detail below.

Eligibility Overview

We have received the following representations from you and your architect:

1. The Project will consist of the demolition of the existing building and the construction of a four (4) story condominium consisting of 6 (six) residential units and certain community facility space;

2. The construction on the site commenced on April 3, 2013 and is expected to be completed by July, 2014;

3. The construction has commenced based on the approved new building permit pursuant to the Job Application # 320455798

4. Upon completion of construction, the building will be classified as multiple dwelling pursuant to the New York State Multiple Dwelling Law

5. The site was under-utilized (within the meaning of 6-02 of the Rules) 36 months prior to the commencement of construction.

6. The building will be substantially used for dwelling purposes for a period of at least fifteen years following its completion

7. An application for Preliminary Certificate of Eligibility will be filed with HPD upon start of construction.

Based on the forgoing representations, the Project should be eligible for partial real estate tax exemption under Section 421-a, assuming each of the following is satisfied:

1. The building is constructed in accordance with the plans and specifications approved by the NYC Department of Buildings;
2. HPD is timely notified of any modifications in the building plans or the "sell-out" price;
3. HPD determines that the property was "under-utilized" (as per section 6-02 of the Rules) 36 months prior to commencement of construction;
4. A preliminary Certificate of Eligibility is issued by HPD after commencement of construction and prior to issuance of a temporary Certificate of Occupancy;
5. The application for a Final Certificate of Eligibility is completed within ninety days following the issuance of a permanent Certificate of Occupancy or a temporary Certificate of Occupancy covering all residential space;
6. Copies of such Final Certificate of Eligibility and Certificate of Occupancy are filed with the NYC Department of Finance after the issuance of such Final Certificate of Eligibility.

Exemption Limitations

The recent 421-a legislation set a limit on the total amount of 421-a tax benefits that any market-rate unit may receive. Pursuant to the new rules: "only a portion of an apartment's billable exempt assessed value is now eligible for the 421-a tax exemption. The value of a unit above this threshold ("AV cap") is ineligible to receive benefits. For units with an exempt AV above this AV cap, owners will pay taxes on the portion of AV above the cap, but still receive tax benefits on the portion of AV below the cap."

The AV cap affecting the instant project for the first taxable year (2014-15) is estimated to be $ 77,613.40 per unit. This cap will increase by 3% compounded annually until the benefits expire. Any physical increase in value below the cap 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 for the twelfth (12) year and is further reduced by an additional 20% for each of the succeeding years (see the table below). 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. In addition, the Unit Owners must pay full real estate taxes on the Prior Assessed Valuation and any increases until the Final Certificate of Eligibility is issued, as defined in Section §6-01 of the Rules.

Fifteen-Year Exemption Table

Years of Exemption	Percentage of Exemption from an increase to assessed value
1	100.00%
2	100.00%
3	100.00%
4	100.00%
5	100.00%
6	100.00%
7	100.00%
8	100.00%
9	100.00%
10	100.00%
11	100.00%
12	80.00%
13	60.00%
14	40.00%
15	20.00%
16	0.00%

Property Tax Projections

Prior to the commencement of construction, records of the New York City Department of Finance reveal that assessed valuation of the subject premises is as follows (Years 2013/2014):

Actual Value
Land: $ 25,620
Building: $ 0
Total: $ 25,620

Transitional Value
Land: N/A
Building: N/A
Total: N/A

It is estimated the actual assessed value of the residential portion property upon completion of construction will be approximately $481,575. The Department of Finance will allocate the assessed value to the condominium units, usually based upon the percentage of common interest as listed in the Condominium Offering Plan. The 2013/2014 Tax Class 2 tax rate is estimated as $13.145 per $100 of taxable assessed value.

Subject to the AV Cap limitation, any increase in assessment due to the physical improvements attributable to the newly constructed residential condominium units shall be exempt as per the **Fifteen-Year Exemption Table** shown above.

The above projection is an estimate as it is unlikely that the post-construction assessed value or tax rate will remain constant for the 15-year exemption period. Thus, the actual assessment and real estate tax for each Unit may be more or less than the Unit's proportionate share of the total assessment and tax amount shown.

NO WARRANTY IS OR CAN BE MADE BY THIS FIRM THAT HPD OR THE NEW YORK CITY FINANCE DEPARTMENT, OR ANY OTHER AGENCY WITHIN JURISDICTION WILL APPROVE SPONSOR'S APPLICATION FOR SECTION 421-A TAX BENEFITS, OR THAT THE ASSESSED VALUATION WILL BE AS ESTIMATED HEREIN, AND THE WRITER OF THIS LETTER SHALL NOT BE LIABLE, IF BECAUSE OF CHANGES IN LAWS AND/OR REGULATIONS, OR THE INTERPRETATIONS OF LAWS AND/OR REGULATIONS, OR IF THE FACTS REPRESENTED BY SPONSOR, ARCHITECT OR APPRAISER PROVE INCORRECT, THE PROPERTY FAILS TO OBTAIN SECTION 421-A BENEFITS

Conclusion

Based on the foregoing, it is our opinion that the Department of Housing and Preservation and Development ("HPD") will consider the property eligible for real estate tax exemption benefits under Section 421-a.

If for any reason the Section 421-a tax exemption is not granted, it is estimated that the aggregate real estate taxes payable with respect to the residential portion of the Project for the First Year of condominium operation will total approximately $ 63,303.

It should be noted that once the Building is assessed as being fully constructed and the exemption under Section 421-a is granted, it is estimated that the real estate taxes for the residential portion of the Project will total approximately $ 15,900.

We consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Real and Proper Inc.

Michael Geylik
Michael Geylik

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 be treated as an association taxable as a corporation, due to the fact that it will not qualify as an exempt homeowner's association under section 528 of the IRS code. As a result, the condominium may be subject to Federal corporate income tax on its taxable income, if any. However, since it is not anticipated that there will be any excess of income over expenses it not anticipated that there will be any taxable income; and no figure is projected in Schedule B for federal taxes.

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.

ILAN LAW FIRM, P.C.
ATTORNEYS AT LAW
2709 CONEY ISLAND AVENUE BROOKLYN NY 11235

PHONE: (347) 933-6333 FAX: (718) 395-1603

COUNSEL'S TAX OPINION LETTER

February 20, 2015

2640 EAST 14 LLC
2640 East 14th Street
Brooklyn, New York 11235

Re: Offering Plan for the Conversion to Condominium Ownership of Premises: THE 2640 EAST 14TH STREET CONDOMINIUM 2640 East 14th Street, Brooklyn, New York 11235

To Whom It May Concern:

You have requested my opinion concerning (i) the availability of certain deductions for Federal, New York State, and New York City Income Tax purposes to persons who purchase units for residential use ("Unit Owners") under the Offering Plan for THE 2640 EAST 14TH STREET CONDOMINIUM (the "Plan"), and (ii) the Federal Income Tax Treatment of the Common Charges received by the Condominium association of the Condominium (the "Condominium").

In connection with rendering this opinion, I have reviewed the Plan, the Schedules and Exhibits thereto, the Declaration of the Condominium Plan (the "Declaration"), the By-Laws of the Condominium (the "By-Laws"), the relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the Regulations promulgated thereunder by the Treasury Department (the "Treas. Regs."), the New York State Tax Law, the Administrative Code of the City of New York, revenue rulings, relevant case law and such other materials as I have deemed relevant.

FACTS

You have advised me that the Sponsor will file a Declaration establishing the premises located at 2640 East 14th Street, Brooklyn, New York, as a Condominium pursuant to the provisions of New York's Condominium Act. (See Article 9-B of the Real Property Law of the State of New York.) This Condominium shall consist of five (5) units allocated for residential use; two (2) commercial units; and five (5) auxiliary parking units which are separately for sale. Each holder of a Unit will own his own Unit plus an interest in the elements common to all Units (the "Common Elements"). Each unit owner will be entitled to the exclusive ownership and possession of his unit and will receive a separate deed to the Unit.

The Condominium will be operated by a Board of Managers which, pursuant to the By-Laws, will act only as an agent of all Unit Owners. The Board of Managers will be comprised of at least three members, who shall each be elected by the Unit Owners. The primary function of the Board of Managers will be to supervise the maintenance and operation of the Common Elements, and collect charges (the "Common Charges") necessary to maintain and operate the Common Elements.

DISCUSSION

I. Deductibility of Mortgage Interest and Real Estate Taxes

Under the Condominium Act, each Unit Owner will own his/her Unit and its appurtenant interest in the Common Elements in fee simple, and each Unit will be taxed as a separate tax lot for real estate tax purposes. Each Unit Owner may mortgage his Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Failure to pay his or her share of the Common Charges will result in the Board of Managers having a lien on the Unit for the unpaid Common Charges.

The deductibility of the mortgage interest and real estate taxes paid or accrued by the Unit Owner during his or her taxable year will be governed by sections 163 and 164 of the I.R.S. Code. Section 163 of the Code allows a taxpayer to deduct all interest paid or accrued during the taxable year on Bona Fide indebtedness. Section 164 of the Code allows a taxpayer to deduct real estate taxes paid or accrued during the taxable year.

Since Sections 339-g and 339-y of the Condominium Act provide that each Unit and its common interest shall be taxed as a separate tax lot for real estate purposes, Unit Owners shall be entitled to deduct real estates tax paid or incurred on their Units during the taxable year.

The deduction under Section 163 of the Code for interest is subject to certain other provisions of the Code which may limit the amount of the deduction in any one taxable year. For example, under Section 461(g) of the code, prepaid interest is not deductible by a cash basis taxpayer in the year of payment but must be allocated to the taxable year or years to which it is chargeable. However, the payment of "points" (bank origination fee) is deductible under certain circumstances in the year of payment, provided that the indebtedness was incurred by the taxpayer in connection with the purchase or improvement of his principal residence, and the other requirements of Code Section 461 (g) (2) are complied with.

A taxpayer who purchases a Unit for investment may find his interest deduction limited by Code Section 163(d). Under this Section a taxpayer other than a corporation will be subject to a ceiling on his deduction for investment interest. See generally Code Section 163(d).

Code Section 265(2) may impact on the interest deduction otherwise allowable to a taxpayer in the event that he/she incurs debt to finance his/her purchase of a Unit rather than liquidate his or her portfolio of tax exempt securities. Under these circumstances Code Section 265(2) may disallow the taxpayer's interest deduction since he or she would be deemed to have incurred the debt to "continue to carry" the tax exempt obligations. However, revenue rulings have made an exception for debt incurred to purchase the taxpayer's principal residence.

In Revenue Ruling 64-31, 1964-1 C.B. 300, the Internal Revenue Service (the "Service") considered the deductibility of mortgage interest and real estate taxes incurred by the owner of a condominium unit. The Service ruled the Sections 163 and 164 of the Code, respectively, permitted these deductions by the Condominium Unit Owner provided that he or she itemized his or her deductions in filing his or her Federal income tax returns.

In my opinion, under Code Sections 163 and 164 respectively, a Unit Owner will, for Federal Income Tax purposes, be entitled to a deduction for interest paid or accrued with respect to mortgage indebtedness and for real estate taxes paid or accrued with respect to his or her method of accounting.

It is also my opinion that each Unit Owner will, for New York State and New York City Income Tax purposes, be entitled to the same deduction which is allowed for Federal Income Tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year. See Section 615 of the New York State Tax Law. It should be noted, however, that for New York

City Income Tax purposes, the benefit of such deduction may be reduced if the Unit Owner has more than the specified amount of tax preference items. See Section 615,622 and 623 of the New York State Tax Law; Section T46-115.00, T46-122.0 and T46-123.0 of the City Code.

The foregoing discussion applies primarily to residential Unit Owners. Referenced sections of the IRS code are not applicable to owners of Commercial Units, or owners of Units for investment or resale. However, insofar as the owners of the Commercial Units will be using the Unit for business purposes, other sections of the code may allow such deductions. Purchasers of Commercial Units are strongly urged to consult with their own accountants with regards to the deductibility of the mortgage interest and real estate taxes.

II. Common Charges-Federal Income Taxation of the Condominium:

A condominium under New York law is not a corporation but an un-incorporated association.

The Treasury Regulations in Section 301.7701-2(a)(i) set forth six factors to be considered in determining whether an association will be treated as an un-incorporated association for Federal Income Tax purposes. Of these factors, the Condominium possesses five (an objective to carry on business, divide the gains, centralization of management, continuity of life, free transferability of interest). Since an un-incorporated organization will be treated as a corporation if it has more corporate characteristics than non-corporate characteristics, (see Treas. Regs. Section 301.7701-2(a)(3), Philip G. Larson, 66 T.C. 159 (1976) acq., Rev. Rul. 79-106, 1979-1 C.B. 448), it is my opinion that, although there exists no direct authority on this point, the condominium will be treated as an association taxable as a corporation for Federal Income tax purposes. In such event, and in the absence of any specific exception, the Condominium would be subject to Federal Corporate Income Tax.

Assuming that the Condominium is treated as an association taxable as a corporation, the receipt of substantially all of Common Charges, may be excluded from the income of the Condominium in the event that (i) the Condominium is acting as agent of the Unit Owners as to collection and receipt of such funds; or (ii) the Condominium is not acting as agent and receives the Common Charges as non-taxable contributions of capital, or receives the Common Charges as service income which is fully offset by the Condominium's service expenses; or (iii) the Condominium elects to be taxed under Code Section 528 and the Condominium has only "exempt function income" within the meaning of such Section.

In Revenue Ruling 75-370, 1975-2 C.B. 257 the shareholders of a Condominium management corporation approved special accounts which were not commingled with the general funds of the Condominium management association. The assessments could be used only to replace the roof and the elevators located in the Common Elements of the condominium property. The I.R.S. ruled that these special assessments were not includable in the Condominium's gross income since they did not benefit the Condominium which had a fiduciary obligation to expend the funds collected in the manner approved by its Unit Owner-stockholders. The I.R.S. found that there was an agent and principal relationship between the Condominium and its Unit Owner-stockholders insofar as the special assessments were concerned. However, Rev. Rul.

75-370 specifically exempted funds collected by a Condominium management corporation to provide services for which it was formed such as the maintenance of the Common Elements. Thus, funds collected by the Board for painting, general repairs, gardening and janitorial services would constitute gross income to the Condominium.

The By-Laws provide that the Board of Managers will act as the agent of the Unit Owners. If Common Charges for special capital improvements are specifically designated for capital improvements, deposited in special accounts and not commingled with the general funds, then such Common Charges should not be included in the income of the Condominium, according to Revenue Ruling 75-370, supra. Common Charges for operational expenditures would not be excluded from the income of the Condominium, because the Board of Managers does not have mere ministerial powers with respect to the operations of the Condominium.

Under certain circumstances, special assessments for specific capital improvements may be considered non-taxable contributions to the capital of the association, pursuant to Code Section 118. In Revenue Ruling 75-371, 1975-2 C.B. 52, the Condominium management collected special assessments which were assessed pro-rata upon each unit owner to replace outdoor furniture. The By-Laws required that any assessment had to be approved at a stockholder meeting by a majority vote of the unit owner-stockholders. The special assessment was approved and the proceeds were deposited in a special account and were not commingled with the general assessment funds. The assessment could only be used for the specific purpose intended. The Service held that the Special Assessment was a non-taxable contribution to the capital of the Condominium management corporation. Id.; See also Rev. Rul. 74-563, 1974-2 C.B. 38 (special assessments to pave a parking lot of the homeowners association are contributions to the capital of the associations).

Under this Plan the Unit Owners must approve all special improvements. Therefore, as to such amounts of Common Charges which are specifically designated for capital improvements, deposited in special accounts and not commingled with the general funds, such Common Charges should not be characterized as income of the condominium, according to Revenue Ruling 75-371, supra, but would constitute contributions to the capital of the Condominium. Even if a special capital assessment is not specifically voted upon and approved by the Unit Owners of the Condominium, there is judicial authority which would support the characterization of such assessment as capital contribution. See Concord Village, Inc., 65 T.C. 142 (1975).

If the special assessments are treated as contributions to the capital of the Condominium, the subsequent expenditure of these funds (together with any other funds accumulated by the Condominium) may be viewed by the Service as a distribution to the Unit Owners, taxable under Section 301 of the Code. Each Unit Owner may therefore be subject to tax on his pro-rata share of the amounts expended. Rev. Rul. 75-371 went on to distinguish special assessments from assessments collected for the purpose of normal operating expenses and excess assessments, which could be returned directly to the individual unit owner-stockholders. These general assessments and the excess assessments which are not credited to subsequent taxable years or returned to the Unit Owners were held to constitute gross income to the condominium under Section 61 of the Code. However, that to the extent to which the Condominium will be deemed

to have service income by virtue of its performance of its management functions, it will be entitled to deduct as business expenses its expenditures required to provide such services from its gross income. See Concord Village, Inc., 65 T.C. 142, 157 (1975); Park Place, 57 T.C. 767, 778 (1972). Thus, it will have taxable income only in the amount of the excess of its income from all sources over its allowable deductions.

Any net income attributable to over-assessments might constitute taxable income of the Condominium for the year of receipt, even if such excess is distributed or applied to the subsequent year's assessments. In effect, a management association will not earn income when it has no discretion as to the application of the excess, and, conversely, will have income where it does have such discretion. Since the Board of Managers will have discretion as to application of excess Common Charges, and does not intend to return excess Common Charges, if any, but intends to apply such excess to the next year's expenditures, it is possible that any excess Common Charges will constitute taxable income to the Condominium.

Code Section 528 provides a tax exemption for an organization that qualifies as a "homeowners association" which term includes a "Condominium management association". A "Condominium management association" is defined as an organization organized and operated to provide for the acquisition, construction, management, maintenance, and care of a Condominium, provided substantially all of the units are used by individuals for residences. See Code Sections 528(c)(1)(A), and 528 (c)(2). "Substantially all" the units will be considered used by individuals for residences if at least 85% of the total square footage of all Units within the project is used, or is intended to be used, by individuals for residential purposes or purposes auxiliary to residential use, such as storage rooms, laundry and maintenance areas. See Treas. Regulations, Section 1.528-4(b). The organization itself will be considered "organized and operated" for the acquisition, construction, management, maintenance, and care of such Condominium, if the facts and circumstances indicate such to be the case. See Treas. Regs. Section 1.528-2. However, if the articles of the Condominium reflect that is the purpose of the association, then the Condominium management association will be presumed to be operated for such purpose. See Treas. Regs. Section 1.528-2(a).

In addition to the organization and operation test, the tests set forth below must be satisfied under code Section 528(c)(1) in order for a Condominium to qualify as a "homeowner's association".

(1) Sixty percent (60%) or more of the gross income of the organization must be "exempt function income," that is, income derived form the payment of dues or fees from the residential Unit Owners in their capacity as owner-members rather than in the capacity as customers for services. Code Section 528(c)(1)(A) and Treas. Regs. Section 1.528-5 and 1.528.9. "Exempt function income" includes income which is attributable to assessments that arise as a result of the members' ownership interest, either based on value or size of their Units, and used for the purpose of enhancing or maintaining the value of the residences. See Treas. Regs., Section 1.528-9(a). For example, the regulations indicate that assessments for the purpose of paying real estate taxes, removing garbage, or removing snow are "exempt function income". See Treas. Regs. Section 1.528-9(b). Income attributable to the use of laundry machines and interest earned on sinking funds is not exempt function income; See Treas. Regs. Section 1.528-9(c). Any

assessments attributable to special capital improvements, which are treated as capital contributions, are not included in gross income, and therefore, are not part of the calculation of the gross income test. See Treas. Regs. Section 1.528-9(a).

(2) Ninety percent (90%) or more of the expenditures of the organization for the taxable year must be used for the acquisition, construction, management, maintenance and care of the organization's property. See Code Section 528(c)(1)(C). These expenditures include operating and capital expenditures during the taxable year. Investments in reserve funds for future expenditures are not included in this calculation.

(3) No part of the net earnings of the organization may inure to the benefit of any individual. See Code Section 528(c)(1)(D). The Code expressly excludes benefits received by a unit owner attributable to the homeowners association performing its exempt function, such as the benefit from the homeowners association acquiring, constructing, managing, maintaining and taking care of the association property.

(4) The organization must properly and timely elect to have Code Section 528 apply for the taxable year. See Code Section 528(c)(1)(E).

Based upon my understanding of the matter it is my opinion that the Condominium will not be eligible to qualify as a homeowners association within the meaning of Code Section 528(c)(1) and that, to the extent the condominium has income in excess of its expenses, that income will be subject to federal income taxation.

III. Real Estate Tax Benefits:

I have reviewed the letter (heretofore set forth in this Offering Plan) from the Sponsor's expert concerning the availability of real estate tax abatement and exemption benefits for this project. Based on existing statutes and practices, the opinions expressed therein appear to be correct, and I hereby adopt said opinion as my own. This adoption is, of course, subject to the accuracy of the facts supplied to said expert in rendering his determination and also subject to any change in existing statutes which may affect my evaluation and interpretation of the availability of such benefits. This is not a warranty that such benefits will be obtained but only an opinion based on the existing laws, regulations, and facts, this condominium project will qualify for such benefits.

IV. Compliance With Real Property Law Section 339 (i):

I have received and reviewed the letter heretofore set forth from the Sponsor's expert concerning allocation of the common interest to the units in the premises. The determination of Common Interest allocated to each unit is based on floor area subject to such other items of relative value as location of the unit within the building, uniqueness of the unit, availability of Limited Common Elements for shared or exclusive use and overall dimensions of the unit pursuant to Real Property Law (RPL) Section 339(i)(1) subparagraph (iv). The method employed is permissible pursuant to the RPL and is in compliance therewith.

CONCLUSION

I express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those tax consequences and aspects explicitly discussed in this opinion, or as to the tax consequences of the Plan under the laws of any other State or foreign jurisdiction. This opinion does not discuss the tax consequences which may result from the ownership or the leasing of a Unit to another, in connection with a Unit Owner's trade or business, for purposes of investment, or for the production of income, or tax consequences which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not consider the tax consequences which may arise if Units are acquired and/or leased by the Board of Managers, or the issue of whether a Unit Owner may be deemed to be a resident of New York State due to ownership of a Unit. I, therefore, advise each person contemplating the purchase of a Unit to consult his/her own tax advisor as to all such tax matters, as well as with respect to the tax matters discussed in this opinion.

The opinions expressed herein are based solely upon my current understanding and interpretation of the existing law, regulations, decided cases and rulings of administrative agencies and upon information set forth herein. If there has been any misstatement of a fact or omission of any fact which may be material, or any amendment or exchange in the By-Laws or the Plan, we should be notified, since any such omission, misstatement or change may require modification of part or all of this opinion. Moreover, it should be specifically noted that this opinion is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Taxation, and that such entities may not agree with any or all of the views stated above. Further, the Federal and State Tax Laws and Regulations and the rulings and decisions thereunder may change and thereby affect the views stated above in whole or in part.

I hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,



Gabriella Ilan, Esq.
Ilan Law Firm, P.C.
2709 Coney Island Avenue
Brooklyn, NY 11235

RESERVE FUND

No fund will be created on closing as a reserve for capital expenditures. In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, it will be necessary to raise needed capital either by assessing individual unit/owners for the cost of such expenditures. However, in the Sponsor's estimation, and in view of the fact that all building systems and components are new, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan. Additionally, the budget set forth in SCHEDULE B contains a line-item for the creation of a capital reserve.

WORKING CAPITAL FUND

At closing of title to each residential Unit, the Unit Owner for such Unit will contribute an amount equal to one month's Common Charges to the Working Capital Fund of the condominium (see CLOSING COSTS AND ADJUSTMENTS). Thus, there will be a $3,907.00 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 THE SPONSOR), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Working Capital Fund will not be reduced by any closing adjustments to the Sponsor. All closing adjustments to the Sponsor will be paid in equal monthly installments over the twelve (12) month period following closing. 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.

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 amount of the Working Capital Fund deposited at the first closing will be disclosed in the initial post-closing amendment.

IDENTITY OF PARTIES

SPONSOR

The Sponsor of this project is 2640 EAST 14 LLC, a New York corporation with offices located at 2640 East 14th Street, Brooklyn, NY 11235. The Principals of the Sponsor are Yanina Ilan, Boris Maiden, Nikolay Lipetsker and IFMK Realty II, LLC. The Principals of IFMK Realty II, LLC are Iosif Fodymanov, and Maria Kogan. Their location and prior business experiences are as follows:

- Yanina Ilan resides at [redacted] and has previous experience as a property and office manager.
- Boris Maiden resides at [redacted] and has previous experience as a computer programmer and software designer. He is currently a Real Estate Attorney.
- Nikolay Lipetsker resides at [redacted] and is a dentist.
- Iosif Fodymanov and Maria Kogan have offices located at 9103 Alta Drive, Suite 204, Las Vegas, NV 89145, and have prior experience as real estate investors and developers.

The Sponsor has not been the Sponsor or Principal of the Sponsor of a condominium or cooperative offering in or from the State of New York. The Principals of the Sponsor have not previously been the Sponsor or Principals of the Sponsor of a condominium or cooperative offering in or from the State of New York.

There are no felony convictions, bankruptcies, judgments or injunctions against the Sponsor.

COUNSEL

Sponsor has engaged Gabriella Ilan, Esq., of Ilan Law Firm, P.C., located at 2709 Coney Island Avenue, Brooklyn, NY 11235, to represent him in all matters arising or pertaining to the conversion of the premises to cooperative ownership. Ms. Ilan represents the Sponsor, not the Condominium, which is not represented by counsel. Ms. Ilan also prepared this Offering Plan. Gabriella Ilan is the daughter of Yanina Ilan, who is a Principal of the Sponsor.

ARCHITECT

The architect, Isaac Shvarts, R.A., of SIS Design Studio, has offices at 2520 East 26th Street, Brooklyn, NY 11235, has examined the physical condition of the property and has rendered his report thereof as set forth in Part II starting at Page AR1. Mr. Shvarts has been an architect in excess of 2 years and has prepared in excess of 5 such reports. The architect 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.

SELLING AGENT

The Sponsor is the Selling Agent for the Plan. Neither the Sponsor nor Principals of the Sponsor have previously been the Selling Agent on any other Offering Plan in or from the State of New York.

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.

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.

No units in this building are occupied by residential or commercial tenants. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered pursuant to the Offering Plan. No deposits or advances of funds have been taken by, or on behalf of, the Sponsor in connection with the reservation, sale, or transfer of any units offered pursuant to this Offering Plan.

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, sexual orientation, 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.

Operable smoke detectors and carbon monoxide detectors will be installed in all apartments as per the New York City Administrative Code.

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 or public accountant.

2) Prior notice of the annual Unit Owners meeting, which notice shall be no less than thirty (30) days prior to the scheduled 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 budget shall be certified by a qualified budget expert.

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the ARCHITECT'S REPORT set forth in Part II of this Offering Plan. With reference to such material, a licensed architect prepared the ARCHITECT'S REPORT 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 the ARCHITECT'S REPORT in Part II of the Plan).

The Property will be offered in its condition as described in this plan. 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 and eliminate all known dangerous or hazardous conditions, and comply with all work orders from mortgagees.

The following documents shall be transferred to the Condominium management upon transfer of control, to the extent any such documents exist:

- Operation and maintenance manuals for mechanical equipment.
- Equipment warranties.
- Major equipment start-up sheets.
- Roof warranty.
- Re-commissioning manual (if applicable).
- Electronic systems manual.
- Final as-built drawings as maintained during construction (i.e., structural, mechanical, electrical, plumbing, shop drawings).
- Control system as-built.
- Original test and balance report for HVAC system.
- In-door air quality report.

PART II

PURCHASE AGREEMENT

Sponsor(s)/Seller(s) 2640 EAST 14 LLC

Purchaser(s) _____

Unit_____

Common Interest_____% **Common Charges $**_____

Cash Purchase Price $_____

Down Payment (herewith) $_____

Balance Due on Closing $_____

I RECEIVED THE PLAN, AS AMENDED, AT LEAST THREE FULL BUSINESS DAYS, AND HAVE READ BOTH PARTS I AND II OF THE PLAN, BEFORE EXECUTION HEREOF BY ME.

1. OFFERING PLAN READ. As Purchaser, I have received and read the Offering Plan of Condominium Organization (the Plan) with respect to premises located at 2640 East 14th Street, Brooklyn, New York.

The Offering Plan for said premises, including all documents set forth in Part II thereof and any amendments thereto, is incorporated herein by reference with the same effect as if set forth at length. I hereby accept and approve the Plan (and all of said amendments thereto, if any) and agree to abide and be bound by the terms and conditions thereof. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

2. AGREEMENT TO PURCHASE. I hereby agree to purchase the above apartment and a ____ percent of undivided appurtenant interest in the Common Elements of the Condominium in said premises.

3. DOWN PAYMENT AND BALANCE. Submitted herewith is my check to the order of GABRIELLA ILAN, ESQ. for the amount of the above stated Down Payment. I agree that after the Plan becomes effective, as therein provided, I will pay the above-stated balance of said Cash Purchase Price on closing. The payment due on closing shall be by certified check or official check drawn on a New York City bank which is a member of the New York City Clearing Housing System; and shall be made as directed by the seller. The check shall be delivered to the seller.

The Seller will give me prompt written notice thereof when the Plan either becomes effective or is abandoned, unless same has already been declared effective by a duly filed amendment to the Plan submitted to me.

In the event the plan is abandoned, the down payment will be refunded within five (5) days after the earlier of a notice of abandonment or the acceptance for filing by the Department of Law of an amendment disclosing such abandonment.

4. MANNER OF PAYMENT AND BALANCE. Provided that I shall have paid the full Cash Purchase Price for said apartment, as provided herein, and shall not be in default hereunder, I am to receive a Deed for the apartment, at the Closing to this apartment. The date of the commencement of my obligations under such Deed, including the payment of Common Charges, shall be the date on which I acquire title to such apartment. At the time the deed is delivered, I shall execute the Power of Attorney to the Board of Managers of the Condominium in the form contained in the Plan and whatever other documents are reasonably necessary to convey the Unit to me, such as real property transfer tax forms.

5. PAYMENTS HELD IN TRUST AT NAMED BANK. The Seller will hold all monies received by it directly or through its agents, employees or escrow agent, in trust, in compliance with the trust fund provisions of section 352-h and section 352-e(2)b of the General Business Law, until actually employed in connection with the consummation of the Offering Plan. All such monies will be deposited with Chase Bank located at 722 Brighton Beach Avenue, Brooklyn, NY 11235, under the name of "Ilan Law Firm, P.C. IOLA". The funds so deposited will be released by the escrow agent, an attorney at law, only for the purposes of, and in conformity with the consummation of this Plan, or returned to me as herein provided. Unless the escrow account is of an IOLA type, I shall be entitled to any interest earned on the sums deposited by me unless otherwise agreed to by the parties hereto. However, it is not anticipated that any interest will be earned.

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 (except for any unexpended portion of sums deposited for such purpose), provided the Offering Plan is consummated. In the event the plan is abandoned by the Sponsor, all sums deposited with the Sponsor, including those used for upgrades or extras, shall be returned to the Purchaser. See the PROCEDURE TO PURCHASE Section of this Offering Plan for a more complete explanation.

The Escrow Agreement is attached hereto as Exhibit B and made a part hereof.

6. ACCEPTANCE OF CONDITION. My signing of this Purchase Agreement shall constitute my acceptance of said apartment "As Is", except for those matters which are the responsibility of the Sponsor as stated in the Plan.

7. THIS AGREEMENT IS CONTINGENT. It is agreed that this Purchase Agreement is contingent upon the Plan being declared effective.

8. ABANDONMENT OF PLAN. The Plan may be abandoned by the Seller at any time prior to its being declared effective, and thereafter only for reasons heretofore set forth in the Plan. The Plan shall be abandoned by amendment duly filed with the Department of Law of the State of New York and upon notice to all prospective Purchasers who have signed the Purchase Agreement.

9. DEFAULT AND LIQUIDATED DAMAGES. I agree that if I shall fail to pay the balance of the Cash Purchase Price when due, as herein provided, or, if I am otherwise in default hereunder as such term is defined herein, the Seller may elect to cancel this Agreement by written notice to me at my residence or at the address stated above, by certified mail, and at the expiration of 30 days after the date of mailing thereof (unless I shall have theretofore paid the balance of the Cash Purchase Price in full) said notice shall be effective and this Agreement shall be deemed canceled and all rights of the parties thereunder shall terminate except that the amount of my Down Payment shall be paid over to the Seller as liquidated damages, such liquidated damages not to exceed 10% of the Cash Purchase Price plus the cost of any special work in the apartment ordered by me, together with any interest earned thereon. However, it is not anticipated that any interest will be earned. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. The notice of default is hereby deemed a notice to vacate as well if I occupy the apartment under the terms of an Interim Lease. In the event of such cancellation, the Seller shall have the right to sell said Units to another purchaser as though this Agreement had never been made and without accountability to me for the proceeds received on any sale to another.

10. CLOSING DATE AND PLACE. The closing of title shall occur on the date and at the time and place in the City and State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Sponsor shall have the right, from time to time, to adjourn such time and date for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business days prior written notice of the new scheduled date and time for closing.

In the event that a Purchaser does not close on the Closing Date set forth in the Notice of Closing, the Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's Closing to his apartment, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be ten percent (10%) per annum. This rate shall be in effect for as long as there is any unpaid amount owing towards the full purchase price.

11. APPORTIONMENT OF CHARGES. At the Closing, the parties shall apportion, as of the day preceding the date of actual closing, the Common Charges, real estate taxes and other charges under the By-Laws, utility charges (if any) due to the Condominium and the use and occupancy charge, if any, to the Apartment. Assessments will not be apportioned and will be

payable by the party who is the owner of the Unit when the same became due and payable. A letter from the Condominium or its Managing Agent as to status of Common Charges, utility or other charges shall be sufficient for purposes of determining the adjustments as herein described.

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit will inure to the benefit of the Sponsor. Accordingly, on the Closing Date, I will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount financed, if any. The Sponsor will be reimbursed to the extent of any mortgage tax credit allowed.

12. CLOSING COSTS. Purchaser shall be responsible for paying all costs as outlined in the Section of this Offering Plan entitled Closing Costs and Adjustments.

13. ENTIRE AGREEMENT, OPPORTUNITY TO EXAMINE, NON-ASSIGNABILITY. This is the entire contract between the parties hereto as set forth herein and in the Plan and as the Plan may be amended from time to time. The only representations made to me are those contained herein and in the Plan, as may be amended. I have not relied upon any representations, statements or warranties, written or oral, as to any matter or estimate that is not set forth herein and in the Plan. I have had at least three days to read and review the Offering Plan and all amendments and have had the opportunity to examine all the documents filed as Exhibits, volume A, B and C to the Plan. This Agreement is not assignable by me without prior written consent of the Seller and shall bind and apply to the parties hereto and their personal legal representatives, successors and assigns and may not be amended, changed or discharged orally.

14. CONFLICTS WITH THE PLAN. Conflicts between this Agreement and the Plan shall be resolved in favor of the Plan.

15. CONDITIONS FOR BINDING AGREEMENT. This Agreement shall not be binding on me or on the Seller until a fully executed copy thereof shall have been delivered to me. If this Agreement shall not be accepted within twenty (20) days of the date hereof by the delivery to me of such endorsed and fully signed copy, this Purchase Agreement shall be deemed to be rejected and canceled and my deposit shall be promptly refunded to me.

16. CONDITIONS FOR CLOSING. It is a condition of this closing that:

(a) There shall be no claims or liens against the Unit; and
(b) The Seller has full right and authority to sell and transfer the Units.

17. WHEN TITLE PASSES. I shall acquire no right, title or interest in the aforesaid Unit until (i) the entire Cash Purchase Price has been paid in accordance with the terms hereof, and (ii) I have otherwise performed, observed and complied with the terms and conditions of this Agreement.

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

18. IDENTIFICATION OF PURCHASER. I represent that I am a person over 18 years of age. The term "I" shall read as "we" and "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case our obligations shall be deemed joint and several. I further represent to the Condominium and to all of the persons to who are Unit Owners that I am purchasing the Unit for my own account and that Sponsor will have no interest, direct or indirect, in the Unit being purchased hereunder.

19. BONA FIDE PURCHASER. I certify that I have agreed in good faith to purchase the above-described Apartment with no discriminatory re-purchase Agreement or other discriminatory inducement.

20. AGREEMENT SUBJECT TO MORTGAGES. I agree 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, incidental thereto, or to protect the security thereof, to the full extent hereof without the execution of any further legal documents by me. The 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, however, on the Closing Date the only mortgage to which the Unit will be subject will be the mortgage(s) obtained by me.

21. MORTGAGE FINANCING. This Contract will be conditional on Purchaser obtaining mortgage financing secured by the subject condominium unit in an amount not less than $ from an institutional lender. Purchaser shall apply for said loan within five (5) days after receipt of a fully executed copy of this Contract, and shall have forty (40) days from the signing of said Contract to obtain said mortgage commitment. Purchaser agrees to accept any commitment offered by the aforementioned lending institution provided same is in at least the amount set forth above. In the event Purchaser fails to obtain such commitment within forty (40) days from the date on which a fully executed copy of the Purchase Agreement is delivered to the Purchaser by the seller; or if Purchaser has received a declination letter from said lender; Purchaser may cancel this contract and receive return of the down payment within ten (10) days thereafter, provided that (a) if Purchaser has received a declamation letter, the declination is from an institutional lender, and indicates that the Purchaser applied for an amount not greater than that set forth in this clause; and that the Purchaser complied with all requests for documentation from said institutional lender; or (b) in the event Purchaser has not obtained a commitment, Purchaser provides Sponsor, along with the notice required hereunder, evidence that the loan application was submitted within five (5) days of execution of contract as set forth above; and that purchaser has complied with all requests of the lender for

documentation. **IN THE EVENT THAT SPONSOR'S ATTORNEY DOES NOT RECEIVE SUCH NOTICE OF FAILURE TO OBTAIN FINANCING WITHIN FIVE DAYS AFTER EXPIRATION OF THE FORTY-DAY-PERIOD SET FORTH ABOVE (OR ANY EXTENSION THEREOF), PURCHASER SHALL BE REQUIRED TO CLOSE WHETHER OR NOT PURCHASER RECEIVES FINANCING.**

Purchaser's failure to provide information to the lender promptly upon request therefore, or failure to accept a commitment offered, shall be a default for which the Seller shall have the right to cancel this Purchase Agreement and retain the down payment. 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 require payment of additional fees, or include other changes. Failure to maintain such commitment will constitute a default under the Purchase Agreement, except that if the bank refuses to extend such commitment on any rates or terms, Purchaser may cancel the Contract, and receive return of his down payment hereunder.

22. AMENDMENTS. After acceptance of my Purchase Agreement and so long as I am not in default hereunder, there shall be no change in the amount of the Cash Purchase Price, size or layout of the apartment I intend to purchase, without my written consent first being obtained. If there is a material change in the size or quality of common areas, I shall be given written notice thereof by certified mail, return receipt requested, and I shall have fifteen (15) days therefrom to rescind my Purchase Agreement and obtain return of my Down Payment by so notifying the Sponsor or Selling Agent in writing by certified mail, return receipt requested. Notice of an amendment may also be given by overnight delivery service, or fax, and regular mail, and shall be deemed made when received, or when delivery is attempted. Notice of an amendment hereunder may be made by delivering a copy thereof and notice of its acceptance for filing to the attorney for the purchaser rather than directly to the Purchaser in the form or manner set forth above.

23. CAPTIONS. The captions used herein are inserted only as a matter of convenience and for reference and in no way define, limit or described the scope of this Purchase Agreement or the intent of any provision hereof.

24. RECORDING OF DEED AND POWER OF ATTORNEY. At the Closing of Title, I will deliver the executed deed received from Seller and an executed and acknowledged power of attorney to the representative of the title company, if any, or to Seller for recording in the Office of the Register of the City of New York, County of Kings. Such deed and power of attorney will be in the form set forth in the Plan.

25. CASUALTY DAMAGE PRIOR TO CLOSING. In the event Sponsor receives notice from purchaser that the unit has been damaged prior to closing, Sponsor will, within ten (10) days, notify purchaser whether or not Sponsor will repair the damage. If Sponsor will not repair the damage, then Sponsor will within ten (10) days after receipt of written request by the purchaser to do so, return the down payment. If Sponsor elects to repair the damage, it will do so as promptly as possible and restore the unit/common elements to substantially the same condition

immediately prior to the casualty and its essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street have been restored. Additionally, a purchaser will be required to make a good faith effort to extend the term of the commitment to enable the Sponsor to repair the damage but in the event that an extension is not obtained, the purchaser will be offered a right of rescission, the down payment will be returned to purchaser within ten (10) days after purchaser notifies Sponsor that it is validly terminating the contract pursuant to the foregoing representation.

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

27. EXECUTION OF FORMS. It shall be a condition of this contract that I shall execute and deliver to the Sponsor's attorney all forms and papers required by the State of New York and City of New York in connection with the purchase of the Unit including but not limited to the "RPT" form.

28. LAWS. The laws of the State of New York shall govern this transaction.

29. PURCHASER'S REMEDIES. In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the apartment in accordance with terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan) the sole remedy of the Purchaser shall be to rescind the Purchase Agreement and be refunded the entire downpayment with interest plus the cost of title searches, if any.

Any conflict between the plan and the Purchase Agreement shall be resolved according to the terms of the plan.

Nothing contained in the Purchase Agreement or the Plan shall be construed to waive a Purchaser's right to abrogate Sponsor's obligations under Article 23-A of the GBL.

30. INSPECTION OF UNIT. At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit A to this Agreement) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "RIGHTS AND OBLIGATIONS OF THE SPONSOR."

31. NOTICES. Any notice required to be made hereunder shall be delivered to the Attorney for the party set forth on the first page of the contract and shall be made by personal delivery, overnight delivery service, or fax or email with proof of receipt.

32. BROKER. Purchaser represents to Sponsor that the Selling Agent is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 33 shall survive the Closing.

33. ASSIGNMENT AND RECORDATION. This contract may not be assigned or recorded, and any proposed assignment or recordation without express written permission of the Seller shall be deemed a default hereunder entitling Seller to cancel the contract and retain all sums deposited pursuant hereto. Sponsor at Sponsor's option may allow Purchaser to assign a contract; in the event of such assignment Purchaser shall pay an assignment fee of $1,500.00.

34. NO LIEN. No liens or encumbrances shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

35. INVALIDITY. Invalidity or unenforceability of any portion or portions of this Agreement shall not affect the validity or enforceability of the other portions, which shall all be deemed valid and enforceable to the fullest extent of the law.

36. STRICT COMPLIANCE. Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

DATE: , 20___.

_____
Purchaser

_____
Purchaser

APPROVED AND ACCEPTED
2640 EAST 14 LLC

by:

_____
SPONSOR

_____
ESCROW AGENT

PURCHASER CONTACT INFORMATION

Purchaser(s) _____

Address _____

Home Telephone _____ Business Telephone _____

Purchaser's S.S.No _____

Attorney _____

Attorney's Address _____

Attorney's Telephone No _____

Attorney's Fax No _____

Attorney's Email _____

Broker _____

Broker's Telephone No _____

Broker's Email _____

EXHIBIT A
PRE-CLOSING INSPECTION STATEMENT

We/I, the named Purchaser/s in a contract for Unit at THE 2640 EAST 14TH STREET CONDOMINIUM, 2640 East 14th Street, Brooklyn New York, certify that we/I have this day inspected said unit, and agree to accept same in its present condition, subject to completion or repair of the items set forth on the list attached hereto.

_____

_____

The attached list of repair items is consented to, and we agree to complete same prior to closing.

2640 EAST 14 LLC
By:

_____

ESCROW AGREEMENT FOR CONTRACT DEPOSIT

AGREEMENT made this day of , 20___, by and among _____ ("PURCHASER"), 2640 EAST 14 LLC ("SPONSOR"), as sponsor of THE 2640 EAST 14TH STREET CONDOMINIUM ("Plan") and GABRIELLA ILAN, ESQ. ("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 2640 East 14th Street, Brooklyn, NY, 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 has established 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 interest (the "Purchase Agreement") at Chase Bank located at 722 Brighton Beach Avenue, Brooklyn, NY 11235, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Ilan Law Firm, P.C. IOLA" ("Escrow Account"). The account number is_____.

1.2 ESCROW AGENT has designated the following attorney to serve as signatory: GABRIELLA ILAN, ESQ. 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 2709 Coney Island Avenue, Brooklyn, NY 11235, and a telephone number of (347) 933-6333.

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 GABRIELLA ILAN, ESQ., 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 unit;

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 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 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 from time to time.

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 If this is an interest-bearing Escrow Account, 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 therefore.

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:
GABRIELLA ILAN, ESQ.

By: _____
Name: GABRIELLA ILAN, ESQ.
Title: _____

SPONSOR:
2640 EAST 14 LLC

By: _____
Name: YANINA ILAN
Title: _____

PURCHASER:

By: _____
Name: _____
Title: _____

PURCHASER:

By: _____
Name: _____
Title: _____

UNIT DEED

THIS INDENTURE made the day of , 20__, between 2640 EAST 14 LLC, 2640 East 14th Street, Brooklyn, NY 11235, (hereinafter "Grantor"), and
, (hereinafter "Grantee");

WITNESSETH:

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

The Unit 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 2640 EAST 14 LLC recorded in the Kings County Office of the Register of the City of New York on the day of , , in Reel , Page

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.

2640 EAST 14 LLC
BY:

_____

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 20__, 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 Owner of Unit No. in the Condominium known as THE 2640 EAST 14TH 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 , 20__, in the Kings County Office of the Register at Reel , Page 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 Condominium known as THE 2640 EAST 14TH 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 20__.

_____

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 20__, 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

TAX ESCROW AGREEMENT

AGREEMENT made this day of , 20__, by and between 2640 EAST 14 LLC, (hereinafter "Sponsor"), and The Board of Managers of THE 2640 EAST 14TH STREET CONDOMINIUM (hereinafter "The Board");

W I T N E S S E T H:

WHEREAS, Sponsor is the Sponsor of the Offering Plan for the conversion to condominium ownership of the land and building known as THE 2640 EAST 14TH STREET CONDOMINIUM, located at 2640 East 14th Street, Brooklyn, New York; and,

WHEREAS, The Board is The Board of Managers charged with governing the operation of said condominium; and,

WHEREAS, the individual condominium units located at the aforementioned property have not been separately assessed for real estate tax purposes prior to the closing of the first unit located thereat; and,

WHEREAS, pursuant to the terms of the Offering Plan for said condominium conversion, Sponsor desires to secure their obligation to pay real estate taxes for the unsold units;

NOW, THEREFORE, the parties agree as follows:

1. On the first closing of a unit at the premises, Sponsor will deposit in escrow with The Board in a special segregated escrow account to be maintained by The Board in their own name, an amount equal to real estate taxes attributable to the unsold units for the six month period immediately following such closing.

2. The Board is irrevocably authorized to pay such real estate taxes as are assessed against the premises from the escrow account when such taxes are due and payable.

3. The funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment.

4. Upon each subsequent closing of the units, the Sponsor may collect the estimated amount of taxes attributable to such unit for the balance of the six month period from the purchaser thereof.

5. If the escrow was kept in an interest-bearing account, the interest earned thereon belongs to the Sponsor.

6. The escrow account shall be maintained in accord with all laws, rules, and regulations of the State of New York, specifically including, but not limited to, the General Business Law; and, shall be deemed held for the benefit of the condominium.

IN WITNESS WHEREOF, the parties set their hands the date above first written.

2640 EAST 14 LLC
BY:

YANINA ILAN

THE BOARD OF MANAGERS OF
THE 2640 EAST 14TH STREET CONDOMINIUM
BY:

YANINA ILAN

ESCROW AGREEMENT FOR CONTRACT DEPOSIT

AGREEMENT made this day of , 20__, by and among _____ ("PURCHASER"), 2640 EAST 14 LLC ("SPONSOR"), as sponsor of THE 2640 EAST 14TH STREET CONDOMINIUM ("Plan") and GABRIELLA ILAN, ESQ. ("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 2640 East 14th Street, Brooklyn, NY, 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 has established 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 interest (the "Purchase Agreement") at Chase Bank located at 722 Brighton Beach Avenue, Brooklyn, NY 11235, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Ilan Law Firm, P.C. IOLA" ("Escrow Account"). The account number is_____.

1.2 ESCROW AGENT has designated the following attorney to serve as signatory: GABRIELLA ILAN, ESQ. 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 2709 Coney Island Avenue, Brooklyn, NY 11235, and a telephone number of (347) 933-6333.

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 GABRIELLA ILAN, ESQ., 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 unit;

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 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 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 from time to time.

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 If this is an interest-bearing Escrow Account, 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 therefore.

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:
GABRIELLA ILAN, ESQ.

By: _____
Name: GABRIELLA ILAN, ESQ.
Title: _____

SPONSOR:
2640 EAST 14 LLC

By: _____
Name: YANINA ILAN
Title: _____

PURCHASER:

By: _____
Name: _____
Title: _____

PURCHASER:

By: _____
Name: _____
Title: _____

SIS Design Studio

2520 East 26th street
Brooklyn, N.Y. 11235
Phone : (718) 645-3451
Fax : (718) 645-3451

ARCHITECT'S REPORT

PREMISES KNOWN AS THE 2640 East 14th STREET CONDOMINIUM

2640 East 14th street.
Brooklyn, New York, 11230
Tax Block Number, 7458
Tax Lot Number 23

Prepared By:

Isaac Shvarts R.A.
2520 East 26th street
Brooklyn, N.Y. 11235
718-645-3451
August 12, 2014

This **"Report"** describes the building known as The 2640 East 14th 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 7458 and designated as Tax Lot 23.

GENERAL

This building complies with the Americans with Disabilities Act (ADA) and it will accommodate this and the regulations promulgated thereunder.

There are no items which do not comply with current applicable laws, codes and/or locally accepted construction practices.

(a) LOCATION AND USE OF PROPERTY

The site is located in an R5 Zone as designated on Map 29a of the 1961 Zoning Resolution (ZR). The proposed residential and community facility uses are permissible uses as per New York City Zoning Resolution. No variances were required.

1. 2640 East 14th street
2. Block 7458, Lots 23

3. Zoning requirements;

QUALITY HOUSING PROJECT

RESIDENTIAL

Z.R 23-145 MAX. RESIDENTIAL FLOOR AREA RATIO =1.25; 1.25x 5,425= 6,781.25 S.F
ACTUAL RES. FLOOR AREA =6,421.87S.F.
TOTAL PROPOSED RESIDENTIAL FLOOR AREA = 6,421.87 S.F < 6,781.25 S.F (OK!)

Z.R 23-145 MAX. LOT COVERAGE 55% x 5,425.0 = 2,983.75 S.F
PROPOSED LOT COVERAGE = 2,329.0<2983.75 OK
ZR25-23 PARKING REQUIREMENTS 85% OF DWELL. UNITS
PROPOSED.# OF RESIDENTIAL UNITS = 5, 28 x .85 = 4 SPACES REQUIRED
ACTUAL PROPOSED: 5 PARKING SPACES < 4 SPACES; OK

ZR25-811 BICYCLE PARKING SPACES REQUIREMENT;50% OF DWELL. UNITS
PROP.# OF UNITS = 5 x.5 = 3 PARKING UNITS REQUIRED
PRO'D BICYCLE PARKING UNITS NOT REQ'D (IF LESS THAN 10 RES. UNITS); OK

ZR23-22 DENSITY: 680 PER 1 D.U.
TOTAL RES. F.A. = 6,781.25 / 760 = MAX NO. OF DWELLING UNITS 9
PROPOSED 5 OK

ZR23-633 BUILDING HEIGHT :
MAX. ALLOW. BLDG. HEIGT: 70-0", **PROPOSED 40'-0",OK**
MAX. ALLOW. BASE HEIGHT 30'-0", **PROPOSED 30'-0", OK.**
REQIRED SET BACK AT BASE HEIGHT: 15'-0", **PROPOSED: 15'-0"**

ZR28-12 STREET PLANTING
1 STREET TREE FOR EVERY 25'-0" OF STREET FRONTAGE.
STREET FRONTAGE 50'-0" /25=2, TWO = 2 TREES.

ZR28-22 WINDOWS
ALL WINDOWS IN THE RESIDENTIAL PORTION OF THE BUILDING SHALL BE DOUBLE GLAZED.

COMMUNITY FACILITY

Z.R 24-162 MAX. FLOOR AREA RATIO =2.0 (BUT LIMITED TO 0.6 SINCE COMBINED FAR>1.25) = 0.6x5,425.0= 3,255.0 S.F
TOTAL PROPOSED FLOOR AREA = 3,233.29 S.F <3,255.00 S.F (OK!)

ZR25-31 PARKING REQUIREMENT
1 PER 800 SF OF FLOOR AREA USED FOR AMBULATORY DIAGNOSTIC CENTER

PROPOSED AREA: ; 3,233.29 / 800 = 4PARKIN SPACES
AS PER ZR25-33 PARKING IS WAIVED SINCE 4 < 25, OK
NO AMBULATORY DIAGNOSTIC CENTER PARKING PROPOSED

4. Permissible Use
Residential Uses, Zoning Use Group 2, Proposed Use group 2
Community Facilities Uses, Use group 3& 4a, proposed Use group 3$4a.

(b)STATUS OF CONSTRUCTION

If the Plans which have been filed with the Brooklyn Office of the New York City, Department of Buildings are approved, the building will be constructed upon approval. The proposed building plans have been assigned Department of Buildings, application number N.B. 320455798.

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

The building will be issued a Final Certificate of Occupancy within 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.

The Anticipated date of substantial completion is June, 2015. There is no further development to be anticipated after building completion.

The project was checked by the Department of Buildings on October 18, 2012, Job #320455798.

(c)SITE

Beginning at a point on the Westerly side of East14th street of Sheepshead Bay, distant 262.69 feet Southly from the corner formed by the intersection of the East 14th street and of , Sheepshead Bay Road ;

1. Size: 50' x 108.50', The site has an area of approximately 5,425.00 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) See attached Drawing –Z001.00, approved site plan.
   - (vi) The condominium will not need to obtain a right-of regress from an adjacent neighbor.
4. Drives, Sidewalks & Ramps

The streets and waterway beyond the lot lines are New York City sidewalks, curbs, roadways and waterway. East 14th street is fifty (50-0") wide, two-way street. Sheepshead Bay Road is a fifty foot (50'-0") wide, one 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 14th street.

There is a trench drain located at the bottom of the ramp to drain water away from the foundation of the building.

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

Railroad tracks are 300 yards from the building emanating some noise.

(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.

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 Sewer System.

2. Electricity, and Gas Services will be metered individually for each condominium unit.
3. Water service will be metered collectively.

(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 is located within FEMA flood zone X.
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.
5. Ground water conditions such as wetness were observed in the area at 7feet below the grade, and no water was apparent on the surface. Soil test borings were performed by a N.Y. State licensed professional engineer to determine the bearing capacity of the soil. A

soil test report shall be 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. Soil test borings performed prior to building filing indicate that the foundation of the building will be installed in 3a medium brown sand with trace of silt capable of withstanding 3 tons/sf. The soil is adequate to support the building.
7. "Hurricane Sandy" did not impact the site in any way, however, additional measures were implemented; the building was raised 12" and extra water proofing was done with double concrete slabs and heavy duty rubber APP-170 were installed.
8. The property has not flooded in the past ten years.
9. Exterior finished grades shall be pitched to drain water away from the foundation walls of the building.
10. There is no danger of radon build-up in any below grade spaces.

(f)LANDSCAPING AND ENCLOSURES

1. There are two proposed street trees to be planted in 5'x8' pit, cover with mulch on the city sidewalk located at the front of the building.

(g)BUILDING SIZE

1. The proposed building height will be 40'-0" four (4) Story.
2. There will be Level located below grade referred to herein is the Cellar floor.
3. Cellar floor will be occupied mainly by parking spaces and use group 4a, of Community facilities. Separate entrances are provided for each use.
   The parking garage includes 5 parking spaces, with one parking spaces reserved for handicap access. A water-sprinkler room, gas meter and electrical meters rooms is located on cellar level. The ceiling height at the ground floor is approximately 8'-0".
4. First floor will be occupied by Community facilities (zoning use group 4a) - ambulatory diagnostic and health care facilities and –professional school (use group3) The first floor will have a ceiling height of 8'-6" and includes a community facility, residential common areas for the building.
5. Second Floor- Residential apartments.

Third Floor- Residential apartments
Fourth Floor- Residential apartments

The second through fourth floor levels will each have a ceiling height of approximately 8'-6" and will include residential dwelling units.

6. Sprinkler Equipment room, electrical, and gas meter rooms will be located at cellar floor.
7. The proposed parapet wall above finished roof to be 3'-6".

(h)STRUCTURAL SYSTEM

The structural system for the building will consist of exterior load bearing concrete masonry units and steel columns. The structural cast in place concrete slabs with steel beams will constitute floor system.

Structural columns will support cast in place concrete floor slab with steel beams which will be spanned between the columns. Concrete floor slabs will support interior nonstructural walls. The method of waterproofing for the foundation walls and floor sab is rubber membrane plus 2" insulation as a conservation code.

The foundations will consist of reinforced concrete spread footing to support the steel columns and foundation walls. The foundation walls, footing, and columns shall be of reinforced concrete. The non-bearing walls shall be of light gauge metal studs with gypsum sheathing rested on structural concrete floor slab of the building. The proposed waterproofing for the foundation wall is bituminous based membrane applied from outside the foundation. The cellar slab-on-grade will rest atop the on membrane waterproofing on structural slab. Floor slabs waterproofing will be provided with aluminum flashing. Wall treatment to prevent water intrusion in the building shall consist of water resistant spray on inside, two water proof special paint coats on top of the blocks outside. All walls approved in the project by the Department of building are two hours fire rated as per code. The total value for insulation for the exterior walls is R19.

The interior floor, at the first floor level shall be a concrete fill atop the metal deck supported by steel beams. The interior floor assembly at the upper floors shall be a concrete fill atop the metal deck supported by steel beams. The proposed thickness of the structural concrete floors is three and one half inches. The total sound transmission class of the floor/ceiling

assembly is complied with BC1207.2. Foam spray shall be used for proper sound insulation in the building, including impact noise insulation between floors.

The roof areas above the third and fourth levels shall be a concrete fill atop the metal deck supported by steel beams. The concrete slab will be supported by structural steel columns and beams.

There are no floors over open spaces.

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

(1)EXTERIOR OF BUILDING

(i) All exterior walls shall be constructed of 8" exterior finished C.M.U. with two layers of 5/8" type 'x' G.W.B on the interior side and one layer of 5/8" with R 19 butt insulation throughout cavity masonry .

a. All Exterior Walls to be constructed with integrated minimum R19 Fiberglass insulation.

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

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 and doors to be aluminum hinged casement windows and balcony doors made by "Marvin Windows and Doors Corp.". Window assembly is to meet requirements of the Energy Code City of NY. U factor 0.30 or approved equal and SHGC (Sun Heat Gain Coefficient) factor of 0.25

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. There are no window wells in the building.

d. There are no lot line windows in the building.

e. Doors/windows have Pella factory warranty and have thermal breaks.

(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 two areaways at the exterior of the building at cellar level.

(2) PARAPETS AND COPING

There will be Masonry Brick parapet wall four feet height over concrete roof slab. 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 2 low temperature PVC schedule 40, 3" Gas Vent pipes that serve the exhaust from and fresh air to each apartment's hot water heater. Exhaust shafts located at 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 and terraces located at the second thru bulkhead floor levels of the building. Balconies shall be limited common elements to the units to which they are adjacent.

(i) Balconies will be of reinforced concrete deck construction.

(ii) Balconies facing to the street and the rear shall be protected at the perimeter with corrosion resistant metal with laminated glass 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 laminated glass panels connected with corrosion resistant metal bracket to full height of 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.

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

(iv) There will be no soffits under balconies.

(v) The Access Swing Doors provide access to balconies and terraces. Doors to be aluminum clad sliding doors with self-flashing made by "Marvin Windows and Doors Corp.". There will be provided weatherproof caulking around doors.

(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) Porch and terrace may not be enclosed without first getting the prior authorization of New York City Department of Buildings.

(d) The drainage for terraces at second floor, fourth floor and roof level will be provided with roof drains connected to storm sewer discharge.

(e) There will be no any soffit materials insulation for floor underside exposed to the elements.

(f) "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".

(g) The roof area will not have any deck or terrace.

(h) Balconies and terraces railing and walls are capable of withstanding a 200-lb. lateral force applied at any point along the top of the railing.

(5)EXTERIOR ENTRANCES

There will be two (2) exterior entrances to the residential portion of the building and two (2) entrances to the community facility units. There will be one main lobby entrance to the residential units, facing East 14th street at First Floor, and will provide access to the foyer, elevator and interior egress stairs. The community facility entrance will be two main entrances facing East 14th street and will provide access to the lobby and egress of the community facility units. The other entrance to the rear of the residential portion of the building is via building's interior egress stairs from the parking area. All entrances to the building shall be built free of tripping hazard. All exterior entrances are compliant with ADA requirements.

(i) Exterior Doors and frames will be aluminum frame construction with aluminum handles and corrosion resistance self-closing locks. A thermal break system is provided for exterior doors.

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

(iii) There is exterior stair at the building at First Floor to common roof terrace.

(iv) 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.

(v) 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) Service entrance doors will be metal framed fire proved self-closing metal doors.
(ii) There are no gates for the building.
(iii) There will be Exterior Weatherproof Lighting fixture at the service entrance doors providing adequate lighting at the entrances to the building.

(7)ROOF AND ROOF STRUCTURES

(i) There will be flat roof areas located above the fourth and bulkhead floors of the building.

The flat roof areas shall be finished with built-up roofing, as manufactured by Firestone. Warranty provided by manufacture (not sponsor) is ten years, on rigid insulation.

Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed. Rigid insulation minimum R value of 15 (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. No bond or guarantee shall be furnished by Sponsor.

The insulating material used for the roof is R38.

There will be no rooftop-mounted mechanical equipment.

GFI lightening protection is provided.

"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.

(ii) ROOF DRAINAGE

Flat roof areas, shall be pitched at a minimum slope of approximately 1/8" per foot. Roof areas shall be drained to flow controlled roof drains. Storm water run-off from the roof areas will be transported via the drains with cast iron piping into the existing, storm sewer, located in the roadway beneath East 14th Street.

SKYLIGHTS

There will be two (2) skylights in the building. There will be two (2) skylights, located above the common exit stairs at the roof above the bulkhead level as required by NYC Building Code. Each of these skylights shall be a minimum of twelve square feet in area and shall be of plain glass, with a wire screen above and below and with a ridge ventilator of 144 square inches, as required by the N.Y. City Building Code.

(iii) BULKHEAD

There will be Stair Case, Elevator, and Roof Access bulkheads. Bulkhead's exterior wall will be built of metal frame noncombustible two hour rated wall assembly.

Bulkhead enclosure for egress concrete staircase will serve common access to the roof .

Bulkhead for the elevator will be dedicated for elevator machine room that shall have exterior corrosion resistant access metal staircase..

(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 not have a rear yard.

(10)INTERIOR STAIRS

(i) Two(2) Common interior stairs serves as a means of egress for the building.

(ii) Shall be of cast in place concrete construction with metal handrails.

(iii) Stair enclosures shall be non-combustible and shall be of masonry or metal studs with gypsum wallboard finish. Stair enclosures shall be supported with concrete masonry.

(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.

(12)ELEVATORS

There will be two elevators in the building which will provide access to all levels of the building. The main elevator will serve residential units at the first floor to bulkhead level.

The second elevator will serve community facility at the first floor to cellar level.

The elevator to be installed shall be traction type, manufactured by Major Elevator Corp. The elevators will have a capacity of approximately six persons (2500 pounds).The automatic sliding doors will be installed. The Elevator machine room located at the elevator baulk room at the roof level with approved by NYC Building code DC motor.

A separate application shall be filed with and approved by the Elevator Division of the New York City, Department of Buildings, prior to the installation of elevators and related equipment.

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

(13) ELEVATOR CAB

(i) Manufactured by Major Elevator Corp.

(ii) Floors should be sleep proof ceramic tile finishes.

(iii) Walls finished inside with a plastic laminate with vertical stainless steel framing.

(iv) Ceiling shall be finished with Brushed aluminum panels.

(v) Florescent Lighting.

(vi) Integrated alarm safety.

(vii) Size of elevator cab shall be approximately 5'-0"x 6'-6",

(viii) Stainless steel operating panel and handrails;

(i) AUXILIARY FACILITIES:

(1) Laundry Rooms

The residential units located the second through fourth floor levels will be provided with laundry machines with hookups for domestic type washers and dryers. Laundry spaces shall be equipped with vented electric type washers and listed and labeled condensing electric dryers. Individual laundry spaces have ventilation.

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 each floor. Compactor Room is located in the refuse room of the first floor level, model# CE150 one year warranty. The garbage will be taken to the outside from the refuse roof through interior staircase and the residential entrance lobby-corridor by a building superintendent twice a week, where it will be collected by the New York City Sanitation Department on days designated for garbage removal. Refuse must not be placed on the sidewalk except on days of collection under penalty of fine.

(3) Sprinklers

The Building is fully equipped with sprinklers.

(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 3" combined domestic water/sprinkler 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 water flow will be verified to be adequate at the highest discharge point in the building. The underside of the sinks will be checked for leaks.

The main shut-off valve for the building will be located at the in the mechanical space water meter room at the cellar floor. Back flow preventer will be located on the first floor in the closet. "Hot & Cold water piping shall be installed throughout the entire building." There will be provided with 2" 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 13. 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 manufacturer approved. The Sprinkler system to be connected to City water main located underground with 3" tap connected to the sprinkler equipment located at the cellar in the sprinkler room. There will be no Fire Pumps.

(3)Water storage Tanks and Enclosures

There will be no storage tanks and enclosures in the building.

(4)Water pressure and how maintained

The top floor apartment water pressure will be adequate for domestic use. Water pressure will be at city pressure level.

(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 14th Street. Beyond the house trap there will be an extra heavy cast iron pipe conveying the sewage to the city sanitary drain. The 6" sanitary drainpipe will be connected to the existing sanitary sewer located in the roadway beneath East14th Street

(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 14th Street. Beyond the house trap there will be an extra heavy cast iron pipe conveying the sewage to the city storm drain. The 6" storm sewer drainpipe will be connected to the existing storm sewer located in the roadway beneath East14th Street

(K)HEATING/ COOLING,AIRCONDITIONING

Heating/Cooling for each residential unit shall be provided by central air heating and cooling VRF Heat Pump units located on the same floor as the unit being supplied the heated and cooled air. The condensing equipment for each unit shall be located on the second floor terrace of the building. Heating and cooling shall be distributed to each habitable room via refrigerant piping providing adequate space heating to satisfy the minimum requirements of the N.Y. City Building Code of 70 degrees Fahrenheit. Outdoor condenser units mounted on roof serving each unit with a respective air handling unit in each room at each dwelling unit with a cooling capacity of 3-tons (36 MBH). Outdoor unit model numbers: Mitsubishi PUMY-P36NHMU. All exterior metals, including fasteners, shall be corrosion resistant.

Heating for the community facilities, located at grade and first floor levels will be by three (3) Mitsubishi VRF Mini Split Units.

(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 hot water heaters for the units shall be Model # **BTX-100**, as manufactured by **AO Smith, or equal**, each with an input rating of approximately 100,000 BTU/HR and an

efficiency rating of ninety-eight (96 %) percent, which should be adequate to provide hot water for each unit. Instant hot water devices will not be provided. Insulation for air distribution ducts is R-5.

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

The original balancing report will be provided by Sponsor.

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

(M)GAS SUPPLY

Gas service will be provided by National Grid. The gas will be used for domestic cooking, and hot water heating. All piping shall be of black iron. Each Unit supplied with 1" 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.

(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 1600 Amps, 208/230 Volt triple phase service.

The electrical service to be provided for the community facility unit shall be 600 Amps and to each residential unit shall be 100 Amps. The main feed will bring the service to a minimum of thirty-two (32) separate meters, one (1) each for service to the individual units, two (2) for service to the community facility and one (1) for the common areas in the building. There will be a minimum of thirty-two (32) main panels in the building, one (1) for each unit, two (2) for service to the community facility and one (1) for the common spaces. There will be

approximately eight (8) – fifteen (15) circuits equipped with circuit breakers depending on the size of the unit; which will separate, air conditioning equipment, dishwashers, kitchen appliances, lights and outlets etc. There will be provided in each unit circuits equipped with Arc Fault Circuit Interrupters(AFCI) and Ground Fault Circuit Interrupters(GFCI). Tamper-Resistant receptacles shall be provided. Appropriate three-way switches are provided.

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

All lighting fixtures within the Units will comply with energy conservation code.

There are no emergency back-up generators in this building.

(P)COMMON AREAS/RECREATION FACILITIES

The main common areas in the condominium will be the interior stairs and hallways, and a roof open recreation space approximate 1305 square feet. The open recreation space will have public access through interior egress stairs. The recreation roof space shall have a rubber surface the same as the roof finish material. There will be lighting fixtures providing adequate illumination for the recreation area. The Lighting fixtures shall provide of twenty (20) watts compact fluorescent illumination. The Lighting fixtures shall be provided at the parking area of the first floor providing aggregate illumination of twenty (20) watts compact fluorescent illumination, or its equivalent. Lighting fixtures at the residential area of the first floor, each landing of interior egress stairs, and hall on second thru seventh floor levels shall be provided with aggregate illumination of twenty (20) watts compact fluorescent illumination, or its equivalent.

(Q)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.

(R)PUBLIC AREA LIGHTING

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

The above requirements shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws. All lighting fixtures will comply with the energy conservation code. All publicly lit spaces and all stair fixtures are connected to a battery backup system to serve in case of power failure.

(S)PARKING AREAS

The parking area shall be located on the first floor of the building. The parking area shall be constructed of poured concrete. There will be five (5) covered parking spaces located at the gcellar level of the building. All location and sale of parking spaces shall be as per negotiation between prospective unit owners and the Sponsor.

The parking areas shall be paved with concrete and shall be provided with drainage to the storm drainage system. There will be 7 additional area drains located at the parking area directing running water into a storm sewer building's system. The storm and sanitary sewer is drained into the city sewer system. The size is calculated in accordance with DOB and DEP rules and regulations.

Each parking space will be approximately 8'-6" x 18'-0". One (1) handicap accessible parking spaces will be provided with an adjacent 5'-0" alley for passage.

Parking area will be accessible via curb cut along East 14th street.

The Handicap Parking space shall have marked stripping on the concrete surface; epoxy,6 mils, 6" wide. There are proposed drains at the parking system as required by the New York City Building code.

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.

(T)SWIMING POOLS

There will be no swimming pool in the building.

(U) 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.

(V) Permits and

DEPARTMET OF BUILDINGS:
New Building Permit #320455798
Builders pavement plan:#320581223
DEPARTMENT OF ENVIRONMENTAL PROTECTION: sck-
DEPARTMENT OF TRANSPORTATION: BNP 12-0255
DEPARTMENT OF PARKS/FORESTRY: (Street tree receipt).
Elevators permit to be obtained by 08/10/15
Certificate for Elevator Safety will be issued after complete insulation and sign-off.

(W)VIOLATIONS AND PERMITS

There are currently no violations for the property. If any violations arise they will be cured or removed prior to issuing of the Final Certificate of Occupancy. All required permits and signoffs, including a Certificate of Occupancy, are to be obtained by the Sponsor.

(X)SAFETY AND WARNING DEVICES

Typical smoke and carbon monoxide safety devices will be installed according to plans. Unit owners are responsible to keep the safet warning devices operable.

(Y)DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGEMENT

The following documents shall be transferred to the condominium's board of managers or managing agent, whichever is applicable, upon termination of sponsor's control of the board of managers: Operation & Maintenance (O&M) manuals for mechanical equipment; Electronic

system manual; Re-commissioning manual (as applicable); equipment warranties; Manufacturer's Roof Warranty; Major equipment Start-Up Sheets and Control system as-built; Original Test & Balance Report for HVAC System; Post Construction In-Door Air Quality report; and Final As-Built drawings as maintained during construction, i.e., structural, mechanical, electrical, plumbing, approved shop drawings.

(Z)TENANT PROTECTION PLAN

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

UNITS:

The condominium will have a total of seven (7) units, two (2) community facility and five (5) residential units.

There will be two community facility unit located at the first and cellar floors levels with access lobby located at first floor.

There will be two residential units located at each of the second through third floors.

There will be one residential unit located at fourth floor level.

There will be mech'l spaces and a common area located at first floor and roof levels.

UNIT C1 consists of

Entrance foyer at first floor and community facility with an open floor plan and 2 toilets at the first floor level and community facility at cellar floor level with 1 toilet

UNIT C2 consists of

Entrance at first fl and community facility with an open floor plan and 2 toilets at the first floor .

UNIT 2A consists of

Two (2) bedrooms, two (2) bathroom, kitchenette, living/dining room, mechanical equipment closet, laundry closet, and balcony.

UNIT 2b consists of

Two (2) bedrooms, two (2) bathroom, kitchenette, living/dining room, mechanical equipment closet, laundry closet, and roof terrace.

UNIT 3A, 3B consists of

Two (2) bedrooms, two (2) bathroom, kitchenette, living/dining room, mechanical equipment closet, laundry closet, and balcony.

UNIT 4A consists of

Two (2) bedrooms, two (2) bathrooms, kitchenette, living/dining room, mechanical equipment closet, laundry closet, balcony and roof terrace.

The Approximate, gross square footages for each unit are as follows:

Unit C1	Cellar Floor / First Floor	= 2094.80 square feet
Unit C2	First Floor	= 1428.40 square f
Unit 2A	Second Floor	= 992.80 square feet
Unit 2B	Second Floor	= 992.80 square feet
Unit 3A	Third Floor	= 992.80 square feet
Unit 3B	Third Floor	= 992.80 square feet
Unit 4A	Fourth Floor	= 1147.60 square feet
Unit PS1	Cellar Floor	= 153.00 square feet
Unit PS2	Cellar Floor	= 153.00 square feet
Unit PS3	Cellar Floor	= 153.00 square feet
Unit PS4	Cellar Floor	= 153.00 square feet
Unit PS5	Cellar Floor	= 153.00 square feet

UNIT INTERIORS

The residential units will be finished as described herein.

The finished floor of the living, dining and bedroom areas of the residential units shall be a hardwood (Brazilian Walnut, size 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.

Kitchenettes 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 Units 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 finished floor of the community facility shall be of concrete. Thereafter the unit's owner may finish with a material of their own choice. The exterior walls shall be of 8" Finished C.M.U. with two layers of 5/8" type 'x' G.W.B on the interior side and two layers of 5/8" GWB with R19, 6" high density fiberglass batt insulation throughout cavity of the wall between studs .

The interior layout and use of the commercial unit shall be as per plans which shall be filed with and approved by the New York City Department of Buildings and the necessary permits obtained, prior to construction.

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	Ceramic Tile	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
Community Facility	Concrete	Masonry	Masonry/Glass.	Exposed
Parking	Concrete			Exposed

Note:
G.W.B : Gypsum Wallboard

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

FIXTURE SCHEDULE

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

B. Countertop lavatory: shall be manufactured by Kohler, with Gerber faucet; set in a plastic laminate finished, particle board vanity countertop.

C. Bathtubs: shall be manufactured by American Standard, with flow outlet and Delta showerhead and trim.

D. Showers: shall be as manufactured by American Standard with showerhead and trim by Delta.

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

KITCHENETTE EQUIPMENT

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

1. Formica or wood laminate, wall and base cabinets and Formica or wood laminate countertops.
2. Stainless steel sinks by Crane, with faucet by Delta.
3. One, four burner gas range by Frigidaire.

Note:

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

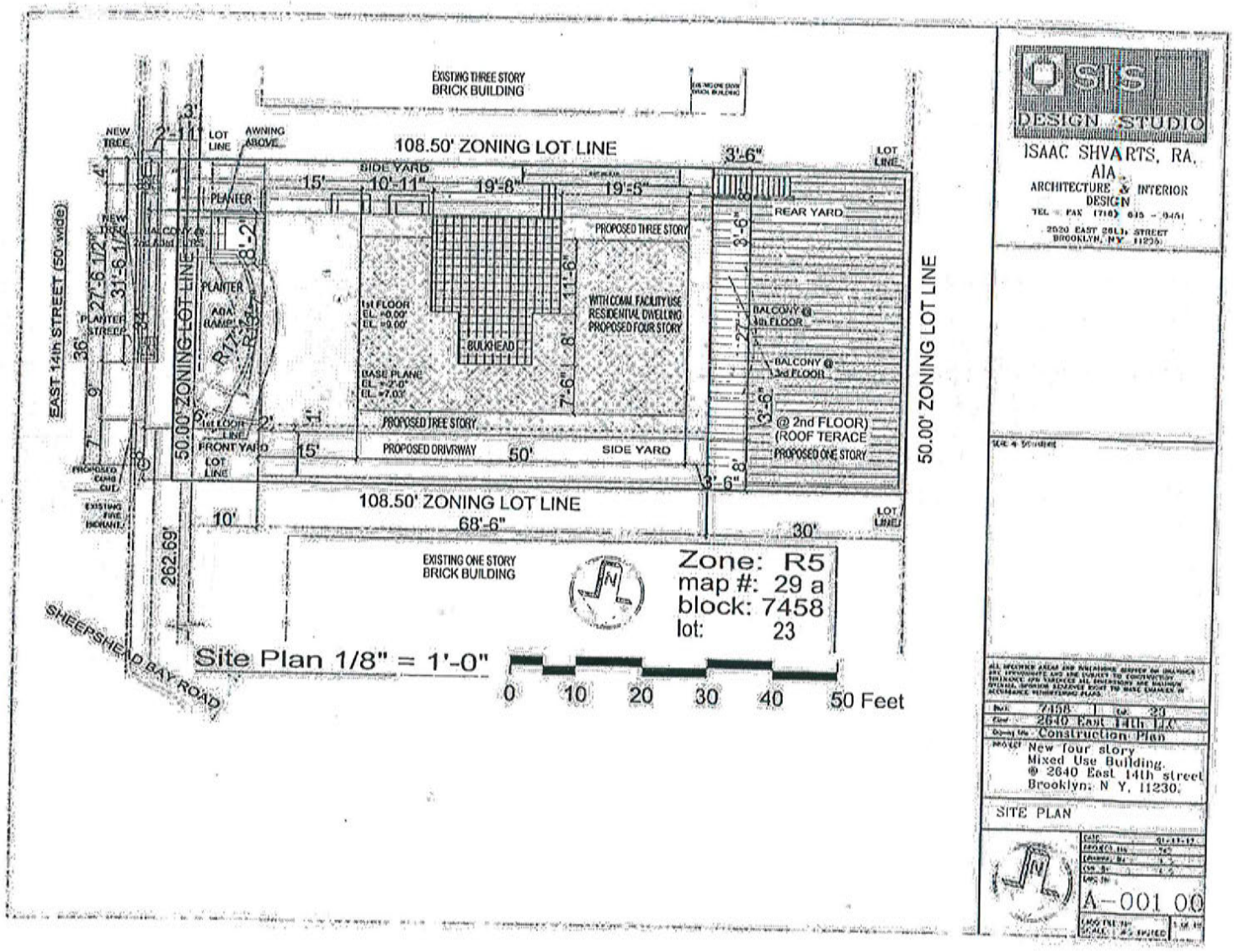
The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than listed above.

HANDICAPPED ACCESS

This building provides access for the handicapped in that the all floors are directly accessible via elevators at ground levels. Unit doors are wide enough and kitchens and bathrooms are big enough to allow a person in a wheelchair to maneuver, and walls in the bathroom will be reinforced so the tenants could install grab bars to lift themselves in or out of the tub. Doors and accessible paths within units, shall comply with N.Y. City Local Law 58/87 and A.N.S.I., A117.1-1986.

RADON

The building is not in area in which radon has been found in basement/cellars.



DESIGN STUDIO

ISAAC SHVARTS, RA, AIA

ARCHITECTURE & INTERIOR DESIGN

TEL - FAX (718) 645 - 9451

2520 EAST 28th STREET
BROOKLYN, NY 11229

Block: 7458 Lot: 23

2640 East 14th str.

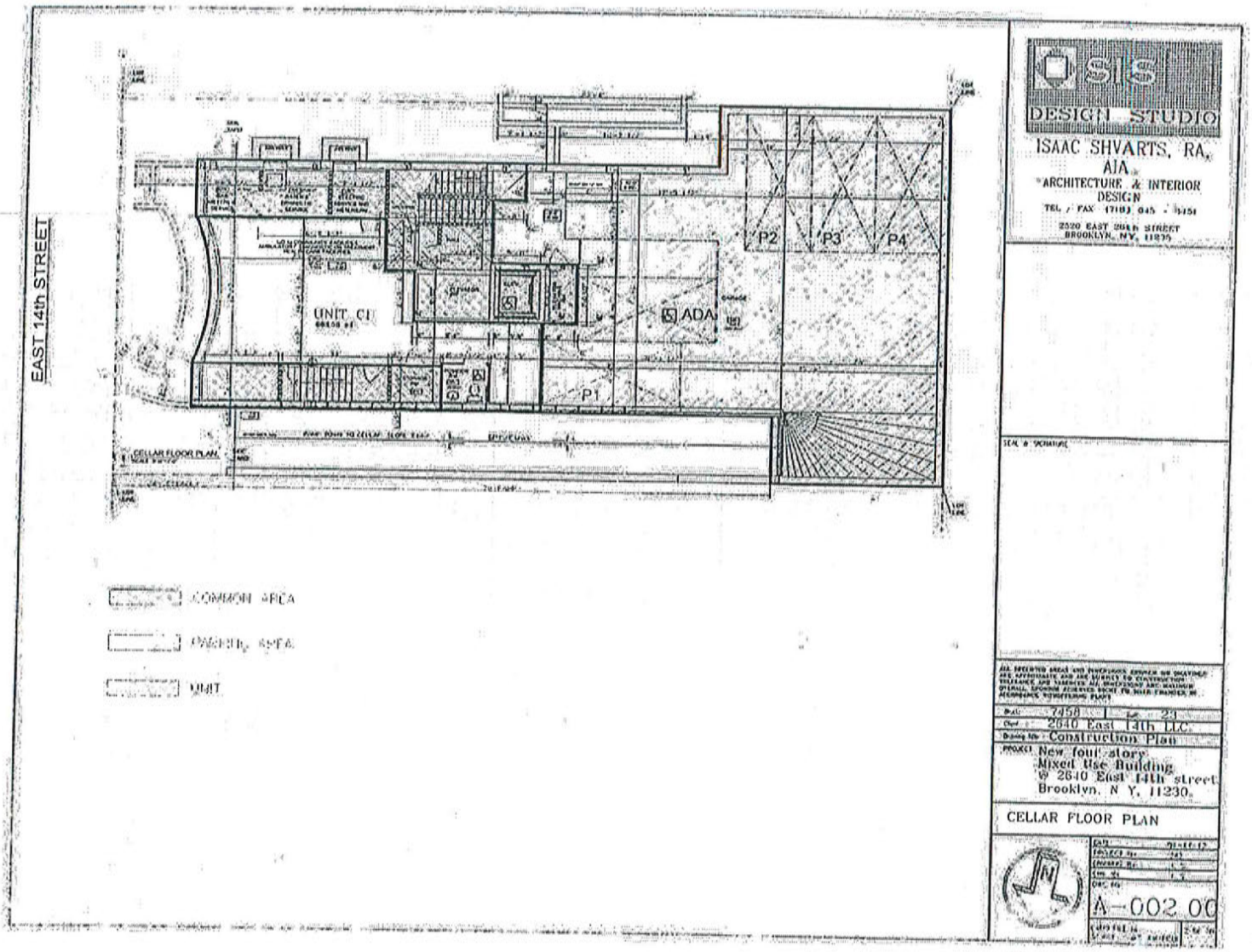
Construction Plan

New four story
Mixed Use Building.
@ 2640 East 14th street
Brooklyn, N Y, 11230.

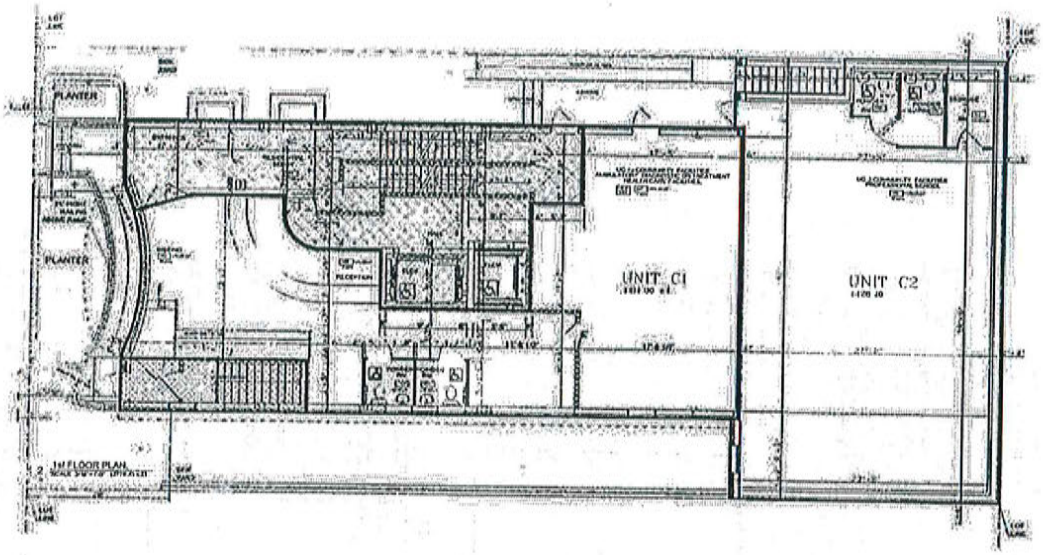
SITE PLAN

A-001 00

FP 1


EAST 14th STREET
UNIT C1
ADA
P1
P2
P3
P4
CELLAR FLOOR PLAN
COMMON AREA
OWNER'S AREA
UNIT
DESIGN STUDIO
ISAAC SHVARTS, RA, AIA
ARCHITECTURE & INTERIOR DESIGN
2520 EAST 26th STREET
BROOKLYN, NY, 11235
Drawn by: 7458
Client: 2640 East 14th LLC.
Drawing title: Construction Plan
PROJECT: New four story Mixed Use Building @ 2640 East 14th street Brooklyn, N Y, 11230.
CELLAR FLOOR PLAN
A-002.00

FP 2



COMMON AREA

UNIT

DESIGN STUDIO

ISAAC SHVARTS, RA., AIA.

ARCHITECTURE & INTERIOR DESIGN

TEL / FAX (718) 645 - 3451

2520 EAST 26th STREET
BROOKLYN, NY. 11235

SEAL & SIGNATURE

Block 7458 Lot 23

Client 2640 East 14th LLC.

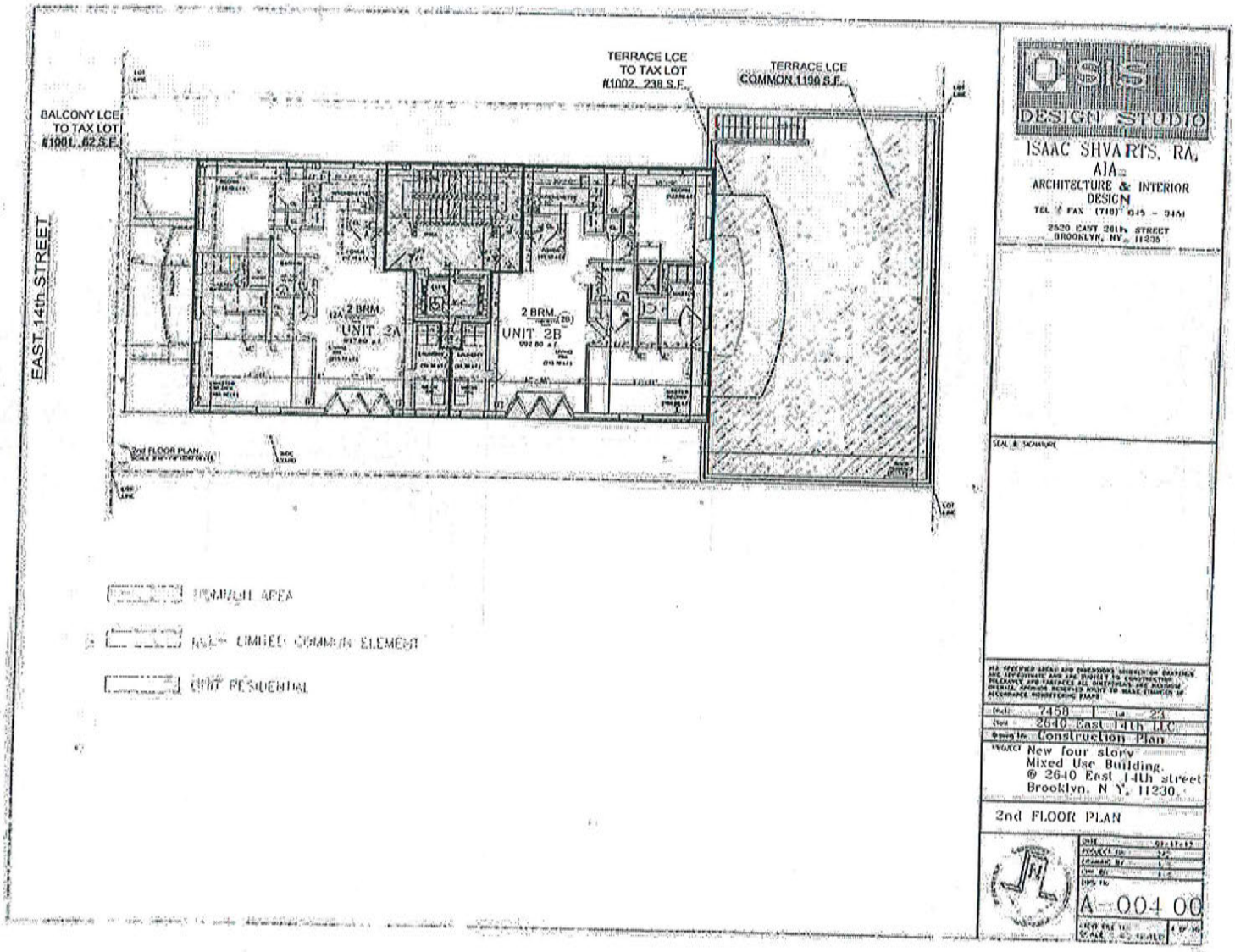
Drawing title: Construction Plan

PROJECT New four story
Mixed Use Building.
@ 2640 East 14th street
Brooklyn, N Y. 11230.

1st. FLOOR PLAN

DATE 01.17.12

A-003.00



DESIGN STUDIO
ISAAC SHVARTS, RA, AIA
ARCHITECTURE & INTERIOR DESIGN
TEL & FAX (718) 645 - 3451
2520 EAST 26th STREET
BROOKLYN, NY 11235

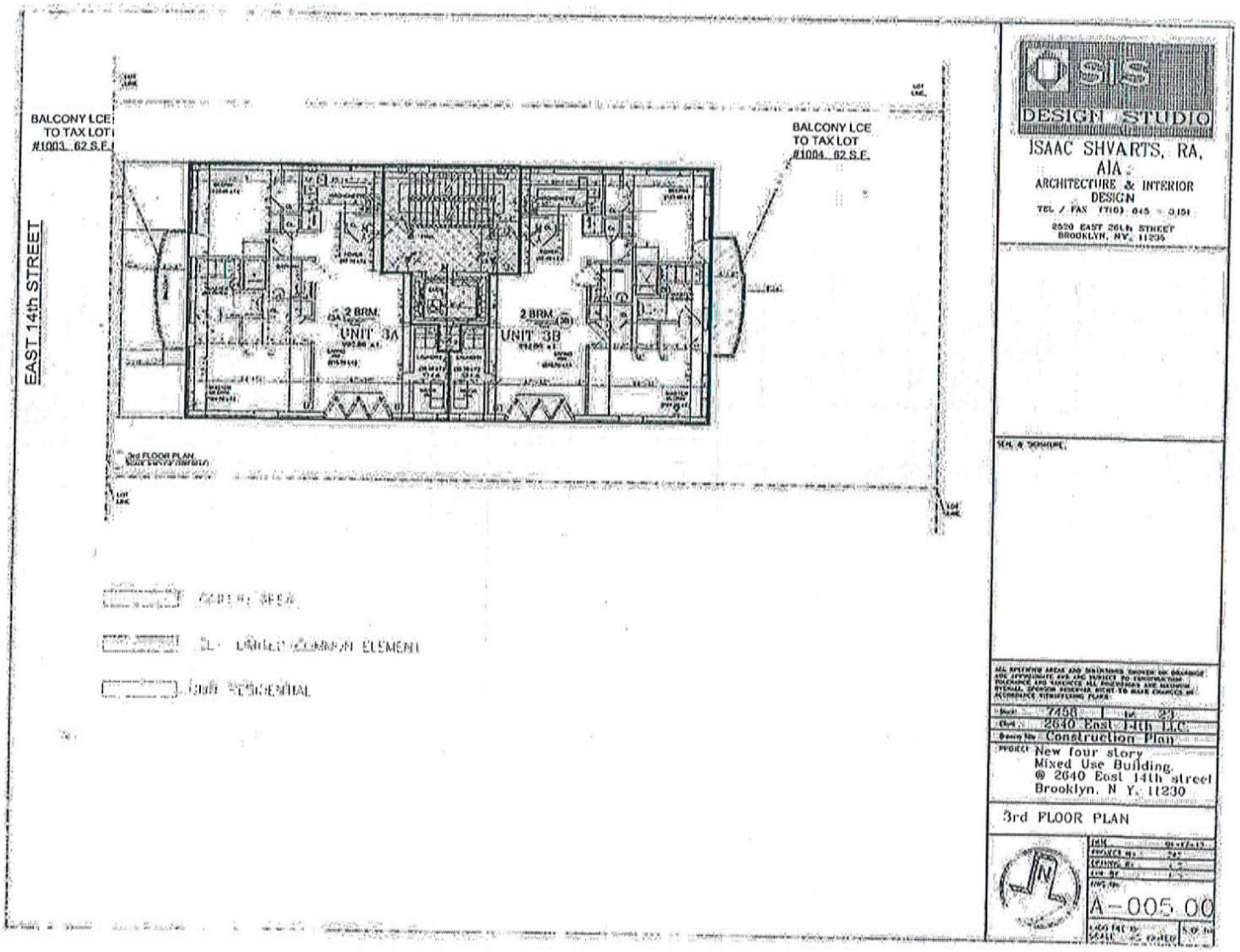
SEAL & SIGNATURE

ALL SPECIFIED AREAS AND DIMENSIONS SHOWN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION TOLERANCES AND VARIANCES. ALL DIMENSIONS ARE MINIMUM REQUIRED. OWNER RESERVES RIGHT TO MAKE CHANGES OF REASONABLE NONMATERIAL NATURE.

Block:	7458 Lot: 23
Owner:	2640 East 14th LLC
Drawing Title:	Construction Plan
Project:	New four story Mixed Use Building. @ 2640 East 14th street Brooklyn, N.Y. 11230.

2nd FLOOR PLAN

Date:	9/21/15
Project No:	215
Drawn By:	I.S.
Chk'd By:	I.S.
DWG No:	A-004.00



DESIGN STUDIO

ISAAC SHVARTS, RA, AIA
ARCHITECTURE & INTERIOR DESIGN
TEL / FAX (718) 645 - 0151
2520 EAST 26th STREET
BROOKLYN, NY. 11235

SEAL & SIGNATURE

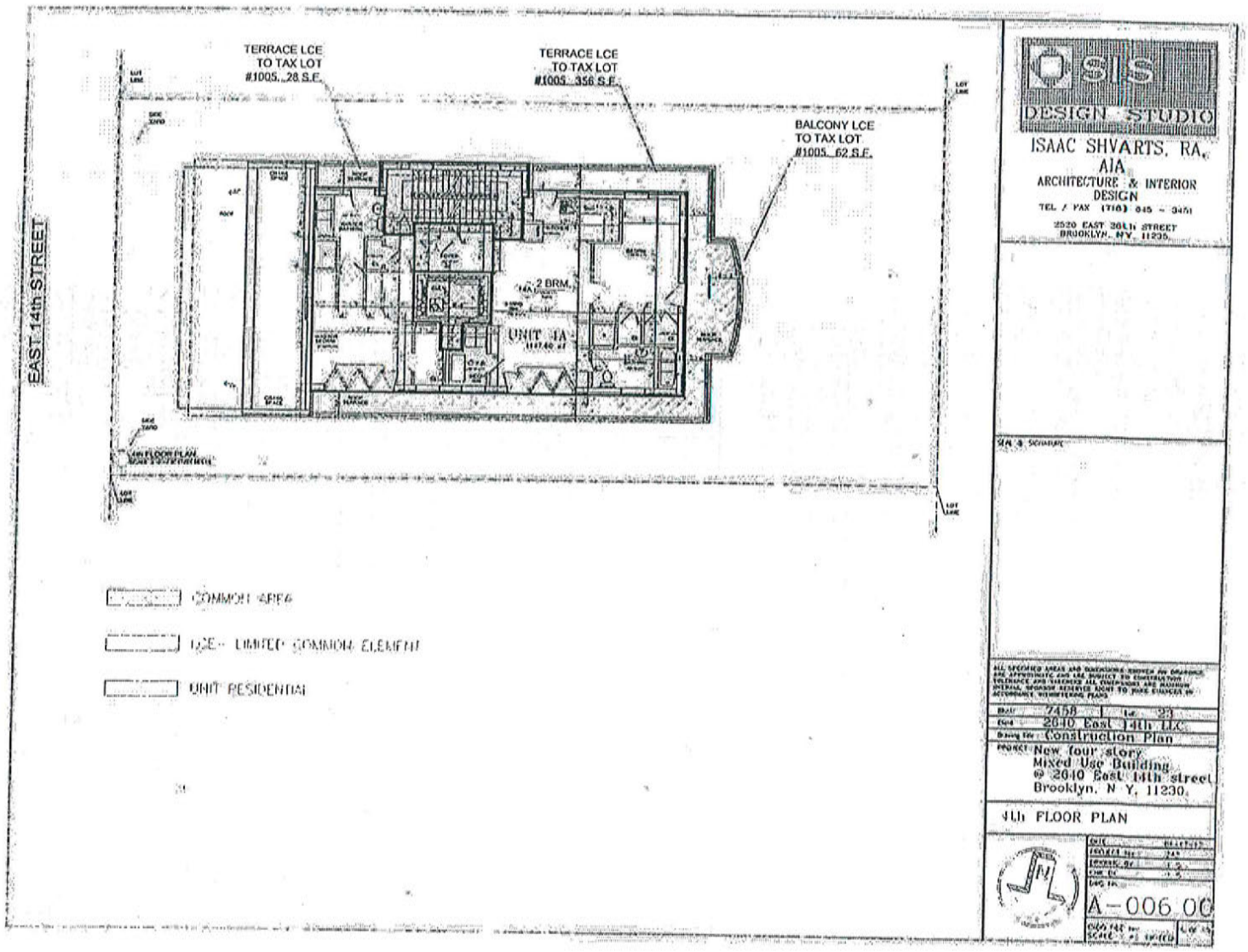
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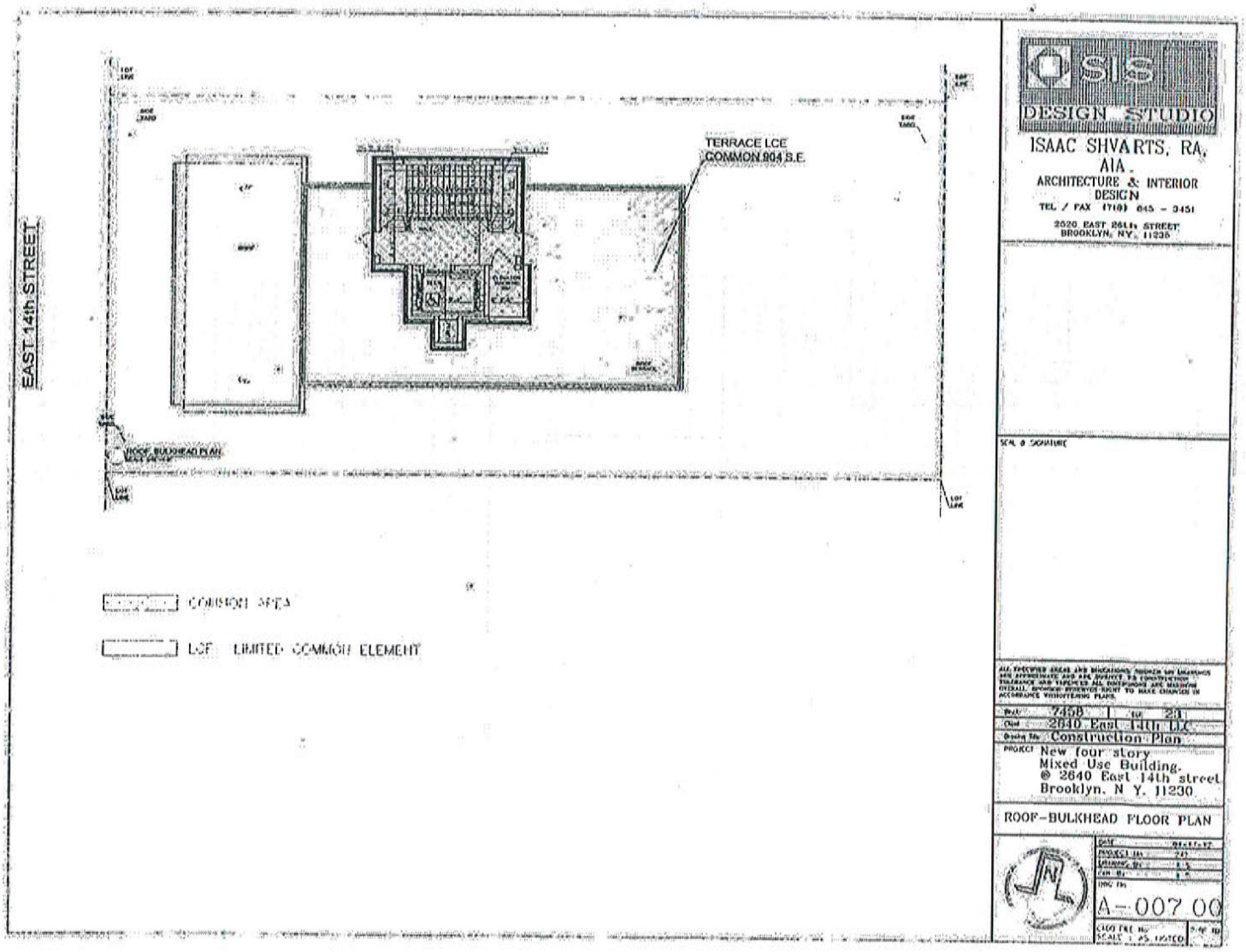
Block 7458 Lot 23
Client 2640 East 14th LLC
Drawing title Construction Plan
PROJECT New four story
Mixed Use Building
@ 2640 East 14th street
Brooklyn, N.Y. 11230

3rd FLOOR PLAN

DATE
SCALE 1/4" = 1'-0"

A-005.00


TERRACE LCE
TO TAX LOT
#1005 28 S.F.
TERRACE LCE
TO TAX LOT
#1005 356 S.F.
BALCONY LCE
TO TAX LOT
#1005 62 S.F.
EAST 14th STREET
2 BRM.
UNIT 1A
COMMON AREA
LCE - LIMITED COMMON ELEMENT
UNIT RESIDENTIAL
DESIGN STUDIO
ISAAC SHVARTS, RA, AIA
ARCHITECTURE & INTERIOR DESIGN
TEL / FAX (718) 645 - 3451
2520 EAST 36th STREET
BROOKLYN, NY, 11235
Block 7458 Lot 23
Owner 2040 East 14th LLC
Drawing Title Construction Plan
PROJECT New four story
Mixed Use Building
@ 2040 East 14th street
Brooklyn, N Y, 11230.
1th FLOOR PLAN
A-006.00



SIS DESIGN STUDIO

ISAAC SHVARTS, RA, AIA.
ARCHITECTURE & INTERIOR DESIGN
TEL / FAX (718) 645 - 3451
2520 EAST 26th STREET
BROOKLYN, NY. 11235

SEAL & SIGNATURE

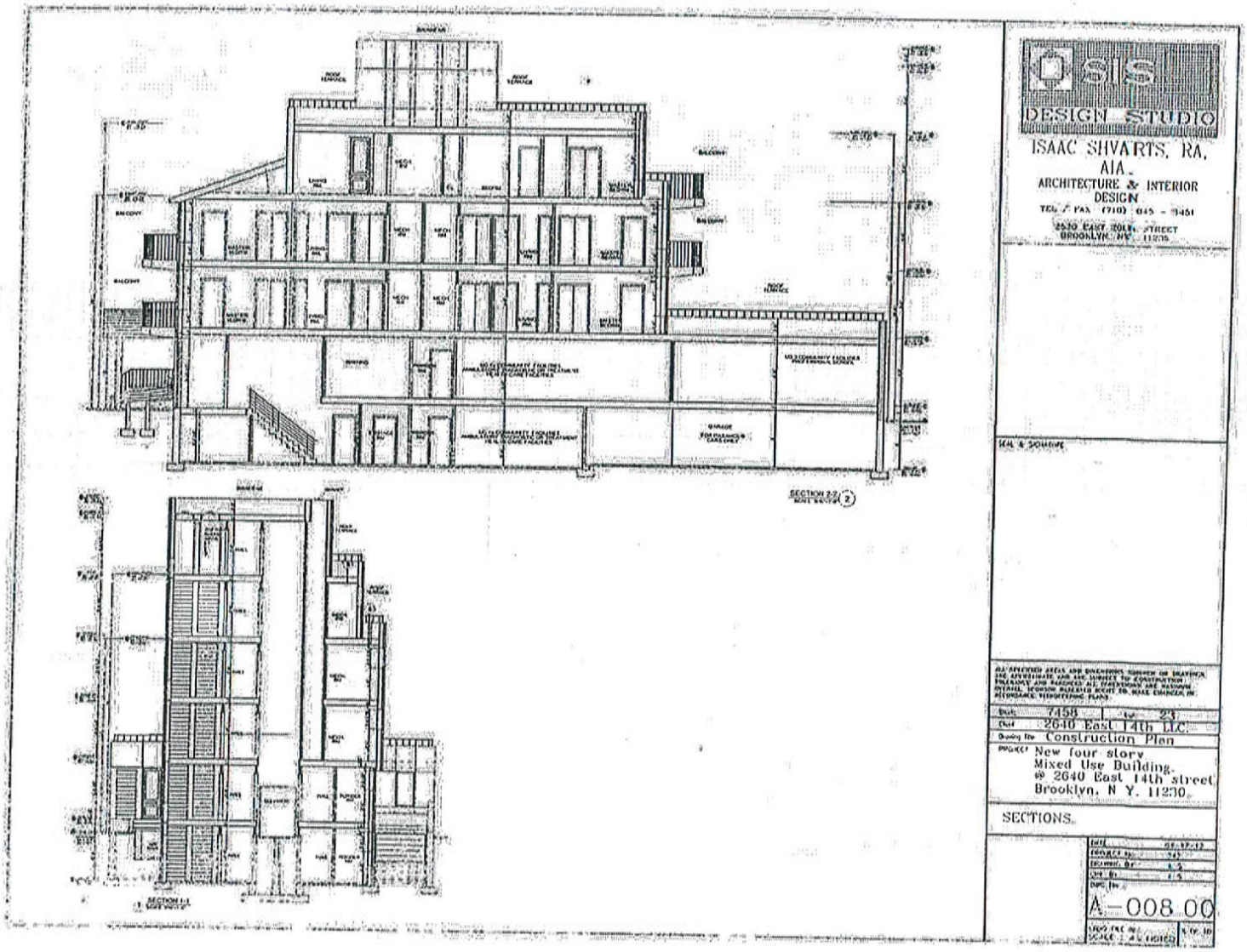
ALL DIMENSIONS AREAS AND INFORMATION SHOWN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION FIELDWORK AND VERIFIED ALL DIMENSIONS ARE MAXIMUM OVERALL. OWNER RESERVES RIGHT TO MAKE CHANGES IN ACCORDANCE WITH STERNS PLANS.

Block: 7458 Lot: 24
Client: 2640 East 14th LLC
Drawing Title: Construction Plan
PROJECT: New four story Mixed Use Building. @ 2640 East 14th street Brooklyn, N. Y. 11230

ROOF-BULKHEAD FLOOR PLAN

DATE: 08.11.17
PROJECT No: 247
DRAWN By: I.S.
CHK By: I.S.
DWG No: A-007.00
CHG ORD No:
SCALE: 1/4"=1'0" TYP.

FP 7



DESIGN STUDIO

ISAAC SHVARTS, RA, AIA.

ARCHITECTURE & INTERIOR DESIGN

TEL. / FAX (718) 645 - 9451

2630 EAST 70th STREET
BROOKLYN, NY 11234

SEAL & SIGNATURE

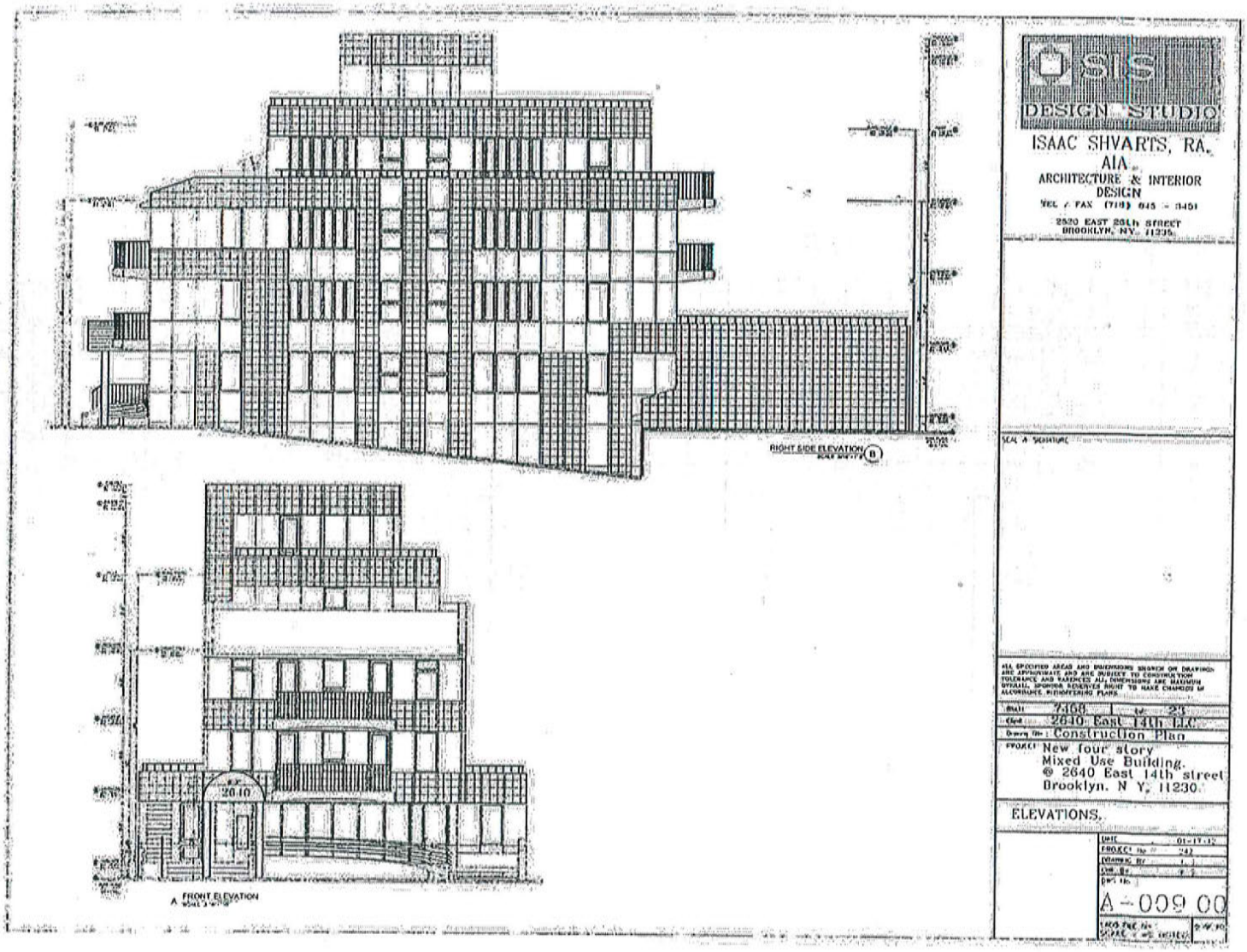
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Block 7458 Lot 24
Client 2640 East 14th LLC.
Drawing title Construction Plan
PROJECT New four story Mixed Use Building. @ 2640 East 14th street Brooklyn, N Y. 11210.

SECTIONS.

DATE 05.17.13
PROJECT No. 13
DRAWN BY I.S.
CHK BY I.S.
DWG No. A-008.00
SCALE 1/4" = 1'-0" SHEET No.

FP 8



DESIGN STUDIO

ISAAC SHVARTS, RA, AIA

ARCHITECTURE & INTERIOR DESIGN

TEL / FAX (718) 645 - 8451

2520 EAST 26th STREET
BROOKLYN, NY. 11235

SEAL & SIGNATURE

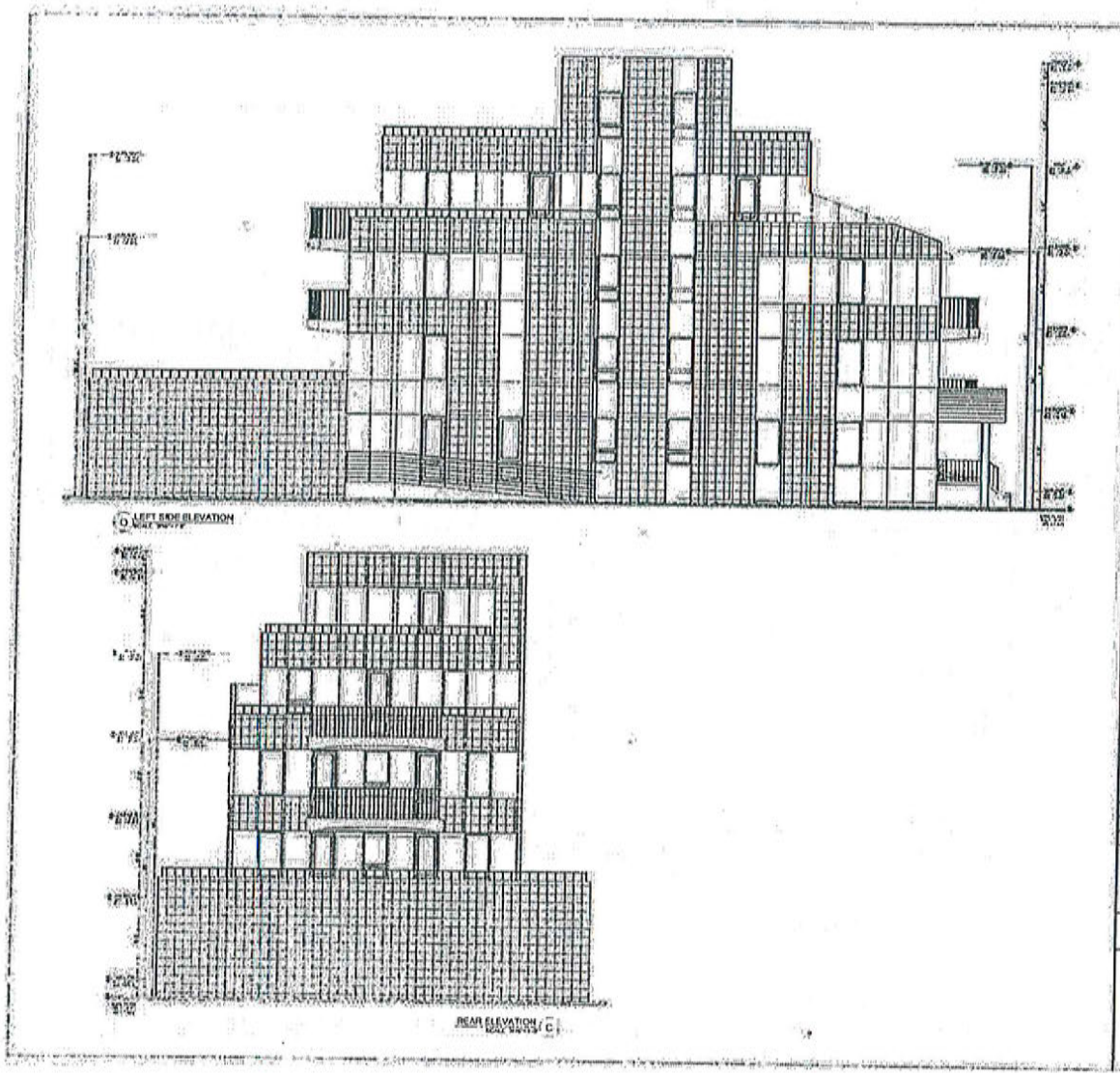
ALL SPECIFIED AREAS AND DIMENSIONS SHOWN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION TOLERANCE AND VARIANCES. ALL DIMENSIONS ARE MAXIMUM UNLESS, SPECIFIED. CONTRACTOR SHALL REVIEW AND BE RESPONSIBLE FOR ALL CONDITIONS AND DIMENSIONS ON THE JOB AND SHALL NOTIFY THE ARCHITECT OF ANY VARIATIONS FROM THE DIMENSIONS AND CONDITIONS SHOWN BY THESE DRAWINGS BEFORE PROCEEDING WITH THE WORK. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL CONSTRUCTION METHODS, TECHNIQUES, SEQUENCES AND PROCEDURES AND FOR COORDINATING ALL PORTIONS OF THE WORK. CONTRACTOR SHALL OBSERVE ALL APPLICABLE CODES, LAWS AND REGULATIONS. CONTRACTOR SHALL BE RESPONSIBLE FOR ALL CONSTRUCTION METHODS, TECHNIQUES, SEQUENCES AND PROCEDURES AND FOR COORDINATING ALL PORTIONS OF THE WORK. CONTRACTOR SHALL OBSERVE ALL APPLICABLE CODES, LAWS AND REGULATIONS. ARCHITECT SHALL NOT BE RESPONSIBLE FOR ANY DEVIATIONS IN THE CONSTRUCTION OF THE BUILDING FROM THE CONSTRUCTION DOCUMENTS. ARCHITECT SHALL NOT BE RESPONSIBLE FOR ANY DEVIATIONS IN THE CONSTRUCTION OF THE BUILDING FROM THE CONSTRUCTION DOCUMENTS. ARCHITECT SHALL NOT BE RESPONSIBLE FOR ANY DEVIATIONS IN THE CONSTRUCTION OF THE BUILDING FROM THE CONSTRUCTION DOCUMENTS.

Built: 7466 Lot: 25
Client: 2640 East 14th LLC.
Drawing title: Construction Plan
Project: New four story Mixed Use Building. @ 2640 East 14th street Brooklyn, N.Y. 11230.

ELEVATIONS.

Date: 01-17-12
Project No: 743
Drawing By:
Chk By:
Dwg No.
A-009.00

Land Use No:
Scale: 1/4" = 1'-0"
Sheet No:



DESIGN STUDIO

ISAAC SHVARTS, RA, AIA -
ARCHITECTURE & INTERIOR DESIGN
TEL. / FAX (718) 645 - 3451
2520 EAST 28th STREET
BROOKLYN, NY, 11235

ALL SPECIFIED AREAS AND DIMENSIONS SHOWN ON DRAWINGS ARE APPROXIMATE AND ARE SUBJECT TO CONSTRUCTION TOLERANCE AND VARIANCES. ALL DIMENSIONS ARE MINIMUM OVERALL. OWNERS RESERVES RIGHT TO MAKE CHANGES IN ACCORDANCE WITH APPROVED PLANS

Block 7158 Lot 27
Client 2640 East 14th LLC
Construction Plan
Project New four story Mixed Use Building @ 2640 East 14th street Brooklyn, N Y, 11230

ELEVATIONS

A-0010.0

GENERAL BUSINESS LAW-CIVIL PRACTICE LAW AND RULES-NEW HOMES- -SALE-WARRANTIES

We ACT to amend the general business law and civil practice law and rules, in relation to warranties on sales of new homes

Approved September 6, 1988, effective as provided in S 3.

The people of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general business law is amended by adding a new article S 1 thirty-six B to read as follows:

ARTICLE 36-B

Section 777. Definitions.
777-a. Housing merchant implied warranty.
777-b. Exclusion or modification of warranties.

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

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

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

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

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

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include

dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

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

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

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

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

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

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

Section 777-a. Housing merchant implied warranty.

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

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

b. two years from and after the warranty date the plumbing, 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.

S 777-b. Exclusion or modification of warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.
b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.
c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."
d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. that the warranty is a limited warranty which limits implied warranties on the sale of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;
b. he identification of the names and addresses of all warrantors;
c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be

extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the limited warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of homebuilders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

Section 2. Subdivision two of the section two hundred thirteen of the civil practice law and rules, as amended by chapter four hundred three of the laws of nineteen hundred eighty-three, is amended to read as follows:

2. an action upon a contractual obligation of liability, express or implied, except as provided in section two hundred thirteen-s of this article or article 2 of the uniform commercial code or article 36-B of the general business law;

Section 3. This act shall take effect on the first day of March next succeeding the date on which it shall have become a law and shall apply to new homes for which contractors of sale are entered into on or after such effective date.

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 period of the earliest due date, the Board of Managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current. All rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the Board of Managers has been elected by and from among the unit owners who are in occupancy, the Board 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 be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner 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 claim.

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: s.s:

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 section law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSPEH L. BRUNO
Temporary President of the Senate

SHELDON SILVER
Speaker of the Assembly

DECLARATION

A Plan for Condominium Ownership of Premises located at 2640 East 14th Street, Brooklyn, New York, County of Kings, City and State of New York Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: THE 2640 EAST 14TH STREET CONDOMINIUM

DECLARANT: **2640 EAST 14 LLC**
2640 East 14th Street
Brooklyn, New York 11235

DATE OF DECLARATION:

The land affected by the within instrument lies in Section Block Lot fka nka - on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York.

Record and Return:

GABRIELLA ILAN, ESQ.
Attorney for Sponsor
2709 Coney Island Avenue
Brooklyn, New York 11235

2640 EAST 14 LLC, 2640 East 14th Street, Brooklyn, New York, hereinafter referred to as "the Declarant", does hereby declare:

1. SUBMISSION OF PROPERTY: Declarant hereby submits the land hereinafter described, together with the Buildings and improvements thereon erected ("the Property") to the provisions of Article 9-B of the Real Property Law of the State of New York.

2. AREA AND LOCATION OF LAND: The land ("Land") consists of all that certain tract, plot, piece and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple absolute.

3. NAME OF CONDOMINIUM: The Condominium shall be known as THE 2640 EAST 14TH STREET CONDOMINIUM.

4. DESCRIPTION OF THE BUILDING: The condominium consists a single building, composed of four stories and a cellar, and containing in aggregate five (5) residential units and two (2) non-residential units. There are also five (5) auxiliary parking units separately for sale. The legal occupancy will match the proposed occupancy hereunder. The building complies with Class IIA construction requirements.

5. THE UNITS: SCHEDULE B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof; Unit designation; tax lot number; approximate square foot area; location; number of rooms; the portion of the Common Elements, including Limited Common Elements to which the Unit has immediate access (if any) and the percentage of interest in the Common Elements. The location of each Unit, and any Limited Common Elements appurtenant thereto, is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

6. FLOOR PLANS: As shown on the Floor Plans of the Buildings (the "Floor Plans"), certified by and intended to be filed in the Kings County Office of the register of the City of New York, simultaneously with the recording of this Declaration, the dimensions indicated are approximate, and are as defined in said floor plans. Said statement of dimensions is incorporated by reference as if fully set forth herein.

7. COMMON ELEMENTS: The Common Elements of the Condominium consist of the entire Property, including parts of the Buildings and improvements thereon other than the Units. Common Elements are comprised of General Common Elements and Limited Common Elements. They include, to the extent applicable, the following:

a) General Common Elements:

(i) The land on which the Buildings are physically erected, including any open areas appurtenant to the building(s).

(ii) All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and installations beyond the exterior face of the Buildings; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the exposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roofs (excluding terraces), fire escapes (if any), corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Residential Unit; lobby; storage and utility areas located beyond the unexposed face of the dry walls and the entrances to and exits from the Buildings;

(iii) All installations outside the Units for services such as gas, power, light, telephone and water;

(iv) All sewer pipes and drainage pipes outside units, including all drains and dry well on the land and those located outside the building footprint.

(v) The boiler room and meter areas, and janitor's closet(s), if any, as shown and delineated on the Floor Plans. To the extent the "as-built" condition of the building differs from such Floor Plans, both said Floor Plans and this Declaration shall be deemed amended to conform to said as-built condition.

(vi) All other apparatus and installations existing in the Buildings for common use or necessary or convenient to the existence, maintenance or safety of the Buildings.

(vii): The foregoing are included only to the extent they are present in this building. If any of the foregoing are hereinafter designated as limited common elements, such designation shall take priority over the listing set forth herein.

b) Limited Common Elements:

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 is not owned by the unit owner. Each Unit Owner, his guests, invitees, lessees and residents of his Unit shall have the exclusive right to use and possession of the limited common elements of the building indicated in the attached Exhibit B, subject to the following:

Each Unit Owner shall be solely and only responsible for repair and maintenance of the Limited Common Element appurtenant to their Unit including, but not limited to, painting, cleaning, patching, and surface repair. In the event a Unit Owner fails to properly

maintain his Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas and the cost thereof shall be assessed against the Condominium Unit to which such Limited Common Elements are appurtenant. To the extent that any damage to a Limited Common Element is caused by building condition, or by other condition for which the Condominium carries insurance, the cost of repair of such damage shall be borne by the Condominium.

The Board of Managers of the Condominium retains a right of access on to, over, and across any limited common element for the purpose of inspection, or repair to the building.

8. DETERMINATION OF PERCENTAGES IN COMMON ELEMENTS: The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to such other items of relative value as the location of the space in the condominium, uniqueness of the unit, the availability of limited common elements for exclusive or shared use, and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.

9. USE OF UNITS: Any Residential Unit may be used for private residential use, or for any home occupation use permitted under applicable zoning laws and ordinances, building code, or other rules and regulations of governmental authorities having jurisdiction thereof. Such Units may also be used as professional offices by a resident thereof, provided such professional use does not violate any zoning law and ordinance, and provided further that prior written consent of the Board of Managers for such professional use is obtained. Notwithstanding the foregoing, the Sponsor may, without the permission of the Board of Managers, retain ownership of one or more Units for use as rental units, models, sales and/or offices in connection with the sale or rental of the Units.

A non-residential unit may be used for any purpose allowed under applicable zoning rules and regulations and the Certificate of Occupancy for the building; or any amendment, modification, or variance with regards to any of the foregoing.

Parking units may only be used for the parking of non-commercial vehicles, utilizing no more than two (2) axles.

10. ENCROACHMENTS: If any portion of the Common Elements encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Buildings, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Buildings or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachments and for the maintenance of the same so long as the Buildings shall stand.

11. EASEMENTS:

a) Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right to access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

b) The Sponsor and its designees, their successors, assigns, invitees, licensee, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines and (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (iv) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

c) The Sponsor, its designees and their successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in the access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements, and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or the residents of any property adjacent to the Property, or users of the Recreation Facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right to access of any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right to access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

d) The user of any easement granted by Sub-paragraphs "b" and "c" of this Paragraph 11 shall have the responsibility of repairing any damage resulting therefrom.

12. PERSON TO RECEIVE SERVICE: For the period during which Sponsor is in control of the Board of Managers, 2640 EAST 14 LLC, 2640 East 14th Street, Brooklyn, NY 11235, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After Sponsor relinquishes control of the Board of Managers notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the office of the Condominium located at 185 York Street, Brooklyn, New York. In addition to the foregoing, the Secretary of State of the state of New York is hereby designated as agent of the Board of Managers to accept the service of process in any proceeding. In addition to the foregoing, the Secretary of State of the state of New York is hereby designated as agent of the Board of Managers to accept the service of process in any proceeding.

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

14. AMENDMENT TO DECLARATION: This Declaration may be amended, modified, added to or deleted from by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners; provided however,

a) No amendment, modification, addition or deletion which shall adversely affect the lien or any mortgage may be made without the written consent of the mortgagee;

b) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner;

c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against the Sponsor, its designee, or any Unsold Unit until the Sponsor or such designee shall consent thereto in writing.

d) No amendment, modification, addition or deletion of or to this Declaration which would in any way alter, restrict or change the use to which a Commercial Unit may be put, shall be effective against any such Commercial Unit without the written consent of the Owner of such Commercial Unit.

The Sponsor hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirements of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Buildings and appurtenances which are incomplete upon the original filing of the Declaration provided that the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p will be filed with such amendment.

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

15. CHANGES IN UNSOLD UNITS:

A. For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor or its designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit Mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change in and size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consent will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with the Sponsor or its designees for a Unit adversely affected as a result of the above changes, will be given the right to rescind their Purchase Agreements and receive a refund of any disclosed in an amendment to the Offering Plan for the Property. The provisions of this Paragraph 15 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s). In the event of any such change in an Unsold Units, Sponsor shall amend the Declaration and Floor Plans to reflect same.

Sponsor may reallocate portions of the common areas of the subject premises to individual units as limited common elements; or may retain (and sell, transfer or assign) the right to utilize certain specific portions of the common area of the premises pursuant to a license agreement. This will not apply to areas specifically designated to common use, such as laundry rooms, recreation rooms, gymnasiums, etc.; nor may this right be utilized so as to reallocate a portion of the building necessary for ingress or egress to a unit to any unit other than such unit.

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

B. CHANGES TO THE COMMERCIAL UNIT: Except to the extent prohibited by law, the Owner of a Commercial Unit shall have the right without the vote or consent of the Board of Managers to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit; (ii) change the layout of, or number of rooms in the Commercial Unit; (iii) change the size and/or numbers by subdividing the Commercial Unit, into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from such subdivision or otherwise) into one or more Commercial Units, altering the boundary walls between any Commercial Units, or otherwise; and (iv) if appropriate, reapportion amount the Commercial Units affected by such change in size or number, their percentage of interest in the common elements; provided, however, that the percentage of interest in the common elements of any other Commercial Units shall not be changed by reason thereof unless the Owners of such Commercial Units shall consent thereto and, provided further, that the owner filing such changes shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Commercial Units harmless from any liability arising therefrom.

Nothing contained in this Declaration shall prohibit the division or consolidation of any Non-Residential Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. Any such change which will affect the structural integrity of the Building requires the prior written consent of the Board of Managers. In no case, however, may such division or consolidation result in a different percentage of common interest for the total of new Non-Residential Units than existed for the total of the original Non-Residential Units before division or consolidation. An amendment to this Declaration authorized by this paragraph may be filed by the new Unit Owner(s) without notice to or consent of the Board of Managers or any other Non-Residential Owner(s) provided the percentage of common interest of all other existing Non-Residential Units is not affected thereby.

If the number of rooms in an Unsold Non-Residential Unit is changed, or the size and/or number of Unsold Non-Residential Units is changed (whether as a result of a subdivision or combination of Unsold Non-Residential Units, or of boundary walls between Unsold Non-Residential Units, or otherwise) and the appurtenant percentage interest in the common elements is reapportioned as a result thereof, all in accordance with the provisions of this Article, then the Sponsor or its designee shall have the right to execute, or (on its request) to require any other Unit Owner or the Condominium Board of Managers to execute, and record in the Office of the Clerk of Suffolk County, an amendment to this Declaration (together with such other documents as the Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Non-Residential Units any of them or in the size and/or number of Unsold Non-Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage of interest in the common elements.

Sponsor may reallocate portions of the common areas of the subject premises to individual units as limited common elements; or may retain (and sell, transfer or assign) the right to utilize certain specific portions of the common area of the premises pursuant to a license agreement. This will not apply to areas specifically designated to common use, such as laundry rooms, recreation rooms, gymnasiums, etc.; nor may this right be utilized so as to reallocate a portion of the building necessary for ingress or egress to a unit to any unit other than such unit.

In the event the Sponsor or its designee, exercising its rights pursuant to this Article so requires, the Board of Managers shall promptly amend the Declaration at the expense of the Sponsor or its designee, to reflect any such alteration, addition, improvements, changes or reapportionments and shall record such amendment in the Office of the Suffolk County Clerk.

16. INVALIDITY:

a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included;

(b) Subject to the terms of Paragraph "a" above, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, this Declaration and By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land.

17. DEVELOPMENT RIGHTS: In the event any rezoning of the property subsequent to the acceptance for filing of this Offering Plan creates development rights beyond those utilized to erect the structure contemplated by this Offering Plan; or in the event a subsequent audit discloses the existence of unused development rights; Sponsor shall retain the right to such development rights, and may sell, transfer or assign such development rights without restriction.

18. TERMINATION OF CONDOMINIUM: The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. The Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided however, that no payment shall be made to a Unit Owner until all lienors have first been paid off out of his share of such proceeds.

19. COMMON EXPENSE: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws. Common expenses shall be charged to unit owners according to their respective common interests; except that such expenses may be specially allocated and apportioned by the Board of Managers in a manner different from common profits and expenses for one (1) or more non-residential units; and in the case of units, either residential or non-residential or a combination thereof, profits and expenses may be specially allocated and apportioned based on special or exclusive use or availability, or exclusive control, of a particular unit or common areas by particular unit owners.

20. DEFINITION OF "SPONSOR-DESIGNEE": The term "Sponsor- Designee" as used in this Declaration shall mean any person or entity designated by the Sponsor to acquire title to a Unit, other than a good faith Purchaser for value purchasing pursuant to a validly executed Purchase Agreement. A "Sponsor-Designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a
"Sponsor-Designee."

21. WAIVER: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

22. CAPTIONS: The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

23. GENDER: The use of the masculine gender in this Declaration shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

24. MORTGAGEES RIGHTS: Notwithstanding anything to the contrary set forth in any other portion of this Declaration, amendments of a material adverse nature to the interest of the mortgagees must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes of the Condominium allocated to all units which are subject to mortgages.

Any action to terminate the legal status of the project after substantial destruction or condemnation, or for any other reason must be agreed to by mortgagees holding mortgages on units entitled to cast at least 51.00% of the votes allocated to units which are encumbered by mortgages at the time of such termination. In the event notice of either of the foregoing is delivered to any mortgagee; and in the further event such mortgagee fails to submit a written response to such written notice within sixty (60) days after it receives such notice (and further provided that such notice was delivered by registered or certified mail with a return receipt requested); then in such case such mortgagee will be deemed to have consented to the notice to action.

No provision of the condominium project documents gives a condominium unit owner or any other party priority over any rights of the first mortgagee of the condominium unit pursuant 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.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representatives this day of ,20__.

2640 EAST 14 LLC
BY:

_____
SPONSOR

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 20__, 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

BY-LAWS

of

THE 2640 EAST 14TH STREET CONDOMINIUM

ARTICLE I

Purpose of Business

Section 1. Unit Ownership: The property located in the Borough, County of Kings, City and State of New York at 2640 East 14th Street, Brooklyn, New York (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as THE 2640 EAST 14TH STREET CONDOMINIUM.

Section 2. Applicability of By-Laws: The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Buildings, and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units".

Section 3. Application: All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-laws, the Declaration and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office: The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

Meetings of Unit Owners

Section 1. Annual Meeting: The Annual Meeting of the Unit Owners of the Condominium for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn, City of New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or a Vice President or the Secretary or an Assistant Secretary. Such notice shall state the time when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each such Unit Owner at his or her address as it appears in the records of the Condominium, unless he or she shall have filed with the Secretary of the Condominium a written request that notices intended for the him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing to do so by Unit Owners owning at least twenty-five per cent (25%) of the votes of the Condominium. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless the holders of all the Units of the Condominium be present thereat in person or by proxy. Except that there shall be a meeting commenced within sixty days after the closing of the First Unit to be sold to elect a Board of Managers.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not indispensable, but any Unit Owners' meeting whatever shall be valid for all purposes if all the Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing, in person or by proxy, 51% of the votes of the Units shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. Only

those Unit Owners who, if present at the adjourned meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the votes appurtenant to his/her Unit at the time of service of notice of such meeting or at such prior date, not more than forty (40) days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself be a Unit Owner of the Condominium. Voting by Unit Owners shall be viva voce unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his/her Unit, and in addition, the names of the proxy of such ballot if cast by a proxy.

Section 6. Title to Units: Title to Units may be taken in the name of an individual or in the name of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, un-incorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section.

Section 7. Number of Votes: Any or all of such Owners (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .01% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to the vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner: (i) shall be entitled to one vote for each .01% of Common Interest attributable to his Unit per member to be elected. If Units are owned by more than one person as joint tenants, tenants by the entirety, or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 8. Majority of Unit Owners: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Two thirds of Unit Owners shall mean those Unit Owners having greater than 66-2/3% of the total authorized vote of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. A vote of a majority of Unit Owners shall be sufficient for any action of any meeting, except where otherwise provided herein or required by statute.

Section 9. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

ARTICLE III

OFFICERS

Section 1. Designation: The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint such other officers as in its judgment may be necessary. The President and Vice-President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers: The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected, their resignation or death.

Section 3. Removal of Officers: Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall in general perform all the duties incident to the office

of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer: The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the 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, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Compensation of Officers: No officer shall receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 9. Liability of Officers: No officer shall 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 each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

ARTICLE IV

Managers

Section 1. Number: The number of Managers of the Condominium shall not be less than three (3) nor more than seven (7), as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Managers by Unit Owners of the Condominium, and until changed by amendment of this By-Law provision, and hereinafter provided, the number of Managers shall be three (3). The number of Managers shall not be decreased to a number less than the number of Managers then in office except at any Annual Meeting of Unit Owners. However, during the period the Sponsor, its Successor

Offeror(s) or Designees(s) continue to own 50% or more of the Condominium the number of Managers shall remain fixed at three (3).

Section 2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners. The Board shall further have the right to employ a manager or managing agent or both, and may delegate any or all of the powers conferred by this section to such managing agent. Persons employed in the operation of the property may be designated or removed by a majority vote of the Board of Managers, or without vote by the managing agent or manager, if such a person is employed by the Board.

Section 3. Nomination and Election: Notwithstanding anything to the contrary set forth in these By Laws, after the passage of five years from the date of closing of the first unit in the Condominium, the Sponsor may no longer designate a majority of the Board of Managers; the Managers shall be elected for a term of one year at the Annual Meeting of Unit Owners or at a Special Meeting called for that purpose as provided by law. Each Condominium Unit shall be entitled to cast one vote for each .01% of Common Interest in the Condominium appurtenant to the Unit, which may be cast all for one nominated Manager, or divided among any number of candidates. Their term of office shall be until their respective successors are elected and qualify.

Section 4. Quorum: A majority of the Managers then authorized by these By-Laws shall constitute a quorum.

Section 5. Vacancies: Vacancies in the Board of Managers resulting from death, resignation or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Managers present at the meeting at which such election is held for that purpose promptly after the occurrence of any such vacancy even though no quorum is present. Each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of Unit Owners to serve the remaining term. In the event of the failure to hold any election of Managers at the time designated for the annual election of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a Special Meeting of Unit Owners shall be called to elect a new Board of Managers. Any vacancy created by amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of Managers by amendment of these By-Laws, the Manager, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 6. Meetings: The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any Manager of the Condominium or upon the written request of any three Managers then holding office, upon notice given to each Manager, by delivering personally, mailing or telegraphing the same to him at least two days prior to such meeting at the last address furnished by him to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine. Any meeting of the Board at which all the Managers shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting,

shall be valid for all purposes provided a quorum be present. Meetings of Managers may be held either at the principal office of the Condominium or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Manager shall be entitled to one vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 7. Resignation and Removal: Any Manager may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective. Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least 51% of the votes of the Condominium at a Unit Owners' meeting duly called for that purpose; provided, however, that the Manager(s) elected by the Holders of "Unsold Units" can be removed only for cause by a vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

Section 8. Annual Cash Requirements: The Board of Managers shall, from time to time determine the cash requirements as defined in the Condominium's By-Laws, and fix the terms and manner of payment of Common Charges as more specifically set forth in Article VI. The Board of Manager shall have discretionary power to prescribe the manner of maintaining and operating the Building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive as to all Unit Owners and any expenditures made by the Condominium's officers or its agent under authority of, or with the approval of, the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose. Until the earlier of (i) the second anniversary of the First Closing or (ii) such time as the Holders of Unsold Units hold less than 50% of the outstanding votes of the Residential Units, the Board of Managers of the Condominium will not take any of the following actions unless Unit Owners owning at least 51% of the votes of Residential Units of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

a) Increase the number or change the type of employees from that described in the NOTES TO SCHEDULE B of the offering plan;

b) Provide for new or additional services from those indicated in the NOTES TO SCHEDULE B, unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;

c) Establish any reserve other than the Reserve and/or Working Capital Funds set forth in the Offering Plan.

Until the earlier of five 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 that 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or which are required to comply with applicable laws or

regulations; remedy any notice of a violation; or remedy any work order from an insurer. 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.

Section 9. Rules and Regulations: The Board of Managers may from time to time adopt and amend such rules and regulations as it may deem necessary in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 10. Compensation: No Member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 11. Liability of the Board of Managers: The Members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers, or the Managing Agent, or the Manager, on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager as the case may be, are acting only as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE V

NOTICES

Section 1. Definitions: 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, Unit Owner or mortgagee, 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 Managers or Unit Owner or mortgagee in such address as appears on the books of the Condominium.

Sections 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

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges: The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses, and allocate and assess such Common Charges and Expenses among the Unit Owners in proportion to their respective Common Interests; except that such expenses may be specifically allocated and apportioned by the Board of Managers in a manner different from common interest to one (1) or more non-residential units; or in the case of either residential or non-residential units or any combination thereof, such expenses may be specially allocated and apportioned based on special or exclusive use or availability, or exclusive control, of particular units or common areas by particular unit owners. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amount as the Board of Managers may deem proper for the operation and maintenance of the Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease of any Unit whose Owner has elected to sell or lease such Unit, or any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based, to all Unit Owners. Any

dispute relating to the expenses to be borne by the Unit Owners shall be submitted to arbitration in accordance with theses By-Laws.

Until such time as units are separately assessed for New York City real estate tax purposes, real estate taxes shall be deemed part of the common expenses of the building, and individual unit owners will be assessed their proportionate share thereof. After assessment, unit owners shall be reimbursed for any over-payment of taxes, and assessed for any under-payment.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

Section 2. Insurance: The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners) together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers. In the event this building includes a commercial unit, the Board of Managers shall annually obtain from the insurance broker a letter stating the extent to which the cost of insurance for the condominium, on account of the usage of the commercial unit, exceeds the cost which would otherwise have been obtained if no commercial unit were present; and this cost shall be borne by the commercial unit owner. A copy of the letter shall be delivered to the commercial unit owner within ten (10) days after receipt thereof, and the commercial unit owner shall be obligated to pay the amount assessed therein with fifteen (15) days after receipt thereof.

In the event there is a casualty loss for which the Condominium obtains compensation from its Insurance Carrier; and in the further event, the condominium elects, rather making repair or restoration to the damage to distribute the proceeds then, in such event, Mortgagee of any Unit shall have priority over the Unit Owner or any other person as to the distribution of proceeds, and no distribution of such proceeds shall be made to the Unit Owner or any other person unless the Mortgagee shall have failed within sixty (60) days after delivery of written notice, certified mail, return receipt requested to the address of such notification provided to the Condominium by such Mortgagee, to have notified the Condominium of its intent to receive such distribution.

Section 3. Payment of Common Charges: All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him.

Section 4. Collection of Common Charges and Assessments: The Board of Managers shall assess Common Charges against Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date thereof.

Section 5. Default in Payment of Common Charges or Assessments: In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owners shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners. 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 on units in which the Sponsor is more than 30 days in arrears of common charges.

Section 6. Foreclosure of Liens for Unpaid Common Charges: In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey, or otherwise deal with same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. The proceeds from the sale of any Unit pursuant to this Section shall be used first to pay the unpaid Common Charges and/or assessments, plus reasonable attorney's fees and administrative costs and any other lawful liens on the defaulting Unit. Amounts above this, if any, will be the property of the defaulting Unit Owner. If after the sale of Unit for the nonpayment of Common Charges and/or assessments, the sale does not recover the full amount due and owing, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Section 7. Statement of Common Charges and Assessment: The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 8. Abatement and Enjoinment of Violations by Unit Owners: The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws; (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 9. Maintenance and Repairs:

a) All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting exterior side of Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, excepting as otherwise specifically provided herein.

b) All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers as a Common Expense, excepting 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. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed as per the Declaration.

c) The Condominium association, including each and every member thereof, shall keep the internal drains and drywells wholly within the boundary limits of the project site area, and the point of exit from the site shall not be altered. The Condominium Association, including each and every member thereof, shall be responsible (a) for the proper use, maintenance, and repair of internal drains and drywells, if any, located within the buildings or in open spaces within project; (b) for the abatement of any nuisance due to the of internal drains and drywells that would have an adverse effect on the health, safety, and welfare of the City of New York, and (c) for ensuring that such drains and drywells are utilized in such a manner that they will not in any way have an adverse effect on the City of New York's completed or pending sanitary or storm water drainage plans for the tributary drainage area or the separate sewer outlets.

Section 10. Restrictions on Use of Units: In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following:

a) The Units shall be used for private residences only, except that a Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Any Unit may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and provided further that the prior consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing, the Sponsor or Sponsor-Designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations.

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

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

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

e) No portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit including the Limited Common Elements appurtenant thereto), may be separately rented.

Section 11. Additions, Alterations or Improvements by Unit Owners: No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or which affects the exterior of the Building's Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration, or

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

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 11 which requires the consent of the Board of Managers in connection with a structural addition, alteration or improvement shall not apply to Units owned by the Sponsor or its designee. All other provisions of this Section 11 shall apply to all Units.

Non-structural alterations and improvements to Units that do not affect the exterior of the Buildings may be made without the prior approval of the Board of Managers.

Section 12. Use of Common Elements and Facilities: A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-Designee shall have the right to use of the Common Elements, without charge, for the purpose set forth in Section II of this Article VI.

Section 13. Right of Access: A Unit Owner shall grant a right of access to his Unit, to the Manager and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located,

provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 13, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI. Each Unit Owner will be required to give a copy of his/her keys to his/her Unit to the President of the Board of Managers who shall designate an authorized person or persons to keep the keys and use them in case of an emergency.

Section 14. Rules of Conduct: Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A majority vote of Unit Owners at a meeting may overrule the Board. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A.

Section 15. Water Charges and Sewer Rents: Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and, the Board of Managers shall pay, as a Common Expense except for the Commercial Unit which shall be separately metered and billed, all charges for water consumed on the Property and in the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed. The Commercial Unit or Units shall be entitled to a credit against common charges for the portion of such common charges allocable to water/sewer charges for residential Units.

Section 16. Special Rules for Commercial Units: Each commercial unit owner will be required to maintain heat supply to his premises on a 24 hour a day basis (whether or not said units are vacant or occupied, leased, sold, or held as unsold units), so as to not create an undo heating burden on residential units within the building. The Board of Managers shall have the right to enter into the commercial unit at any time to determine that the unit is heated an overnight temperature not below 55 degrees and a daytime temperature not below 65 degrees. In the event the commercial unit owner fails to maintain his heat supply on such a basis, the condominium board shall have the power to compel compliance with this requirement. If the commercial unit owner fails to comply with the Board direction to maintain such heat, the Board of Managers has the right either to obtain a court injunction directing the unit owner to comply with the Board directive; or in the extreme; to obtain a forfeiture of the unit for failure to abide by the Condominium By-Laws.

ARTICLE VII

Mortgages

Section 1. Notice to Board of Managers: A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 2. Notice of Unpaid Common Charges: The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit, of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default: The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books: Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

Section 5. Any mortgagee shall be entitled to timely written notice of:

a. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage.
b. Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage.
c. A lapse, cancellation, or material modification of any insurance policy maintained by the Homeowner's Association.
d. Any proposed action that requires the consent of a specified percentage of mortgagees.

Section 6. Notwithstanding anything to the contrary set forth in any portion of these By-Laws, any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of such units unpaid regularly scheduled budgeted dues or common charges accrued before acquisition of title to the unit by the mortgagee, together with any fees or costs related to the collection of such unpaid dues.

Section 7. Notwithstanding anything to the contrary set forth elsewhere in these By-Laws, no amendment modification, addition, or deletion which shall adversely affect the lien of any mortgage may be made without the consent of the mortgagee.

Section 8. When a mortgagee fails to submit a response to any written notification made pursuant to these By-Laws within sixty (60) days after such notice is delivered by a certified or registered mail, return receipt requested, said mortgagee will be conclusively presumed to have consented to the action set forth in said notice.

ARTICLE VIII

Condemnation and Termination

Section 1. Condemnation: In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to $50,000.00 or less, and to the Insurance Trustee if such award amounts to more than $50,000.00. If seventy-five (75%) percent or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five (75%) percent or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 2 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination: The Condominium may be terminated by the casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less that eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which his/her Unit are subject are paid off.

ARTICLE IX

Arbitration

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement: The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York City Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. Binding Effect: The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Cost and Expenses: (a) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

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

ARTICLE X

Conflicts

Section 1. Conflicts: These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law 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 said statute or of the Declaration, as the case may be, shall control.

ARTICLE XI

Amendments to the By-Laws

Section 1. Amendment to By-Laws: These By-Laws may be modified or amended by the vote of two-thirds (as that number is defined in these ByLaws) in number and in Common Interests of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as there are one or more Unsold Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be altered, amended, repealed or added to without the consent of the Holder(s) of Unsold Residential Units and the Sponsor.

ARTICLE XII

Miscellaneous

Section 1. Invalidity: The invalidity of any part of the By-Laws shall not impair or affect in any manner the valid enforceability or effect of the balance of these By-Laws.

Section 2. Captions: The captions herein are inserted only by matter of convenience and/or reference, and in no way define, limit, or describe the scope of these By-Laws, or the intent of any provision therein.

Section 3. Gender: The use of the masculine gender in the By-Laws shall be deemed to include the feminine gender and the use of singular shall be deemed to include the plural, whenever the context requires.

Section 4. Waiver: No restriction, condition, obligation or provision contained in these By-Laws, shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, respective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee: The Insurance Trustee selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with approval of the holders of five (5) or more Unit first mortgagees). In the event the Insurance Trustee shall resign, the new insurance Trustee shall also be a bank, trust company, or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of five (5) or more Unit first mortgagees). The Board of Managers shall pay fees and disbursements of any Insurance Trustee, and such fees or disbursements shall constitute a Common Expense of the Condominium.

Section 6. 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 for the previous year's operation. 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 or public accountant.

2) Prior notice of the annual Unit Owners meeting at least 30 days prior to such 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.

ARTICLE XIII

Sponsor Control

Section 1: Transfer of control of the Condominium Board of Managers shall pass to unit owners, other than the Sponsor, at the later of the following:

- One-hundred and twenty (120) days after the date by which 75% of the units have been conveyed to unit purchasers; or
- Three (3) years after the first conveyance of a unit to a unit purchaser.

Notwithstanding the foregoing, Sponsor may vote for unit owners of his choice.

Section 2: Until the earlier of five 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 that 25% of the common interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in Schedule B, or which are required to comply with applicable laws or regulations; remedy any notice of a violation; or remedy any work order from an insurer.

Section 3: 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.

Section 4: 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. If the Sponsor still owns 50% or more of the units in the building, the Sponsor-appointed managers may be re-elected at such time.

Section 5: 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 coverages 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 order of an insurance carrier.

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

RE: **2640 East 14th Street**
Brooklyn, New York

We, 2640 EAST 14 LLC, YANINA ILAN, NIKOLAY LIPETSKER, BORIS MAIDEN, and IFMK REALTY II, LLC, being the Sponsor and the Principals of the Sponsor of the Offering Plan to convert the above captioned property to condominium ownership, jointly and severally certify as follows:

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 Attorney General in Part 20, and such other laws and regulations as may be applicable;

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. I 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;

2. Afford potential purchasers, investors, and participants an adequate basis on which to found their judgment;

3. Not omit any material fact;

4. Not contain any untrue statement of a material fact;

5. Not contain any fraud, deception, concealment, suppression, false pretense, or fictitious or pretended purchase or sale;

6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

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

This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the Civil and Criminal penalties of the General Business Law and the Penal Law.

2640 EAST 14 LLC
by:

YANINA ILAN- Managing Member

Sworn to before me this
25th day of March, 20

Notary Public

GABRIELLA ILAN NOTARY PUBLIC NO. 02IL6273788 QUALIFIED IN KINGS COUNTY COMM. EXP. 12/24/2018 STATE OF NEW YORK

YANINA ILAN

Sworn to before me this
25th day of March, 20

Notary Public

GABRIELLA ILAN NOTARY PUBLIC NO. 02IL6273788 QUALIFIED IN KINGS COUNTY COMM. EXP. 12/24/2018 STATE OF NEW YORK

NIKOLAY LIPETSKER

Sworn to before me this
day of , 20__.

Notary Public

BORIS MAIDEN

Sworn to before me this
day of , 20__.

Notary Public

IFMK REALTY II, LLC
By:

IOSIF FODYMANOV- Managing Member

Sworn to before me this
day of , 20__.

Notary Public

IOSIF FODYMANOV

Sworn to before me this
day of , 20__.

Notary Public

This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the Civil and Criminal penalties of the General Business Law and the Penal Law.

2640 EAST 14 LLC
by:

YANINA ILAN- Managing Member

Sworn to before me this
day of , 20___.

Notary Public

NIKOLAY LIPETSKER

Sworn to before me this 25
day of March 20 15

Notary Public

YANINA ILAN

Sworn to before me this
day of , 20___.

Notary Public

BORIS MAIDEN

Sworn to before me this 25
day of March 20 15

Notary Public

ANNA SLYUZBERG
MY COMMISSION EXPIRES
JULY 29 2016
COMMONWEALTH OF MASSACHUSETTS
NOTARY PUBLIC

IFMK REALTY II, LLC
By:

IOSIF FODYMANOV- Managing Member

Sworn to before me this
day of , 20___.

Notary Public

IOSIF FODYMANOV

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Notary Public

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Notary Public

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Notary Public

NIKOLAY LIPETSKER

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day of , 20__.

Notary Public

BORIS MAIDEN

Sworn to before me this
day of , 20__.

Notary Public

IFMK REALTY II, LLC
By:

x

IOSIF FODYMANOV- Managing Member

Sworn to before me this
25 day of March, 2015

Notary Public

x

IOSIF FODYMANOV

Sworn to before me this
25 day of March, 2015

Notary Public

Urkundenrolle Nr. 224/2015

Auf das Mitwirkungsverbot des § 3 Absatz 1 Nummer 7 Beurkundungsgesetz habe ich hingewiesen. Meine Frage nach solcher Vorbefassung wurde verneint.

Die vorstehenden, auf Seite 2 der Urkunde befindlichen, heute vor mir eigenhändig vollzogenen Unterschriften von

Herrn **Iosif Fodymanov**, geb. am [redacted]
wohnhaft Uhlandstr. [redacted]
von Person bekannt

beglaubige ich hiermit.

Berlin, 25. März 2015

Gerald Budesheim
Notar

Kostenberechnung
(§ 19 GNotKG)

Geschäftswert: € 5.000,00 gemäß §§ 121, 98 Abs. 3

25100 Unterschriftsbeglaubigung	€ 20,00
32000 Dokumentenpauschale	€ 1,00
Zwischensumme:	€ 21,00
32014 Umsatzsteuer 19 %	€ 3,99
Gesamtbetrag	**€ 24,99**

Gerald Budesheim
Notar

SIS Design Studio

2520 East 26th street
Brooklyn, N.Y. 11235
Phone : (718) 645-3451
Fax : (718) 645-3451

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: 2640 East 14th street
Brooklyn, New York

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 s dated December 24th , 2013 and the Report dated December 24th, ,2013.

A copy of the 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.

04/07/2015

ISAAC SHVARTS,
R.A.N.Y.S. LIC. # 029294
SIS Design Studio.
2520 East 26th street.
BROOKLYN, N.Y.11235
Phone # (718) 645-3451

REGISTERED ARCHITECT ISAAC SHVARTS No. 029294 STATE OF NEW YORK

Sworn to before me this
7th day of April 2015

Notary Public

GABRIELLA ILAN NOTARY PUBLIC NO. 02IL6273786 QUALIFIED IN KINGS COUNTY COMM. EXP. 12/24/2016 STATE OF NEW YORK

MLS Golden Real
Tel: (718) 891-8882 (646) 208-9393 Fax: (718) 646-1547 (718) 996-3196

March 30, 2015

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

RE: The 2640 East 14th Street Condominium
Brooklyn, New York 11235

The Sponsor of the condominium Offering Plan for the above captioned property retained me to review SCHEDULE B and SCHEDULE B-1, containing the projections of income and expenses for the first year of condominium operation. Our experience in the field includes being a licensed real estate broker for approximately fifteen years; the management of approximately four buildings; and, the sale of numerous condominium and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20, insofar as they are applicable to SCHEDULE B and SCHEDULE B-1. We have reviewed the SCHEDULES and investigated the facts set forth in the SCHEDULES, and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in SCHEDULE B and SCHEDULE B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules do:

1. Set forth in detail the projected income and expenses for the first year of condominium operation;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;

5. Not contain any fraud, deception, concealment, or suppression;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false where we:
   a) knew the truth;
   b) with reasonable effort, could have known the truth;
   c) made no reasonable effort to ascertain the truth; or;
   d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses of the first year of condominium operation. This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Arnold Borisov
Licensed Real Estate Broker
Golden Real USA
415 Brighton Beach Avenue, 2nd Floor
Brooklyn, NY 11235

SWORN TO BEFORE ME THIS
30th DAY OF March, 2015

NOTARY PUBLIC

GABRIELLA ILAN
NOTARY PUBLIC
NO. 02IL6273788
QUALIFIED IN KINGS COUNTY
COMM. EXP. 12/24/2016
STATE OF NEW YORK

MLS Golden Real
Tel: (718) 891-8882 (646) 208-9393 Fax: (718) 646-1547 (718) 996-3196

March 30, 2015

CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNER PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

RE: The 2640 East 14th Street Condominium
Brooklyn, New York 11235

The Sponsor of the condominium Offering Plan for the above captioned property retained me to review SCHEDULE B, which includes projections of common charges payable by owners of commercial units. Our experience in the field includes being a licensed real estate broker for approximately fifteen years; the management of approximately three buildings; and, the sale of numerous condominium and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General, Part 20 thereof, insofar as they are applicable to the commercial units listed in SCHEDULE B. We have reviewed the SCHEDULE as it impacts upon commercial units and investigated the facts set forth in the SCHEDULE, and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in SCHEDULE B for common charges payable by the owners of commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflect special or exclusive use or availability, or exclusive control of, particular common areas.

We certify that the estimates in SCHEDULE B for common charges payable by the owners of commercial units do:

1. Set forth in detail the projected common charges for the commercial unit for the first year of condominium operation;

2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by owners of the commercial unit;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, or suppression;
6. Does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false where we:
   a) knew the truth;
   b) with reasonable effort, could have known the truth;
   c) made no reasonable effort to ascertain the truth; or,
   d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the first year of condominium operation. This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Arnold Borisov
Licensed Real Estate Broker
Golden Real USA
415 Brighton Beach Avenue, 2nd Floor
Brooklyn, NY 11235

SWORN TO BEFORE ME THIS
30th DAY OF March, 2015

NOTARY PUBLIC

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