CONDOMINIUM OFFERING PLAN

AZRAD CONDOMINIUM ASSOCIATION
1404 OCEAN PARKWAY
BROOKLYN, NEW YORK 11230
KINGS COUNTY

TWELVE (12) RESIDENTIAL CONDOMINIUM UNITS:	$ 14,217,450.00
ONE (1) COMMUNITY FACILITY SPACE:	$ 1,755,000.00
SIX (6) PARKING UNITS WITH A TOTAL OF EIGHT PARKING SPACES:	$ 900,000.00
TOTAL CONDOMINIUM OFFERING PRICE:	$ 16,872,450.00

SPONSOR AND SELLING AGENT:

512 AVENUE N LLC
3858 NOSTRAND AVENUE, SUITE 203
BROOKLYN, NEW YORK 11235

Date of Acceptance for Filing: _____, 201_

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

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

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

In addition, Purchasers for their own occupancy may never gain control of the Board of Managers if there are non-resident unit owners under the terms of the Plan.

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PART 1
CONDOMINIUM OFFERING PLAN

FOR

AZRAD CONDOMINIUM ASSOCIATION

SPECIAL RISKS

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

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

Bylaws - The Bylaws provide that after the initial sponsor voting control period, a majority of the Board of Managers may be owner-occupants, members of owner-occupant's households, or non-resident unit owners who are unrelated to the Sponsor and its principals. Purchases should therefore be aware that these non-resident owners may have different views on how the condominium should be managed due to their different reasons for purchasing (i.e., purchase as a home as opposed to an investment). Accordingly, owner-occupants may never gain effective control and management of the Condominium. See section entitled "Board of Managers" contained in Part I of the Plan.

2. Purchaser's failure to strictly adhere to all time periods set forth in the

purchase agreement or to pay the balance on the Closing Date designated by Sponsor is an event of default which entitles the Sponsor to cancel the Purchase Agreement. If Purchaser fails to perform any of Purchaser's obligations thereunder the Sponsor will make a written demand of said default by sending Purchaser thirty (30) days prior written notice. Said demand will be sent by certified mail, return receipt requested, to Purchaser and will disclose Sponsor's intention to cancel the Purchase Agreement. After that time forfeiture of the down payment may be declared. See section entitled "Procedure to Purchase" contained in Part I of the Plan and paragraph eight (8) of the Purchase Agreement contained in Part II of the Plan. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID PERIOD.

Purchasers should note that Purchasers obligation to purchase a unit is conditional upon Purchaser obtaining mortgage financing within forty-five days after the signing or the purchase agreement, which is the contingency period to obtain such financing. Within that same time period, if Purchaser is unable to obtain financing, the Purchaser must notify the Sponsor of its inability to obtain financing. After receiving such notice the Sponsor will allow a five day grace period after the initial forty-five (45) days commitment has expired. Once obtained, the commitment may expire or the terms of the commitment may change prior to actual closing. If the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, sponsor must offer to such purchaser a right of rescission and a reasonable period of time to exercise such right. See Paragraph five (5) contained in the Purchase Agreement in Part II of the plan, which provides information with regard to mortgage financing commitment and contingency.

The Sponsor anticipates that the first closing of a unit will occur by September 1, 2017. Purchasers will be offered a right of rescission if: (i) the actual date of closing of

title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than September 1, 2018, twelve months after the projected date for the first closing.

In the event the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. However, if the first closing occurs before September 1, 2018, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless the Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule the closing within any specific time frame or to ensure that closing of title to the unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. THE TIME FOR PERFORMANCE OF THE PURCHASER'S OBLIGATIONS, INCLUDING ATTENDANCE AT CLOSING AND DELIVERY OF THE BALANCE OF THE PURCHASE PRICE, IS OF THE ESSENCE. See section entitled "Procedure to Purchase" contained in Part I of the Plan.

3. In the event that the Units are not complete, prospective purchasers will be required to execute Purchase Agreements without having an opportunity to inspect the Unit prior to its completion. In this case, however, the unit would have to be delivered in accordance with the Plan. See paragraph entitled Unit Information and section entitled "Procedure to Purchase" contained in Part I of the Plan. It is anticipated that the building will be completed by May 2017.

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

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

members of the Board of Managers.

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

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

(iv) So long as the Sponsor or its designee shall continue to own Units representing 25% or more in Common Interest the Board of Managers may not: (a) increase the number or change the type of employees from that described in Schedule B, (b) provide for new or additional services from those indicated on Schedule B, (c) impose any assessment or charges against Unit Owners for improvement or additions unless required by Law, (d) establish any reserves for contingencies, repairs, improvements or replacements. See the Control by Sponsor section contained in Part 1 of the Plan.

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

So long as the Sponsor or its designee shall continue to own Units representing 25% or more in Common Interest the Board of Managers may not, without the permission from the sponsor: (a) increase the number or change the type of employees from that described in Schedule B, (b) provide for new or additional services

from those indicated on Schedule B, (c) impose any assessment or charges against Unit Owners for improvement or additions unless required by Law, (d) establish any reserves for contingencies, repairs, improvements or replacements. See section entitled "Control by the Sponsor" contained in Part I of the Plan.

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

6. The Sponsor may declare the plan effective after bona fide purchasers, including investors, have signed purchase agreements for at least fifteen percent (15%) of the units offered under the plan, or two (2) units. Units of a primarily ancillary nature, such as parking or storage space, if any, may not be counted toward effectiveness and are excluded when calculating the percentage needed to become effective. See section entitled "Effective Date" contained in Part I of the Plan.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchasing financing. Such restrictions include requiring that a certain percentage of apartments in the building be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficultly obtaining a loan in the building where the sponsor or holder of unsold shares has not sold a substantial percentage of the units in the building which in some cases may be as high as 70%. Moreover some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. It may also 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. See section entitled "Procedure to Purchase"

contained in Part I of the Plan.

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

8. The Sponsor will use its best efforts to obtain tax abatement benefits for the condominium, however Purchasers must note that there is no guarantee that the building will obtain these abatements benefits. The Sponsor however has already received a preliminary certificate of eligibility for tax abatement benefits, from the New York City Department of Housing, Preservation and Development on January 20, 2016, for 421-a partial tax exemption. A copy of the tax abatement opinion letter and the certificate is included in Part II of the plan, Exhibit "L". Both the Schedule "A" and the section entitled "Real Estate Taxes" both contained in Part I of the Plan provide information regarding tax abatement benefits. Projections comply with all requirements of law. Purchasers may obtain more information about the 421a and ICAP application process, tax benefits and requirements associated therewith at:

http://www.nyc.gov/html/hpd/html/developers/421a.shtml.

The Sponsor intends that the building shall be exempted from the statutory obligation to register the units as rent-stabilized by reason of its condominium status. Prior to consummation of the plan, if the Sponsor rents a residential unit to any person other than an interim leasee, Sponsor is obligated to abandon the offering plan in accordance with the regulations of 13 N.Y.C.R.R. In addition Sponsor has fifteen 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, sponsor is obligated to register units in the building as rent-stabilized as they become occupied. **SPONSOR IS NOT RESERVING THE RIGHT TO**

RENT UNITS NOR WILL THE SPONSOR OFFER ANY INTERIM LEASES. Purchasers will have to reimburse the Sponsor for costs associated with the tax benefit application fee in the amount of $1,500. This fee will be collected at the closing of title to the Unit. In the event that tax abatement benefits are not received, and the application for tax exemption benefits is rejected, the Sponsor will refund the application fee monies to all of the unit owners within 30 days after such rejection or expiration of the time period to obtain the tax abatement benefits. Purchasers will not be granted the right to rescission if the tax abatement benefits are not obtained.

If and when the 421A and/or the ICAP tax benefits are implemented, the Sponsor shall be entitled to a refund of the prepaid real estate taxes See Schedule "A", the section entitled "Closing Costs and Adjustments" and "Real Estate Taxes" all contained in Part I of the Plan. Purchasers should also note that the benefits may be reduced if the New York State legislature passes changes analogous to those passed to Article 11 of the Administrative Code of the City of New York which became effective on January 8, 2008. This will result in increased real estate tax liability to all Purchasers.

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

10. Purchasers are required to pay the New York City and State Real Property Transfer Taxes, currently assessed at 1% and .4% respectively, of the purchase price of the Unit, for conveyances up to $500,000, and 1% and .425% for conveyances exceeding $500,000, which taxes are statutorily the primary obligation of a Seller of real property. These transfer taxes are considered additional consideration in the calculation of these taxes. See section entitled "Unit Closing Costs and Adjustments" contained in Part I of the Plan.

11. Pursuant to the terms of paragraph 6 of the Purchase Agreement contained in Part II of the Plan, and the section entitled Unit Closing Costs and Adjustments contained in Part I of the Plan, the purchaser shall be obligated to pay to the Sponsor a $750 condominium map fee, $1,500 for legal and filing fees in connection with securing tax exemption benefits, regardless if the tax abatement benefits are obtained or not, attorney's fees in the amount of $1,750 for the preparation of documents and for closings at the offices of Sponsor's attorney, (an additional $300 fee will be charged for closing outside of the office), attorneys' fees for the preparation of the documents necessary for any mortgage loan, New York City and New York State Transfer Taxes noted above, recording charges for the deed in the amount of $125 plus $5.00 for every page recorded, power of attorney in favor of the Board of Managers, and any mortgage documents, in the amount of $125 plus $5.00 for every page recorded, and mortgage recording taxes assessed at 1.8% for mortgages up to $500,000. In addition, each purchaser shall be responsible for the payment of fees to his own attorney, a $2,000 fee for the formation of the condominium, a $650 fee for the New York City Water Meter installation and connection, and an Automated City Register Information System fee, "ACRIS fee", of real property record information, which will be about $200. The estimated closing costs included are not limited to

mortgage and fee title policy premiums and the recording charges and the mortgage and transfer tax rates set forth above are based on the rates, premiums, charges and taxes in effect as of the date of this Offer Plan. If said premiums, charges, rates or taxes subsequently revised by the title company, the State, or Municipality, each purchaser shall be required to pay the title policy premiums, recording charges and mortgage and transfer taxes in effect as of the date of the closing of title to the Unit. See section entitled "Unit Closing Costs and Adjustments" contained in Part I of the Plan.

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

13. On October 3, 2008, FDIC deposit insurance was increased from $100,000 to $250,000. Purchasers should be aware that any deposits for the purchase of a Unit in excess of the current $250,000 are not federally insured. See section entitled "Procedure to Purchase" contained in Part I of the Plan. Purchasers should be aware that the escrow funds will be held at Capital One Bank, therefore if Purchasers

have other accounts at Capital One Bank, all of the accounts will factor into the $250,000 FDIC insurance limit.

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

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

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

17. Purchasers should be aware that the Unit's square footage, as noted in the plan, does not represent the actual usable floor space within each unit. The square footage, within reasonable tolerances, is calculated using the central lines of the interior partitions with the outside surface of the exterior walls of the building. Purchasers should note that the interior usable area of the unit, which does not include uninhabitable space, is less than the actual usable floor space within each unit. Therefore, the actual square footage of the unit is significantly less. See "Schedule A" contained in Part I of the Plan and Architect's Description contained in Part II of the Plan.

18. All residential unit owners' must notify the Managing Agent in writing when a child under the age of eleven (11) years lives or resides (even temporarily) in the Unit.

Each unit owner will then be required to install at their own expense, window guards in all of the windows of the Unit. The guards shall not be removed until permitted by applicable law, in any event, without the full knowledge of the Managing Agent. See Section entitled "By-Laws" contained in Part II of the Plan.

19. If a final Certificate of Occupancy and/or any other certificate or authorization required to permit the occupancy of a Unit shall not have been issued at the date of closing of title to such Unit, the Sponsor, and its principals, will obtain prior to the closing of the first Unit a temporary or partial Certificate of Occupancy for the Unit or the Building in which the Unit to be closed is located. The Sponsor, and its principals, must secure a permanent Certificate of Occupancy for the Building as expeditiously as possible after the closing of title, (within an estimated 120 days but before expiration of any temporary Certificate of Occupancy, unless extended), and will, at its sole cost and expense, do and perform or cause to be done and performed all work and will supply or cause to be supplied all materials necessary therefore. The Sponsor anticipates that he will obtain the final certificate of occupancy within the first year after completion of construction.

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 only with 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 TCO's and FCO's are issued by the New York City Department of Buildings ("DOB"). A TOC is intended to indicate that the property is safe for occupancy, but means that not all of the constructions work and/or inspections have been performed, or that not all of

the required documents have been submitted to the DOB. All TCO's have an expiration date. A TCO is 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 such TCO received prior to the expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of issuance of the first TOC. However, Sponsor and its principals make no representation or guarantee that DOB will issue a FCO within two such 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. 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. See Section entitled "Rights and Obligations of the Sponsor", contained in Part I of the Plan

20. Purchasers of Units containing terraces or balconies should be aware that they are not permitted to make any structural changes or additions to the terrace. In addition there are no planters or plant boxes allowed to be hung off of any terrace. Only free standing potted plants will be allowed. See Section entitled "Rights and Obligations of the Unit Owners and the Board of Mangers", contained in Part I of the Plan.

21. The cellar of the condominium will consist of a community facility space, which will be used as a day care center or medical facility. The space will not be used for any pornographic or obscene purposes. The unit owner will have the right to subdivide the unit with the same terms applying to the unit owner's sublease. Until sold the unit will be owned by the Sponsor who will act as a designated Board Member and represent the Community Facility Unit in all matters pertaining to such. See section entitled Community Facility contained in Part I of the Plan.

22. The only appliances to be furnished by the Sponsor are the gas range and refrigerator. Sponsor will also provide in each unit hook ups for a washer and dryer. Purchases will be responsible for furnishing all of the other appliances (i.e., the dishwasher, washer and dryer). See sections entitled "Unit Information" contained in Part I of the Plan and Architect's Description contained in Part II of the Plan.

23. It is disclosed that a Limited Warranty will be granted to all buyers of a unit. The purpose of the Limited Warranty is to identify the Seller's responsibilities for construction defects occurring during the first few years after construction. See section entitled "Rights and Obligations of the Sponsor", contained in Part I of the Plan. A full text of the warranty appears in Exhibit E contained in Part II of this Offering Plan. This plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the offering plan. Under this Plan the Housing Merchant Warranty will not apply as the building is greater than five stories. Sponsor's obligation, regardless of any limitations in the warranty or in the offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

24. Purchasers should be aware that Parking Units P1 and P6 are double lots which contains two parking spaces. These spaces will be assigned a single tax lot and must remain as such. The lot can never be divided or sold as two separate parking spaces and must remain under single ownership. Parking Space 4 has been designated as a handicapped parking space and will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of the Parking Space and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed: in the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of the parking space, said unit owner has the right to demand that the owner of the parking space trade the handicapped parking space he/she owns with said handicapped owner. In the event the present of future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of parking space sell it at the then current fair market value to said handicapped owner, All costs and expenses entailed in the transfer of title to the parking spaces, including without limitation, title abstracts, transfer taxes and recording fees shall be borne by the party requesting the transfer. The owner of the handicapped Parking Space must comply with the aforementioned demand upon thirty (30) days written notice. If the parties cannot agree on the fair market value of the Parking Space, then the parties agree to submit the matter to binding arbitration in accordance with Article 9 of the By-Laws of the condominium. See section entitled "Description of Property and Improvements" contained in Part I of the Plan.

25. Pursuant to paragraph 27 of the Purchase Agreement, Purchaser's waive the right to trial by jury in any action, proceeding or counterclaim in any way connected with this Agreement or Plan, although Purchasers will have the right to bring suit against the condominium. Section 9.1 of the By-Laws includes a provision that any dispute between the Unit Owners, members of the Condominium Board, or Officers of the Condominium shall be submitted to binding arbitration in accordance with the rules of the American Arbitration Association. See sections entitled Purchase Agreement and By-laws contained in Part II of the Plan.

INTRODUCTION

512 Avenue N LLC , herein called "Sponsor", presents this Offering Plan ("Plan") for the establishment of condominium ownership of a parcel of land, located on the southwesterly corner of Ocean Parkway and Avenue N, located in the borough of Kings, County of Brooklyn, State of New York. Sponsor acquired the land, which will constitute the condominium on April 14, 2015. This Plan is to establish a condominium, which will be known as Azrad Condominium Association.

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

The Condominium

Azrad Condominium Association is located at 1404 Ocean Parkway, Brooklyn, New York. The Condominium will consist of one seven (7) story dwelling containing twelve (12) residential units and one (1) commercial community facility space, to be used as a medical facility or daycare center and six parking spaces of which two spaces, Parking Units P1 and P6, contain double lots.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner will own fee title to the Unit, will own the unit outright and is entitled to the exclusive possession thereof. The Unit Owner also owns, in common with the owners of all other Units, an undivided fee interest in the Common Elements, which consist of the interior property including the land and all other parts of the building and improvements therein other than the actual units, and Limited Common Elements (i.e. any terrace or balcony or other area provided exclusively to a particular unit owner), which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Units themselves, such as the land and the roofs, foundations and supports of the Building.

Subject to certain conditions contained in the By-Laws, each Unit Owner has the right, in his own discretion, to mortgage his Unit on such terms and conditions as he desires. However, the Board of Managers of the Condominium has certain rights of first refusal as set forth in the Unit Deeds and the By-Laws. Such Right of First Refusal generally allow the Board of Managers the first option to purchase or lease a Unit upon the same terms and conditions as may be offered by a third party. The Right of First Refusal is set forth at length at Article 7.2 through 7.5 of the Bylaws.

Primary responsibility for operating the Condominium rests with the Board of Managers who are elected by the Unit Owners. The Board of Managers of the Condominium (hereinafter more particularly described) will assess against each Unit Owner, in proportion to his respective interests in the Common Elements, charges (hereinafter called Common Charges) for the maintenance of the Common Elements and for the operating costs of the Condominium (hereinafter called Common Expenses). These must be paid in accordance with the New York Condominium Act, Sections 339(i) and (m).

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

A Unit Owner may decorate the interior of his Unit as he chooses, subject to compliance with the By-Laws (and any Rules and Regulations promulgated in accordance therewith), and will be solely responsible for the cost of maintenance and interior repairs and for casualty and liability insurance for the Unit after closing. The

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

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

The prices for the Units offered for sale under this Plan are listed in Schedule A entitled "Offering Prices and Related Information" in Part I of this Plan. Such prices have been set by the Sponsor alone, and are subject to review by the Department of Law, although they are not subject to approval by any governmental agency.

The estimated Common Charges for each Unit for the first year of operation of

the Property as a condominium are also set forth in Schedule A. **THESE PRICES HAVE BEEN SET BY THE SPONSOR AND ARE NOT SUBJECT TO REVIEW BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK OR ANY OTHER GOVERNMENTAL AGENCY.**

The Plan, including all Schedules and Exhibits, constitutes the entire offer by the Sponsor and contains all of the material terms of the transaction. Copies of this Plan, all documents referred to in the Plan, and all Exhibits submitted to the Department of Law in connection with the filing of this Plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on-site sales office is open and at the office of the selling agent or sponsor. The Plan will also be available for inspection and copying at a reasonable fee from the Department of Law. The Plan may be amended from time to time upon filing an amendment with the New York State Department of Law and service of such an amendment upon Purchasers and Unit Owners.

Purchasers should note that effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include condominium units, must install carbon monoxide detectors, which shall be provided for each dwelling unit. Smoke detectors will also be installed (hardwired) and the building will contain a sprinkler system. The law requires the owners of the residential condominium units to maintain the detectors.

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

As noted in the Special Risk section the Sponsor will endeavor in good faith to

sell, in a reasonable timely manner, all residential units to Purchasers for personal occupancy by themselves or their families. In addition if the Sponsor makes a bulk sale of its unsold units, the transferee successor sponsor is bound by Sponsor's representation regarding its commitment to sell units. The Condominium Board does not have the right to approve or disapprove purchasers, therefore owners may purchase for investment rather that for personal occupancy, and that residential unit owners should be aware that a substantial percentage of owners may always be non-residents.

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

Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units. The source of funding will be from personal assets of the Sponsor. Sponsor's construction lender is Banco Popular North Miami, Miami Lakes, Florida.

DEFINITIONS

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

Sponsor: 512 Avenue N LLC, 3858 Nostrand Avenue, Suite 203, Brooklyn, New York 11235.

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

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

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

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

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

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

General Common Elements: All of the Common Elements, which are not Limited Common Elements.

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

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

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

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

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

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

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

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

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

Purchase Agreement: The agreement to purchase a Unit pursuant to the Plan,

the form of which is set forth in Part II hereof.

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

Handicapped Parking Space: A parking space required to be available for use for handicapped persons in accordance with New York State Law, and as designated for handicapped persons provided by the Sponsor.

Handicapped Person: A person unable to ambulate without the aid of an assisting device as defined in accordance with New York State Law.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Azrad Condominium Association, which is located at 1404 Ocean Parkway, Brooklyn, New York 11230, occupies lot 10 of tax block 6587 on the New York City Tax Map. It is located in Zoning Districts R5 and R6A.

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

The streets near to the Building are paved with asphalt topping and are publicly owned. The sidewalks of 4" concrete will be new at the time construction is complete. The streets are pitched to drain through cast iron catch basins which are part of the New York City storm water drainage system. The Streets are lighted by the City of New York. Water supply, sanitary sewers and storm sewers servicing the Building are provided by the City of New York. Gas, for heating, hot water and cooking is provided by National Grid, electric is provided by the Consolidated Edison Company and

telephone service is provided by Verizon. These utilities are billed directly to the unit owners on an individual basis.

Building:

The Condominium will consist of one seven (7) story building, containing twelve (12) residential units and one (1) community facility space. Floor plans for each Unit are contained in Exhibit D to Part II of the Plan.

Parking:

There will be a total of six (6) parking units being offered for sale with a total of eight (8) parking spaces. Parking Units P1 and P6 are double lots which contains two parking spaces. There will be four covered parking space units, (P2 through P5), one enclosed unit (P-1 consisting of two parking spaces), and one open parking area (P-6 consisting of two parking spaces) all located at the first floor grade. Parking space unit numbers 2 through 5 will be approximately 153 square feet, parking unit 1 is 474 square feet and unit 6 is 306 square feet. There will be one ADA parking space provided as per the building plans which were reviewed and approved by the N.Y. City Department of Buildings. Each space will be assigned its own tax lot. Sponsor is offering the parking spaces for sale, to Purchasers of a Unit, on a first come first serve basis. The designated handicapped space will only be sold to a handicapped person who purchases a unit. The designated handicapped parking space will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of the Parking Space and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed: in the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her

vehicle, and said unit owner is the owner of the parking space, said unit owner has the right to demand that the owner of the parking space trade the handicapped parking space he/she owns with said handicapped owner. In the event the present of future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of parking space sell it at the then current fair market value to said handicapped owner, All costs and expenses entailed in the transfer of title to the parking spaces, including without limitation, title abstracts, transfer taxes and recording fees shall be borne by the party requesting the transfer. The owner of the handicapped Parking Space must comply with the aforementioned demand upon thirty (30) days written notice. If the parties cannot agree on the fair market value of the Parking Space, then the parties agree to submit the matter to binding arbitration in accordance with Article 9 of the By-Laws of the condominium.

Until such time the handicapped parking space, and any other parking spaces are sold, they will be rented by the Sponsor, its successors and/or assigns, on a month-to-month basis starting at $200 per month. The individual renting the space will also be responsible for the payment of the monthly common charge and tax allocated to that space. Both the rent and monthly fees will be subject to an annual increase and are payable to the Sponsor. At any time, if any person purchases a unit in the Condominium, they will be offered the rights to either purchase a current rented parking space, or rent it on a month to month basis. Any person, other than a Unit Owner, then occupying the space to be purchased will be required to immediately relinquish their rights to the space at that time. All rents and/or sale proceeds will be passed on to the Sponsor, its successors and/or assigns.

Common Elements:

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

The Common Elements include among other things, all roofs, columns, girders, beams, trusses, joists, supports, exterior walls and interior load bearing walls, The Common Elements are divided into Limited Common Elements and General Common Elements.

The Limited Common Elements include the areas designated as Limited Common Elements in the Declaration and Exhibit D in Part II of this Plan. These include any terrace or balcony, if any, which is provided exclusively for the use of a particular Unit. A Limited Common Element is designated by the Declaration to be for the exclusive use of the Owner of the Unit to which such Limited Common Element is appurtenant. There are limited common element balconies provided for all of the units except for the units on the 1st floor and unit 3B. Both Units on the first floor have access to outdoor garden areas. Unit 4 has a pool and private roof terraces and the Penthouse Unit has a whirlpool tub and also has a private roof terrace. There is an outdoor common recreation area, for the use of all of the residential unit owners, located partially at the first floor level and mostly at the open areaway, excavated to the cellar floor level.

The General Common Elements consist of all Common Elements other than Limited Common Elements and include among other things, the Land, roof, all

foundations, footings, columns, girders, beams, trusses, joists, supports, interior load bearing walls, those portion of the exterior walls of the Building beyond the Unit side, windows, entry vestibules, public halls, public stair, lawns, if any, elevators, if any, walkways, exterior stairs, ramps, and trash storage areas, if any, and all other parts of the building and the apparatus, installations, systems, equipment and facilities therein which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the Condominium including all installations outside the Units for services such as gas, power, light, telephone and water; all sewer pipes and drainage pipes outside units; the boiler room and meter areas, and janitors closet(s), if any, as shown and delineated on the floor plans. A detailed description of the General Common Elements is set forth in the Declaration and in Exhibit D in Part II of the Plan.

General Features

Domestic hot water shall be provided for each unit by a gas fired hot water heater (manufactured by AO Smith MEA approval number 385-04-E). Heat and cooling shall be provided for each residential unit by an individual split, forced air HVAC system, manufactured by American Standard, both of which will be located in the mechanical closets within each unit. The model numbers are AUCIB040, 060 or 080. Electric outlets will be installed as required by the Building Code. The service for each Residential Unit is 100 amps. There will be a total of thirteen electric meters installed; one for each of the residential units, one for the common areas and one for the community facility space. Individual gas meters will also be installed for all of the units, a total of thirteen. There is an elevator in the Building. There is no central television antenna in the Building. There will be a laundry closet located in each residential unit with hookups provided for a washer and dryer.

Unit Information

The Units are finished in the same manner described herein. All kitchens and the living and dining areas will have ceramic tile floors. The bedrooms have wood floors. All rooms have sheet rock walls, and sheet rock ceilings. When finished, they will be painted. Thereafter, the tenants may decorate by finishing with wallpaper, paneling, mirrors, etc. Appliances to be furnished in each unit include the gas range and refrigerator manufactured by Frigidare. A dishwasher will not be provided. Hookups for a washer and dryer will be provided in all of the units but purchasers will be responsible for the purchase of these items, as well as the purchase of the dishwasher.

Bathrooms are equipped with a tile floor and walls (up to 5' high), a washbasin, water closet, and a bathtub. All plumbing fixtures are new fixtures (American Standard, or fixtures of Equal to or Better Quality, which means comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and /or classifications as applicable).

The Lobby will be finished with flooring and painted sheetrock on the walls and ceilings and the community facility space will have vinyl tile flooring.

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

Trash and garbage will be collected by the New York City Department of Sanitation and each Unit Owner is responsible for the disposal of his own trash.

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

Under the present construction schedule it is anticipated that the Building is expected to be substantially completed during May 2017, unless delayed by weather,

strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, or any other cause over which Sponsor has no control. The Building will be completed by Sponsor in compliance with all applicable Building Codes and Zoning regulations and in accordance with approved building plans, which are included in Part II of the offering plan. See section entitled Description of Property and Specification of Building Condition, Exhibit D, contained in Part II of the plan.

The Sponsor reserves the right to amend or modify in any way such plans and specifications (including changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth herein or in Exhibit D to Part II of this Plan, materials, appliances, equipment and fixtures of equal or better quality; provided only that any necessary approval, if required, of any governmental authority having jurisdiction thereover is first obtained. All references in this Plan to "Plans and Specifications" shall mean the aforesaid plans and specifications for the Building prepared by the Sponsor's Architect and Engineers as the same may have, from time to time, been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the provisions of this paragraph.

LOCATION AND AREA INFORMATION

The Condominium is being constructed on land located at the southwesterly corner of Ocean Parkway and Avenue N, located in the borough of Kings, County of Brooklyn and State of New York. The building will be one seven (7) story structure with cellar. The building will contain twelve (12) residential units and one (1) community facility space. The property is located in the Midwood section of Brooklyn. The community is well served by public transportation, including the New York subway system (B & Q Trains at Avenue M and Avenue J within minutes from the property), numerous municipal bus routes as well as express bus routes to Manhattan. There are many yeshivas, public (PS 193, IS 240 and Edward R Murrow and Midwood High Schools) and parochial schools in the area. Brooklyn College is nearby. There are numerous synagogues and churches in the community. There are police stations (66th, 67th and 70th precincts), and fire stations as well as branches of the Brooklyn Public Library. There are a number of hospitals (Maimonides and New York Community Hospital and clinics in and near to the community. Numerous small stores are located on neighboring Streets including many grocery stores. Complete shopping needs are also available. Major shopping can be found along the Avenue J, Kings Highway, Ocean Avenue and Coney Island Avenue. There are playgrounds and day care centers in the neighborhood. The surrounding area has a variety of residential housing types. The area is an established and conveniently located community, with a significant residential component and commercial/retail districts along the main thoroughfares. Police, fire, water, sanitation, street snow removal and road maintenance services are provided by the City of New York. The land is zoned R5 and R6A (Residential & Community Facility Use) and all of the adjoining properties are fully developed. The

property does not contain landmark status. At this time there are no other developments that Sponsor is aware of near or around a one block radius to the property, in an area of condominiums, apartments, single and multi-family homes, nor does the Sponsor have planned any projects that are adjacent or directly across the street from the property. Since there are many single residential homes around the property, it is reasonable to foresee that future development in the area may have an impact on the condominium (i.e. impairment of view, closing of lot line windows). Any change in the above information, that occurs while sales are being made on the condominium, must be disclosed in an amendment to the condominium within 30 days after the information becomes known to the Sponsor.

SCHEDULE A

OFFERING PRICES AND RELATED INFORMATION

1404 Ocean Parkway
For the first year of condominium operation commencing September 1, 2017 and ending August 31, 2018

Unit	(A) Description	Additional nonhabitable Space*	Approximate Area Of Each Unit In Square Feet**	Offering Price	(C) Percentage of Interest in Common Charges	(C) Percentage of Interest for Real Estate Tax Amounts	(D) Monthly Estimated Common Charges	Estimated Yearly Common Charges	(E) Estimated Monthly Real Estate Taxes with 421a Exemption	(E) Estimated Annual Real Estate Taxes with 421a Exemption	(F) Estimated Monthly Real Estate Taxes without 421a Exemption	(F) Estimated Annual Real Estate Taxes without 421a Exemption	Projected Monthly Carrying Charges with 421a Exemption	Projected Monthly Carrying Charges without 421a Exemption
CF	Commercial Community Facility	Terrace -234sf	3510	$ 1,755,000	10.00%	53.00%	$ 328.23	$ 3,938.70	$ 351.35	$ 4,216.15	$ 1,773.91	$ 21,286.92	$ 679.57	$ 2,102.14
1A	Triplex 3 Bedroom, Living/Dining Room Kitchen, 3.5 Bathrooms, cellar recreation	Garden - 693sf	3064	$ 2,757,600	8.00%	47.00%	$ 262.58	$ 3,150.96	$ 311.57	$ 3,738.85	$ 1,573.09	$ 18,877.08	$ 574.15	$ 1,835.67
1B	1 Bedroom, Living/Dining Room Kitchen, 1 Bathroom	Garden - 330sf	684	$ 615,600	5.00%	4.18%	$ 164.11	$ 1,969.35	$ 27.71	$ 332.52	$ 536.09	$ 6,433.02	$ 191.82	$ 700.20
2A	1 Bedroom, Living/Dining Room Kitchen, 1 Bathroom	Balcony - 41sf	556	$ 500,400	4.00%	3.39%	$ 131.29	$ 1,575.48	$ 22.47	$ 269.67	$ 434.77	$ 5,217.21	$ 153.76	$ 566.06
2B	1 Bedroom, Living/Dining Room Kitchen, 1 Bathroom	Balcony - 48sf	656	$ 590,400	5.50%	4.01%	$ 180.52	$ 2,166.29	$ 26.58	$ 319.00	$ 514.26	$ 6,171.39	$ 207.11	$ 694.81
2C	2 Bedroom, Living/Dining Room Kitchen, 2 Bathrooms	Roof Terrace - 174sf	1008	$ 907,200	7.00%	6.15%	$ 229.76	$ 2,757.09	$ 40.77	$ 489.23	$ 788.74	$ 9,464.85	$ 270.53	$ 1,018.50
3A	Duplex 3 Bedroom, Living/Dining Room Kitchen, 2.5 Bathrooms	Balcony - 71sf	1994	$ 1,196,400	9.00%	12.17%	$ 295.40	$ 3,544.83	$ 80.68	$ 968.12	$ 1,560.80	$ 18,729.63	$ 376.08	$ 1,856.21
3B	2 Bedroom, Living/Dining Room Kitchen, 1 Bathroom		661	$ 594,900	5.50%	4.04%	$ 180.52	$ 2,166.29	$ 26.78	$ 321.36	$ 518.13	$ 6,217.56	$ 207.31	$ 698.65
3C	3 Bedroom, Living/Dining Room Kitchen, 2 Bathrooms	Balcony - 348sf	1274	$ 1,146,600	8.00%	7.78%	$ 262.58	$ 3,150.96	$ 51.57	$ 618.90	$ 997.79	$ 11,973.42	$ 314.15	$ 1,260.37
3D	1 Bedroom, Living/Dining Room Kitchen, 1 Bathroom	Balcony - 48sf	656	$ 590,400	5.00%	4.01%	$ 164.11	$ 1,969.35	$ 26.58	$ 319.00	$ 514.26	$ 6,171.39	$ 190.70	$ 678.40
3E	2 Bedroom, Living/Dining Room Kitchen, 2 Bathrooms	Balcony 108sf	1008	$ 907,200	7.00%	6.15%	$ 229.76	$ 2,757.09	$ 40.77	$ 489.23	$ 788.74	$ 9,464.85	$ 270.53	$ 1,018.50
4	Triplex 6 Bedroom, Living/Dining Room Kitchen, 5.5 Bathrooms	Balcony - 258sf & Roof Terrace - 3447 sf	4830	$ 2,294,250	10.00%	29.49%	$ 536.56	$ 6,438.70	$ 195.49	$ 2,345.93	$ 3,782.09	$ 45,385.11	$ 732.05	$ 4,318.65
PH	3 Bedroom, Living/Dining Room Kitchen, 2 Bathrooms	Balcony - 120sf & Roof Terrace - 2013sf	1660	$ 2,116,500	8.00%	10.13%	$ 314.25	$ 3,770.96	$ 67.15	$ 805.84	$ 1,299.17	$ 15,590.07	$ 381.40	$ 1,613.42
P1	Indoor Parking (2 spaces)		474	$ 360,000	2.00%	2.89%	$ 65.65	$ 787.74	$ 19.16	$ 229.90	$ 370.64	$ 4,447.71	$ 84.80	$ 436.29
P2	Outdoor Parking		153	$ 100,000	1.00%	0.93%	$ 32.82	$ 393.87	$ 6.17	$ 74.08	$ 119.27	$ 1,431.27	$ 38.99	$ 152.10
P3	Outdoor Parking		153	$ 100,000	1.00%	0.93%	$ 32.82	$ 393.87	$ 6.17	$ 74.08	$ 119.27	$ 1,431.27	$ 38.99	$ 152.10
P4	Outdoor Parking		153	$ 100,000	1.00%	0.93%	$ 32.82	$ 393.87	$ 6.17	$ 74.08	$ 119.27	$ 1,431.27	$ 38.99	$ 152.10
P5	Outdoor Parking		153	$ 100,000	1.00%	0.93%	$ 32.82	$ 393.87	$ 6.17	$ 74.08	$ 119.27	$ 1,431.27	$ 38.99	$ 152.10
P6	Outdoor Parking (2 spaces)		306	$ 200,000	2.00%	1.89%	$ 65.65	$ 787.74	$ 12.53	$ 150.35	$ 242.39	$ 2,908.71	$ 78.17	$ 308.04
	Total Square Feet excluding parking		21,561	$ 16,872,450	100.00%	200.00%	$ 3,542	$ 42,507	$ 1,326	$ 15,910	$ 16,172	$ 194,064	$ 4,868	$ 19,714

**Approximate area of the square footage for the units is calculated using central lines of the interior partitions and the outside surface of exterior walls. The Square Footage represents the amount of the square footage of the unit only, and does not include the square footage of any uninhabitable space.

*As noted in the Special Risk section, under no circumstances should any uninhabitable space, including a storage room, balcony or recreation room be used for any type of occupancy whatsoever. To do so may result in a building code violation being issued for the building.

The additional water and sewer charge for units 4 and PH ($3,120) has been apportioned at 80% for Unit 4 and 20% for the penthouse - $2,500 and $620 respectively.

The kitchenette has a much smaller area than a full size kitchen. The space features a gas range and refrigerator.

The tax amount under column E is the same amount for both 421a benefits for the residential units and ICAP for the community facility space at $7,955 annually.

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

FOOTNOTES TO SCHEDULE A

A. The number of rooms in all of the Residential Units was calculated in accordance with industry standards, by counting each bedroom, kitchen, living and dining area as one room, and the bathroom as 1/2 a room. Each Units approximate square footage is calculated using the central lines of the interior partitions with the outside surface of the exterior walls of the building. When measured from the insides of the demising walls the total square feet for the units will be significantly less than the square footage provided as a result of this method of calculation. As noted in the Special Risk section, under no circumstances should any uninhabitable space, including a storage room, balcony or recreation room be used for any type of occupancy whatsoever. To do so may result in a building code violation being issued for the building. There are limited common element balconies provided for all of the units except for the units on the 1st floor and unit 3B. Both Units on the first floor have access to outdoor garden areas. Unit 4 has a pool and private roof terraces and the Penthouse Unit has a whirlpool tub and also has a private roof terrace. Floor plans for the Units are included in the Architect's Description contained in Part II of Plan.

B. The prices and terms of sale for these Condominium Units may be changed so that purchasers may pay different prices for similar interests. The prices are negotiable. The effect of this is set forth at Changes in Prices of Units, Part I. The Purchaser shall also have to pay closing costs and adjustments in an amount which is dependent on the amount of Purchaser's purchase money mortgage, if any, and the purchase price of the unit. Each Purchaser will be responsible for the New York State transfer tax currently assessed at .4% or .425% of the purchase price, and the New York City Real Property Transfer Tax, currently assessed at 1% of the purchase price, imposed on the transfer of the Unit, currently assessed at a small percentage (in the aggregate) of the purchase price for the Unit. All closing costs that a Purchaser will be responsible for are set forth in the section entitled Units Closing Costs and Adjustments contained in Part I of this Plan, which includes a payment of an additional two months common charges, which will be placed in a working capital fund for the building.

C. The percentage of interest in the Common Elements applicable to each Unit was determined by Sponsor based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of the common elements for exclusive or shared use, and the overall dimensions of the particular unit pursuant to Real Property Law Section 339-i (1) (iv).

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

Since the Sponsor is not offering or procuring mortgage financing, if the

Purchaser obtains financing in order to purchase a unit, debt services on such financing will be an additional monthly expense.

The projected Common Charges do not include housing costs for which the Unit Owner is generally responsible such as repairs to the interior of the Unit and separately metered gas, for heating and hot water, electricity for the unit, air conditioning and cable television service. See Schedule B-1 for the estimated consumption and costs of these items.

E. The Sponsor has been deemed eligible for 421-a partial tax exemption and has received a Preliminary Certificate of Eligibility. Tax abatement benefits are issued under Section 11-243 of the Administrative Code of the City of New York for both 421A and ICAP tax abatement benefits, for the residential and community facility units in the building respectively. The application was filed with the Department of Housing Preservation and Development. Sponsor's expert has issued an opinion letter indicating that all of the Units will be eligible to receive tax abatement benefits based on certain assumptions and conditions set forth therein. Purchasers should also note that the benefits may be reduced if the New York State legislature passes changes analogous to those passed to Article 11 of the Administrative Code of the City of New York which became effective on January 8, 2008, which will result in increased real estate tax liability for the unit owners.

If tax abatement benefits are granted, the real estate tax assessment amount, payable by Unit Owners with respect to their Units during the fifteen (15) years of Condominium operation will, in essence, be partially exempt. Reference should be made to the "Special Risk" section and "Real Estate Tax Exemption Benefits" section, for a full discussion of the effects of tax abatement benefits upon the real estate taxes payable by the Unit Owners. If granted, taxes for the first year of condominium operation, based on a 2013/2014 tax year, is estimated to be $7,955 and $7,955 for the residential and community facility units respectively, based on preconstruction assessed values of $41,448 for the property and a tax rate of 19.191% for both the residential units and community facility space.

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

The projected amount herein only consists of real estate taxes for the Units. However, if Purchaser obtains financing in order to purchase a Unit, interest paid on the sum financed is tax deductible as well. Thus, the projected amount deductible for income tax purposes may vary in subsequent years due to changes in the interest rate on the unit owners mortgage or financing obtained by purchasers, if any, refinancing the mortgage, the allocation of constant debt service payments between interest and principal or due to changes in real property taxes, resulting from the expiration of real estate tax benefits, or from changes in the assessed valuation, the tax rate, or in the method of assessing real property which result in a change in real property taxes, or such other changes as may reasonably be expected to affect deductions. A Unit Owner who itemizes deductions for federal income tax purposes will be entitled to deduct real estate taxes paid by him or her with respect to such assessment. Furthermore, a Unit Owner who itemizes deductions for federal purposes will also be entitled to a deduction for interest paid on any indebtedness incurred to acquire his or her Unit. A Unit Owner who is a resident of New York State and who itemizes deductions for federal income tax purposes may choose also to itemize deductions for New York State (and, if applicable, New York City) income tax purposes. Information concerning the deductibility of Real Estate Taxes for income tax purposes is fully disclosed in this Part of the plan under the section entitled "Real Estate Taxes" and in counsel's tax opinion letter.

F. If for any reason the aforesaid tax exemption under 421A and ICIP is not granted, after completion of construction, anticipated to by May 2017, it is estimated that the aggregate real estate taxes payable, with respect to all Residential Units, for the first year of Condominium operation will total approximately $153,900 based on an aggregate assessed valuation for the condominium of $1,193,763.50 at a tax rate of $12.892 per $100 of assessed value. With respect to the Community Facility Units, taxes for the first year of Condominium operation will total approximately $40,164 based on an aggregate assessed valuation for the condominium of $311,542.04 at a tax rate of $12.892 per $100 of assessed value. In such event and based upon such assumptions, the monthly real estate taxes for a Unit will be based on the estimated assessed valuations and prorated using each units percentage of Common Elements. These assumptions were prepared by Moseson & Associates Corp., 769 Empire Avenue, Far Rockaway, New York 11691, a real estate tax-consulting firm that specializes in obtaining tax abatement benefits.

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

taxes assessed on any unsold unit or unit owned or controlled by the Sponsor.

THE ABOVE IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF ALL LIMITATIONS IMPOSED BY THE CODE, PARTICULARLY FOR INVESTORS, ALL PURCHASERS ARE ADVISED TO SEEK ADVICE FROM THEIR OWN TAX CONSULTANTS CONCERNING THE TAX CONSQUENCES OF THE PURCHASE OF A UNIT IN THE CONDOMINIUM.

SCHEDULE B

PROJECTED BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

BEGINNING SEPTEMBER 1, 2017 THROUGH AUGUST 31, 2018

Income:	
Common Charges (1)	$42,507.00
Expenses:	
Salaries and Wages (2)	$ 5,000.00
Electricity (common areas only) (3)	$ 6,370.00
Gas (4)	$ 0
Water/Sewer:	$11,653.00
Unit Four & PH Pool, Whirlpool (5)	$ 3,120.00
Repairs & Maintenance (6)	$ 2,500.00
Insurance (7)	$ 7,800.00
Management Fees (8)	$ 0
Legal and Audit Fees (9)	$ 1,200.00
Supplies and Services (10)	$ 1,000.00
Contingency (11)	$ 0
Total:	$38,643.00
Replacement Reserve (12)	$ 3,864.00
Total:	$42,507.00

FOOTNOTES TO SCHEDULE B

1. Common Charges:

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

2. Salaries and Wages:

Estimates provide for one non-union, non-resident porter, to service the Condominium working approximately four hours per week. The porter will work two, two hour days a week, one day which will coincide with the trash removal for the building, with the other day being three days later. The porter will also be available 24/7 for emergencies. The porter's salary with benefits and taxes will be approximately $20 per hour. The porter is working as an independent contractor and will be provided with a 1099 at year end for tax purposes. An additional contingency amount allows for any other needed repairs and services, which will be done by outside contractors, such as snow removal services. The staffing of the porter and any other outside contractors does comply with all applicable housing and labor laws. The porter, Mirjan Kurtovic resides at [redacted], which is in close proximity to the property. Some of the porter's duties include the cleaning of the sidewalk, front entrance, common area hallways, stairway, and the removal of rubbish. The budget complies with all minimum wage requirements and the wage meets all State minimum wage laws.

3. Electricity:

Based on the opinion of Andrew Katz, Engineer, with offices at 3452 Bedford Avenue, Brooklyn, New York 11210, the projected yearly usage for common area electric and the elevator is 24,500 KWH. The budget assumes a rate (on average) of $.26 per KWH plus minimum meter charge, for a total cost of $6,370 annually. This cost includes taxes, fuel adjustments and no inflation factor, which could be an additional 10%. This estimate is for the cost of the electricity in the common area only, and does not include the cost for each residential unit, which shall be individually metered and billed directly to each unit owner. There is an HVAC heating and cooling

system for the community facility space, but there is no other heating in the common areas. The estimates for both electric and gas, consumed in the individual units, is estimated in schedule B-1 following this section.

4. Gas:

There is no common area gas in the building.

5. Water/Sewer:

Based on the opinion of Andrew Katz, Engineer, water and sewer costs are estimated at a combined rate of $6.10 per 100 cubic feet of water for an annually combined cost of $14,773, $3,120 of which will be paid for by unit 4 and the penthouse, for the pool and the whirlpool respectively.

6. Repairs and Maintenance:

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

7. Insurance:

Insurance coverage is estimated based upon a projection from the Serehy Davidson Corp., located at 160 Broadway, New York, New York, providing for the following coverage:

$4,625,000 building limit, special form, replacement cost valuation, no coinsurance, including boiler and machinery coverage with $1,000,000/$2,000,000 liability coverage for occurrences within the unit/common areas. Replacement cost basis is $185 per square foot.

Annual Premium: $7,600

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

the insured and unit owners, and waive pro-rata reductions if additional unit owners obtain coverage.

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

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

If the following items are not included in the budget but are applicable to this offering, such items may be available at extra cost, i.e. officers' and directors' liability; rent insurance, water damage, boiler and machinery, excess liability, auto liability and fidelity bond.

8. Management Fees:

For the first year of condominium operation the Sponsor will act as managing agent in managing all of the affairs of the condominium at no charge to the unit owners. Over time the Sponsor and the Board of Managers may opt to engage the services of an outside firm. If engaged, costs thereof will be shared by all of the unit owners as a common expense. The costs for the managing agent may be no more than fifteen (15%) percent of the current budget. At the first meeting of the Unit Owners it will be decided if Sponsor should continue as Managing Agent or the Unit Owners may choose to self manage the condominium. See section entitled Management Agreement contained in Part I of the plan, which lists the tasks to be done by the managing agent.

9. Legal and Audit Fees:

The budget provides for the preparation of annual financial statement and the filing of the tax return, which will be prepared by Fred Nussbaum, CPA, 1324 Avenue J, Brooklyn, New York, for the sum of $725 annually. There is also a small contingency amount budgeted for the performance of legal services. Although not anticipate, the board of managers over the course of the fiscal year, may face legal issues ranging from the interpretation of the plan, compliance with the by-laws and rules enforcement, determining liability for water damage or maintenance issues, responding to threatened lawsuits and fighting external issues that may impact the condominium.

10. Services and Supplies:

The budgeted figure for these items includes the cost of cleaning supplies and materials, bulbs, compactor bags and miscellaneous hardware for the common areas

and elevator maintenance. No other service contracts have been entered into as of the date of this plan. However, Sponsor reserves the right, prior to the first closing, to enter into contracts which will be binding on the Condominium Board, provided that such contracts do not materially increase the estimated common charges for the first year of condominium operation.

11. Contingency:

There is no contingency amount allocated.

12. Replacement Reserve:

The replacement reserve fund amount represents at least 10% of the total budget, which will be payable by all of the unit owners, and sponsor owned or controlled units annually as a common expense. This fund may only be used for capital expenditures. It is the sponsor's opinion that the fund will be sufficient to pay for the replacement of capital items likely to be needed within the first five (5) years of condominium operation.

IN THE OPINION OF THE REAL ESTATE EXPERT, MAXIMILLION REALTY INC., 101 AVENUE U, BROOKLYN, NEW YORK, WHO HAS REVIEWED THE BUDGET AND HAS PREPERED A CERTIFICATION LETTER AS TO ITS ADEQUACY, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSE FOR THE BOARD OF MANAGERS' FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR SEPTEMBER 1, 2017 THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL COMMON CHARGES OR EXPENSES FOR THE FIRST YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE BUILDING BY THE BOARD OF MANAGERS WILL BE AS SET FORTH IN SAID SCHEDULE AND IT IS LIKELY THAT THE ACTUAL ANNUAL COMMON CHARGES OR EXPENSES WILL VARY FROM THE ACTUAL AMOUNTS SHOWN IN THE SCHEDULE.

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

SCHEDULE B-1

Proposed Electric Consumption
for Individual Units
for First Year of Operation
Beginning September 1, 2017 through August 31, 2018

Estimated Annual Electric and Gas Costs:

Unit	Usage KWH	Electric	Usage Therm	Gas
1A - triplex	8,200	$ 2,300	4,500	$ 2,400
1B	5,350	$ 950	650	$ 1,150
2A	5,180	$ 900	660	$ 1,050
2B	5,350	$ 950	650	$ 1,050
2C	7,000	$ 1,450	900	$ 1,650
3A - duplex	10,500	$ 2,100	1,250	$ 2,200
3B	5,350	$ 900	600	$ 1,050
3C	6,600	$ 1,350	850	$ 1,550
3D	5,350	$ 900	600	$ 1,050
3E	7,000	$ 1,250	820	$ 1,450
4 - triplex	37,500	$ 9,500	5,950	$ 11,000
Penthouse	11,250	$ 2,400	1,700	$ 3,000
Community Facility	12,500	$ 3,500	1,700	$ 3,000

Although water a sewer charges are apportioned as a common expense and are included in the total water and sewer charges the purchasers of Unit 4 and the Penthouse Unit will be responsible for $3,120 of the total amount allocated for water and sewer charges. It is estimated that Unit 4's additional charge will be about $2,500 annually for the swimming pool and the Penthouse an additional charge of $620 for the whirlpool tub.

The above estimates of the cost of electricity and gas for general consumption, has been passed upon by Andrew Katz, P.E., based on estimates in a letter dated September 6, 2016. The estimates for electricity is made on the basis of average estimated use multiplied by the average estimated cost of approximately $0.28 per KWH and costs include taxes and adjustments. It must be expected that these rates may increase with the passage of time. Since all of the Units contain split heating and cooling HVAC package units additional air conditioning should not be needed. Purchasers, however, should be aware that costs for adding any additional 12,000 btu/h air conditioning units, would increase the cost of electricity by about $450 per year for each additional unit added.

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

projected rate.

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

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

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

December 10, 2016

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

Re: Azrad Condominium Association

Dear Sirs:

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

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

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

> "(i) the interest of each of the units shall based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit pursuant to Real Property Law Section 339 (i) (1) (iv)."

You have requested my opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5).

In connection with rendering this opinion I have reviewed the allocation of common interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. I have also considered the relevant sections of the New York State Condominium Act and such other materials as I deemed relevant. My opinion is based upon the factual determinations made by PEI Real Estate, Inc., as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). I have made no independent investigation of the truth or accuracy of the factual determinations of PEI Real Estate, Inc.

Based upon review of the foregoing, I have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i(1)(iv), i.e, based upon floor space, subject to the location of such space and the additional factors of the relative value to the other space in the Condominium, the uniqueness of the Unit,

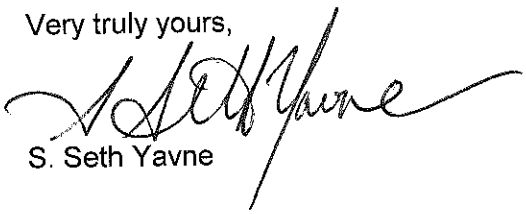
the availability of Common Elements for exclusive or shared use and the overall dimensions of a particular unit.

Accordingly, based on the foregoing and in my opinion the Real Property Law Section 339-i has been compiled with in assigning Common Interests to the Units.

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

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

Very truly yours,



S. Seth Yavne

COMMUNITY FACILITY SPACE

The plan includes community facility space. The space, located on the cellar level, will be used for its designated purpose only and for no other purpose. Under current zoning the space can be used for a day care center and medical facility. The unit may be used by the Owners of the unit or by any tenant or tenants of the same. The building plans, and when issued, the certificate of occupancy, will provide for a community facility.

The unit will pay common charges based on its percentage of common interest. The common charges payable are sufficient to cover the expenses fairly attributable to the unit. The common charges attributable to the unit do not include special or exclusive use or availability of a particular common area, nor can the Board of Managers apportion any special allocations of profits or expenses with regard to exclusive control of a particular unit or common area.

There will be a separate electric and gas meter for each unit. The unit will pay for its own electric and gas consumption directly to the utility company servicing the Condominium Building. Water and sewer usage will be invoiced to the unit owner in the monthly common charges. The community facility unit owner does not have any particular rights or obligations, which differ from those of the residential unit owners.

The unit that will be sold by the Sponsor will be sold finished. The Purchaser will not be permitted to subdivide the unit to offer it for sale, but they will be allowed to subdivide for the purpose of subleasing a portion or portions of the space. The obligations of the subleasee will be to the unit owner, as landlord, and not to the condominium.

The unit (and/or subleased unit(s)) will not be used for any obscene or pornographic purposes or for any sort of commercial sex establishment. Same will apply to any unit owner's subleasees, assignees, or successors in interest.

Until sold the unit will be owned by the Sponsor who will act as a designated Board Member and represent the Community Facility Unit in all matters pertaining to such.

CHANGES IN PRICES AND UNITS

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

No changes will be made in the size or number of Units, and/or their respective percentages of Common Interest, or material change in the size or quality of the Common Element, except by duly filed amendment to the Plan and, when applicable, to the Declaration of Condominium. Unless an effected purchaser consents, no material change will be made in the Unit size, layout, or percentage of Common Interest, if a Purchase Agreement has been executed and delivered to the Sponsor for the Unit.

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

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

PROCEDURE TO PURCHASE

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

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

The Escrow Agent:

The law firm of S. Seth Yavne, with an address at 3407 Avenue K, Brooklyn, New York, telephone number 718 253-9181, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatory: S. Seth Yavne. The designated signatory is admitted to practice law in the State of New York. Neither the Escrow Agent nor the signatory 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 Account:

The Escrow Agent has established the escrow account at Capital One Bank, located at 404 5th Avenue, New York, New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Azrad Condominium Association ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of S. Seth Yavne, as Escrow Agent.

Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of the Purchase Agreement.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently 0%. 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.

The Purchase Agreement:

The Purchase Agreement is attached hereto as Exhibit A in Part II of the Plan. The

relevant regulatory requirements regarding the escrow trust fund are included as an addendum to the Purchase Agreement.

Escrow Agreement:

The Escrow Agreement is attached hereto as Exhibit K in Part II of the Plan. The Escrow Agreement must be executed by the Sponsor, Purchaser, and Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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.

Release of Funds:

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, by 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:

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

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

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

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the

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

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

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

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

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

Waiver Void:

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 (7) years after the release of funds from the Escrow Agent. In addition to the foregoing, the Escrow Agent will comply with Section 71-a(3)(a) of the Lien Law and shall be used by the Sponsor only in connection with the consummation of the Plan. Section 71-a(3) of the Lien Law requires, at the purchaser's option, that the deposit funds be placed in an escrow account in a bank trust company, savings bank, or state or federal savings and loan association located in New York State.

Section 71-a(3)(b) of the Lien Law also provides that in lieu of making the deposit of monies in an escrow account as provided by Section 71-a(3)(a), the Sponsor may post with the purchaser a bond or contract of indemnity issued by a surety company guaranteeing the return of the deposit monies which would otherwise be required to be deposited in the escrow account. If such a bond or contract of indemnity is posted by the Sponsor, the Sponsor need not place deposit monies in the escrow account. In such event Sponsor will first make an application to the office of the Attorney General and if approval is obtained, the Plan will be amended accordingly. Any such bond or contract of indemnity shall be delivered to the purchaser within ten (10) business days after receipt of the deposit monies.

Section 71-a(3)(c) of the Lien Law provides that, any time after making the deposit of monies in the escrow account, the Sponsor may post with the purchaser a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in New York State, guaranteeing the return of such monies, in which case,

the Sponsor need not keep the deposit of such monies in the escrow account.

In the event the Sponsor wishes to exercise the options set forth in Sections 71-a(3)(b) or 71-a(3)(c), the Sponsor will comply with all of the rules and regulation promulgated by the office of the Attorney General with respect to the posting of a bond or letter of credit in lieu of escrowing the funds received by the Sponsor or Sponsor's attorney. If no bond or contract of indemnity is posted, the Sponsor will deposit all deposit monies, except those paid directly to the Sponsor for special work and/or optional extras pursuant to a purchase agreement, in the Bank.

All funds will be held as trust funds pursuant to Sections 352-e(2)(b) and 352-h of the General Business Law. The signature of S. Seth Yavne shall be required for withdrawals or drafts on such account. Such funds will be payable to the Sponsor upon the closing of title to the Units covered by the Purchase Agreement, or upon the posting of a bond in favor of the purchaser as noted above. Interest, if any, earned on such funds will be turned over or assigned to the purchaser at Closing.

If Purchaser fails to perform any of Purchaser's obligations thereunder, the Sponsor will make a written demand for payment after said default at least thirty (30) days before forfeiture of the deposit will be declared. Said demand will be sent by certified mail, return receipt requested, to Purchaser and will disclose Sponsor's intention to cancel the Purchase Agreement. If Purchaser fails to cure such default after the thirty (30) day period, the Sponsor may, at its option, cancel the Purchase Agreement. If Sponsor so elects to cancel the Purchase Agreement, all amounts paid pursuant to the contract, together with any interest thereon, shall all belong to Sponsor and the rights, obligations and liabilities of both parties under the agreement and the

Plan shall cease and terminate, provided that liquidated damages shall in no event exceed 10% percent of the offering price plus the actual cost of work specially performed by Sponsor for the Purchaser. THE TIME FOR PERFORMANCE OF THE PURCHASER'S OBLIGATIONS, INCLUDING ATTENDANCE AT CLOSING AND DELIVERY OF THE BALANCE OF THE PURCHASE PRICE, IS OF THE ESSENCE IN THE PURCHASE AGREEMENT. This means that all deadlines and time periods must be strictly adhered to by the Purchaser.

Sponsor expects the first closing of a unit to occur by approximately September 1, 2017. Purchasers will be offered a fifteen (15) day right of rescission, if the actual date of closing of title to the first unit; or the projected date of closing of title to the first unit occurs later than September 1, 2018, twelve months after the projected date for the first closing. In the event the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. However, if the first closing occurs before September 1, 2018, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless the Purchase Agreement contains an outside closing date, the Sponsor is not obligated to ensure that closing of title to the unit will occur by any certain date. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

In the event that the Sponsor is unable to convey title to a Condominium Unit on or before twelve (12) months after the date of the first anticipated closing of title, and except for delays due to strikes, acts of God, national emergencies, installation of public

utilities, or governmental restrictions, in which event the period shall be extended to eighteen (18) months, Purchasers shall have the option to cancel this Agreement and to have the Down Payment returned together with interest, if any, earned thereon. Sponsor will have the option not to close title to a Unit if less than eighty (80%) percent of all of the Units in number and Common Interest to be constructed as part of the Condominium are sold, and so long as title to any Unit has not been conveyed and the Declaration has not been recorded at such time. If Sponsor exercises such option, the Down Payment, together with interest, if any, earned thereon, will be returned to the Purchaser. In addition if the first closing of a residential unit does not occur by the date set forth in the condominium plan, September 1, 2018, or in an amendment thereto, Purchasers will be offered a fifteen (15) day right of rescission.

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

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

The purchaser is required to sign a power of attorney to the board of managers of the condominium, which power of attorney must be signed, acknowledged and returned to the Sponsor at the closing of title to the unit. Failure to sign the power of attorney may result in a default under the purchase agreement. The power of attorney provides that you nominate and appoint the Board of Managers to act as your attorney in fact to acquire any abandoned units or to execute any instrument which the Board of

Managers deems necessary to comply with governing laws and regulations.

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

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

Sponsor will, within twenty (20) days after receipt of a fully executed copy of the Purchase Agreement and the required deposit, either accept such Purchase Agreement and return a fully executed counterpart to the Purchaser, or reject the Purchase Agreement and refund the full deposit previously tendered. If the Sponsor fails to act within such twenty-day period, the Purchaser will have the option, by written notice within twelve (12) days thereafter, to withdraw his offer and receive a refund of the full deposit tendered. Purchasers will also be afforded at least seven (7) days after delivering an executed Purchase Agreement together with the required to deposit to rescind the Purchase Agreement and have the full deposit refunded promptly. The Purchaser must deliver a written notice of rescission to the Sponsor within seven (7) days.

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

All risks of loss or damage to the Unit by fire or other casualty prior to the conveyance of legal title to the Unit to the Purchaser are assumed by the Sponsor.

The agreement of any Purchaser to purchase is conditional upon the obtaining of mortgage financing by such Purchaser, except in the case of an all cash transaction where there is no mortgage.

Purchasers will be afforded forty (45) days in which to obtain financing. Within that same time period, if Purchaser is unable to obtain financing, the Purchaser must notify the Sponsor of its inability to obtain financing. After receiving such notice the Sponsor will allow a five day grace period after the initial forty-five (45) days commitment has expired. Once obtained, the commitment may expire or the terms of the commitment may change prior to actual closing. If the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, sponsor must offer to such purchaser a right of rescission and a reasonable period of time to exercise such right. See Paragraph five (5) contained in the Purchase Agreement in Part II of the plan, which provides information with regard to mortgage financing commitment and contingency. Under New York Law, when a mortgage commitment is not fulfilled through no fault of purchaser, performance is excused. If purchaser acts in good faith and lender revokes a commitment after the contingency period expires, performance is excused.

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

After the plan has been declared effective, the Sponsor will fix dates for closing title to all units for which purchase agreements have been executed by serving notice on all purchasers stating the date of the first closing and setting each closing date.

Such notice will be served in compliance with applicable regulations no less than thirty (30) days before the date set for the closing of the units.

EFFECTIVE DATE

The offer to sell is contingent upon this Plan being declared effective and upon compliance with the relevant conditions and time periods described in this Plan. This Plan will be declared effective upon the date upon which there are valid and binding Purchase Agreements for 15% of the Units under the Plan, or two (2) units offered under the plan which have been executed by bona fide purchasers including investors. Units of a primarily ancillary nature (i.e. parking spaces, if any) may not be counted toward effectiveness. For the purpose of this Plan, a Purchase Agreement shall be valid and binding if executed by both Purchaser and Sponsor. This Plan shall be declared effective by personal service of a notice on each purchaser or by commencement of service by mail in the manner required by section 20.1(d) of this Part stating that the plan was declared effective on a particular date, the percentage used to declare the plan effective and a list of the units being counted to meet the minimum percentage under the terms of the plan to declare it effective. The closing of title to the first unit shall not occur until the Plan is declared effective and such effectiveness amendment is accepted for filing by the Attorney General.

This Plan will not be declared effective based on purchase agreements: (i) signed by purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) if the purchaser was not afforded the three business days to review the offering plan and all filed amendments prior to the execution of a Purchase Agreement; or (iii) with any purchaser who is the Sponsor, the selling agent, or the managing agent or is a principal of the Sponsor, the selling agent or the managing agent or is related to the Sponsor, the selling agent or the managing agent or

to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing the purchaser is bona fide. The Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for eighty percent (80%) or more of the units offered under the plan.

This Plan may be abandoned by the Sponsor at any time prior to being declared effective by filing an amendment to abandon this Plan with the Department of Law. If payments under purchase agreements have been received, purchaser's down payment money will be refunded within five days after the amendment abandoning the plan has been accepted for filing. If this Plan is abandoned and there are outstanding Purchase Agreements, all purchasers will be promptly notified and all monies paid under the respective Purchase Agreements will be returned to them within twelve (12) days after abandonment with interest, if any. In either case, Sponsor will promptly file an abandonment amendment to the Department of Law, regardless of whether there are any outstanding Purchase Agreements, confirming such abandonment. Sponsor will file a notice of abandonment on form RS-3 or such other form as the Department may require and explain the reason for such abandonment and the disposition of all funds received.

Once the Plan has been declared effective, it may not thereafter be withdrawn or abandoned, except that prior to conveying title to the first Unit, the Plan may, at the option of the Sponsor, be withdrawn in the event of (i) the existence of one or more

defects in title affecting any one or more Units that cured without litigation or cannot be cured for less than one half of one percent of the total offering price; or (ii) substantial damage to or destruction of the Building or any portion thereof by fire or other casualty which cannot be cured for less than one half of one percent of the total offering price; or (iii) the taking of any material portion of the Property in condemnation proceedings or by eminent domain.

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

It should be noted that all Purchasers used for declaring the plan effective may not be able to close, in which case the Sponsor must re-declare the plan effective in order to consummate the offering plan. If purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded, Sponsor must re-declare the offering plan effective.

TERMS OF SALE

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed by the Sponsor at the closing thereof by bargain and sale deed with covenants against grantor's acts, free and clear of all liens, encumbrances and other title exceptions other than the exceptions set forth in the Plan, the proposed unit deed and in Schedule A to the Purchase Agreement. These include the mortgages for the construction of the premises and purchase of the land, if any, which will be paid off in full by Sponsor, by the proceeds of the closing to title to the first unit(s) sold. Other matters, which will appear in the title policy as exceptions from coverage unless disposed of prior to the closing or delivery of the policy include: taxes, tax liens, tax sales, water rates, sewer and assessments; any state of facts which an accurate survey may show or survey exceptions and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unremarkable; covenants, conditions, easements, leases, agreement. Searches including judgments, federal tax liens, parking violations, environmental control board liens and transit adjudication bureau judgments against the names of Sponsor as noted in the title report, if any.

The deed will be substantially in the form set forth in Exhibit C contained in Part II of the Plan. There will be no leases, mortgages, liens, encumbrances and title exceptions that will affect the property after closing, nor are there any additional state of facts that would render the title unmarketable.

All risks of loss to the Unit by fire or other casualty prior to the conveyance of legal title of the Unit to the Purchaser is assumed by the Sponsor, without any liability or

obligation by the Sponsor to repair or restore the Unit, unless and until a purchaser takes actual possession of a Unit. Within ten days; (i) the sponsor will notify a purchaser whether or not it will restore a damaged unit; (ii) that any such restoration will be done as promptly as possible and the unit/common elements will be restored to substantially the same condition immediately prior to the casualty and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the Street must have been restored; and (iii) that 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 a reasonable period of time to exercise such right, as discussed elsewhere in the plan. The Sponsor will also be obligated to return any down payment monies to any purchaser if Sponsor elects not to restore a unit after the occurrence of a casualty.

All personal property located within the Unit on the date the purchase agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance unless specifically excepted in the Plan.

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

The declaration, by-laws and floor plans for the Condominium and such other documents, as required by law, will be recorded prior to or contemporaneously with the

first conveyance of title to a unit in accordance with the New York Condominium Act in the Offices of the City Register, County of Kings. All Transfer Taxes shall be paid at closing by the Purchaser of the Unit.

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

UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of the Unit and to be paid at closing are set forth in Exhibit A contained in Part II of the Plan. Fees include but are not limited to: (a) fees and expenses of Purchaser's attorney, if any); (b) mortgage recording taxes (approximately 1.75% to 2.05% of purchaser's mortgage, if any); (c) premiums for mortgage and/or owner's title insurance, which rates are determined by the State of New York and are currently about .38% of the total purchase price for title insurance (fee policy) and .1% of the mortgage amount for the mortgage policy. If the Purchaser elects to obtain fee title insurance, he or she will pay a premium therefore to his or her title insurance company, which will vary depending upon the amount of insurance requested. Each Purchaser is free to obtain title insurance from any title insurance company, The Sponsor makes no representation or warranty as to the cost, terms, or availability of such title insurance; (d) all charges of Purchaser's Lender, if any, including, without limitation, origination and appraisal fees, charges for a credit report and attorney fees (which attorney fees generally do not exceed $1,000) for the Lender; (e) Fees for recording the Deed, Mortgage (if any), Unit Power of Attorney, or other documents (approximately $150.00); (f) Real Estate Taxes and Assessments, if any, including water charges and sewer rents if separately assessed, apportioned as of date of closing; (g) Common Charges for the month in which title closes (there will be no adjustment for such charges if the Unit is conveyed on the date of recording of the Declaration); (h) an amount equal to twice the estimated monthly common charges for the Purchaser's Unit, if any, (see "Working Capital Fund" and "Reserve Fund" below); (i) usual and ordinary adjustments for utilities and fuel, if

any; and (j) New York State and New York City Real Property Transfer Taxes (currently aggregating approximately 1.4% of purchase price for conveyances up to $500,000 or 1.425% for conveyances exceeding $500,000) which transfer taxes are statutorily the primary obligation of a Seller. (k) in addition each purchaser shall be required to pay $750.00 for the condominium map fees, $1,750.00 for Sponsor's attorney's fees, $1,500.00 for legal and filing fees in connection with the application to secure 421A tax exemption benefits, a fee of $2,000 for the formation of the condominium, a $650 fee for the New York City Water Meter connection, and an Automated City Register Information System fee, "ACRIS fee", of real property record information, which will be about $200. Any mortgage tax credit received pursuant to Section 339-ee of the Real property Law or Section 225 of the Tax Law will inure to the benefit of the Sponsor. The above amounts are good faith estimates based on information currently available to the Sponsor. At the closing, Purchasers will normally be required to advance to the Purchaser's Lender, if any, escrow for the reserves for taxes, assessments, water and sewer charges and insurance premiums.

An example of the foregoing estimates is a Unit having a purchase price of $750,000, with respect to which the Purchaser has obtained a typical institutional mortgage in the principal sum of $675,000:

Purchaser's attorney fee.....	$1,000.00
Mortgage recording tax at 2.05%.....	13,838.00
Title Insurance:	
Fee policy - bulk rate.....	2,850.00
Mortgage policy.....	675.00

Searches.....	250.00

Bank fees:

Attorney.....	1,000.00
Appraisal & application etc.....	1,000.00
Origination fee.....	3,000.00
Recording fee.....	500.00
Common charge capital payment.....[2x monthly charge]	
New York City Property Transfer Tax 1.425%.....	11,462.00
New York State Property Transfer Tax.....	3,217.00
Condominium Map fees.....	750.00
Legal fees to Secure tax abatement benefits.....	1,500.00
Fee for the formation of the Condominium (residential units).....	2,000.00
Legal fees to Sponsor's attorney.....	1,750.00
NYC Water Meter installation fee.....	650.00
ACRIS Fee (estimated).....	200.00

Total (without common charge capital payment) $45,642

From and after the closing of title to each Unit, the Purchaser will be obligated for the payment of Common Charges, real estate taxes and assessments, and all other expenses with respect to his Unit whether or not he has taken possession of the Unit, and whether or not all work required to be performed by the Sponsor or anyone else in or to his Unit or to the Building has been completed.

As set forth in Article 6 of the By-laws, if Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Condominium for the six-month period following the closing of title to the first Unit. Alternatively, the Sponsor may place in escrow, in the name of the Board of Managers, and amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from the unit owners to the extent of the actual assessment. Until the units are separately assessed and after assessment, unit owners will be reimbursed for any over payment of taxes or assessed for an underpayment. All adjustments for taxes and other adjustable items shall be apportioned as of midnight of the day prior to the date of closing. Other than the above, and as stated elsewhere in the Plan, no other adjustments will be made between the Sponsor and the Board of Managers.

Until the units have been separately assessed, all post closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes. This plan also provides that Sponsor will deposit its proportional share of real estate taxes with the Board of Managers.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

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

1. Sponsor will endeavor in good faith to sell, in a reasonable timely manner, all residential units to Purchasers for personal occupancy by themselves or their families. The sponsor is not reserving the right to rent units, nor will the sponsor offer any interim leases.

2. The Sponsor will, at its sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the condominium in accordance with the Building Plans and Specifications identified in the offering plan.

he Sponsor reserves the right to substitute equipment or materials and make modifications of layout or design, provided, however, that Sponsor shall not (1) substitute equipment or materials of lesser quality or design; or (2) change the size or location of Building, Units, other improvements, or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners consent in writing to such change and all affected contract vendees are given the right to rescind and receive any deposit or down payment.

3. If a final Certificate of Occupancy and/or any other certificate or authorization required to permit the occupancy of a Unit shall not have been issued at the date of closing of title to such Unit, the Sponsor, and its principals, will obtain prior to the

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

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 only with 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 TCO's and FCO's are issued by the New York City Department of Buildings ("DOB"). A TOC is intended to indicate that the property is safe for occupancy, but means that not all of the constructions work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCO's have an expiration date. A TCO is 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 such TCO received prior to the expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of issuance of the first TOC. However, Sponsor and its principals make no representation or guarantee that DOB will issue a FCO within two such 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. 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

4. If the first closing on a Unit takes place prior to the issuance of a permanent Certificate of Occupancy for the Building, Sponsor shall (1) maintain all deposits and funds in a specially segregated escrow account pursuant to Section 352-e (2)(b) of the General Business Law of the State of New York, unless the Sponsor's architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy, in which case the sum so certified. The amount retained in escrow pending the delivery of a permanent certificate of occupancy and the architect's certificate certifying such amounts will be included in the initial post closing amendment, and, if applicable, in subsequent amendments to reflect any changes in the amount of the escrow, and the use of any alternate security will be

previously disclosed in an amendment to the Plan.

5. Limited Warranty: The Sponsor is providing a Limited Warranty to the Purchaser of a Unit. The full text of the warranty appears in Exhibit E contained in Part II of this Offering Plan, and applies to both the units and common elements as applicable (i.e. concrete and roof structures, machinery).

A. Coverage:

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

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

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

B. Not Covered:

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

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

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

C. Notice:

Buyers must give notice of defects in their home in writing no later

than 30 days after the end of the warranty period.

D. Limitation of the Warranty:

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

This plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the offering plan.

Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and that any conflict between the disclaimers and the sponsor's obligations to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

6. The Sponsor will deliver to the Board of Managers on behalf of Unit Owners an assignment of all assignable warranties and other undertakings received by the Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building except that warranties and undertakings which relate to equipment in individual Units will be delivered or assigned to each applicable Purchaser at or prior to the closing. All such warranties and undertakings will be delivered or assigned by the Sponsor promptly upon receipt by the Sponsor, if received after closing.

7. The Sponsor will pay or cause to be paid all contractors and materialmen and all others involved in the construction and equipping of the Building, for work performed and fixtures, material and equipment supplied or installed in the construction thereof

and will cause any and all mechanics' liens arising out of such construction and equipping to be discharged by bonding or otherwise promptly after the filing of any such liens.

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

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

10. Until title to all Units is passed to bona fide purchasers, the Sponsor will pay such common charges and special assessments and real estate taxes as are assessed by the Board of Managers on Units to which title has not passed, whether built or unbuilt, once a Declaration has been recorded. Sponsor states that it has the financial resources to meet its obligations with respect to any unsold Units. The source of such funding is personal assets. No Bond or other security has been posted to secure Sponsor's obligations

11. Sponsor will initially procure, as reflected in the budget for the first year of Condominium operation, the following coverage: (a) fire insurance with all risk extended coverage for the value of the building; (b) comprehensive general liability. The cost of

such policies is to be reimbursed by the Board of Managers. See Note 7 to Schedule B.

12. In the event of the dissolution or liquidation of the sponsor or the transfer of 10 or more units or 20 percent or more of the total number of units in the condominium, whichever is less, the principals of the sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those units under the offering plan, applicable laws or regulations.

13. Sponsor's construction lender is Banco Popular North Miami, Miami Lakes, Florida. There are no restrictions on the loan with regard to the marketing of the units. The Sponsor will declare the plan effective after bona fide purchasers, including investors, have signed purchase agreements for at least fifteen percent (15%) of the units offered under the plan, or two (2) units. The outstanding loan will be paid off in full with the proceeds of the sale of each unit, so as units are sold the mortgagor will release its lien on the condominium unit being conveyed.

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

15. The Sponsor and its contractors, subcontractors, agents and employees will have the right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder, provided that requests for entry, except in emergencies, shall be made in advance and that any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not

the Unit Owner is present at the time. The Sponsor may require that each Unit Owner shall deliver to the Managing Agent a duplicate key to each exterior lock on such Owner's Unit and provide penalties for each Unit Owner's failure to do so. The Sponsor will be responsible for all damages to any Unit or to the Common Elements resulting from the exercise of such right of access. All repairs and replacements performed by the Sponsor as a result of any such damages will be substantially similar to the original construction and installation and will be of first-class quality. In addition the Sponsor is obligated to repair any damage from a casualty or other cause that occurs prior to the closing of the Purchaser's unit.

The foregoing undertakings set forth the entire obligations of the Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their Purchase Agreements. The Sponsor will be obligated to defend any suits or proceedings arising out of Sponsor's acts or admissions of Sponsor, or representations made by the Sponsor in this plan, and will indemnify the board of managers and the unit owners. 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.

For all purposes under this Plan, the issuance of (a) a final Certificate of Occupancy for the entire Building by the Department of Buildings of the City of New York, and (b) a statement by the Sponsor's Architect to the Sponsor that the Building has been completed substantially in accordance with the Plans and Specifications except for (i) such work in the public portions of the Building and within Units as is customarily or necessarily left incomplete until after occupancy (which work will be

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

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

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

GENERAL

Sponsor agrees to pay Common Charges, special assessments and real estate taxes, and to perform other duties as stated above as a Unit Owner with respect to any unsold unit (for so long as Sponsor owns same). The foregoing sets forth the entire extent of the obligations of Sponsor under this Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of purchasers relative to their units under their respective Purchase Agreements. Sponsor makes no

warranties other than as set forth in this section. The obligations of Sponsor, all representations under this offering plan, all obligations pursuant to the General Business Law, and such additional obligations under this offering plan which are to be performed subsequent to the closing date will survive delivery of the deeds to the respective units.

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

Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units.

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

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

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

CONTROL BY THE SPONSOR

The initial period of Sponsor's Control of the Board of Managers of the Condominium will be subject to the following and the Sponsor will retain control of the Board of Managers in the following manner:

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

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

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

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

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

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

Subject to the provisions for control by Sponsor set forth herein, from and after the holding of the first annual meeting of Unit Owners, the Board of Managers shall consist of three persons elected by Unit Owners. After such time the Sponsor will designate as members each Purchaser as and when the title to each Unit closes. Within one year after the date on which closing of title to the first Unit, the Sponsor shall call the first annual meeting of the Unit Owners for the purpose of electing the Board of Managers. Except for Board Members initially designated by the Sponsor as the first Board of Managers, all subsequent members of the Board of Managers must be Unit Owners. All Board members shall serve without compensation. No officer who is also a member of the Board of Managers shall receive any compensation for acting as an officer. Sponsor will not retain voting control over the Board of Managers or veto power over expenditures described in Schedule B, or expenditures required to comply with applicable laws or regulations, or to remedy any notice of violation or to remedy any work order by an insurer for more than two years after closing of the first Unit or after sale of two Units, whichever is sooner.

BOARD OF MANAGERS

Board of Managers

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

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

Upon the affirmative vote of a majority of all the members of the Board of Managers, any officer may be removed, either with or without cause, and a successor may be elected or appointed, as the case may be, at any regular meeting of the Board of Managers or at any special meeting of the Board of Managers called for such

purpose.

Powers and Duties of Board of Managers

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

Meetings and Votes of Unit Owners.

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

At all meetings each Unit owner (or his proxy) entitled to vote thereat (including the Sponsor with respect to Units owned by the Sponsor) shall be entitled to cast one

vote. Cumulative voting shall not be permitted.

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

The duties of the principal officers are as follows:

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

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

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

Insurance. The Condominium Board is required to obtain and maintain to the extent obtainable, (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or supplied or installed by the Unit Owner), together with all service machinery contained therein and covering the interests of the Condominium, the Board

of Managers and all Unit Owners and certain of their mortgagees, as their respective interests may appear; (b) Workmen's Compensation and New York State disability benefits insurance, if and to the extent necessary to meet the requirements of law;

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

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

Any insurance maintained by the Board of Managers may provide for such deductible amounts as the Board determines. The premiums for all insurance referred

to above shall be a Common Expense.

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

Repairs of Common Elements.

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

Repairs or Reconstruction after Fire or Other Casualty.

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board of Managers will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or

supplied or installed by the Units Owner). In such event Unit Owners may be assessed for deficits, if any, in insurance proceeds.

If three-fourths or more of the Building is destroyed or substantially damaged and if the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall become subject to an action for partition at the suit of any Unit Owner or Mortgagee pursuant to Section 339-cc of the Condominium Act, in which event the Property will not be repaired and net assets of the Condominium, together with the net proceeds of insurance policies, if any, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such fund, such amounts as may be necessary to discharge all unpaid liens on his Unit in the order of the priority of such liens.

Liability of Board of Managers and Unit Owners

Every contract made by the Board of Managers or by any Managing Agent shall state that (a) it is made only as agent for all Unit Owners and such Board members or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) except as otherwise determined by the Board of Managers in its sole and absolute discretion, such Unit Owner's interests in his Unit. Board members and officers shall have no liability to Unit Owners for errors of judgment, negligence or otherwise except that a Board member or officer shall be liable for his own bad faith or willful misconduct.

All Unit Owners shall severally, to the extent of their respective interests in their Units, indemnify each Condominium Board member or officer against any liability or claim except those arising out of his own bad faith or willful misconduct. The Board of Managers may contract or effect any other transactions with any Board member, any officer, any Unit Owner or the Sponsor or any affiliate of any of them without, except in case of bad faith or willful misconduct, incurring any liability for self dealing.

Reports to Unit Owners

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

Amendments to Condominium Documents

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

requires the approval in writing of the Unit Owner of every Unit and their respective Mortgagees.

The By-laws may also be amended by the vote of 80% in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held for such purpose, except that (1) Article 8 of the By-laws, which pertains to rights of Mortgagees, may not be amended without the written consent of each Mortgagee.

Procedures to Review Real Estate Tax Assessments

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

Partition of Common Elements

The Common Elements cannot be divided or partitioned except as provided in the Condominium Act.

Accumulation of Reserves for Capital Replacements

The Board of Managers is authorized to adopt a budget for the Unit Owners including allocating those amounts necessary to pay the cost of maintenance, management, operation, repair, and replacement of the Common Elements and those parts of the Units which the Board of Managers is obligated to maintain, repair and replace. Such budget shall include such reasonable amounts as the Board of Managers considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. Any amount accumulated in excess of the amount

required for actual expenses and reserves shall, if deemed advisable to the Board of Managers, be either distributed to the Unit Owners in accordance with their Common Interests or credited to the Unit Owners' next monthly installments due, until exhausted. If reserves shall be inadequate for any reason the Board of Managers may at any time levy a further assessment, as provided in Section 6 of the By-laws.

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

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

SALE AND LEASING OF UNITS

Normally a Unit Owner may sell, lease or mortgage his Unit without any restriction on such right, except as set forth in Article 8 Section 8.2 of the Bylaws contained in Part II of the Plan, which states that the Unit Owner must first have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit. It must be noted, however, that under this plan the Residential Units will be subject to a Right of First Refusal in favor of the Board of Managers. Such Right of First Refusal generally allows the Board of Managers the first option to purchase or lease a Unit upon the same terms and conditions as may be offered by a third party. The Right of First Refusal is set forth at length at Article 7.2 through 7.5 of the Bylaws.

Pursuant to the By Laws, the Board of Managers will notify a Unit Owner within twenty (20) business days of the date the Unit Owner gave notice to the Board of Managers must exercise its right of first refusal within said twenty (20) business days, otherwise the Unit Owner may proceed with the intended sale within 120 days of the date of either the Board's refusal or the expiration of the twenty (20) business days. Funds raised for the acquisition and maintenance of a unit by the Board of Managers will be done through obtaining a mortgage, or through investors interested in the purchase of the unit for lease or ownership. The unit will be used for residential purposes only. The unit will be sold in the manner set forth above and the proceeds

thereof will be returned to the investors or used to pay off the mortgage on the Unit. In exercising its right the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or any other ground prohibited by law.

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

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

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

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

(3) Nothing shall be altered or constructed or removed from the Common Elements by a Unit Owner (other than a Unit Owner's personal property) except upon

prior written consent of the Board of Managers. The common Elements cannot be divided or partitioned except as provided in the Condominium Act.

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

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

(5) No Condominium Unit shall be rented or leased for transient or hotel purposes or in any event for any period less than six months. No portion less than 100% of a Condominium Unit shall be leased for any period. No Unit Owner shall lease a Condominium Unit other than on a standard form of lease approved by the Board of Managers and pay a $250 registration fee, which standard lease shall provide that any failure of the lessee to comply with the Declaration or the Bylaws shall be a default under such lease. Each Unit Owner shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Managers in accordance with

Article 7.2 of the Bylaws. The foregoing provisions of this subparagraph shall not apply to the Sponsor or to a Mortgagee in possession as a result of a foreclosure or other judicial sale or as a result of any proceeding or transfer in lieu of foreclosure, during the period of such Mortgagee's possession.

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

(7) The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, except for a domestic pet, shall be and is prohibited within any Unit or upon the Common Elements. A Unit Owner wishing to obtain or keep more than one domestic pet must first seek approval from the Board of Managers.

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

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

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

(11) No one shall be allowed to enter the roof area. The roof area may only be

access by building management.

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

Common Charges: Determination and Assessment

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

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to the Unit Owners to meet such expenses. The Board of Managers shall have the right to accumulate reserves for capital expenditures and include such items in the budget. The Board of

Managers will furnish copies of each budget, on which common charges are based to all Unit Owners, and advise such Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board of Managers, Common Charges will be payable monthly in advance on the first day of each month. The Sponsor has established common charges as set forth in Schedule B contained in this Plan and has divided such charges according to each Unit Owner's percentage of interest in the building. Assessments to Unit Owners will also be established based on each Unit Owner's percentage of interest set forth in Schedule A.

Common Charges: Collection and Lien for Non-Payment

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

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

Managers will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

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

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other

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

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

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

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Board of Managers. This

provision does not apply to the Sponsor or its designee until a deed to the Unit affected has been delivered to the Purchaser thereof.

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

Insurance Coverage

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

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

(2) Workmen's Compensation insurance and New York State disability benefits insurance, if and to the extent necessary to meet the requirements of law; and

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

The Board of Managers shall obtain and maintain, to the extent obtainable, public liability insurance for bodily injury and property damage (including, with regard to the Board of Managers and the Managing Agent, if any, libel, slander, false arrest,

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

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

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

The cost of all insurance purchased by the Board of Managers pursuant to Section 5.4 of the Bylaws shall be a Common Expense to be payable by the Unit

Owners and included in the monthly maintenance.

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

Separate Insurance

Each Unit Owner shall have the right, at such Owner's expense, to obtain casualty and liability insurance coverage upon personal property, and for personal liability and theft; provided that no Unit Owner shall be entitled to exercise such right so as to decrease the amount which the Board of Managers, on behalf of all Unit Owners, may realize under any insurance policy on the Property or to cause any insurance coverage maintained by the Board of Managers to be brought into contribution with such additional insurance coverage obtained by a Unit Owner. Notwithstanding anything to the contrary herein contained, so long as the Sponsor controls the board, the insurance obtained by the condominium must at a minimum conform to the requirements of the Department of Law.

Rights of Access

As more fully set forth in Article 5.9 of the Bylaws, the Board of Managers, any

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

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

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

Each Unit Owner must strictly comply with the provisions of the Declaration, Bylaws and the Rules and Regulations made in accordance therewith. Failure to comply is grounds for an action for damages or injunctive relief, or both. The Bylaws will be recorded with the Declaration in the Office of the City Register, Kings County.

REAL ESTATE TAXES AND

TAX STATUS OF THE CONDOMINIUM

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

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

Deductibility of Real Estate Taxes and Interest.

As described in the section of the Plan entitled "Introduction", real estate taxes will be assessed separately against each Unit. A Unit Owner who itemizes deductions for federal income tax purposes will be entitled to deduct real estate taxes paid by him or her with respect to such assessment. Furthermore, a Unit Owner who itemizes deductions for federal purposes will also be entitled to a deduction for interest paid on any indebtedness incurred to acquire his or her Unit.

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

Tax Treatment of the Condominium.

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

Tax Exemption and Abatement Benefits

The Sponsor has applied for tax exemption under Section 421A and ICAP of the New York State Real Property Tax Law to the City of New York Department of Housing, Preservation and Development and is in receipt of the Preliminary Certificate of Eligibility from the Department of Housing Preservation and Development for the residential portion of the building.

Sponsor has fifteen 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, sponsor is obligated to register units in the building as rent-stabilized as they become occupied. This exemption provides for a fifteen year partial tax exemption program for the residential units and community facility space, applicable to multiple dwellings constructed in New York City under certain limited conditions for developments where construction commences after July 25, 1978. If required, a final exemption will be applied for by the Sponsor at least sixty (60) days prior to initial occupancy of a Unit. The Sponsor will in any event file all necessary papers to secure final approval and the Sponsor will use its best efforts to obtain the section 421-a and ICAP tax abatement benefits. The property on which the building is to being constructed is not located within the statute's geographic exclusion area and therefore does not need to provide affordable housing for eligibility, nor is there a restrictive declaration concerning affordable units recorded in the property records. Since the building contains fewer than fifty residential units building service employees do not have to be paid at the prevailing wage for the duration of the building's tax exemption per the New York City Real Property Tax Law.

The real property tax for the Residential Units for the first year of Condominium operation assuming exemption under Section 421-a has been calculated, based upon the New York City Department of Finance's recommendation, and disclosed in a letter adopted by Sponsor's counsel, by Moseson and Associates, 769 Empire Avenue, Far Rockaway, New York, a firm that specializes in obtaining tax abatement benefit, by taking a tax rate of 19.191% of the preconstruction assessed value of the property,

$41,448. The estimated amount of real estate tax for the condominium for the tax year is $7,795. The monthly amount ($650) is then multiplied by each Unit's percentage of common interest in the Condominium Property, as reflected in Schedule A. If tax exemption benefits are not received, the annual taxes assuming no abatement will be $153,900 ($12,825 monthly), using a 12.892% tax rate on the post construction assessed value of $31,193,763.50, and are also set forth in Schedule A. The real property tax for the first year of Condominium operation, for the community facility spaces, assuming exemption under Section ICAP has been calculated, based upon the New York City Department of Finance's recommendation, by taking a tax rate of 19.191% of the preconstruction assessed value of the property. The estimated amount of real estate tax for the condominium for the tax year is $7,955. The monthly amount ($663) is then multiplied by each Unit's percentage of common interest in the Condominium Property, as reflected in Schedule A. If tax exemption benefits are not received, the monthly taxes assuming no abatement will be $40,164 annually ($3,347 monthly), using a 12.892% tax rate on the post construction assessed value of $311,542.04, also set forth in Schedule A. The actual assessed valuation will be completed using tax rates of 2017/2018, as the anticipated date of completion of construction in May 2017.

It should be noted that tax assessment allocation of common interest for the real estate tax amounts differs from the allocation of interest in the common charges for the condominium. The percentage of interest for real estate taxes was calculated by taking the total residential portions square footage and the total community facility portions square footage and dividing each units square footage into the separate tax amount

furnished for the residential and community portions of the building.

All documents and information required by the "HPD", in connection with securing tax abatement benefits will be made available whenever requested.

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

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

The tax exemption program provides that while the taxes on the property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are partially exempted for the first fifteen (15) years for the residential units or twenty five (25) years for the community facility units (plus the period of construction). After the end of the exemption period, the Units will be subject to regular real estate taxes in accordance with the rates then in effect in the City of New York.

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

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

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Unit Owner, the result of the tax exemption program will be to give each individual Unit Owner the full benefit of the tax exemption program. The Sponsor will obtain individual tax lots for each Residential Unit, and Sponsor does not anticipate any delay in obtaining separate assessments by the tax assessors. After the units are separately assessed, each unit will be taxed as a separate tax lot for real estate tax purposes and the unit owner will not be responsible for the payment of, nor will be subjected to any lien arising from non-payment of taxes on other units. If the units have not been separately assessed for real estate tax

purposes prior to the closing of title to the first unit, the sponsor will prepay the tax bill to the City of New York for the entire condominium property until the end of the tax year, and collect each unit's proportionate share from the unit owner at the time of the closing. Each Unit's proportionate share will be calculated based on the percentage of common interest allocated to the Unit. The provisions of the by-laws applicable to the review of real estate tax assessments can be found under article 6 contained in Part II of the Plan.

The Sponsor anticipates that the real estate tax rate will increase in future years rather than remain constant as assumed in the example set forth below based on the current abated tax amount set forth in Schedule A. In addition, prospective purchasers are advised that the City of New York has not yet actually assessed the Units in the Condominium. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available to the Sponsor at this time. In no event will the Sponsor or the Sponsor's Counsel be liable if the actual taxes assessed differ from the example provided.

Example: Current annual taxes assuming abatement for the residential units and community facility space are estimated at $7,955. This will be the tax on the property for the first eleven (11) years of Condominium Operation. After this period the taxes will increase by twenty percent over the remaining four (4) years. Annual taxes will be as follows:

Year	Tax Amount
12th year	$ 9,546.00

13th year	$11,455.20
14th year	$13,746.24
15th year	$16,495.88

Currently there are no tax certiorari proceedings pending

S. SETH YAVNE
ATTORNEY AT LAW
3407 AVENUE K
BROOKLYN, NEW YORK 11210
718-253-9181

COUNSEL'S TAX OPINION

February 1, 2017

512 Avenue N LLC
3858 Nostrand Avenue
Brooklyn, New York 11235

Re: Azrad Condominium Association, 1404 Ocean Parkway, Brooklyn, New York

Dear Sir:

You have requested our opinion with regard to certain Federal, New York State and New York City income tax matters relating to a person ("Unit Owner") who purchases a condominium unit ("Unit") under the plan.

I. In connection with this opinion, we have reviewed the Plan including the exhibits hereto, including, but not limited to, the opinion of Moseson and Associates, regarding the eligibility of the property for 421 (a) tax abatement, and such other documents as we considered necessary for the purposes of this opinion.

II. The opinions expressed herein are based upon the assumptions that the Plan becomes effective and is consummated in accordance with its terms and condominium ownership of the property is validly established. The opinion expressed herein is also based upon the assumptions that the project is eligible for tax abatement as stated in the opinion of Moseson and Associates, which we have expressly adopted. All terms not otherwise defined herein shall have the same meanings ascribed to them in the Plan

III. Tax Deductions for Unit Owners

Under the Plan:

1. a Unit Owner will receive legal title in fee simple to the unit coupled with ownership of an individual interest in the land and appurtenances and all other parts of the Property held in common with other Unit Owners (the "Common Elements").
2 each Unit will be a separate tax lot for the purposes of the New York City real estate tax, and the Unit Owner will be directly liable to the City for the real estate tax assessment with respect to his Unit; but not with respect to any other Unit.
3 Subject to certain restrictions as to form, a Unit owner my mortgage his unit as he wishes and will be individually liable for payment of principal and interest on such mortgage but the Unit will not be subject to the lien of any mortgage placed on other Units; and
4 a Unit Owner may separately transfer his Unit subject, with certain exceptions, to certain rights of the Condominium Board.

Accordingly, it is our opinion that a Unit Owner who itemizes deductions will be entitled to deduct, for Federal income tax purposes, real estate taxes assessed against his Unit as well as interest on any mortgage indebtedness secured by his Unit.[1] See Sections 163 (interest) and 164 (taxes) of the Internal Code of 1954, as amended (the "Code"); Revenue Ruling 64-31, 1964-1 (Part 1) Cum

1. However the internal revenue Code of 1986, as amended, provides that if the Unit Owner has more than two (2) residences, he/she will not be able to deduct his/her interest of his/her condominium unit loan. See section "Taxes: Deductions to Unit Owners and Tax Status of the Condominium"

Bull. 300.[2] These expenses will be deductible when paid or accrued in accordance with the Unit Owner's method of accounting. In addition to the interest and real estate tax deductions discussed above, a Unit Owner who uses all or part of his Unit in the conduct of his trade or business or for the production of income may deduct a portion of common charges allocable to such use. Each such Unit Owner will be entitled to deduct cost recovery on his Unit (similar to depreciation), computed separately and based upon the cost of his Unit (see Code Section 1012). Such deduction may be determined under Code Section 168 by using the straight-line method or under ACRS tables which approximate the use of 175% declining balance method, switching to straight-line recovery in later years. The excess of accelerated cost recover deductions over deductions computed using the straight-line method is an item of tax preference and may result in Unit Owners incurring alternative minimum tax. The amount of permitted deductions have been modified by the Internal Revenue Code 1986. The deduction of Common Charges is limited to that portion which does not exceed the Unit Owners' share of expenses paid or incurred through the Condominium and which would constitute trade or business expenses under Code Section 162 or would constitute expenses for the production of income under Code Section 212, if they were paid directly by the Unit Owner. Common Charges may exceed the deductible amount to the extent that Common Charges are used by the Condominium Board to finance capital expenditures or reserves. The amount used to fund capital expenditures or reserves are not deductible and must be capitalized by Unit Owners, increasing the basis in the Unit and thus the cost recovery deduction available for that Unit.

II. Tax Treatment of Condominium and Board of Managers

Under the Plan, the Condominium, via the Board of Managers, will determine, assess to, and collect from, all Unit Owners, in proportion to their respective Common Interests, the Common Charges to pay the costs and expenses of operating, repairing and maintaining the Common Elements.

The tax status of the Condominium Board is uncertain and turns upon whether the Condominium Board is treated as a mere conduit for Unit Owners or as an association taxable as a corporation. If the Condominium Board is deemed to be the conduit for the Unit Owners, all income of the Condominium, such as investment income earned on interim investments or rent on any Unit it acquires, less the applicable expenses of earning such income, will be deemed income to the Unit Owners and taxable to them. However, Common Charges will not be considered income to the Condominium Board.

The Service, however, may take the position that the Unit Owners, acting through the Condominium Board, constitute an association taxable as a corporation (an "Association")[3] because of, e.g.:

(1) the Board's centralized management powers over the Building;

(2) the attempt to limit contractual liability of Unit Owners, for the contracts entered into by the

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2 The New York State and City tax laws incorporate by reference Federal itemized deductions in regard to resident individuals (see N.Y. Tax Law Section 615; N.Y.C. Admin Code Section T46-115.0) and for corporations (see N Y Tax Law Section 208.9; N Y C. Admin. Code R46-2.0.8) Hence, all Federal authorities hereinafter referred to should, for the most part, apply under the New York State and/or City income tax statutes and to the extent that deductions are permitted for Federal tax purposes, they will be permitted for New York State and New York City tax purposes It should be noted, however, that (i) for New York State and New York City income tax purposes, the interest and real estate tax deductions discussed herein may be reduced for a taxpayer who has certain specified items of tax preference (see N.Y. Tax Law Section 622; N.Y C. Admin. Code Section T46-122 0); and (ii) for Federal income tax purposes, a Unit Owner may be liable for an alternative minimum tax based upon certain deductions taken (including interest on mortgages) (see Section 55 of the Internal Revenue Code) New York State also imposes a minimum tax based on certain Federal tax preference items including adjusted itemized deductions See N Y Tax Law Sections 601-A and 622

3 If such an association were found to exist, it is our view that it would not constitute a tax exempt organization under Section 501[c] as an organization operated exclusively for the promotion of social welfare (cf. Rev. Rul 74-99, 1974-1 Cum. Bull. 131)

Condominium, to the Unit Owners' proportionate share of such liability in accordance with their common interest in the entire Condominium; and

(3) the possibility of perpetual life. (See Treas. Reg. 301.7701-2, and discussion in Shapiro, Commercial Condominiums: Tax Considerations for Unit Purchasers and the Association, 41 J. TAXATION 204, 206-08 (Oct. 1984) and Wolitzer, Condominium -- Organization, Taxes and Accounting, XL N.Y.C.P.A. 893, 899-900 (Nov. 1970).)

If the Condominium were treated as an association taxable as a corporation it would be subject to Federal income tax on the excess of the portion of its receipts including Common Charges and laundry concession income which is deemed to constitute gross income over any deductible expenses.

To the extent that any portion of the Common Charge receipts is segregated and used to finance specified capital expenditures or reserves, said portion may be excluded from gross income of the Association. (See Rev. Rul. 74-563, 1974-2 Cum. Bull. 38; L.R.B. 1974-47.6; and Lake Petersburg Ass'n v. Commissioner, 33 CCH Tax Ct. Mem. 259 (1974).) In such event, the Unit Owners might be required to pay further Common Charges to fund the Federal income tax liability of the Association. Any such Common Charges would probably be deemed to constitute additional gross income to the Association -- upon which further Federal tax would be owing. See Old Colony Trust Co. v. Commissioner, 279 U.S. 716 (1929), and cf. Rev. Rul. 74-75, 1974-1 Cum. Bull. 19.

In an effort to resolve the above uncertainty, Section 528 was added to the Code, pursuant to which the Condominium Board may, if qualified, elect to exclude from income the Common Charges payable by Unit Owners. (New York State and New York City have not adopted a similar statute.) This exemption is available to the Condominium Board only if:

(i) 60% or more of the gross income for the taxable year is received as fees or assessments from owners of Units ("Exempt Function Income"); and

(ii) 90% or more of the expenditures for the taxable year are for management, acquisition, maintenance and care of the Common Elements.

(iii) No part of the net earnings may inure to the benefit of any private individual except through the rebate of excess assessments or indirectly through the acquisition, management and maintenance of association property.

A Condominium meeting the requirements of Section 528 of the Code and electing to be exempt from federal income tax on exempt function income would be taxable at corporate rates, with some minor modifications, on the amount by which its non-exempt function income exceeds the amount of allowable deductions which are directly connected with the production of such income.

It is our opinion that the Condominium will meet the requirements for election of Section 528 during its first year of operation. Thus the Condominium may make such election during the first year if it is advantageous. However, since the requirements for election under Section 528 are applied annually it cannot now be determined whether the Condominium may elect Section 528 treatment in any subsequent tax year.

We 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 explicitly discussed in this opinion. Nor

do we express any view as to the tax status and tax consequences of the Plan under the laws of any other U.S. or foreign jurisdictions. This opinion does not deal with tax consequences which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Condominium Board or with respect to whether a Unit Owner may be deemed a resident of New York City due to ownership of a Unit. We therefore strongly advise each person contemplating the purchase of a Unit to consult his own tax advisor as to all such tax matters (including the tax matters discussed in this opinion).

We make no warranty that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of The City of New York will accept any or all of the views stated above. Moreover, the Federal, State and City tax laws and regulations (and the rulings and decisions thereunder) may change and thereby affect, in whole or in part, the views stated above.

We consent to the incorporation of this opinion in the Plan.

Very truly yours,

S. Seth Yavne

IN OUR OPINION, EACH UNIT OWNER WILL BE ENTITLED TO INCOME TAX DEDUCTIONS AS DESCRIBED ABOVE. HOWEVER, THIS OPINION IS NOT A GUARANTEE; IT IS BASED UPON EXISTING RULES OF LAW APPLIED TO THE FACTS AND DOCUMENTS REFERRED TO ABOVE. NO ASSURANCES CAN BE GIVEN THAT THE TAX LAWS UPON WHICH COUNSEL BASE THIS OPINION WILL NOT CHANGE. IN NO EVENT WILL THE SPONSOR, THE SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD, THE SELLING AGENT OR ANY OTHER PERSON BE LIABLE IF THERE ARE CHANGES IN THE FACTS ON WHICH COUNSEL RELIED IN ISSUING THIS OPINION, OR IF THERE ARE CHANGES IN THE APPLICABLE STATUTES, REGULATIONS, DECISIONAL LAW OR INTERNAL REVENUE SERVICE RULINGS ON WHICH COUNSEL RELIED WHICH CAUSE THE CONDOMINIUM TO CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR THE NEW YORK STATE TAX LAW, AS AMENDED.

Moseson & Associates Corp.
769 Empire Avenue
Far Rockaway, NY 11691
Telephone (718) 327-5779
Fax (718) 327-5737

512 Avenue N, LLC
3845 Bedford Avenue
Brooklyn, NY

August 16, 2016

RE: 12 Residential Condominium Apartments & 1 Community Facility & 8 Parking Spaces
Located at 1404 Ocean Parkway, Brooklyn, NY
Block: 6587 Lot: 10

Dear Sir:

You have requested me to advise you with respect to the applicability of The City of New York's program for partial real estate tax exemption under Section 421-a of the Real Property Tax Law and the procedure therefore.

You and your architect have represented to us that:

1. You have commenced construction on the site of the building based on approved new building permits issued by the Department of Buildings of the City of New York before June 14, 2015.

2. Upon completion of construction, the Buildings will be classified as multiple dwellings pursuant to the Multiple Dwelling Law.

3. The site was unimproved 36 months prior to the commencement of construction (as defined in the site requirements of section 2.5 (1) (a) of the regulations).

4. The building will be substantially used for dwelling purposes for a period of at least twenty five years following its completion.

5. Construction of the buildings will be completed on or before June 13, 2018.

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

7. Upon completion, the project will consist of 12 family residential condominium apartments & 1 Community Facility & 8 Parking Spaces

CONCLUSION

Based solely on these representations, and if (i) the building is constructed substantially in accordance with the plans and specifications approved by the New York City Department of Buildings and comply with the requirements of section 421-a, the Regulations and HPD, and HPD is notified of any modifications to the plans for the building or the "sell-out" price; (ii) HPD determines that the property was "underutilized" (pursuant to the provisions of section 421-A) 36 months prior to commencement of construction; (iii) a Preliminary Certificate of Eligibility is issued by HPD after commencement of construction and prior to the issuance of a temporary Certificate of Occupancy; ; (iv) temporary Certificate of Occupancy for all of the residential areas of the building or permanent Certificates of Occupancy for the building are issued and filed with HPD no later than six months after an application for a Final Certificate of Eligibility is filed with HPD, or prior to June 14, 2018 which ever is earlier; (v) a copy of such Final Certification and of the temporary or permanent Certificate of Occupancy for the residential units is filed with the New York City Department of Finance after the issuance of such Final Certificate of Eligibility; and (vi) there is no change in Section 421-a, the Regulations and decisional law, the Building should be eligible for the partial real estate tax exemption provided under Section 421-a.

The residential units of the condominium should be entitled to Section 421-a tax benefits under present law. Generally, for predominantly residential buildings, under section 421-a, maximum of 65,000 in assessment value per residential unit of the property resulting from the improvement thereon (i.e., the assessed value above the pre-construction assessed value) is exempt from taxation during construction and during the eleven (11) years following the first taxable status date immediate 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 addition 20% for each of the succeeding years. Following the fifteen (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.

The total residential assessed value of the property (i.e. the aggregate assessment of all residential units) following completion of construction is estimated to be approximately $1,193,763.5 Using the foregoing estimate of assessed value upon completion assuming completion to be on or before Dec. 30, 2018 and assuming the tax rate remains the same as the current rate (i.e., $12.892 per $100 of assessed value based on tax class 2 assessment for 16/17 tax year) during the 15 year abatement period and upon completion of construction, and using a pre-construction assessed value of the property of $41,448 multiplied by 19.191% 13/14 class I tax rate then the estimated real estate taxes for the residential units with the 421-a abatement will be $7954.28 plus any equalization increases that are assessed above the amount exempt after the first tax year. If for any

reason the 421-A are not granted then upon completion of construction real estate taxes for the residential portion will be estimated to be $153,900
(i.e., tax class II 16/17 tax year #12.892 per $100% of assesses value) Upon completion of the 15 year tax exemption the estimated real estate tax for the residential portion will be $153,900 plus equalization increase. The estimate of exemption is based on the gross amount of units in the building, however the actual exemption will be prorated to the percent of common interest and the percent each unit occupies You are advised that this projection is an estimate as it is unlikely that the post-construction assessed value or tax rate will remain constant for the 15 year section 421-A exemption period. Thus, the actual assessment and real estate tax for each residential unit may be more or less than the residential unit's proportionate share of the total assessment and tax amount shown. If any of the foregoing requirements or conditions, however should not be met to the satisfaction of HPD, or if any of the foregoing representations should prove to be inaccurate, then, unless the regulations are modified to remove or change any requirement or condition that is not met, the building would not qualify for the partial real estate tax exemption provided under Section 421-a.

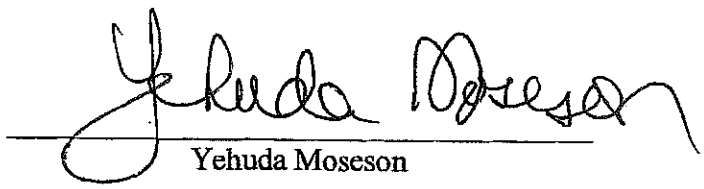
The total commercial assessed value of the property (i.e. the aggregate assessment of all commercial units) following completion of construction is estimated to be approximately $311,542.04 and using a pre-construction assessed value of the property of $41,448 multiplied by 19.191% 13/14 class I tax rate then the estimated real estate taxes with the ICAP abatement will be $7954.28. During the 15 year abatement period & equalization increases. If for any reason the ICAP are not granted then upon completion of construction real estate taxes will be estimated to be $40,164 (i.e., tax class II 16/17 tax year 12.892 per $100% of assesses value) Upon completion of the 15 year tax exemption the estimated real estate tax will be $41,448 plus equalization increases.

The estimate of exemption is based on the gross amount of units in the building, however the actual exemption will be prorated to the percent of common interest and the percent each unit occupies. You are advised that this projection is an estimate as it is unlikely that the post-construction assessed value or tax rate will remain constant for the 15 year section 421-A exemption period . Thus, the actual assessment and real estate tax for each residential unit may be more or less than the residential unit's proportionate share of the total assessment and tax amount shown. If any of the foregoing requirements or conditions, however should not be met to the satisfaction of HPD, or if any of the foregoing representations should prove to be inaccurate, then, unless the regulations are modified to remove or change any requirement or condition that is not met, the building would not qualify for the partial real estate tax exemption provided under Section 421-a.

We have been retained by you to undertake the procedures outlines in this letter and consent to the inclusion of this letter in any offering plan with respect to the project. We make no representations and express no opinion as to whether or not any or all of the requirements and conditions set fourth herein will be fulfilled.

Although the estimate of the post-construction Actual Assessed Valuation is a good faith estimate, it is not possible to estimate it with any degree of certainty, and thus such assessed valuation when actually made, may be lesser or greater than as estimated. In no event will my firm, the Sponsor, the Sponsors' counsel, the Condominium Board or any other person be liable if the assessed valuation when actually made is lesser or greater then predicted, Administrative Code and the applicable rules and regulations of the City of New York are in the future changed or if the facts as represented to my firm prove to be untrue.

As officer of Moseson & Associates a real estate tax consulting firm, I have represented homeowners, real estate developers, attorneys and corporations since 1989 in dealings with the NYC Department of Housing Preservation and Development. I specialize primarily in obtaining Section 421a, 421b,ICIP & J51 tax abatement for my clients.



Yehuda Moseson

REPLACEMENT RESERVE FUND

The Sponsor has established a replacement reserve fund in an amount $2,892, which represents 10% of the total budget, which will be payable by all of the unit owners, and sponsor owned or controlled units, annually as a common expense. This fund may only be used for capital expenditures with funds being available after the first annual meeting of the unit owners. It is the sponsor's opinion that the reserve fund will be sufficient to pay for the replacement of capital items likely to be needed within the first five (5) years of condominium operation. While the Sponsor is in control of the Board of Managers the reserve fund may not be used to reduce the cost of common charges for any Unit under the control of Sponsor. Also while Sponsor is in control of the Board of Managers the reserve fund may not be used to reduce projected common charges.

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

WORKING CAPITAL FUND

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

The Board of Managers shall not use these funds to reduce the cost of common charges for any Unit under the control of Sponsor. Also while Sponsor is in control of the Board of Managers the working capital fund may not be used to reduce projected common charges, nor will the fund be used for net closing adjustments in favor of the Sponsor.

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

MANAGEMENT AGREEMENT

For the first year of condominium operation the Sponsor will act as managing agent in managing all of the affairs of the condominium at no charge to the unit owners. Over time the Sponsor and the Board of Managers may opt to engage the services of an outside firm. If engaged, costs thereof will be shared by all of the unit owners as a common expense. The costs for the managing agent may be no more than fifteen (15%) percent of the current budget or $6,400. At the first meeting of the Unit Owners it will be decided if Sponsor, for a fee, should continue as Managing Agent or the Unit Owners may choose to self manage the condominium. The Board of Managers reserves the right to cancel any agreement with any Managing Agent with or without cause on at least sixty (60) days notice. The management agreement cannot be assigned by the Managing Agent. Although this is the Sponsor's first time acting as Managing Agent, Sponsor's principals have been actively involved in the construction and management of many properties located in Brooklyn, New York, and all of the principal's have experience in Real Estate and/or Construction. The members of the Sponsor's principal's have in the past formed associations, with member's responsible for performing all of the duties required by the managing agent. Generally, they will relinquish their rights as managing agent at the first meeting of the unit owners.

The Sponsor acting as Managing Agent, will hire and supervise all employees; arrange for the maintenance, repair and up-keep of the building; comply with all ordinances and regulations. It will negotiate all contracts for utilities, fuel, security, if any, etc.; purchase all needed supplies and equipment; recommend proper insurance coverage; check all bills and work orders; bill and collect common charges and other

charges; attend to complaints; cooperate with the Board of Managers' accountant; and in general do all things necessary for the proper management of the building. The Managing Agent will also retain a certified public accountant to maintain the Condominium's books and records and to prepare annual financial reports and tax statements for the Condominium, said statements to be furnished to Unit Owners by the Board of Managers. The Board of Managers will reimburse the managing agent for any expenses occurred or to indemnify the managing agent against liability for acts performed by it pursuant to the agreement. There will be no restrictions on assigning the management agreement.

IDENTITY OF PARTIES

Sponsor: Sponsor, 512 Avenue N LLC, a limited liability corporation located at 3858 Nostrand Avenue, Suite 203, Brooklyn, New York 11373, has never taken part in any public offerings of real estate in the State of New York, nor has Sponsor ever taken part in any syndication's of securities, or investments in real estate, including limited partnership interests or private or public offerings of cooperative interest in realty, including condominiums, in the State of New York. Sponsor's principal, Yaacov Azrad is a successful entrepreneur in the retail leather industry. He became interested in real estate development about six years ago. To date he has taken part in the following public offerings of real estate in the State of New York: that of the Kings Condominium, CD10-0114, through the limited liability corporation, 2113 Kings Highway LLC, located at 2113 Kings Highway, Brooklyn, New York, accepted for filing on July 30, 2010 and the Neilson Condominium CD12-0118 through the limited liability corporation 10-30 Neilson Street LLC, located at 10-30 Neilson Street, Queens, New York, accepted for filing in 2012, the Levkov Residences Condominium, CD13-0050 through the limited liability corporation 1823 Quentin Road LLC, located at 1686 East 19th Street, Brooklyn, New York accepted for filing on September 3, 2013, the Levkov Estates Condominium, CD14-0154 through the limited liability corporation 1924 Ocean Avenue LLC, located at 1924 Ocean Avenue, Brooklyn, New York, accepted for filing on December 31, 2014, the 1756 Ocean Avenue Condominium, CD14-0393 through the limited liability corporation Jacobs Condos LLC, located at 1756 Ocean Avenue, Brooklyn, New York, accepted for filing on April 24, 2015, the 1918 Avenue N Condominium, CD15-0257 through the limited liability corporation 1918 Avenue N

Realty LLC, located at 1918 Avenue N, Brooklyn, New York, accepted for filing on January 5, 2016, and the King Levkov Condominium Association CD16-0191, through the limited liability corporation 1661 East 19th LLC, located at 1661 East 19th Street, accepted for filing this October 2016. Sponsor and its principal, do not own or have 10% ownership of units in other buildings.

Sponsor's Attorneys: The Sponsor is represented by the law firm of S. Seth Yavne, Esq., 3407 Avenue K, Brooklyn, New York 11210, in all legal matters pertaining to the filing of this Plan, and in all matters relating to the purchase and sale of units under this Plan. S. Seth Yavne is also the Escrow Agent. The attorney who prepared the plan is S. Seth Yavne.

Selling Agent: Sponsor, 512 Avenue N LLC is acting as Selling Agent. This is Sponsor's first time acting as selling agent. The principals have no prior convictions of any type.

Managing Agent: Sponsor, 512 Avenue N LLC, through its principal of Sponsor, will act as Managing Agent for the first two years of condominium operation. Sponsors principal has no prior convictions of any type. This is Sponsor's first time acting as managing agent, although Sponsor's principle does have experience from a previous offering of real estate in the State of New York.

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

offices at 866 Johnston Drive, Watchung, New Jersey 07069.

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

REPORTS TO UNIT OWNERS

It is the obligation of the board of managers of the condominium to give all unit owners annually: a financial statement of the condominium prepared by a certified public accountant or public accountant by September 30th of each year; such statement shall be certified while the sponsor is in control of the board of managers. Unit Owners will be given thirty (30) days prior notice of the annual unit owners' meeting; along with the notice will be a copy of the proposed annual budget of the condominium and the date set for adoption thereof by the board of managers. While the sponsor is in control of the board of managers such budget shall be certified in compliance with the applicable regulations.

DOCUMENTS ON FILE

The Sponsor shall keep, at the offices of the Sponsor at 3858 Nostrand Avenue, Suite 203, Brooklyn, New York 11373, copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Department of Law in connection with the filing of the plan, on file and available for inspection without charge and copying at a reasonable charge at a specified location for six years from the date of first closing. The sponsor shall deliver to the board of managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first unit.

GENERAL

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

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

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

4) The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the Bylaws) or until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 67% in number and in Common Interest of all Unit Owners. In addition, the written consent of each Mortgagee shall be required before such vote is effective. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all the Owners in proportion

to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any lien on his Unit in the order of priority of such liens.

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

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which would materially affect this offering, the Purchasers of Unit, the Property, the condominium or the operation thereof.

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

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

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

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

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITIONS

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

Dated: Brooklyn, New York

PART II

EXHIBIT A

PURCHASE AGREEMENT
FOR
AZRAD CONDOMINIUM ASSOCIATION

Agreement dated _____, 201__, between 512 Avenue N LLC, 3858 Nostrand Avenue, Suite 203, Brooklyn, New York 11235, referred to in this Agreement as the Seller or the Sponsor, S Seth Yavne, Attorney at Law, 3407 Avenue K, Brooklyn, New York 11210 referred to in this Agreement as the Escrow Agent and _____ residing at _____ referred to in this Agreement as the Purchaser.

Unit Number

(i) Down Payment - % _____

(ii) Balance due at Closing _____

(iii) Total Purchase Price _____

(iv) Mortgage Amount _____

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

2. Agreement to Purchase. As Purchaser, I agree to purchase from Sponsor and as Seller, Sponsor agrees to sell to the Purchaser the Condominium Unit together with undivided interest in the common elements designated above in the Condominium in the borough and, County of Kings, City and State of New York for the Total Purchase Price shown above. This check is accepted by Sponsor subject to collection. When Sponsor delivers to Purchaser the deed for Purchaser's Unit, Purchaser shall give Sponsor or anyone Sponsor designates Purchaser's certified check or official bank check for the Balance Due at Closing shown above drawn on a New York bank which is a member of the New York Clearing House Association. Such check

shall be payable directly to Sponsor without endorsement.

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

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

5. Contract Subject to Purchaser's Receiving Mortgage Commitment. This Purchase Agreement is conditional upon Purchaser's obtaining mortgage financing in the amount set forth herein. Purchaser agrees to make all necessary applications for such financing and represent that they shall furnish all information that said institution may require within ten (10) days of the signing of this Agreement. Purchaser agrees that if the application is approved, they will forward within five days of receipt of a written mortgage commitment a copy of the commitment to the Sponsor, and Purchaser will execute at title closing all papers, statements or instruments, which may be necessary to consummate the mortgage loan transaction. Failure to comply shall be deemed a material breach of this Agreement. If Purchaser is unable to obtain a mortgage commitment in the amount set forth herein above within forty-five (45) days of the date of this Agreement, and Purchaser has sent Sponsor written notice, by certified mail return receipt requested, of Purchaser's inability to obtain a commitment within this forty-five (45) day period then this Agreement shall be deemed canceled and Purchaser shall be released from any liability hereunder except that Purchaser shall provide Sponsor with a copy of Purchaser's mortgage application and denial letter from the lending institution. Upon Sponsor's review of that information, Sponsor reserves the right but not the obligation to designate another lending institution or to grant the mortgage loan themselves on the same terms and conditions. Within ten (10) days of such notice, the down payments paid herein by the Purchaser shall be returned to Purchaser with interest, if any, unless Sponsor designates another lending institution as above. In the event that written notice is not received by Sponsor of Purchaser's inability to obtain such

financing within the said forty-five (45) day period or the Agreed upon Application Period at the then prevailing terms, this provision shall be deemed waived by Purchaser and Purchaser shall be obligated to complete this transaction whether or not Purchaser has obtain financing. Purchaser agrees to furnish to Sponsor at Sponsor's request a copy of Purchaser's mortgage application and the name and address of the institution to which said application has been made and a copy of the commitment when received. If such other lending institution or Sponsor do not approve Purchaser within an additional thirty (30) days, then this Agreement will be deemed canceled and all monies paid by Purchaser will be refunded with interest, if any. In addition this contract may not be assigned without the prior approval of the Sponsor. In addition Sponsor reserves the right to install all appliances in the Unit purchased by the Purchaser up to forty-eight (48) hours after closing to which Purchaser agrees to provide access to the Unit.

6. Closing Expenses and Adjustment. Purchaser further agrees to pay at the closing of title, the actual cost of title examination and insurance, the $750 condominium map fee, $1,500 for legal and filing fees in connection with securing tax exemption benefits, provided however, that Sponsor has properly filed for benefits by the time of closing, Sponsor's attorney's fees in the amount of $1,750 for closing at Sponsor's attorney's office, with an additional fee of $300 for closing outside of Sponsor's attorney's office, fees for preparation of the documents necessary for any mortgage loan, New York City and New York State Transfer Taxes, recording charges for the deed, power of attorney in favor of the Board of Managers, and any mortgage documents and mortgage recording taxes. In addition Purchaser will pay a fee of $2,000 for the formation of the condominium, $650 for the connection charge for the New York City water meter installation, and an ACRIS fee of about $200. Purchaser shall adjust with Sponsor as of 11:59 P.M. on the date proceeding the day of Closing of Title all real estate taxes, insurance premium for the building, and any common charges assessed during the month in which title closes or established as a reserve based upon the last bill received.

7. Escrow or Bonding of Down Payment. The law firm of S. Seth Yavne, with an address at 3407 Avenue K, Brooklyn, New York, telephone number 718 253-9181, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: S. Seth Yavne. 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.

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

The Escrow Agent has established the escrow account at Capital One Bank, located at 404 5th Avenue, New York, New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Azrad Condominium Association ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit

in excess of $250,000 will not be insured, (unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions).

All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of S. Seth Yavne, as Escrow Agent.

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

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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:

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

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

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

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

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

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

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

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

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.

Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

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).

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

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.

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.

Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

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.

Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow.

8. Sponsor's Rights If Purchaser Fails to Keep Purchaser's Promises and Agreements. All sums Purchaser pays to Sponsor on account of this Agreement and the reasonable cost of the examination of title to the Unit shall constitute liens on the Unit. Such liens shall not continue, however, after default by Purchaser under this Agreement. Sponsor shall have the right to keep Purchaser's Down Payment and all interest earned on it if (a) Purchaser does not pay the Total Purchase Price of Purchaser's Unit when due or (b) if when Sponsor offers to deliver to Purchaser the deed to Purchaser's Unit and Purchaser has not then signed any of the documents referred to in the Plan which Purchaser is required to sign or (c) if Purchaser fails to keep any other promise contained in this Agreement. Sponsor's rights shall apply whether or not construction of Purchaser's Unit has begun.

However, before Sponsor shall have the right to keep Purchaser's Down Payment and the interest earned on it, Sponsor must first send Purchaser a written notice stating that

Sponsor intends to cancel this Agreement and describing each promise which Sponsor thinks the Purchaser did not keep under this Agreement. If Purchaser does not cause each of these promises to be kept within fifteen (15) days after Sponsor's notice is sent, and time shall be of the essence as to such date, Sponsor may keep Purchaser's Down Payment and all interest earned on it. After that, neither Sponsor nor Purchaser shall have any further obligations under this Agreement; this Agreement shall be considered canceled without any further action by either Sponsor or the Purchaser; and Sponsor shall have the right to sell Purchaser's Unit to any other person.

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

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

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

11. Agreement Subject to Sponsor's Mortgage(s). Purchaser understands that Sponsor may borrow money to construct the Condominium and give to Sponsor's lender a construction or development loan mortgage. Purchaser recognizes and agrees that all terms and provisions of this Purchase Agreement are and shall be subject and subordinate to the lien of any building loan mortgage on the condominium property heretofore or hereafter made and any advances already made or incurred or which may hereafter be made or incurred, pursuant to the

terms thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance schedule of payments. Sponsor shall satisfy all at or prior to the closing of title.

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

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

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

14. Seller's Right to Make Changes. Purchaser understands that Sponsor has the right: (a) to make changes or substitutions of materials or construction for items as set forth in the Offering Plan or building plans, provided any such changes are of comparable value and quality; (b) to determine the grading, elevation and design of the Building, Units, and Common Elements to fit into the general pattern of the Condominium; and (c) to determine elevation and location of foundations, walkways and streets to conform with topographical conditions.

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

variance with the plans and specifications, as provided in said section.

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

I AM FULLY AWARE THAT:

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

b. Sponsor accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any defect.

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

d. These warranties are extended to Purchaser and are not extended to any subsequent Purchasers and mortgage lenders who take possession of the Unit.

e. These warranties shall be void if Purchaser misuses, abuses or otherwise interferes with or changes Sponsor's original construction or installations.

f. Sponsor is not responsible for any work or material ordered directly by me from Sponsor's contractors or suppliers nor shall Sponsor be responsible for any incidental or consequential damages caused by any defects.

g. In no event shall Sponsor be responsible for the partial or total death of any trees, shrubs, bushes or other landscape improvements; damage to walkways or other concrete areas caused by the application of salt or deicers; nail pops; raised butt joints; ridging; normal lumber shrinkage; normal settlement or any consequential damage resulting therefrom; normal plumbing and heating noises or carpet stretching; normal settlement cracks on concrete foundations, patios, sidewalks and other flat work; basement leaks resulting from acts of God, or alteration of landscaping or grading; leakage resulting from "ice dams" forming on roofs; spalling or flaking of concrete surfaces if ice melting compounds have been used; scuffing on kitchen cabinets or vanities; minor chips (nicks) to formica tops, cultured marble floors, tops, tubs and showers, edges and surfaces; shading variations of the exterior siding staining (on the face surface or grooves); shading variations on fascias from staining; doors and windows sticking because of weather; door warpage less than 1/2 inch; adjustment of bi-fold doors; bath tile grouting; slight separation in joints of flooring; slight separation between base and floor in all rooms (including bathrooms); repair of chips, scratches, mars, breaks, or other blemishes in windows, sliding doors, screens, electric fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, ceramic tile, saddles, resilient flooring, appliances, woodwork and doors. Subsequent to the conveyance of

title to a Unit, Sponsor shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches in tubs, vanities or countertops, broken windows or screens which windows or screens break subsequent to closing.

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

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

16. Lack of Labor/Materials: Seller's Right to Cancel. Purchaser understands that Sponsor may cancel this Agreement by forwarding Sponsor's good check in the full amount paid by Purchaser, together with interest, if any, earned thereon and a notice in writing, addressed to Purchaser, at Purchaser's address set forth at Page One of this Agreement, in the event of the occurrence of either of the following: (l) that any governmental bureau, department or subdivision impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of the Condominium or any part thereof due to strikes, lockouts, war, military operations and requirements, national emergencies, or restriction or curtailment with respect to the installation of public utilities, or any other reason beyond Sponsor's reasonable control.

17. Risk of Loss. The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed or until Purchaser takes possession of the Unit is assumed by Sponsor.

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

19. Possession Prior to Closing. It is understood and agreed that Purchaser may not take possession of Purchaser's Unit prior to the time of the delivery of the deed and full compliance by Purchaser with the terms of this agreement. Purchaser understands that if they violate this provision Sponsor shall have the right to remove Purchaser from the premises as a squatter and intruder by summary proceedings. Upon Purchaser's unauthorized possession, Purchaser shall be deemed in default of this Agreement. At Sponsor's option and upon such election, all monies paid by Purchaser shall belong to Sponsor as liquidated damages. It is further understood and agreed that Sponsor shall not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the property on or after the closing of title.

20. Execution of Required Documents, etc. Purchaser agrees to sign and deliver to Sponsor all documents and to perform all acts required by Sponsor to carry out the provisions of the Offering Plan, establish the Condominium and conform to the provisions of all applicable laws and regulations, including any Transferee Questionnaire required by the New York State

Department of Taxation and Finance with respect to the New York State Real Property Transfer Gains Tax. The provisions of this paragraph shall survive delivery of the deed.

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

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

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

24. Broker. Sponsor and Purchaser agree that no broker other than _____ brought about this sale and Purchaser agrees to indemnify Sponsor against any claim brought by any other broker for brokerage commission based upon Purchaser's acts.

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

26. Entire Agreement. This Agreement states the entire understanding between us and we shall not be bound by any oral representations and/or agreements. If there are any provisions of this agreement which are inconsistent with the Condominium Plan, the provisions of the plan will prevail.

27. Jury Waiver. Purchaser waives Purchaser's right to trial by jury in any action, proceeding or counterclaim in any way connected with this Agreement or Plan.

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

_____L.S.
Purchaser

_____L.S.
Purchaser

_____
Address

_____
Address

Telephone:_____
Home

_____
Business

Unit:_____

ESCROW AGENT

_____
By: Seth S. Yavne, Attorney at Law

SPONSOR: 512 Avenue N LLC

_____
By: Yaacov Azrad, Member and
Principal of Sponsor

THE AZRAD CONDOMINIUM ASSOCIATION

Rider to Purchase Agreement for Unit _____

Additional Work: Price:

_____
Purchaser

_____
Purchaser

Agreed
By:_____

All funds received by the Sponsor for upgrades and/or extras must initially be placed in the escrow account. Funds will be released from the escrow account by the escrow agent at the completion of such upgrades and/or extras.

EXHIBIT "B"
POWER OF ATTORNEY

I (We) , the owner(s) of Condominium Unit No. located at 1404 Ocean Parkway, Brooklyn, New York in the Condominium known as the Azrad Condominium Association (the "Condominium") covering the property located in the Borough of Kings, City and State of New York, do hereby nominate, constitute and appoint the members of the Board of Managers of the Condominium and their successors, jointly my/our true and lawful attorneys-in-fact coupled with an interest and with the power of substitution, in my/our name and on my/our behalf to (1) acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or a deed in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion, deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my/our said attorneys-in-fact the power to do all things in the said premises which I/We could do if I/We were personally present and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any government or public authority applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements, that the Condominium Board deems necessary or appropriate.

This power of attorney shall be irrevocable, shall not be affected by the subsequent disability or incompetence of the undersigned and shall be limited to the powers enumerated herein.

IN WITNESS WHEREOF, I (We) hereunto set my (our) hand(s) (and seal) this day of , 201_.

_____

(Seal)

EXHIBIT C

FORM OF UNIT DEED

THIS INDENTURE, made the ____ day of _____, 201_, between 512 Avenue N LLC, with offices at 3858 Nostrand Avenue, Brooklyn, New York 11235, and _____ residing at _____ ("Grantee").

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

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough and County of Kings, City and State of New York, known and designated as Unit ___ in the Declaration made by 512 Avenue N LLC, under Article 9-B of the New York Real Property Law, dated _____, 201_, and recorded in the Office of the City Register, Kings County, on _____, 201_, in CRFN#_____ of Conveyances covering the property therein described,(hereinafter called the "Declaration") establishing a plan for condominium ownership of the land and building comprising the Azrad Condominium Association (hereinafter called the "Property") which Unit is also designated as Lot No.____ on the floor plan of the building prepared and certified by a Registered Architect, dated _____, 201_, and filed in the Office of the City Register, Kings County on the ___ day of _____, 201_, as Map

No.____(hereinafter called the "Unit").

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

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

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

BEGINNING at the corner formed by the intersection of the Southerly side of Avenue N with the Westerly side of Ocean Parkway;

RUNNINHG THENCE, Southerly along said Westerly side of Ocean Parkway, 31 feet 0 inches;

THENCE, Westerly and parallel with Avenue N, 110 feet 0 inches;

THENCE, Southerly and parallel with Ocean Parkway, 63 feet 5-3/8 inches (actual), 63 feet 2-1/4 inches (deed), to the Northerly side of Ryder Avenue;

THENCE, Westerly along said Northerly side of Ryder Avenue, 50 feet 0-1/2 inches;

THENCE Northerly and parallel with East 5th Street, 108 feet 7-3/8 inches (actual), 108 feet 7-1/4 inches (deed) to the Southerly side of Avenue N;

THENCE Easterly along said Southerly side of Avenue N, 158 feet 0 inches to the point or place of BEGINNING.

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

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

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

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

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

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

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

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

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

The word "Grantee" shall be construed as if it is read "Grantees" whenever the sense of this indenture so requires.

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

512 Avenue N LLC

By:_____

STATE OF)
ss:
COUNTY OF)

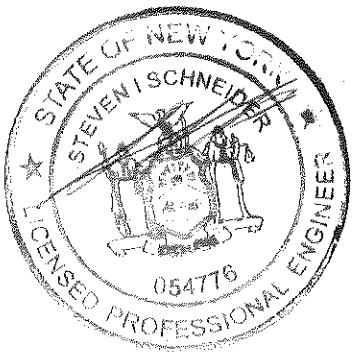
On the ____ day of _____, in the year 201_, before me, the undersigned, a notary public in and for the said state personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT D

ENGINEER'S REPORT

THE 1404 OCEAN PARKWAY CONDOMINUM



Prepared By:

SCHNEIDER ASSOCIATES
Steven I. Schneider, P.E.
866 Johnston Drive
Watchung, N.J. 07069

Phone No: 908-755-0059

February 14th, 2017

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at 1404 Ocean Parkway, in the Midwood Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11230.

(2) Block and lot number:

The site is located on Tax Lot number 10 in Tax Block number 6587.

(3) Zoning:

The site is located in an R 5 and R 6A Zones in the Ocean Parkway Special District as designated on Map number 23b of the N.Y. City Zoning Resolution.

The site is being developed pursuant to the Quality Housing requirements of the current New York City Zoning Resolution.

The building will comply with; street tree and on site planting, double glazed windows and doors, minimum 400 square foot size of units, laundry facilities, refuse disposal facilities and recreational facilities as required by Section 28 of the N.Y. City Zoning Resolution. The building plans were examined and have been approved by the N.Y. City Department of Buildings, for compliance with the Quality Housing Zoning requirements.

(4) Permissible Use:

The Zones permit Residential and Community Facility uses as of right.

The property and proposed uses will comply with all Zoning and use requirements at closing.

(b) STATUS OF CONSTRUCTION

(1) Year built:

The building will be new and is currently under construction.

The estimated completion date of the building is June 2017.

(2) Class of construction:

The Class of Construction will be 1 D as described by Table 3-4 of the 1968 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of two hour. Floor / ceiling assemblies shall also be of non-combustible materials with a minimum rating of one hour. Roof / ceiling assemblies shall be of non-combustible materials with a minimum rating of one hour. Exterior walls shall also be of non-combustible materials with a minimum fire rating of two hours.

The building plans were developed pursuant to the 1968 New York City Building Code.

(3) Certificate of Occupancy, type and number:

The building is under construction and a permanent Certificate of Occupancy will be issued when all the required work is inspected and signed off by the New York City, Department of Buildings.

The Sponsor shall obtain a Certificate of Occupancy prior to the closing of the first unit.

(4) Permit numbers and description of work done:

The building is being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application number 310014800.

Permit number 310014800-01-NB has been issued by the N.Y. City Department of Buildings for the construction of the new building.

The Sponsor has not retained the Engineer responsible for this Report to conduct "Special Inspections" on the project.

(c) **SITE**

(1) Size:

The site is located at the Southwesterly corner of Ocean Parkway and Avenue N. The site also fronts on Ryder Avenue south of Avenue N.

The site is irregular in shape and has a frontage of 31.0 feet along Ocean Avenue, 158.0 feet long Avenue N and 50.04 feet along Ryder Avenue. The Westerly side lot line, extends 108.60 feet between Avenue N and Ryder Avenue. A Southerly, side lot line extends 110.0 feet perpendicular to Ocean Parkway and an Easterly side lot line extends 63.18 feet to Ryder Avenue.

The site has an area of approximately 8,277 square feet.

(2) Number of buildings and use:

There will be one building constructed with , Community Facility, Residential and accessory uses.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. Ocean Parkway is an existing two hundred and ten (210.00') foot wide, two way parkway with a service road and island on each side. Avenue N is an eighty (80.00') wide two way street and Ryder Avenue is a forty (49.50') wide.

There is an existing concrete sidewalk fronting the property. The existing concrete sidewalk will be replaced with a new concrete sidewalk, as is required for all new buildings, when construction is near completion.

The new sidewalks fronting the property shall be free of tripping hazards and ponding. The new sidewalks shall be ADA compliant and shall be replaced as directed by the N.Y. City Department of Transportation.

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

(ii) Curbing (material and condition);

There is an existing concrete curb fronting the property. The existing concrete curb will be replaced with a new concrete curb, as is required for all new buildings, when construction is near completion.

The new curbs, curb cuts, ramps and aprons shall be ADA compliant and shall be replaced as directed by the N.Y. City Department of Transportation.

(iii) Catch Basins (location and condition);

Existing catch basins are located along the roadways to drain the sidewalk and roadway, storm water run-off, into the existing New York City Sewer System.

The existing catch basins have been installed by the N.Y. City Department of Transportation and are in good condition. Catch basins are constructed of concrete with steel grating covers and are located along Ocean Parkway, Avenue N and Ryder Avenue. The existing.

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

Existing street lighting is provided by the City of New York, and consists of vertical metal, stanchions surmounted with energy efficient LED lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along Ocean Parkway, Avenue N and Ryder Avenue. The existing street lights are in good condition.

(v) Conformity with Municipal Codes;

The sidewalk paving, curb, curb cuts, ramps and aprons shall be ADA compliant. In addition catch basins and street lighting have been designed to comply with the standards of; the N.Y. City Department of Transportation, the N.Y. City Department of Buildings and to the N.Y. City Building Code as necessary.

A Builders Paving Plan was filed with and approved by the N.Y. City Department of Buildings, under application number 321205593, for the construction of the new sidewalk, curb and roadway repair.

The Condominium Board will be responsible for maintaining the sidewalk in front of the property as per the N.Y. City Department of Transportation requirements.

The new sidewalk paving and curb will be subject to site inspection and approval by the N.Y. City Department of Buildings and the N.Y City Department of Transportation.

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be a new, poured, reinforced concrete driveway and parking area located at the first floor / grade level accessible from Ryder Avenue. There will also be a reinforced concrete, driveway which will provide access to the two, enclosed, parking spaces accessible from Avenue N.

(ii) Curbing (material and condition);

There will be no concrete curbs at the driveways on the property.

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

There will be no catch basins on the property. There will be controlled flow, cast iron, area drains located at the yard areas of the building and also a reinforced concrete, detention tank beneath the building which will drain the storm water runoff from the site to the existing combined sewer beneath Ryder Avenue.

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

There will be no street lighting on the property.

(v) Conformity with municipal codes;

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

(d) **UTILITIES**

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

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

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

Telephone service, will be provided by Verizon, 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 transported to the existing N.Y. City Sewer System by means of controlled flow roof and yard drains and a detention tank.

The cost of services of the common areas will be borne by the Condominium Board.

(e) **SUB-SOIL CONDITIONS**

The site is located within FEMA Map panel Number 3604970351F in non shaded Zone X. This indicates that the site is located in an area determined to be outside the 0.2% annual chance floodplain.

The soil at the bottom of the footings will be Type 3b soil, as per subsurface test borings which were performed by Professional Solutions Group, Inc., P.O. Box 3015 Astoria, N.Y. 11103. The existing soil has an allowable, load bearing capacity of approximately three tons per square foot. Ground water was encountered at approximately twenty feet below the normal grade level of the site.

All foundations and footings will be new. The footings will consist of perimeter and intermediate, reinforced concrete; rectangular spread footings for the concrete columns and T and L shaped footings for the intermediate, concrete, foundation walls. Footings will be interconnected with reinforced, concrete grade beams. The foundation walls will also be of reinforced concrete which will be tied into the footings.

The new foundation walls and footings shall be a minimum of four feet below grade and foundation walls and footings shall be protected with trowelled on mastic waterproofing and adjacent gravel fill at the perimeter to negate ad freezing stresses.

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

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

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

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

(f) **LANDSCAPING AND ENCLOSURES**

(1) Grass cover (type, location);

There will be grass areas at the sidewalk area in front of the property along Avenue N and along Ocean Parkway and Ryder Avenue.

(2) Plantings (type, location);

There will also be some evergreen type, shrubs planted at the grass areas, at grade level to the front of the building.

(3) Trees (type, location);

There are two existing trees, one located on Avenue N and the other at Ocean Parkway, at the sidewalk area close to the curb. There will be four new trees each with a minimum caliper of three inches planted at the sidewalk area, close to the curb, in front of the property as required by the N.Y. City Zoning Resolution. The type

(4) Fencing (type, location);

There will be a new six foot high, galvanized steel, chain link fence along the westerly, side lot line which will separate the property from the adjacent property.

(5) Gates (type, location);

There will be no gates constructed on the property.

(6) Garden walls (type, location);

There will be no garden walls at the open yard areas.

(7) Retaining walls (type, location);

There will be reinforced concrete, retaining walls enclosing an areaway (excavated to the cellar level) located at the yard area to the front of the building bounded by Avenue N and Ocean Parkway. The retaining walls shall be constructed with weep holes.

(8) Display pools and fountains (type, location);

There will be no display pools or fountains at the open yard areas.

(g) **BUILDING SIZE**

(1) Total height (approximate total feet from ground level to highest part of roof);

The building will be a total height of approximately seventy feet, measured from the average grade to the finished roof above the seventh floor level.

(2) Crawl spaces (floor to ceiling, height);

There will be a crawl space located above the roof above the third floor level at the southerly wing of the building. The crawl space will be approximately five feet in height and will be adjacent to an open pool which will be located above the third floor, roof area. The bottom of the pool will be approximately at the roof above the third floor level. There will be concrete pavers and tiles, on leveling pedestals, set flush with the rim of the pool.

(3) Number of sub-cellars and cellars;

There will be one cellar level in the building.

(4) Number of floors (actual including penthouses);

The building will consist of a cellar and seven floors.

(5) Equipment rooms (location and use);

There will be sprinkler equipment, refuse storage and meter rooms located at the cellar floor level of the building. There will also be mechanical closets within each unit at the first through seventh floor levels.

(6) Parapet (height above roof);

There will be masonry walls and tempered, safety glass railing set in extruded, aluminum framing with a minimum height of three feet and six inches, at the perimeter of the roof areas above the second, third, sixth and seventh floor levels.

(h) **STRUCTURAL SYSTEM**

The structural system for the building will be mainly a flat slab construction. There will be a poured, reinforced concrete slab on each floor, supported with perimeter and intermediate reinforced, concrete columns. There will also be, intermediate, poured, reinforced concrete bearing walls framing the stair and elevator cores.

Footings will consist of reinforced, concrete; spread footings and also L and T shaped footings which will support the concrete columns and bearing walls. The footings will also be interconnected with reinforced concrete grade beams.

The foundation walls shall be of poured, reinforced concrete which will be tied into the footings with steel re-bars. Foundation walls shall be protected below grade with a trowelled on mastic, waterproofing membrane and clean gravel fill adjacent to the walls at the exterior of the building.

The floor at the cellar floor level shall be a minimum 8" thick, poured, reinforced, concrete slab on a six millimeter vapor barrier and gravel and compacted fill.

The structural, interior floor assembly at the upper floors and also at the roof areas shall be an 8" thick poured, reinforced concrete, flat slab which will be supported by the reinforced concrete columns and the intermediate, load bearing masonry walls.

The finished roof areas shall be a 5 ply rubberoid type roofing system as manufactured by Firestone on exterior grade rigid insulation. The roof area above the third floor level shall be of masonry pavers and tiles supported on leveling pedestals.

Floor / ceiling and roof / ceiling assemblies, shall have a minimum STC of 50 in compliance with the N.Y. City Building Code.

The structural system has been designed by a N.Y. State licensed Structural Engineer and has been designed to withstand lateral forces due to wind, soil and earthquake in compliance with the N.Y. City Building Code.

The construction class of the building shall be Construction Class 1D as per the 1968 N.Y. City Building Code.

(1) Exterior of Building:

(i) Walls;

The exterior walls, located at the southerly and easterly side lot lines and at the first floor level, facing Ryder Avenue, shall be load-bearing masonry with a stucco finish at the exterior. Part of the exterior wall (facing the westerly, side lot line) and at the second and third floor levels (facing Ryder Avenue) shall be of load bearing metal studs with a stucco finish. The other exterior walls at the front facades of the building facing Ocean Parkway and Avenue N as well as the rest of the westerly facing facade, shall be an aluminum and glass, curtain wall system.

The exterior wall finish for the masonry walls shall be of two base coats and one finished coat of stucco on steel wire lath at the property lines along the side lot lines and at the first floor of the facade facing Ryder Avenue.

The exterior wall finish at the load-bearing, steel stud walls shall be of two base coats and one finished coat of stucco on steel lath and exterior grade gypsum wallboards.

The exterior walls at the front facades and at the westerly facing facade of the building shall be an aluminum and glass panel, model F50/SG, thermally broken, curtain wall system as manufactured by Professional Grade Aluminum Corporation with an extruded aluminum and glass finish.

The interior finish at the masonry walls shall be of gypsum wallboards on steel channel, furring studs. The spaces between the steel furring studs shall be fitted with fiberglass, batt insulation with a minimum R value of 13.

The interior finish at the load-bearing, steel studs shall be of gypsum wallboards. The spaces between the steel studs shall be fitted with fiberglass, batt insulation with a minimum R value of 13.

The interior finish, at the inside surfaces of the curtain walls, shall be of structurally glazing and extruded aluminum framing. The curtain wall system will be bolted to the structural concrete framing and will be constructed with thermal breaks and insulating material between the interior and exterior aluminum finishes. The curtain wall system shall be installed as per the manufacturers specifications and as per the N.Y. City Building Code.

All exterior wall types shall be designed to have a maximum thermal performance value (Uo) in compliance with the New York State Energy Conservation Construction Code and the N.Y. City Energy Conservation Code.

The building will be greater than six stories in height and therefore will have to comply with Local Law 11 of 1998 which requires periodic facade inspections once construction has been completed.

The building will need to comply with facade inspection during the cycle following the fifth year after the date which the building is issued an initial, temporary or final Certificate of Occupancy.

(ii) Windows;

Windows are to be new, double-glazed windows. Windows will be mainly of the casement and awning types at the stucco finished exterior facades as manufactured by Professional Grade Aluminum Corp. Windows will also be of the fixed and awning types and will be part of the curtain wall system model F50/SG as manufactured by Professional Grade Aluminum Corp. Glazing shall be set in aluminum frames with anodized exterior finish. The perimeter of window openings shall be fitted with a latex-based, caulking compound at interior and exterior surfaces. The perimeter of window openings shall be protected with aluminum flashing.

Air infiltration rate of windows shall be in compliance with the New York State Energy Conservation Construction Code and the New York City Energy Conservation Code.

There will be no storefronts. Windows at the exterior walls of the Community Facility areas shall be fixed and awning type windows and will be part of the curtain wall system, model F50/SG as manufactured by Professional Grade Aluminum Corp.

There will be no lot line windows located at the side lot line walls of the building.

The manufacturer provides a five year Limited Installation Warranty on products and components supplied by Professional Grade Aluminum Corp.

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

Window sills shall be constructed of aluminum. Lintels above window openings shall be of steel fabrication protected with wire lath and stucco.

Window guards shall be installed as necessary by each unit's owner. Aluminum window guards shall be installed by each residential unit's owner at the windows within each unit that a child of ten years old or younger will reside.

There will be no window screens provided.

(iii) Landmark Status;

The building is currently not located in a Landmarks area, nor will the building be designated Landmark Status.

(2) Parapets and Copings:

There will be parapet walls at the perimeter of the roof areas of the building, at a minimum height of three feet and six inches above the finished level of the roof. The parapet walls shall be constructed of load bearing masonry walls, with a stucco finish at the exterior or of tempered, safety glass railing set in extruded, aluminum framing. Masonry parapet walls shall be fitted with stainless steel or copper fabric base and cap flashing. Masonry parapet walls shall be capped with aluminum copings, which shall be anchored to the masonry walls with non corrosive fasteners.

(3) Chimneys and Caps:

There will be vertical, stainless steel, flues and caps provided, for the ventilation of the mechanical equipment located in the mechanical closets within the units. The flues will terminate at the roof area above the seventh floor level. The flues shall be Amerivent, double-wall, galvanized steel and aluminum flues, as manufactured by American metal Products and shall have a B.S.A. approval number (294-56 SM).

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

(4) Balconies and Terraces:

There will be cantilevered, exterior, balconies located at the third through seventh floor levels of the building.

Deck Finish;

The finished surfaces of the cantilevered balconies shall be a concrete screed finish. Balcony surfaces shall be pitched away from the face of the building to allow for drainage. The balconies shall also be equipped with perimeter edge drip grooves.

The roof terraces shall be finished with a five ply, rubberoid, roofing finish as manufactured by Firestone, on rigid insulation supported on the poured, reinforced concreted slab. The roof terrace above the third floor shall be finished with masonry pavers and tiles supported on adjustable, leveling pedestals.

(ii) Balustrade;

There will be no balustrades at the balcony areas.

(iii) Railings;

Balconies and roof terraces shall be protected at the perimeter with masonry parapets or a minimum ¼" thick, tempered, safety glass railing, set in extruded aluminum frames on all sides. The guardrails shall be a minimum height of three feet, six inches (3'-6") above the finished balcony or roof level. The maximum spacing between the components of the guardrails shall be approximately four inches (4") as required by the N.Y. City Building Code. All exterior metals, including fasteners, shall be of corrosion resistant materials.

(iv) Coping;

There will be no coping at the balcony areas.

Parapet walls at terraces shall be capped with aluminum coping, which shall be anchored to the load bearing masonry walls with non corrosive metal fasteners.

(v) Soffits;

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

(vi) Doors to balconies and terraces;

The doors to the balcony and terrace areas shall be custom sliding glass doors as manufactured by Andersen. The doors shall be equipped with double paned glass, set in extruded aluminum with an anodized finish. All balcony and terrace doors shall be equipped with entry type locksets.

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

(5) Exterior entrances:

The exterior entrances to the buildings shall be free of tripping hazards and ponding. The exterior entrances shall also be ADA compliant and shall comply with the N.Y. City Building Code.

Walkways at grade level shall be pitched to cast iron cast iron, area drains and sidewalks shall be pitched towards the curb to allow for drainage. The exterior drainage system will be adequate and shall comply with the N.Y. City Building Code and the standards of the N.Y. City Department of Transportation.

(i) Exterior Doors and Frames;

There will be one, main, Residential, exterior entrance door, and one separate Community Facility entrance door, located at the first floor level at the front facade of the building at Avenue N. The doors will provide access to the main entry lobbies.

There will also be three other exterior doors, two located at the first floor / grade level and the other at the cellar level. The doors will provide secondary means of access and egress from the first and cellar floor levels.

The main lobby entrance doors shall be, double-hinged, double glazed glass doors set in extruded aluminum framing and mounted on steel frames. The door shall be equipped with an entry type lockset and will provide access to the elevator lobby.

The main entrance door which provides access directly to the exterior will be non fire rated.

The other exterior doors shall be single-hinged, hollow core steel, doors mounted on steel frames. The doors shall be non rated doors with vision panels and shall be equipped with entry type locksets.

(ii) Vestibule doors and frames;

The vestibule doors located adjacent to the Community Facility entrance doors shall also be double-hinged, double glazed glass doors set in extruded aluminum framing and mounted on steel frames. The doors shall also be equipped with an entry type lockset. The doors to the residential elevator shall be single hinged doors set in extruded aluminum framing and mounted on steel frames.

(iii) Exterior Stairs;

There will be one stair at the exterior of the building. The stair will provide access from grade level to the open areaway, located at the cellar floor level and will be accessible from Ocean Parkway.

(iv) Railings;

There will be no railings outside the building, adjacent to the exterior entrances.

There will be a perimeter guardrail around the open sides of the areaway. The guardrails shall be of tempered glass set in extruded aluminum framing. The railing shall be secured with non corrosive metal fasteners. The guardrails shall be a minimum height of three feet, six inches (3'-6") above the finished, adjacent grade level. The maximum spacing between the components of the guardrails shall be approximately four inches (4") as required by the N.Y. City Building Code

(v) Mailboxes;

U.S.P.S. approved type mailboxes will be provided for each residential unit within the entrance vestibule, located at the first floor level.

Mailboxes shall be wall mounted, cluster box type units, Series 3300 as manufactured by Salsbury Industries. Mailboxes shall be of aluminum construction.

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

(vi) Lighting;

There shall be wall mounted, exterior, lighting fixtures provided adjacent to the main entrances at the first floor level of the building and adjacent to the other exterior entrances.

The lighting fixtures shall be capable of providing an aggregate illumination of at least two hundred (200) watts incandescent illumination, or its equivalent at the entrances.

There will also be ceiling mounted, lighting fixtures above the covered parking area at the first floor level which will be accessible from Ryder Avenue. The lighting fixtures shall each be capable of providing an aggregate illumination of at least sixty (60) watts incandescent illumination, or its equivalent.

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

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

(6) Service entrances:

There will be no separate service entrances to the building. The following sub-sections will not be applicable to this Report.

(i) Doors and Frames (material, type, lock);

(ii) Gates (material, type, lock);

(iii) Exterior Stairs (material, location);

(iv) Railings (materials, location);

(7) Roof and Roof Structures:

(i) Types:

There will be flat roof areas located above the second, third, sixth and seventh floor levels of the building. There will also be flat roof areas above the stair and elevator machine room bulkheads.

(i) (a) Material;

The flat roof areas shall be a five ply, rubberoid roofing finish, as manufactured by Firestone, on rigid insulation supported by a poured, reinforced, concrete slab and reinforced concrete columns and load bearing walls. The roof above the third floor level shall be finished with masonry and tile pavers supported on adjustable, leveling pedestals.

(i) (b) Insulation;

The rigid insulation located above the concrete slab of the roof areas shall have a minimum R value of 20.

The roof composition shall comply with the New York State Energy Conservation Construction Code and the New York City Energy Conservation Code.

(i) (c) Surface finish;

The flat roof areas shall be finished with a five ply rubberoid, roofing membrane as manufactured by Firestone.

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

(i) (d) Bond or guarantee;

The expected life span of the roof type is ten (10) to fifteen (15) years. A minimum fifteen (15) year No Dollar Limit manufacturer's warranty for materials and labor shall be provided for the flat roof areas.

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

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

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

(ii) Drains:

(ii) (a) Location, material and type;

Flat roof areas shall be pitched at minimum slope of approximately 1/8" per foot to controlled flow roof drains and internal leaders. Roof drains and leaders shall be of cast iron and shall be connected to the building's storm drainage system.

(ii) (b) Gutters and leaders (type, material);

There will be aluminum scuppers and leaders at the roof area above the stair and elevator bulkhead which will drain the runoff to the roof drains above the seventh floor level.

(iii) Skylights (location, type, material):

There will be no skylights located at the roof areas of the building.

(iv) Bulkheads:

(iv) (a) Stair (material);

The exterior walls of the stair bulkhead shall be of poured, reinforced concrete with a stucco exterior finish. The interior surfaces shall be finished with gypsum wallboards.

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

(iv) (b) Elevator (material);

The exterior walls of the elevator bulkhead shall be of poured, reinforced concrete with a stucco exterior finish. The interior surfaces shall be finished with gypsum wallboards.

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

(iv) (c) Other;

There will be no other bulkhead areas.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs (material);

There will be two exterior, galvanized steel stairs, one at the roof above the third floor level and the other at the roof above the sixth floor level. The stair above the third floor level will provide access between the different levels of the finished roof. The stair at the roof above the sixth floor will be a circular stair and will provide access to the roof above the seventh floor level. Stairs shall be equipped with galvanized steel treads, railing and handrails

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

There will be two vertical, galvanized steel, gooseneck ladders at the roof area above the seventh floor. The ladders will provide access to the roof above the stair and elevator bulkhead from the roof above the seventh floor level. All bolts and fasteners shall be of corrosion resistant materials.

(v) (c) Railings;

There will be no railings at the roof area. There will be masonry parapet walls and tempered glass guardrails set in extruded aluminum frames with a minimum height of three feet, six inches (3'-6") at the roof terraces above the second, third, sixth and seventh floor levels. The maximum spacing between components of the guardrails shall be approximately four inches (4") as required by the N.Y. City Building Code.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

There will be no other structures at the roof areas.

(vi) Rooftop Facilities:

There will be an open, lap pool at part of the roof above the third floor level and an open whirlpool tub at the roof above the seventh floor level. The roof area, pool and whirlpool tub will be private, limited common elements to the units from which they are accessible.

(8) Fire Escapes:

There will be no fire escapes at the exterior of the building as fire escapes are not permitted on new buildings. Interior egress stairs will be provided as per Section (h)(10) of this Report.

The following sub sections will not be applicable to this Report:

(i) Location;

(ii) Floors covered;

(iii) Drop ladder;

(iv) Type;

(v) Materials;

(9) Yards and Courts:

There will be one front and one side yard area on the site because of the unique shape of the property.

The front yard area will be located at Ocean Parkway and will be a minimum depth of thirty feet measured perpendicular to the front facade of the building facing Ocean Parkway. The front yard area will be mostly excavated to the cellar level and will contain an open recreation area for the residential portion of the building.

The side yard area will be a minimum of twelve feet in width, measured perpendicular to the westerly, side lot line and the westerly facing facade.

(i) Paving;

The open yard areas as well as the parking areas at the first floor / grade level will be mostly paved with reinforced concrete.

(ii) Drainage;

The yard areas will be equipped with cast iron, area drains connected to the building's storm drainage system..

(iii) Railings;

There will be tempered glass guardrails set in extruded aluminum frames at the perimeter of the areaway at the front yard area adjacent to Ocean Parkway.

The guardrails shall be a minimum height of three feet, six inches (3'-6") above the adjacent finished grade. The maximum spacing between components of the guardrails shall be approximately four inches (4") as required by the N.Y. City Building Code.

(iv) Stairs;

There will be one, open exterior stair at the front yard area which will provide access to the areaway at the cellar level from grade level. The stair will be of reinforced concrete construction.

(v) Fencing;

There will be a new, galvanized steel, chain link fencing on at the property line to the westerly side of the building.

(vi) Walls;

There will be a reinforced concrete retaining wall at the yard area to the front of the building.

(10) Interior Stairs:

(i) Number and type;

There will be a scissor type, interior egress stairs within the building, located centrally and adjacent to the elevator core. The stairs will terminate at the first floor level and will provide egress from the second floor through to the roof above the seventh floor of the building. There will also be access provided, to and from the cellar to the first floor level, from one section of the stair.

There will also be interior stairs within the Community Facility unit and within the residential units with multiple levels, at the cellar through sixth floor levels of the building. There will be one interior stair within the Community facility unit and four within the residential units.

(ii) Enclosure;

The walls enclosing the interior, egress, stairs will be of poured, reinforced concrete and also of steel studs with two layers of gypsum wallboards on each side. The ceiling areas, below the landings of the egress stairs shall be of smooth concrete. The enclosures will have a minimum fire resistance rating of two hours.

(iii) Stair construction;

The interior egress stairs shall be of poured, reinforced, concrete construction. The interior stairs within the units shall be of steel pan construction.

(iv) Stringers;

The stringers at the interior egress stair shall be a poured in place concrete construction with steel re- bar reinforcement. The interior stairs within the units shall have steel channel stringers.

(v) Treads;

The treads of the egress stairs shall be of poured, reinforced, concrete construction. The treads of the interior stairs within the units shall be of poured concrete construction.

(vi) Risers;

The risers of the egress stairs shall be of concrete construction The risers of the stairs within the units shall be of steel plate construction.

(vii) Guardrails;

The open perimeter of egress stair landings, where necessary, shall be protected with galvanized steel guardrails. The open perimeter of stairwells and landings within the units shall be protected with galvanized steel or wood guardrails.

All guardrails shall be a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

The egress stairs shall be equipped with galvanized steel tube handrails. The interior stairs within the units shall be equipped with steel tube or wood handrails. Handrails shall be a minimum height of thirty inches above the finished level of the treads.

(viii) Balustrade;

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

(11) Interior Doors and Frames:

(i) Unit Entrance and Interior Doors and Frames;

The entrance door to each residential unit shall be single-hinged, hollow metal doors with a minimum rating of one and one half hours. Doors shall be mounted on steel frames. Each door shall be equipped with a peephole and an entry type lockset.

Interior doors within the residential units shall be, hollow core, wood doors, mounted on metal frames. Doors within the residential units shall be equipped with passage type locksets.

(ii) Corridor doors and frames;

There will be corridor doors located at each floor level of the building which will provide access to mechanical rooms, meter rooms, storage rooms and refuse disposal rooms. Corridor doors shall be fireproof, self closing, hollow core, steel doors, with a minimum rating of 1 ½ hours. All doors shall be set in steel frames.

(iii) Stair hall doors and frames;

Stair hall doors, located at the second through sixth floor levels, shall be fireproof, self closing, hollow core, steel doors, with a minimum rating of 1 ½ hours. All doors shall be mounted on steel frames.

(iv) Roof Doors, Cellar Doors and frames;

There will be no cellar level in the building. Roof doors shall be fireproof, self closing, hollow core, steel doors, with a minimum rating of 1 ½ hours. All doors shall be mounted on steel frames.

(12) Elevators:

(i) Number;

There will be one passenger elevator provided in the building.

(ii) Manufacturer & capacity;

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

(iii) Type of Operation;

The elevator will be an overhead, traction type elevator.

(iv) Automatic (Type of controls);

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

(v) Floors served;

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

(vi) Type (hydraulic, gearless);

The elevator shall be of a geared traction type.

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

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

(viii) Location of machine rooms;

The elevator mechanical room will be located at the roof above the seventh floor level.

(ix) DC motor (manufacturer);

There will be no DC motor.

(x) AC motor generator set (manufacturer);

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

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

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

The Sponsor will provide a one year maintenance of service contract for the elevator after which time the Condominium Board will be responsible for securing a maintenance contract.

(13) Elevator Cabs:

(i) Kind (Manufacturer);

The elevator cab shall be manufactured by Hollister-Whitney Elevator Corp.

(ii) Floor (Material);

The floor shall be of vinyl composition tiles. The saddle at the opening of the elevator cab shall be of vinyl or extruded aluminum and shall be at the same level as the finished floor inside the cab and the finished floor of each landing. The path of travel between elevator and the landings at finished floor levels shall be compliant with the 2010 ADA requirements.

(iii) Walls (Material);

The walls shall be finished with plastic laminate.

(iv) Ceiling (Material);

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

(v) Lighting;

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

(vi) Alarm, Safety system;

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

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

(i) AUXILIARY FACILITIES

The auxiliary facilities will include laundry closets within the units and the refuse disposal enclosures and chute, located on each floor as well as the refuse storage room at the cellar floor level.

There will be a reception / security desk, located at the first floor residential lobby where packages may be left for the residential units. There will be no separate package storage rooms or bicycle storage rooms in the building.

(1) Laundry rooms:

(i) Location and number;

There will be one combined laundry / mechanical closet or a separate laundry closet, provided within each residential unit with hookups for domestic type, stackable, electric washing machines and gas dryers.

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

(ii) Clothes Washers;

There will be no clothes washers provided by the Sponsor

(iii) Clothes Dryer;

There will be no clothes dryers provided by the Sponsor.

(iv) Room Ventilation;

There will be a fresh air, intake ventilation provided for the combined, laundry / mechanical closets. There will also be a vertical, galvanized steel, exhaust ventilation flues for the hot water heaters and furnaces located within the laundry / mechanical and mechanical closets. All exhaust vent ducts will terminate at the roof above the seventh floor level.

(v) Dryer Ventilation

There will be a vertical, galvanized steel exhaust ventilation duct provided in each laundry / mechanical closet for the dryers. All exhaust vent ducts will terminate at the roof above the seventh floor level.

(2) Refuse Disposal:

Refuse disposal will be the responsibility of each residential unit's occupant. There will be a refuse room, accessible from the common hallway at the first through third floor levels of the building and a refuse room within each residential unit at the upper floors. There will also be a refuse storage room and trash compactor at the cellar floor level of the building.

Residential unit occupants will dispose of their garbage in the refuse rooms on each floor. Residential garbage will be removed from the refuse storage rooms and stored in the cellar compactor room by a janitorial service. Refuse will be placed at curb level the night before scheduled pickups from where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

The Community Facility shall retain a commercial garbage removal service for their refuse removal.

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be a refuse compactor located in the refuse storage room at the cellar storage level. The refuse compactor shall be model SE-150 as manufactured by Chutes Enterprises, 1011 Westwood Avenue, Staten Island, N.Y. 10314. The compactor will have a capacity of 35,000 Lbs. or 8,000 cubic feet per day.

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

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required for the removal of garbage. Residential garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Residential garbage will be stored in a refuse room located at the cellar floor level of the building.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is Wednesdays and Saturdays with recycling on Wednesdays as per the N.Y. City Department of Sanitation's website.

(j) PLUMBING AND DRAINAGE

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the existing New York City Water Distribution System located in the roadway beneath Avenue N. There will be a new, minimum 3" domestic copper water main conveying water into the building for the units. There will also be a new, minimum 4" sprinkler main conveying water to the sprinkler system.

Each residential unit and the Community Facility unit is to be supplied with cold water from a minimum ½" copper piping. Each residential unit will have its own hot water heater, located in mechanical closets within the units.

The hot and cold water piping throughout the building will be protected with a minimum ½" thick polyethylene, thermal insulation with a minimum R value of 2 as required by the N.Y, State Energy Conservation Construction Code.

The building will rely on normal New York City water pressure for raising water to the seventh floor level.

(2) Fire Protection System:

There will be a wet pipe, sprinkler system installed throughout the building. A separate sprinkler application number 321238184, was filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed, Mechanical Engineer. The required permits will be secured prior to the installation of the sprinkler system.

There will also be a smoke detector and sprinkler, fire alarm system installed throughout the building. A separate fire alarm application number 321238193, was filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed, Mechanical Engineer. The required permits will be secured prior to the installation of the fire alam system.

The nearest fire hydrant to the building is approximately ten feet, South of the Southerly, side property line, running perpendicular to Ocean Parkway.

(i) Standpipes;

There will be no standpipes in the building.

There will be a minimum 4" diameter, steel, sprinkler riser pipe, located in the common egress stair enclosure.

(ii) Hose racks, hoses and nozzle;

There will be no hose racks, hoses and nozzles in the building.

(iii) Sprinkler heads;

Sprinkler heads shall be mainly of the concealed, pendant type within the residential units and of the upright pendant type at the cellar and mechanical room areas.

(iv) Siamese Connection;

There will be a 3" x 3" x 4" flush mounted siamese connection located adjacent to the main entrance to the building at Avenue N. The connection will be a minimum of 18" above grade.

(3) Water storage tanks and enclosures:

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

(i) Number, type, location;

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

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure;

The building will rely on normal N.Y. City water pressure which is adequate to raise the water to the seventh floor level of the building. The water pressure at the site will be approximately 50 psi.

There will be a fire pump (model 5PVF11 by Peerless) and jockey pump (Series C (CR) by Grundfos) for the sprinkler system, which will be located in the sprinkler mechanical room at the first floor level.

(5) Sanitary Sewage System:

(i) Sewage piping (materials);

Sanitary sewage piping shall be of extra hard cast iron.

(ii) Sewage pumps;

There will be no sewage ejector pumps located in the building.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via new, extra heavy cast iron, sewer pipes located within the building, which will lead to a house trap of extra heavy cast iron, located towards the front of the building at the first floor level.

Beyond the house traps, there will be new 6", extra heavy cast iron, sanitary drain pipes which will be connected to the existing 24" combined sewer located in the roadway beneath Avenue N.

(6) Permits required:

A permit for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within the building and on the site. A Site Connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

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

(7) Storm Drainage System:

The storm drainage will be a gravity flow system. The on-site, storm drainage system will consist of; controlled flow, cast iron, roof drains connected to vertical, interior cast iron leaders, cast iron area drains, below grade, horizontal, cast iron drains and a below grade concrete, detention tank.

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

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

(i) Catch Basins;

Catch basins are located in the public roadway along Ocean Parkway, Ryder Avenue and along Avenue N.

Catch basins are constructed of concrete with steel grating covers and have been designed and installed by the N.Y. City Department of Transportation. The catch basins comply with the standards of the N.Y. City Department of Transportation, the N.Y. City Department of Buildings and the N.Y. City Building Code.

(ii) Yard and Roof drains;

There will be controlled flow, cast iron, roof drains located at the roof areas above the third and seventh floor levels of the building. There will be aluminum scuppers and leaders at the roof areas above the stair and elevator bulkheads. Area drains will be located in the yard areas of the building and at the covered parking areas and driveways.

(iii) Piping;

Interior, vertical, storm and waste pipes shall be of cast iron.

(iv) Ejector or Sump pumps;

There will be no ejector or sump pumps in the building.

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

(1) Domestic hot water shall be provided for each residential unit by a gas fired, hot water heater which will be located within the mechanical closets within each unit. There will be no "instant hot water on demand mechanism or devices" provided for the hot water heating system. The hot water heating system shall be designed to be capable of providing peak required services to each residential unit.

Heating of each residential unit will be achieved by a split, forced air, HVAC system. Heated air will be supplied to the spaces within the units (via galvanized steel ducts and wall and ceiling registers).

Heating of the Community Facility unit will also be achieved by a split, forced air, HVAC system. Heated air will be supplied to the spaces within the units (via galvanized steel ducts and wall and ceiling registers).

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

Original Test and Balancing Reports for the HVAC System shall be provided to the Condominium Board upon conversion.

(2) Number of boilers and description:

There will be at least one, new, gas fired, hot water heater provided in the mechanical closets within each unit. There will also be one, new gas fired hot water heater provided for the Community Facility unit in a mechanical closet at the cellar floor level.

There will be at least one, new, gas fired, furnace provided in the mechanical closet within each unit.

There will be at least one condenser for each residential unit and two for the Community Facility unit.

(3) Manufacturer (model, capacity):

Each hot water heater for the residential units, shall be model number **GCF-40 SERIES 100L**, as manufactured by **AO SMITH,** with a New York City MEA approval number (385-04-E). Each heater has a rated input heating capacity of approximately 40,000 BTUs per hour and will operate with an efficiency rating of approximately eighty (80 %) percent.

The hot water heater for the Community Facility Unit shall be model shall be model number **GCVT-40L**, as manufactured by **AO SMITH,** with a New York City MEA approval number (385-04-E). The heater has a rated input heating capacity of approximately 50,000 BTUs per hour and will operate with an efficiency rating of approximately eighty (80 %) percent.

The hot water heaters will have a limited warranty of at six (6) years on tank and parts.

The furnaces for the units shall be model numbers **AUCIB040, AUCIB060 and AUCIB080**, as manufactured by **AMERICAN STANDARD**, with a N.Y. City MEA approval number **(285-97-E)**. Each furnace will have an input rating of approximately 40,000, 60,000 and 80,000 BTUs per hour, respectively and will operate with an efficiency rating of approximately eighty (80 %) percent.

The furnaces will have a limited warranty of at least five (5) years on parts and twenty (20) years on the heat exchanger.

The air handler units which will distribute the heated air to the ducts and registers within the Residential units, will be located at the ceiling of the laundry and mechanical closets within the units. The air handlers will be model numbers PLFY-P12NBMU-ER2, PEFY-P30NMHU-E2, PVFY-P30NAHU-E and PEFY- P36NMHU-E2 as manufactured by MITSUBISHI.

The air handler units which will distribute the heated air to the ducts and registers within the Community Facility unit, will be located at the ceiling of the mechanical closets and toilet rooms within the unit. The air handlers will be model numbers PLFY-P18NBMU-ER2, PVFY-P36NAMU-E, PEFY-P54NMHU-E2, and PEFY- P96NMHSU-E as manufactured by MITSUBISHI.

Air handlers will be equipped with built in wired thermostats for temperature and air distribution control.

The Sponsor reserves the right to provide hot water heaters, air handlers and furnaces by a different manufacturer which are equal to or better than noted above.

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

The hot water heater burners will be new and will be as manufactured by **AO SMITH**.

Furnace burners will be new and will be as manufactured by **AMERICAN STANDARD**.

Air handler burners will be new and will be as manufactured by **MITSUBISHI.**

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

(5) Type of Controls:

Each furnace and hot water heater shall be equipped with thermostats.

(6) Radiators, piping, etc.

There will be no radiators.

(7) Fuel (supply system):

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

(8) Location of oil tank:

There will be no oil tanks in the building.

(9) Capacity of oil tank:

There will be no oil tanks in the building.

(l) **GAS SUPPLY**

(1) Type;

A new 3" gas main will be provided for the building from Ryder Avenue.

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

(2) Meters;

There will be a minimum of thirteen (13), new, gas meters. Gas meters will be located at the first floor level adjacent to the covered parking units accessible from Ryder Avenue.

(3) Piping;

Gas piping throughout the building shall be of black iron.

(m) **AIR CONDITIONING**

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

Original Test and Balancing Reports for the HVAC System shall be provided to the Condominium Board upon conversion.

(1) Type of system,

Cooling of the units will be achieved by the cooling cycle of the split, forced air, H.V.A.C. systems. Cooling of each residential unit and the Community Facility unit will be achieved by supplying cool air (via galvanized steel ducts and ceiling and wall registers) to the different spaces within the units.

The condenser units, which will generate the energy required for cooling, will be located at the roof area above the stair and elevator bulkhead and at the first floor level adjacent to the covered parking area.

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

The cooling system will be manufactured by **CARRIER** and each condenser will have cooling capacities of approximately 30,000, 36,000 and 42,000 BTU's per hour.

(3) Cooling towers or Condensers (number, location, description):

There will be approximately fifteen condensers, at least one for each residential unit, and two for the Community Facility unit.

The condenser units shall be model numbers **24AHA30, 24AHA36, and 424AHA42** as manufactured by **CARRIER** with cooling capacities of 30,000, 36,000 and 42,000 BTU's per hour respectively and will operate at an efficiency rate of approximately 80%. Each unit shall be UL approved.

The condensers will have a limited warranty of at least five (5) years.

The condenser units will be located at the roof area above the stair and elevator bulkhead and at the first floor / grade level adjacent to the covered parking area.

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

Cooled air will be distributed to the spaces via the same air handling units, ducts and ceiling and wall registers as the heated air.

The air handler units which will distribute the cooled air to the ducts and registers within the Residential units, will be located at the ceiling of the laundry and mechanical closets within the units. The air handlers will be model numbers PLFY-P12NBMU-ER2, PEFY-P30NMHU-E2, PVFY-P30NAHU-E and PEFY- P36NMHU-E2 as manufactured by MITSUBISHI.

The air handler units which will distribute the cooled air to the ducts and registers within the Community Facility unit, will be located at the ceiling of the mechanical closets and toilet rooms within the unit. The air handlers will be model numbers PLFY-P18NBMU-ER2, PVFY-P36NAMU-E, PEFY-P54NMHU-E2, and PEFY- P96NMHSU-E as manufactured by MITSUBISHI.

Air handlers will be equipped with built in wired thermostats for temperature and air distribution control.

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

(4) Individual units covered by the offer (window / sleeve- number, location, description);

There will be no window sleeves provided for the units.

(n) **VENTILATION**

The spaces that require mechanical ventilation within the units are the interior bathrooms and kitchen areas. These spaces within the units shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm; for bathroom areas and approximately 3cfm per square foot of floor area or a minimum of 150 cfm, for kitchen areas as required by the New York City Building Code.

The mechanical and laundry closets within the units shall be provided with exhaust ventilation ducts for furnaces and dryers and fresh air intake ducts and registers for ventilation of the mechanical equipment.

The corridors and lobby areas at the cellar and first floor level will have natural ventilation from the doors to the exterior which open to those spaces.

Common corridor areas at the first through third floor levels will be equipped with mechanical exhaust air registers which will remove air at approximately 200 cfm at each floor. The common egress stairs will be equipped with exhaust ventilation louvers, at the exterior walls of the stair bulkhead, at the roof above the seventh floor.

Mechanical equipment rooms at the cellar level will also be equipped with fresh air intake ducts.

All exhaust equipment shall be New York City M.E.A. or B.S.A. approved.

(o) **ELECTRICAL SYSTEM**

(1) Service from main service switchgear;

The electrical service will be brought in from the terminal point of the Consolidated Edison Co to the building. The total service supplied to the building, shall be a 1,200 Amp, 240 Volt, triple phase, three wire, service.

The service to the Community Facility unit will be a 200 Amp, 240 Volt, triple phase, three wire, service.

The electrical service will be transported throughout the building via, insulated, three wire cables

(2) Service to the individual units;

There will be a separate electrical meter for each residential unit. There will be 100 Amps of electrical service supplied to each residential unit.

(3) Compartment switchgear;

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

(4) Unit service;

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

(5) Adequacy;

(i) Service;

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

(ii) Lighting and Fixtures;

There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination or its equivalent.

Lighting fixtures and electrical outlets; shall be installed by a licensed Electrician, and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(iii) Convenience outlets & appliance outlets;

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, etc. within each unit.

Arc Fault Circuit Interrupters (AFCI) and Ground Fault Circuit Interrupters (GFCI) shall be provided at all outlets. Three way switches shall be provided at the cellar areas as necessary to comply with the N.Y. City Electrical Code.

Electrical equipment shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(p) INTERCOMMUNICATION SYSTEM

Each residential unit will be equipped with an intercom located close to the main entrance door within the unit; which will permit voice contact between the inside of the residential units and the main entrance door at the first floor level. The intercom shall be equipped with a buzzer to allow access to the entrance lobby. The intercom shall be Model VC-MW/B as manufactured by Aiphone.

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

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

(q) **PUBLIC AREA LIGHTING**

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

Wall mounted, lighting fixtures shall be provided adjacent to the exterior entrances of the building; providing an aggregate illumination of at least two hundred (200) watts incandescent illumination, or its equivalent.

There shall also be wall mounted, lighting fixtures provided, at the yard areas to the sides of the building, at approximately the level of the second floor. The wall mounted, lighting fixtures shall each be a minimum of sixty (60) watts incandescent illumination or its equivalent.

The ceiling, lighting fixtures for the interior public areas shall be Avalon, flush mounted, model number P3688 as manufactured by Progress Lighting.

The lighting fixtures at the exterior entrance shall be Bay View, wall sconces, model number MG01509 as manufactured by The Minka Group.

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

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

(r) **GARAGES AND PARKING AREAS**

There will be two enclosed parking spaces, four, covered parking spaces and two, open parking spaces, located at the first floor / grade level of the building. Each parking space will be approximately eight feet and six inches in width and eighteen feet in length.

There will be one ADA parking space provided at the yard area to the front of the building accessible from Ryder Avenue.

(1) Location of garages;

There will be one enclosed parking garage accessible from Avenue N, which will consist of two parking spaces. The parking garage will be one (1) parking unit.

(2) Location of parking areas;

There will be four, covered parking spaces which will be located at the first floor level, beneath part of the building accessible from Ryder Avenue. Each covered parking space will be a separate parking unit.

There will also be two, open parking spaces, located at the yard area adjacent to the westerly, side lot line which will also be accessible from Ryder Avenue. The two open parking spaces will be a single parking unit.

(3) Surfaces;

Parking surfaces shall be of be of poured concrete, reinforced with welded steel wire fabric. Each parking space will be delineated with dashed lines of white or yellow epoxy paint.

(4) Parking (attended or unattended);

Parking spaces will be unattended.

(5) Garage ventilation (method and equipment);

There will be no mechanical exhaust ventilation provided for the parking areas as the exterior parking spaces will not be enclosed. The enclosed garage area will be equipped with an overhead type roll up garage door approximately sixteen feet in width by ten feet in height.

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

There will be sprinkler heads connected to the building's sprinkler system in the enclosed garage area.

(7) Drainage;

The parking areas at the first floor level will be equipped with cast iron, area drains connected to the building's storm drainage system.

(s) **SWIMMING POOLS**

There will be one swimming pool located at the roof area above the third floor level of the building. The swimming pool will be a limited common element for the unit located at the fourth, fifth and sixth floor levels. The pool equipment will be located in a crawl space located above the roof of the third floor level and adjacent to the side of the pool next to the side yard area.

There will be a whirlpool / swim spa located at the roof above the seventh floor level, which will be a limited common element for the unit located at the seventh floor level. The mechanical equipment for the spa will be located in a mechanical closet located adjacent to the stair and elevator bulkhead.

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

The swimming pool will be of poured reinforced concrete construction. The walls and floors will be finished with a white marcite finish. The pool will be installed by J & P Pool Inc., Whitestone, New York.

The whirlpool / swim spa shall be the Swim Spa, portable model as manufactured by Spa Manufacturers Inc., Clearwater Florida. The spa will be constructed of fiberglass layers with an acrylic finish at the interior surfaces. The spa cabinet will be constructed with a pressure treated wood frame, with a western cedar wood exterior finish.

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

The pool will be approximately twelve feet in width, fifty eight feet in length and five feet in depth. The pool will be capable of accommodating approximately twenty persons at any one time.

The whirlpool / swim spa will be approximately fourteen feet in length by thirteen feet in width and four feet in height and will have a capacity of approximately 1,200 gallons. The spa will be capable of accommodating approximately six persons at a time.

(3) Enclosure (material including roof);

The bottom of the swimming pool will be a one foot thick, poured, reinforced concrete slab which will sit on the roof slab above the third floor level. The side walls which will also be of one foot thick, poured, reinforced concrete construction. There will be no roof or enclosure above the open pool area.

The bottom of the pool and the side walls shall be finished with a white marcite finish. The perimeter of the pool will be finished with a slip proof mosaic tile pavers.

The whirlpool / swim spa will be constructed of fiberglass layers with an acrylic finish at the interior surfaces. The spa cabinet will be constructed with a pressure treated wood frame, with a western cedar wood exterior finish. There will be no roof or enclosure above the

(4) Pumping and filter system;

Pool equipment will be located at the crawl space located between the roof above the third floor level and the finished roof area adjacent to the length of the pool.

The pool will be equipped with filters and pumps to be designed by a N.Y. State licensed Mechanical Engineer. Separate plans shall be filed with and approved by the N.Y. City Department of Buildings for the installation of the pool equipment.

The pumps for the pool shall be four, model number PA-1.5 HP Variable Speed, single phase pumps as manufactured by Hayward Industries Inc.

The pool filter shall be model number PA-TR Pro Series sand filter as manufactured by Hayward Industries Inc.

The Sponsor reserves the right to provide pumps and a filter by a different manufacturer which will be equal to or better than noted above.

(5) Water heating equipment;

The pool will also be equipped with heating equipment to be designed by a N.Y. State licensed Mechanical Engineer.

The water heater shall be model number PA-400, gas fired water heater, manufactured by Hayward Industries Inc. and will be located at the adjacent crawl space at the roof above the third floor level.

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

(6) Structural support system (roof location);

The pool will be supported by the poured reinforced, concrete, roof slab and reinforced concrete columns which supports the roof above the third floor level of the building.

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

There will be no tennis courts or playgrounds within or at the exterior areas of the building. Sub sections (1) and (2) will not be applicable to this Report.

There will be an open, recreation space located at the areaway in the yard area to the front of the building facing Ocean Parkway.

(1) Tennis Courts:

(i) Type (clay, macadam, turf);

(ii) Number and Size;

(iii) Lighting (number and type);

(iv) Fencing and enclosure;

(2) Playgrounds (size and location);

(3) Other Recreation facilities;

There will be a common recreation area, located partially at the first floor level and mostly at the open areaway, excavated to the cellar floor level.

There will be no furnishing provided in the open recreation space by the Sponsor. The furnishing of the open space and the activities that will be allowed shall be decided by the Condominium Board.

The times of access to the common, open recreational area, the eventual furnishings, maintenance and the rules and regulations governing the use of the space shall be decided by the Condominium Board.

(u) **PERMITS AND CERTIFICATES**

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

The following permits will be obtained by the Sponsor:

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

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

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

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

Recurring inspections to be performed after the building is in operation shall include but not be limited to; the Elevator system, Facade Inspection, Sprinkler System, Fire Alarm System and Mechanical Equipment.

(v) **VIOLATIONS**

There are currently no open violations listed for the property as per the N.Y. City Department of Buildings Information System website.

(w) **UNIT INFORMATION**

The condominium will consist of one (1) Community Facility unit, twelve (12) residential units and six (6) parking units.

The Community Facility unit will be located mainly at the first floor level and partially at the cellar and second floor levels of the building.

The Residential units will be located at the first through seventh floor levels of the building. Part of the cellar floor level will also be used with one of the residential units located at the first and second floor levels. There will also be mechanical and meter rooms located at the cellar floor level

The floor to ceiling heights of all the units will be approximately eight feet and six inches at each floor

The parking units will all be located at the first floor / grade level of the building.

Unit C 1 will consist of:

One (1) Community Facility unit;

Unit 1 A will consist of:

Three (3) bedrooms, three and one half (3 1/2) bathrooms, living / dining area, kitchen, recreation room and laundry / mechanical closet;

Unit 1 B will consist of:

One (1) bedroom, one (1) bathroom, living / dining area, kitchen, laundry closet and mechanical closet;

Units 2 A, 2 B and 3 D will each consist of:

One (1) bedroom, one (1) bathroom, living / dining area, kitchen, laundry and mechanical closet;

Unit 3 B will consist of:

Two (2) bedrooms, one (1) bathroom, living / dining area, kitchen, laundry and mechanical closet;

Units 2 C and 3 E will each consist of:

Two (2) bedrooms, two (2) bathrooms, living / dining area, kitchen, laundry closet and mechanical closet;

Unit 3 A will consist of:

Three (3) bedrooms, two and one half (2 1/2) bathrooms, living / dining area, kitchen and laundry and mechanical closet;

Unit 3 C will consist of:

Three (3) bedrooms, two (2) bathrooms, living / dining area, kitchen and laundry / mechanical closet;

Unit 4 will consist of:

Six (6) bedrooms, five and one half (5 1/2) bathrooms, living area, dining area, kitchen, recreation room, laundry room and mechanical closet;

Unit P H will consist of:

Three (3) bedrooms, two (2) bathrooms, living / dining area and kitchen;

Unit P 1 will consist of:

Enclosed parking area for two (2) cars;

Unit P 2 through P 5 will each consist of:

One (1) covered parking space;

Units P 6 will consist of:

Two (2) open parking spaces;

UNIT SIZES:

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

The approximate square footage for each unit is as follows:

Unit C 1	Cellar Floor	= 1,742 square feet
	First Floor	= 1,215 square feet
	Second Floor	= 553 square feet
		= 3,510 square feet
Unit 1 A	Cellar Floor	= 1,123 square feet
	First Floor	= 1,102 square feet
	Second Floor	= 839 square feet
		= 3,064 square feet
Unit 1 B	First Floor	= 684 square feet
Unit 2 A	Second Floor	= 566 square feet
Unit 2 B	Second Floor	= 656 square feet
Unit 2 C	Second Floor	= 1,008 square feet
Unit 3 A	Third Floor	= 1,013 square feet
	Fourth Floor	= 981 square feet
		= 1,994 square feet
Unit 3 B	Third Floor	= 661 square feet
Unit 3 C	Third Floor	= 1,274 square feet
Unit 3 D	Third Floor	= 656 square feet
Unit 3 E	Third Floor	= 1,008 square feet

Unit 4	Fourth Floor	= 1.009 square feet
	Fifth Floor	= 1,861 square feet
	Sixth Floor	= 1,960 square feet
		= 4,830 square feet
Unit P H	Seventh Floor	= 1,660 square feet
Unit P 1	Grade	= 474 square feet
Unit P 2	Grade	= 153 square feet
Unit P 3	Grade	= 153 square feet
Unit P 4	Grade	= 153 square feet
Unit P 5	Grade	= 153 square feet
Unit P 6	Grade	= 306 square feet

(1) **UNIT FINISHES;**

The units will be finished as described herein.

The finished floor of the bedroom areas of the residential units shall be an engineered wood finish. Living and dining areas shall be of ceramic tile. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

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

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

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

The Sponsor reserves the right to provide hardwood flooring of a different species than noted above.

When completed, the following interior finishes will be installed;

Location	Floors	Base	Walls	Ceilings
1. Living/Dining Room	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
2. Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3. Kitchen	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
4. Storage Room	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
5. Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
6. Laundry / Mechanical Cl.	Ceramic Tile	G.W.B. Painted	G.W.B. Painted	G.W.B. Painted
7. Community Facility	Vinyl Tile	Vinyl	Mas./ G.W.B. Painted	G.W.B. Painted
8. Parking Spaces	Concrete	Masonry	Masonry Painted	Stucco Painted

Note:

G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry
Cl. : Denotes Closet

(2) **BATHROOM FIXTURE SCHEDULE:**

A. Water Closets: shall be model; Colony 2388.012 as manufactured by American Standard. Water closets shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.

B. Countertop lavatory: shall be model; Rondalyn 0491.019 as manufactured by American Standard with American Standard, model; Colony 2175.200 faucet; set in a plastic laminate finished, particle board vanity countertop.

C. Bathtubs: shall be model; Salem 0155.017 with flow outlet, showerhead and trim model; Colony R110SS as manufactured by American Standard.

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

(3) **KITCHEN EQUIPMENT SCHEDULE:**

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

1. Formica or wood laminate, wall and base cabinets and formica or wood laminate countertops.
2. Stainless steel sink by Crane, with faucet by Delta model number 400.
3. One, four burner gas range by Frigidare, model number FGF 368.
4. One, refrigerator by Frigidare, model number LGHT1837 LP.

Note:

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

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

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

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

Location	Floors	Base	Walls	Ceilings
1. Mechanical Room	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
2. Meter Rooms	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
3. Stair Hallways	Concrete	Concrete	Mas./ G.W.B. Painted	G.W.B. Painted

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

(y) **SAFETY AND WARNING DEVICES**

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit; within each bedroom and also at a maximum distance of fifteen feet from any bedroom door within the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detector shall be model number SC9120B as manufactured by BRK Brands Inc.

The building will also be equipped with a full sprinkler system and a fire alarm system.

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

The fire alarm central station will be located at the cellar floor level in a mechanical closet adjacent to the Community Facility unit.

The Sponsor reserves the right to provide a combined smoke and carbon monoxide detector by a different manufacturer which is equal to or better than noted above.

(bb) **FURTHER DEVELOPMENT**

There will be no further development of the property. The Sponsor shall not construct any additional units or phases after completion of the structure which is contrary to the plans as approved by the N.Y. City Department of Buildings.

(cc) **ASBESTOS**

There shall be no asbestos made products or products containing asbestos materials used in the construction of the building.

(dd) LEAD-BASED PAINT

There shall be no lead-based paint or lead-based paint products used in the construction and finishing of the building.

(ee) CORROSIVE MATERIALS

There shall be no "Chinese Drywall" or other known corrosive drywall materials used in the renovation of the building.

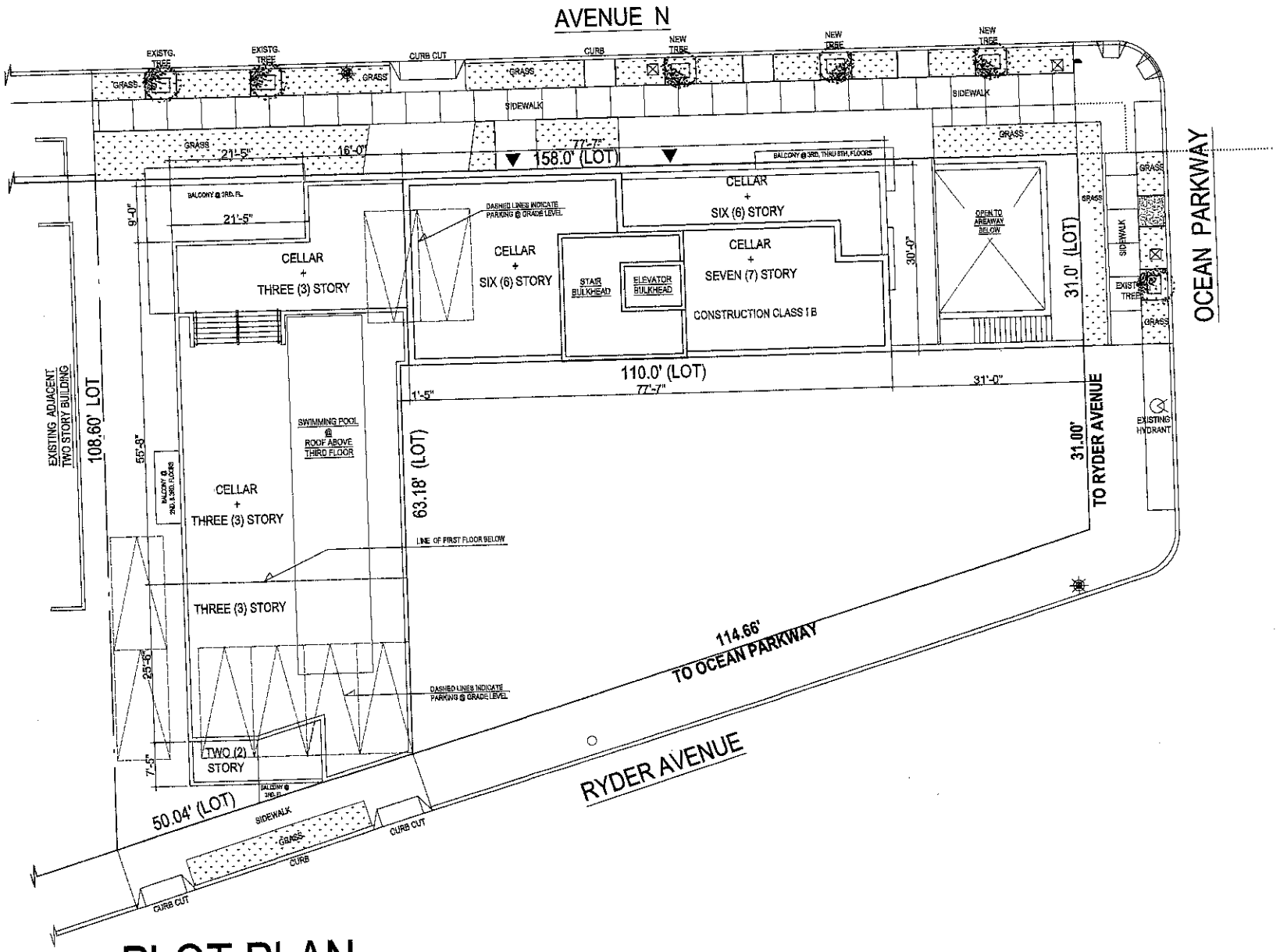
(ff) TENANT PROTECTION PLAN

The building will be new construction and will not be occupied by tenants and / or unit owners prior to the Sponsor obtaining a Certificate of Occupancy.

(gg) DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGEMENT

The following documents, as applicable, shall be transferred to the Condominium Management upon transfer of control:

Operation & Maintenance (O & M) manuals for mechanical equipment;
Electronic system manual;
Re-commissioning manual (as applicable);
Equipment Warranties;
Roof Warranty;
Major Equipment Start-Up Sheets;
Control System As-Built
Original Test and Balance Report for HVAC System;
Indoor Air Quality Report;
Final As-Built Drawings as maintained during construction, ie, Structural, Mechanical, Electrical, Plumbing, Shop Drawings.

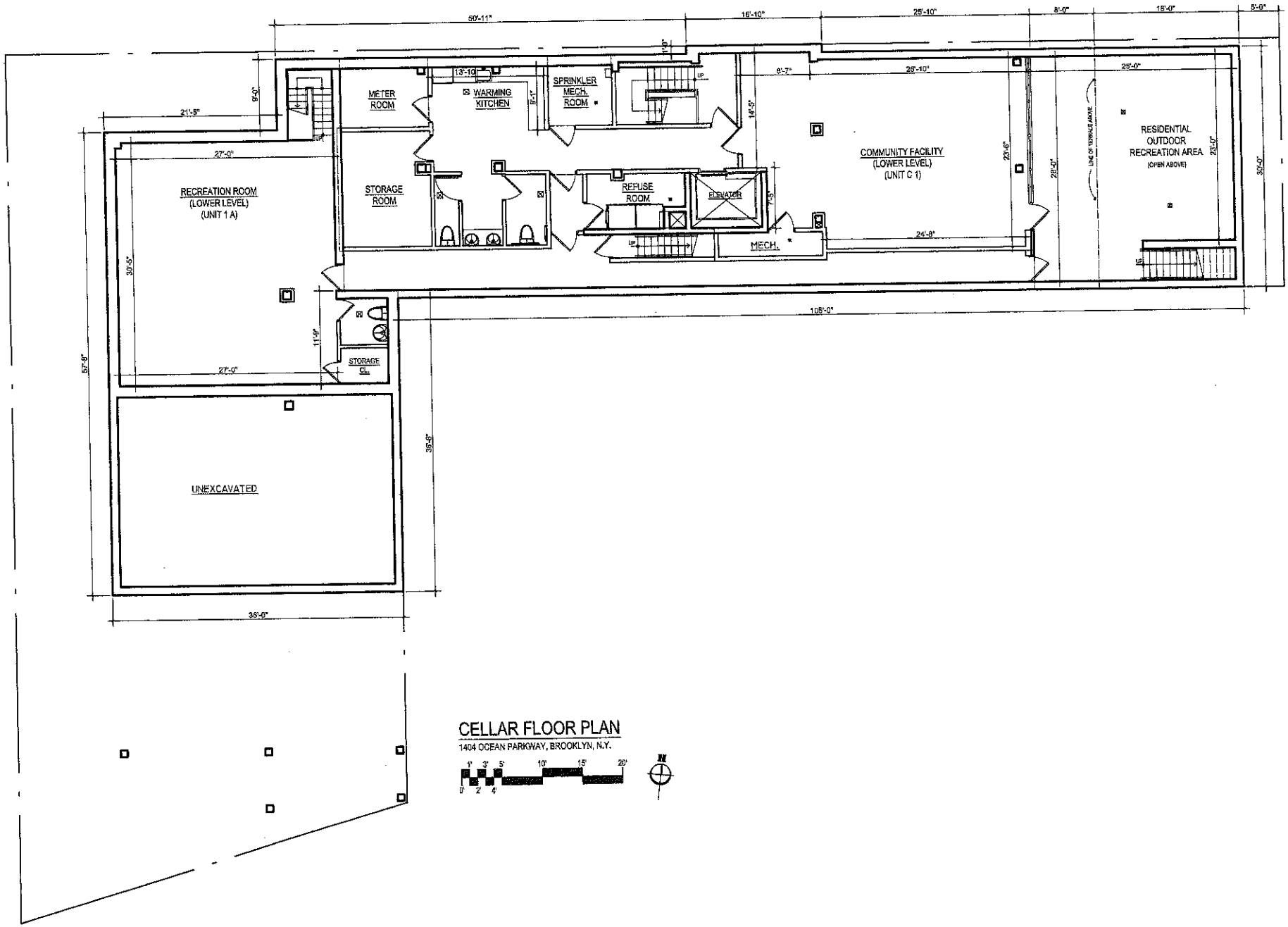


PLOT PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

BLOCK : 6587

BASE LOT : 10

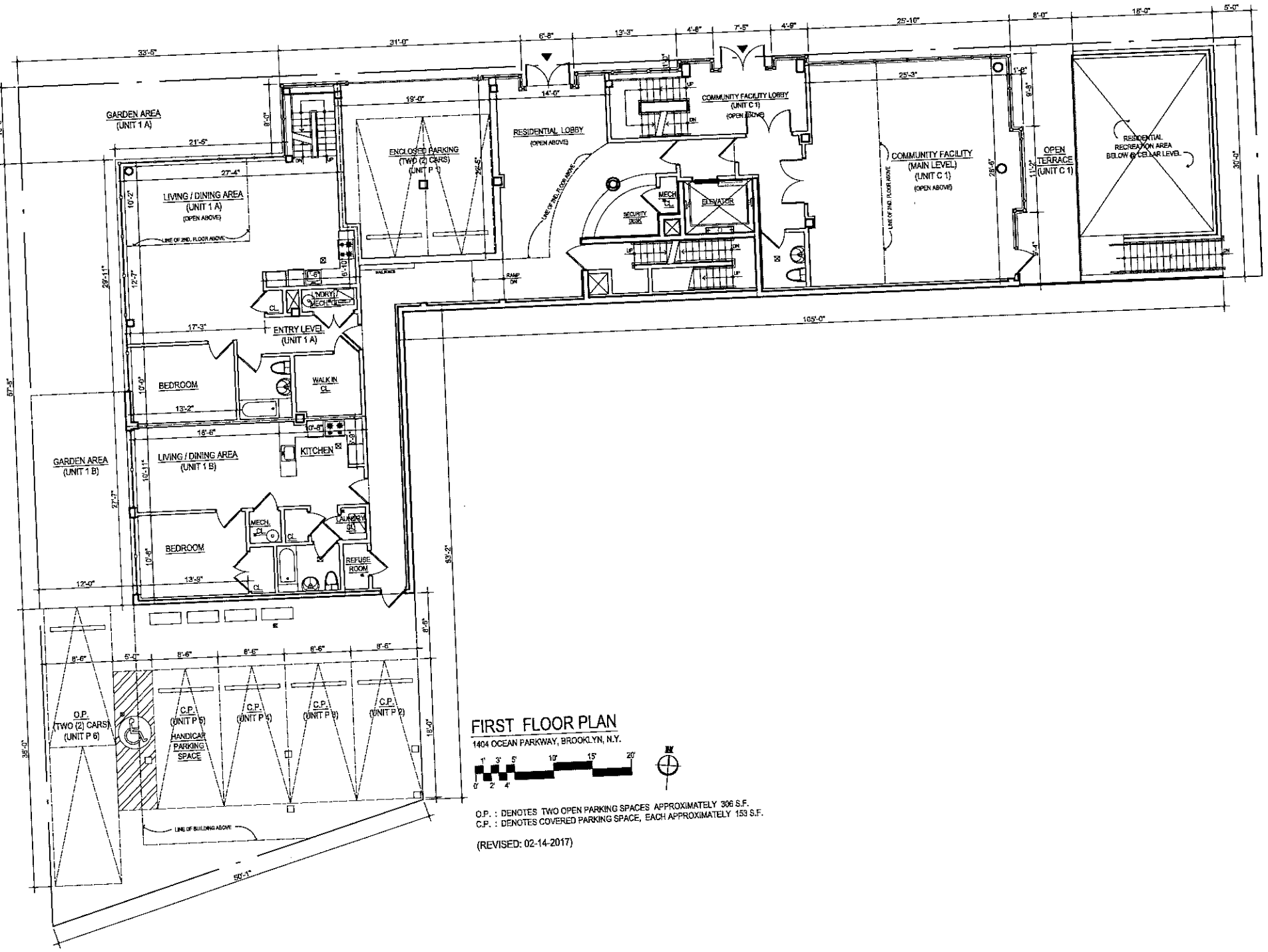


CELLAR FLOOR PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'
0' 2' 4'

N



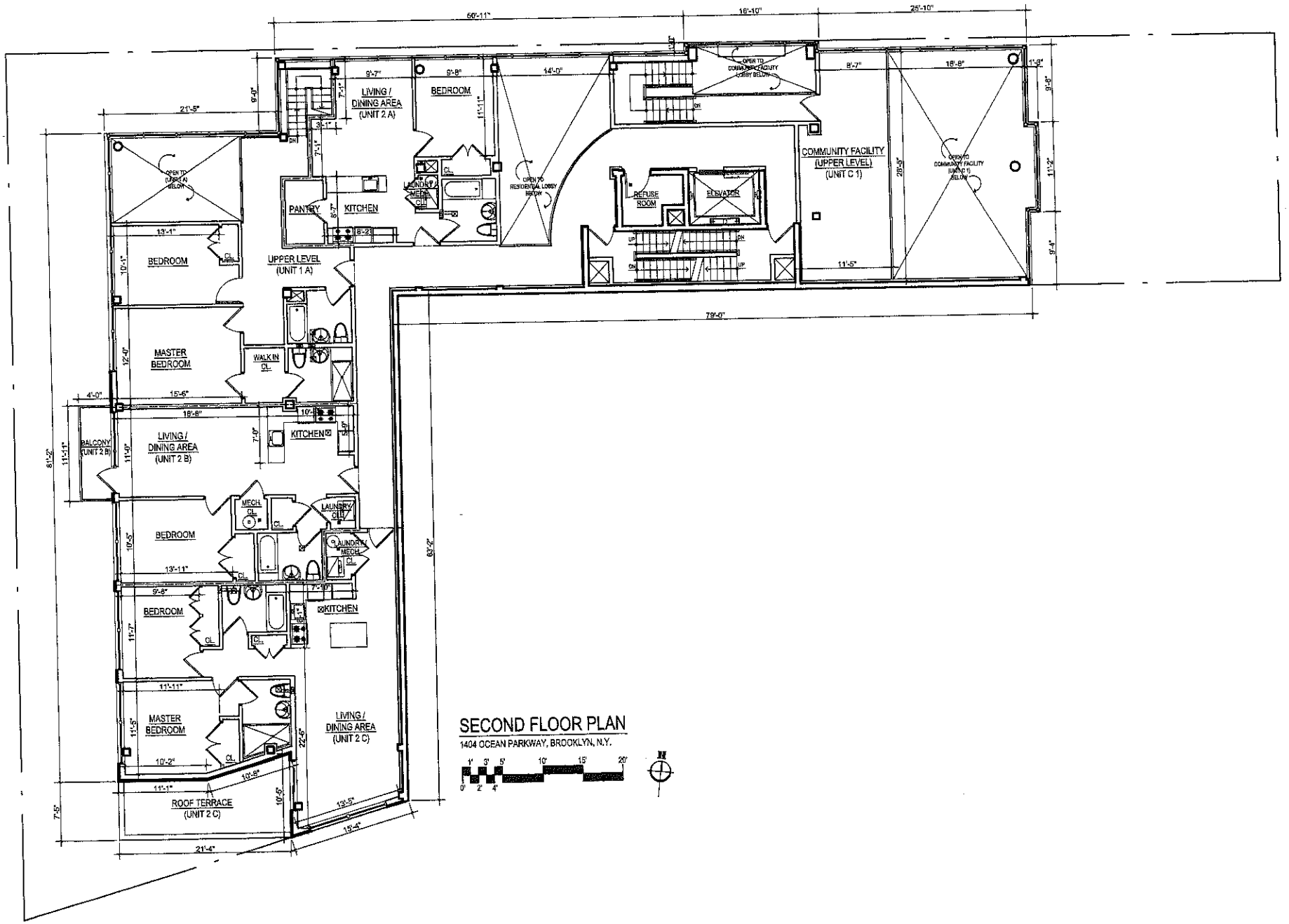
FIRST FLOOR PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'
0' 2' 4'

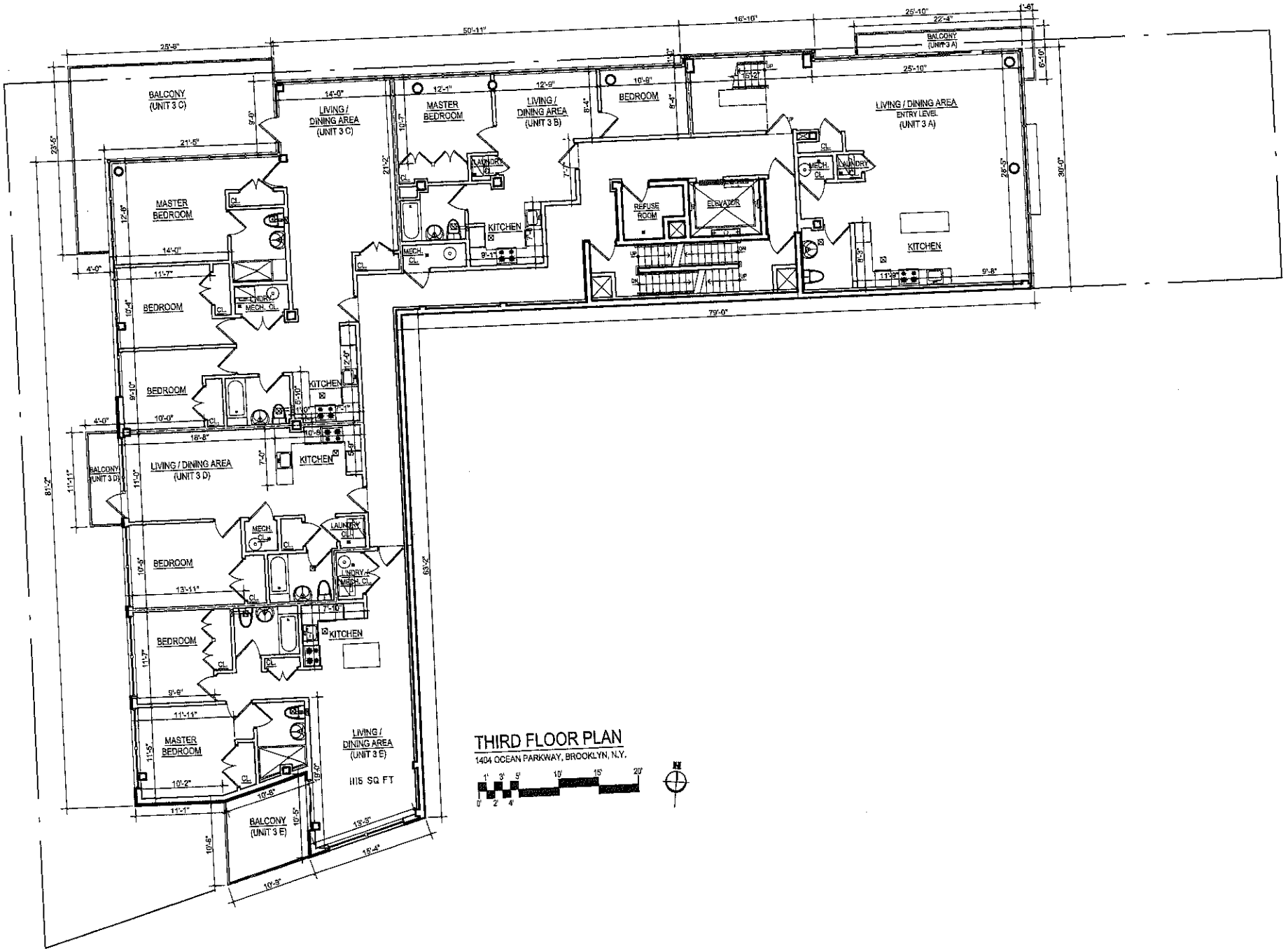
O.P. : DENOTES TWO OPEN PARKING SPACES APPROXIMATELY 306 S.F.
C.P. : DENOTES COVERED PARKING SPACE, EACH APPROXIMATELY 153 S.F.

(REVISED: 02-14-2017)



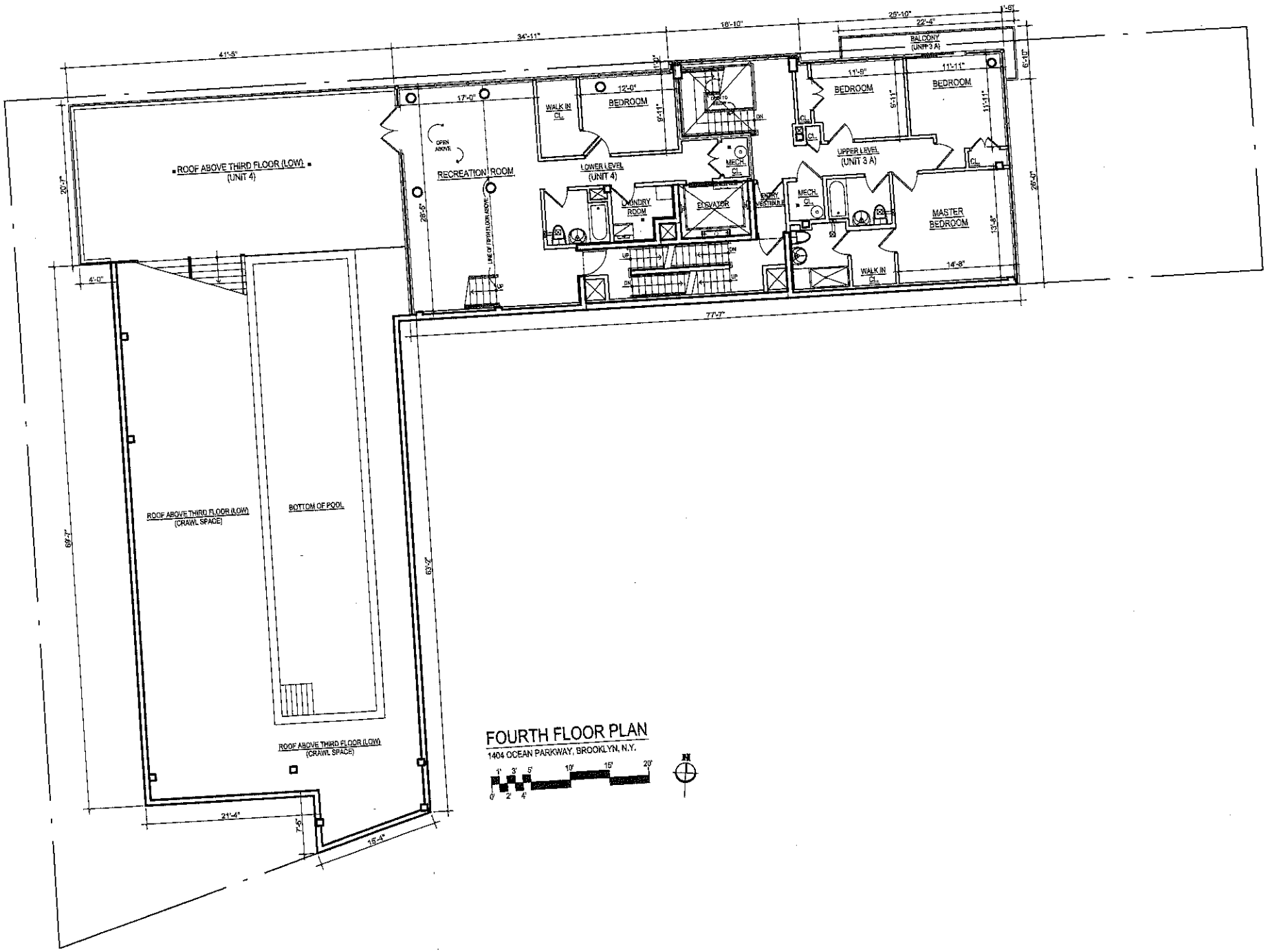
SECOND FLOOR PLAN

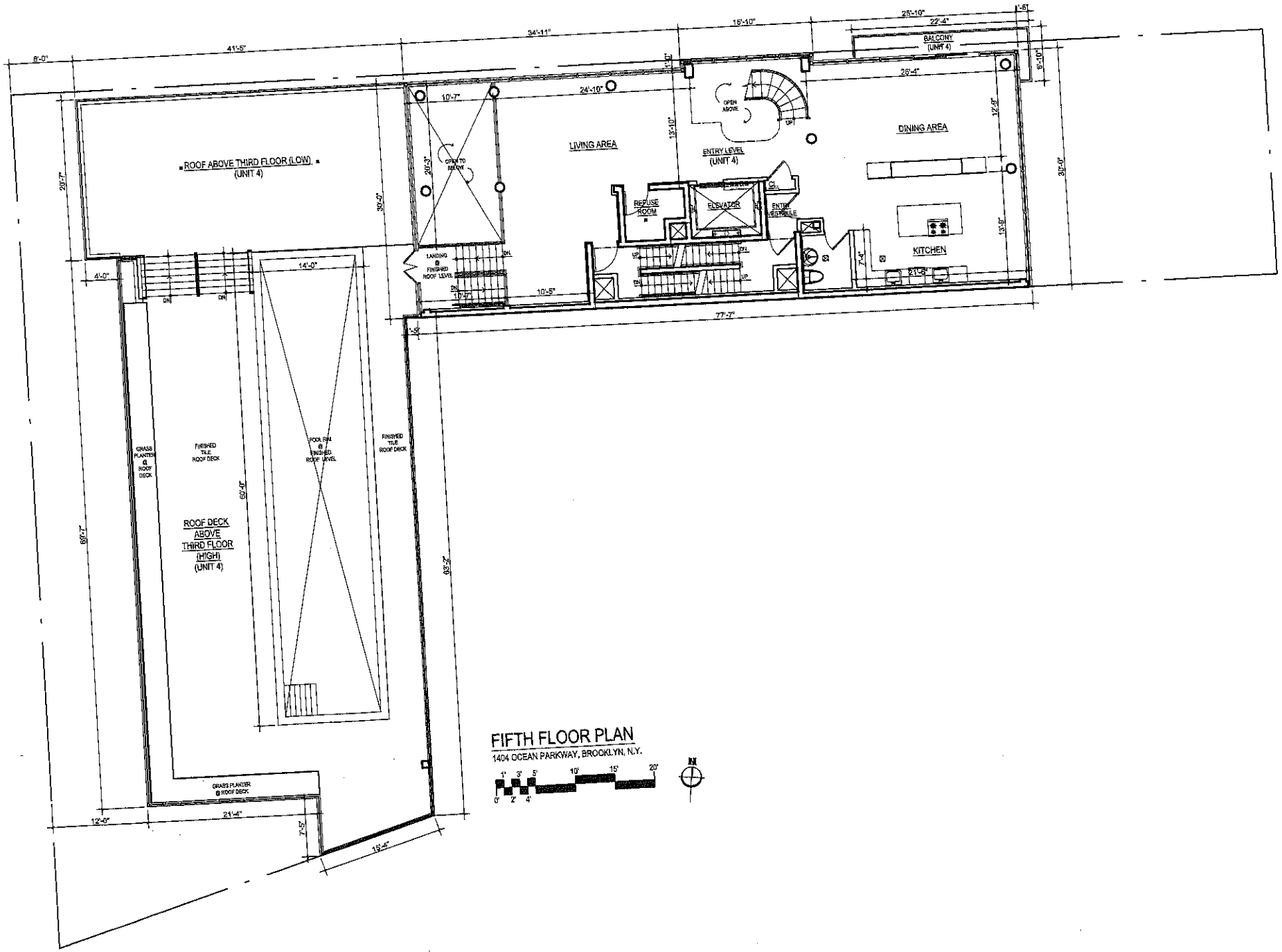
1404 OCEAN PARKWAY, BROOKLYN, N.Y.



THIRD FLOOR PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.


ROOF ABOVE THIRD FLOOR (LOW)
(UNIT 4)
RECREATION ROOM
OPEN ABOVE
LOWER LEVEL
(UNIT 4)
WALK IN CL.
BEDROOM
12'-0"
17'-0"
LINE OF FIRST FLOOR ABOVE
LAUNDRY ROOM
ELEVATOR
ENTRY VESTIBULE
MECH.
CL.
DOWN TO ROOM
UP
DN
BALCONY
(UNIT 3 A)
22'-4"
25'-10"
1'-6"
6'-10"
BEDROOM
11'-9"
9'-11"
BEDROOM
11'-11"
11'-11"
UPPER LEVEL
(UNIT 3 A)
MASTER BEDROOM
13'-8"
14'-8"
WALK IN CL.
41'-5"
34'-11"
18'-10"
77'-7"
28'-4"
28'-5"
20'-7"
4'-0"
ROOF ABOVE THIRD FLOOR (LOW)
(CRAWL SPACE)
BOTTOM OF POOL
ROOF ABOVE THIRD FLOOR (LOW)
(CRAWL SPACE)
69'-7"
63'-2"
21'-4"
7'-5"
15'-4"
FOURTH FLOOR PLAN
1404 OCEAN PARKWAY, BROOKLYN, N.Y.
1' 3' 5' 10' 15' 20'
0' 2' 4'
N



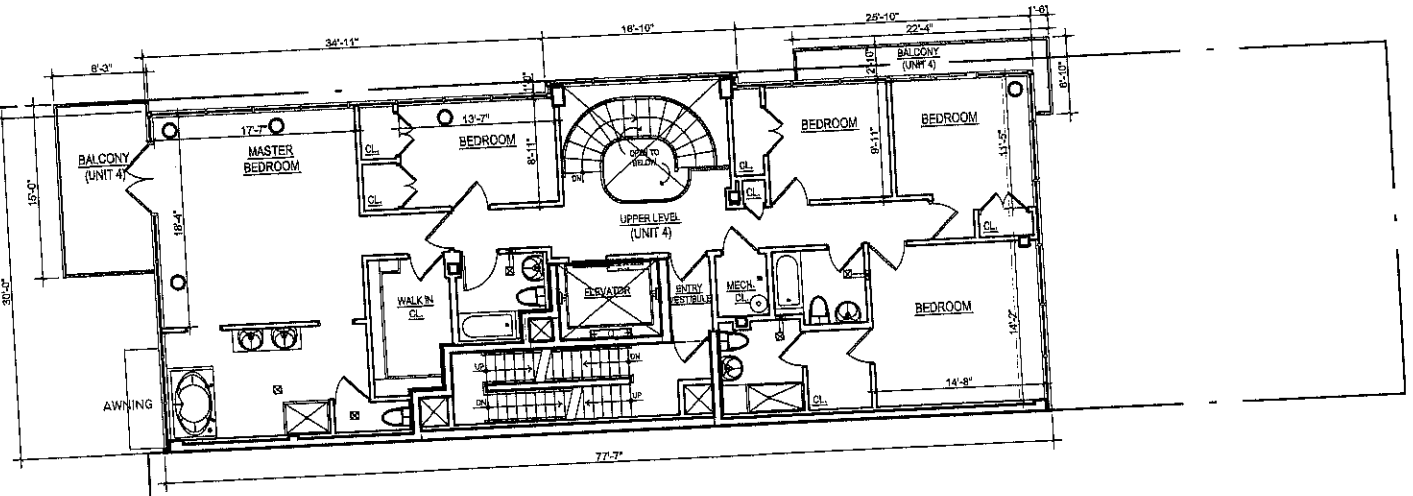
FIFTH FLOOR PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

N

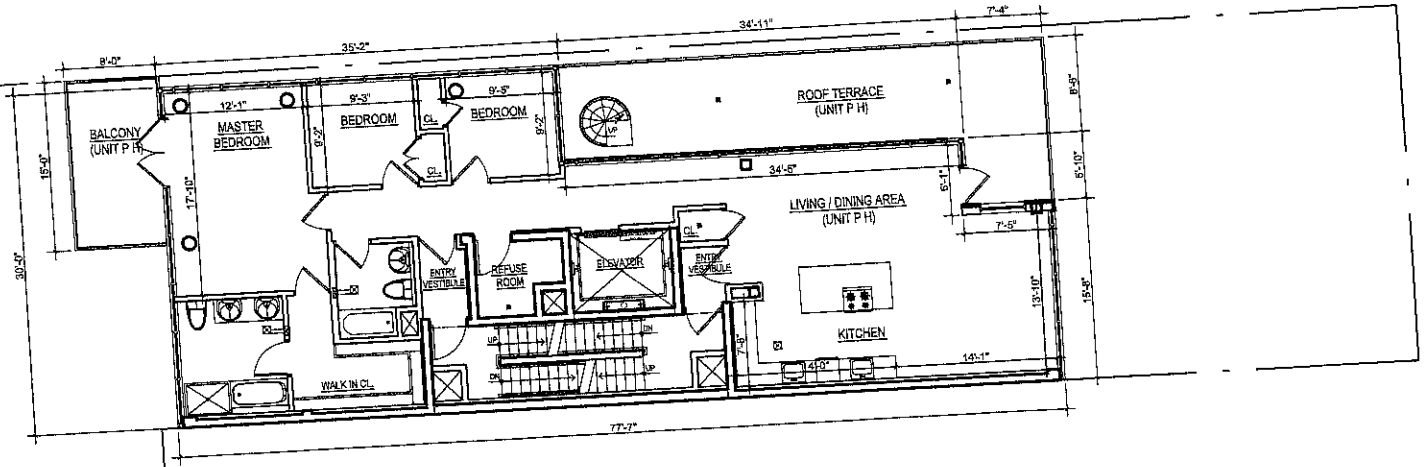


SIXTH FLOOR PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'



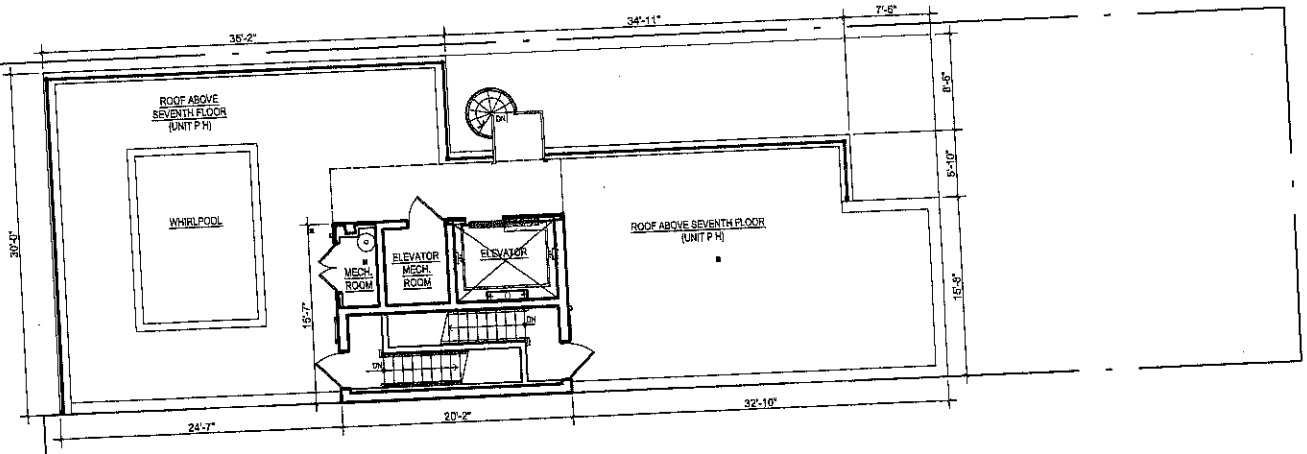
SEVENTH FLOOR PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

N



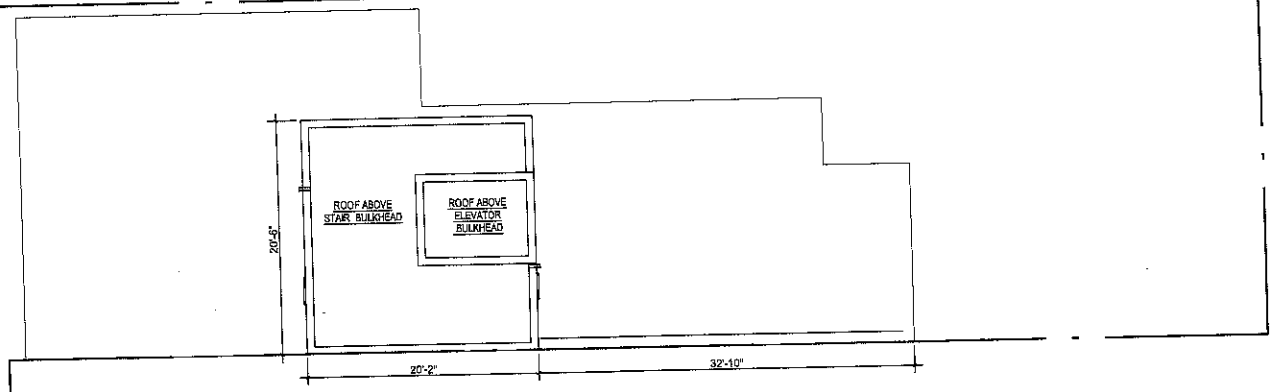
BULKHEAD & ROOF PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

N

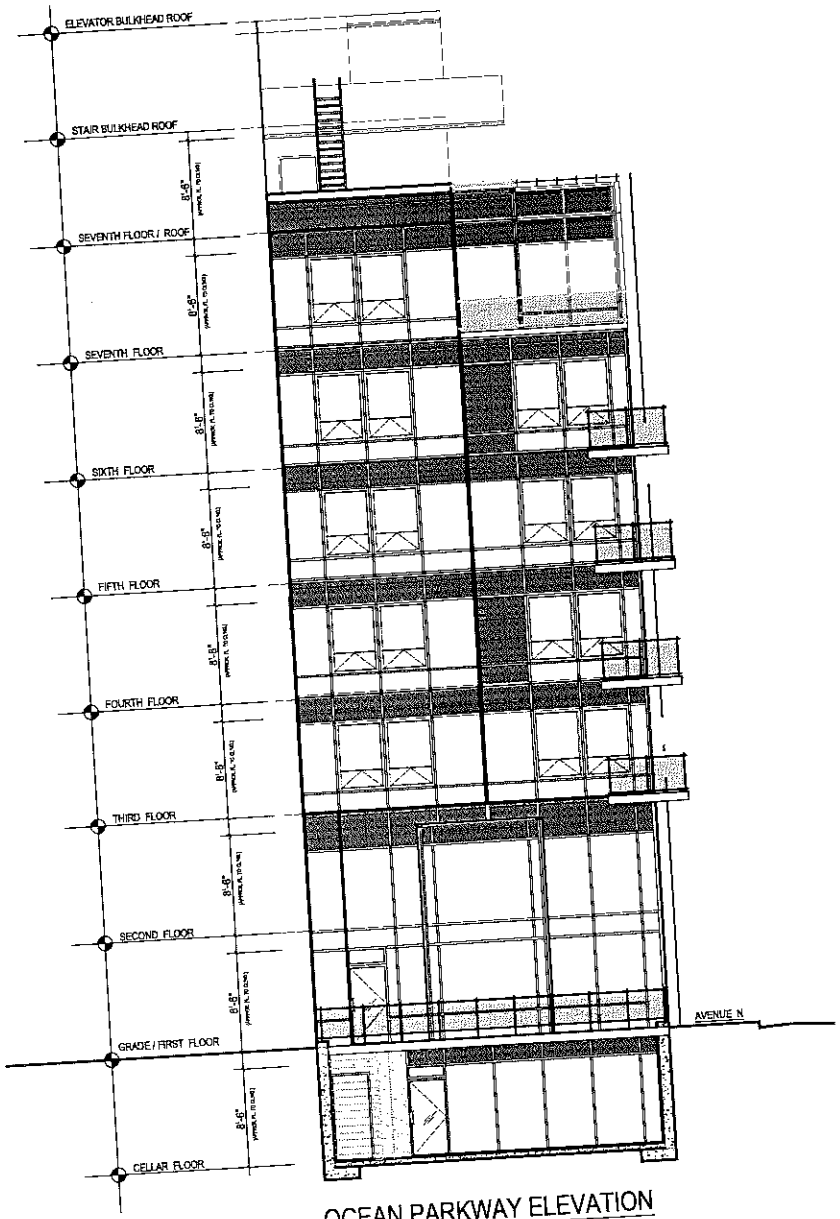


BULKHEAD ROOF PLAN

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'
0' 2' 4'

N



OCEAN PARKWAY ELEVATION

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

(REVISED: 02-14-2017)



WESTERLY ELEVATION

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'
0' 2' 4'

(REVISED: 02-14-2017)



AVENUE N ELEVATION

1404 OCEAN PARKWAY, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'
0' 2' 4'

(REVISED: 02-14-2017)

EXHIBIT E

LIMITED WARRANTY

NAME OF PURCHASER(S): _____
ADDRESS OF PURCHASER: _____
ADDRESS OF HOME WARRANTED: _____
NAME OF SELLER: _____
ADDRESS OF SELLER: _____
WARRANTY DATE: _____

The date that Purchaser or its family shall first occupy the Home Warranted or the date of delivery of the deed to such Home to Purchaser, whichever occurs first.

SELLER'S LIMIT OF TOTAL LIABILITY: Sixty (60%) percent of the purchase price of the Home set forth in the Purchase Agreement to which this Warranty is annexed as a rider less any insurance proceeds received by Purchaser.

THIS LIMITED WARRANTY EXCLUDES AND PRECLUDES ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL AND INDIRECT DAMAGES.

THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE HOME AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED (INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE HOME.

1. To Whom Given. This Limited Warranty is extended to the purchaser, , while the Purchaser owns the Home. It does not extend to subsequent owners of the Home tenants, mortgagees in possession, or other persons.

2. By Whom Made. This Limited Warranty is made exclusively by the Seller.

3. Final Inspection of the Home. Before the Purchaser moves into the Home or accepts the deed, the Seller will set up an appointment for final inspection of the Home with the Purchaser. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature, or any unfinished work.

All defects or flaws found on final inspection of the Home will be itemized on a Final Inspection Sheet. The Final Inspection Sheet will be signed by the Purchaser and the Seller before occupancy of the Home or transfer of the deed.

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

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

(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below. The purpose of the Limited Warranty is to identify the Seller's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Home.

4. Limited Warranty. This Limited Warranty excludes all other warranties on the construction and sale of the Home and its components, both express and implied. There are no warranties which extend beyond the face hereof.

5. Warranty Coverage and Periods. The Warranty Period for all coverage begins on the Warranty Date shown on Page 1. It ends at the expiration of the coverage shown below:

FIRST YEAR BASIC COVERAGE: For one year from the Warranty Date, the Home will be free from latent defects that constitute:

(a) defective workmanship performed by the Seller, an agent of the Seller or subcontractor of the Seller;
(b) defective materials provided by the Seller, an agent of the Seller or subcontractor of the Seller;
(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Seller; or
(d) defective installation of appliances sold as part of the Home by the Seller or an agent, employee or subcontractor of the Seller.

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the Building Code of the City of New York or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Warranty Date, the plumbing, electrical, heating, cooling and ventilation systems of the Home which have been installed by the Seller are warranted to be free from latent defects that constitute defective installation by the Seller.

Installation will be considered to be defective if the Seller's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the Building Code of the City of New York and the Accepted Standards which are attached to this Limited Warranty.

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

The electrical system means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The heating, cooling and ventilation system means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers. All systems are exclusive of appliances, fixtures and items of equipment.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Warranty Date, the Home will be free from latent defects that are major Structural Defects, as defined below, and that constitute:

(a) defective workmanship performed by the Seller, an agent of the Seller or subcontractor of the Seller;
(b) defective materials provided by the Seller, an agent of the Seller or subcontractor of the Seller or;
(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Seller.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the Building Code of the City of New York or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable, foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

Damage to the following non-load bearing portions of the Home do not constitute a Material Defect for the Major Structural Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall title and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately fro foundations walls or other structural elements of the Home; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; hardware; insulation.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

ALL TIME PERIODS FOR THESE COVERAGE ARE OF THE ESSENCE AND WILL NOT BE EXTENDED.

6. Exclusions from All Coverage. The following are excluded from the Basic Coverage, Major System Coverage, and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Seller, (ii) an agent of the Seller, or (iii) a subcontractor of the Seller.

(b) Loss or damage caused by defective materials supplied by any person other than (i) the Seller, (ii) and agent of the Seller, or (iii) a subcontractor of the Seller.

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Seller.

(d) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Home prior to acceptance of the deed or occupancy of the Home ought to have revealed.

(e) Defects in outbuildings including but not limited to detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Home); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls, retaining walls, bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Home itself.

(f) After the first year Basic Coverage, concrete floors of basements and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Home.

(g) Raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves), and on facias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks or other blemishes in windows, sliding doors, screens, electrical fixtures and globes, woodwork and doors; dented appliances; broken screens; and minor chips (nicks) to cultured marble floors and countertops;

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

(1) negligence, improper maintenance, or improper operation by anyone other than the Seller, its employees, agents, or subcontractors; or

(2) failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(3) failure of Purchaser to give notice to Seller of any defects or damage within a reasonable time; or

(4) changes in the grading by anyone other than the Seller, its employees, agents or subcontractors;

or

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

(6) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Home.

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lighting, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable

changes in the underground water table.

(k) Loss and damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the Home Owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage, vermin and/ or rodent damage, or infestation or damage caused by animals or pets.

(p) Bodily injury or damage to personal property.

(q) Failure of the Seller to complete construction of the Home.

(r) Loss or damage which arises while the Home is being used primarily for nonresidential purposes.

(s) Loss or damage due to abnormal loading on floors by the Home Owner which exceeds design loads as mandated by the Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expense related to relocation during repair.

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

(v) Any claim not filed in a manner set forth below in Paragraph 8, "Step-by-Step Claims Procedures".

7. Warranty. Of a defect occurs in an item covered by this Limited Warranty, the Seller will repair, replace or pay the Purchaser the reasonable cost of repairing or replacing the defective items(s) within a reasonable time after the Seller's inspection or testing discloses the problem. The choice among repair, replacement or payment is solely that of the Seller.

In no event will the Seller's total liability for deficiencies under this Limited Warranty exceed the Seller's Limit of Total Liability, shown on Page 1.

Repair, replacement or payment of payment of reasonable cost for any Major Structural Defect is further limited to (1) the repair of damage to the load-bearing portions of the Home themselves which is necessary to restore their load-bearing function; and (2) the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, insanitary or otherwise unlivable.

When the Seller finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must signed and delivered to the Seller.

8. Step-by-Step /Claims Procedure. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Seller no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Seller by that deadline, the Seller will have no duty to respond to any complaint or demand, and any or all claims may be rejected.

NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Seller's response to any complaint or request, other than a timely or properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Seller, including but not limited to the Seller's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Seller and the Seller's agents will have the right to inspect and test the portion of the Home to which the claim, complaint or request relates. The Purchaser and occupants of the Home must provide reasonable access to the Seller and the Seller's agents during normal business hours to complete inspection, testing and repair replacement.

(d) The Seller will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim the Seller will give written notice of that decision to the claimant at the address shown on Notice of

Claim Form. If the Seller accepts the claim, the Seller will take corrective action within a reasonable time under circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Claim Form. The Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, Acts of God, availability of materials, and other events beyond the Seller's control.

9. Legal Actions. (a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Seller in any Court or forum unless notice of the claim or cause of action has been received by the Builder in a timely and properly completed Notice of Warranty Claim From as provided in paragraph 8 above.

10. General Provisions. (a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Seller and the Purchaser, their heirs, executives, administrators, successors, and assigns.

(c) Should any provision of the Limited Warranty be deemed unenforceable by a Court of a competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes the other gender, and use of the plural includes the singular, as may be appropriate.

(e) This Limited Warranty is to be governed in accordance with the Laws of the State of New York.

(f) To the extent any coverage under this Warranty applies to common elements of a condominium, such coverage shall be deemed given to the Board of Managers of the condominium.

(g) Reference herein to the "Home" shall be synonymous with "Unit" as such term is used in the Offering Plan.

NOTICE OF WARRANTY CLAIM FORM

Dear Home Owner:

To ask the Seller to correct a defect in your Home which you think is covered by the Limited Warranty, you must complete this form and deliver it to the Seller. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Seller is aware of the problem, fill out this form and deliver it to the Seller.

The information you will need to fill out the form will be on Page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't Know". Please do not leave any item blank.

Your Name:_____ Mailing Address:_____ Phone:_____

Limited Warranty No.: _____ Warranty Date: _____

Describe the defect(s) which you think are covered by the Limited Warranty. be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem.

_____ _____
(signature) (date)

_____ _____
(signature) (date)

ACCEPTED STANDARDS

The Performance Standards list specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials; the second sections covers Systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. Possible Deficiency	a brief statement, in simple terms, of problems that may be encountered.
2. Performance Standard	performance standard relating to a specific deficiency.
3. Responsibility	a statement of the corrective action required of the Builder to repair the deficiency or statement of the Home Owner's maintenance responsibilities.

Workmanship and Materials, First Year Only

1. Site Work
2. Concrete
3. Masonry
4. Wood and Plastic
5. Thermal and Moisture Protection
6. Doors and Windows
7. Finishes
8. Specialties
9. Equipment
10. Plumbing
11. Heating and Cooling
12. Ventilation
13. Electrical Systems, First and Second Year
14. Plumbing System
15. Ventilation System
16. Electrical System

PERFORMANCE STANDARDS

1. SITE, WORK, COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Site Grading

Deficiency:	Setting of ground around foundation, utility trenches or other areas.
Standard:	Setting of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the Home.
Responsibility:	If the Builder has provided final grading: upon request by the Home Owner, Builder shall fill settled areas affecting proper drainage, one time only, during the first year of the Limited Warranty period. Home Owner shall be responsible for removal and replacement of shrubs or other landscaping affected by placement of such fill.

B. Site Drainage

Deficiency:	Improper drainage of the site.
Standard:	The necessary grades and swales shall have been established by the Builder to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.
Responsibility:	The Builder is responsible only for initially establishing the proper grades and swales. The Home Owner is responsible for maintaining such grades and swales once they have been properly established.

2. CONCRETE COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Expansion and Contraction Joints

Deficiency:	Basement or foundation wall cracks.
Standard:	Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.
Responsibility:	Builder will repair cracks in excess of 1/8 inch wide.
Deficiency:	Cracking of basement floor.
Standard:	Minor cracks in basement floors are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in verticle displacement shall be repaired .

Responsibility: Builder will repair cracks exceeding maximum tolerances by surface patching or other methods.

Deficiency: Cracking of slab in attached garage.

Standard: Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be required.

Responsibility: Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

Deficiency: Uneven concrete floors/slabs.

Standard: Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions, or areas of unevenness exceeding 1/4 inch in 32 inches.

Responsibility: Builder will correct or repair to meet the Performance Standard.

Deficiency: Cracks in concrete slab-on-grade floors with finish flooring.

Standard: Cracks which rupture the finish flooring material shall be repaired.

Responsibility: Builder will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place. (See also Performance Standard 7, "Finishes".)

Deficiency: Pitting, scaling or spalling of concrete work covered by this Limited Warranty.

Standard: Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.

Responsibility. Builder will take whatever corrective action necessary to repair defective concrete surfaces. Builder isn't responsible for deterioration caused by salt, chemicals, mechanical implements & other factors beyond its control.

Deficiency: Settling, heaving or separating of stoops, steps or garage floors.

Standard: Stoops, steps or garage floors shall not settle, heave or separate in excess of 1 inch from the house structures.

Responsibility: Builder will take whatever corrective action is required to meet the Performance Standard.

Deficiency: Standing water on stoops.

Standard: Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain can be anticipated.

Responsibility: Builder shall take corrective action to assure drainage of steps and stoops.

3. MASONRY COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Unit Masonry

Deficiency: Basement or foundation wall cracks.

Standard: Small crack not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks in excess of 1/8 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Limited Warranty period.

Deficiency: Cracks in masonry wall or veneer.

Standard: Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive.

Responsibility. Builder will repair cracks in excess of Performance Standard by pointing or patching. These repairs shall be made during the first year of the Limited Warranty period. Builder will not be responsible for color variation between old and new mortar.

4. WOOD AND PLASTIC COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Rough Carpentry

Deficiency: Floors squeak or subfloor appears loose.

Standard: Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

Responsibility: Builder will correct the problem only if caused by underlying construction defect.

Deficiency: Uneven wood floors.

Standard: Floors shall not have more than 1/4 inch ridge or depression within any 32 inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the applicable building code.

Responsibility: Builder will correct or repair to meet Performance Standard.

Deficiency: Bowed walls.

Standard: All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 1/4 inch out of line within any 32 inch horizontal or vertical measurement.

Responsibility: Builder will repair to meet Performance Standard.

Deficiency: Out-of-plumb walls.

Standard: Walls should not be more than 1/4 inch out of plumb for any 32 inch vertical measurement.

Responsibility: Builder will repair to meet Performance Standard.

B. Finish Carpentry (Interior)

Deficiency:	Poor quality of interior trim workmanship.
Standard:	Joints in moldings or joint between moldings and adjacent surface shall not result in open joints exceeding 3/8 inch in width.
Responsibility:	Builder will repair defective joints, as defined. Caulking is acceptable.

C. Finish Carpentry (Exterior)

Deficiency:	Poor quality of exterior trim workmanship.
Standard:	Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.
Responsibility:	Builder will repair open joints, as defined. Caulking is acceptable.

5. THERMAL AND MOISTURE COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Waterproofing

Deficiency:	Leaks in basement.
Standard:	Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness or seepage of the walls or floors may occur in new construction and is not considered a deficiency.
Responsibility.	Builder will take such action as necessary to correct basement leaks except where the cause is determined to result from Home Owner action or negligence.

B. Insulation

Deficiency:	Insufficient insulation.
Standard:	Insulation shall be installed in accordance with applicable energy and building code requirements.
Responsibility:	Builder will install insulation in sufficient amounts to meet Performance Standard.

C. Louvers and Vents

Deficiency:	Leaks due to snow or rain driven into the attic through louvers or vents.
Standard:	Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.
Responsibility:	None.

D. Roofing and Siding

Deficiency:	Iced build-up on roof.
Standard:	During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and down spouts freeze up.
Responsibility:	Prevention of ice build-up on the roof is a Home Owner maintenance item.
Deficiency:	Roof or flashing leaks.
Standard:	Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Home Owner action or negligence.
Responsibility:	Builder will repair any verified roof or flashing leaks not caused by ice build-up or Home Owner action negligence.
Deficiency:	Standing water on flat roof.
Standard:	Water shall drain fro flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.
Responsibility:	Builder will take corrective action assure proper drainage of roof.
Deficiency:	Delamination of veneer siding or joint separation.
Standard:	All siding shall be installed according to the manufacturer's and industry's accepted standards. Separation and delaminations shall be repaired or replaced.
Responsibility:	Builder will repair or replace siding as needed unless caused by Home Owner's neglect to maintain siding properly. Repaired area may not match in color and/or texture. For surfaces requiring paint, Builder will paint only the new materials. The Home Owner can expect that the newly painted surface may not match original surface in color.

E. Sheet Metal

Deficiency:	Gutters and/or down spouts leak.
Standard:	Gutter and down spouts shall not leak but gutters may overflow during heavy rain.
Responsibility:	Builder will repair leaks. It is Home Owner responsibility to keep gutters and down spouts free of leaves and debris which could cause overflow.

Deficiency: Water standing in gutters.
Standard: When gutter is unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

Responsibility: Builder will correct to meet Performance Standard.

F. Sealants
Deficiency: Leaks in exterior wall due to inadequate caulking.
Standard: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility: Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during life of the Home.

6. DOORS AND WINDOWS: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Wood and Plastic Doors
Deficiency: Warpage of exterior doors.
Standard: Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

Responsibility: Builder will correct or replace and refinish defective doors, during the first year of the Limited Warranty period.

Deficiency: Warpage of interior passage and closet doors.
Standard: Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards. (1/4 inch measured diagonally from corner to corner).

Responsibility: Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of the Limited Warranty period.

Deficiency: Shrinkage of insert panels show raw wood edges.
Standard: Panels will shrink and expand and may expose unpainted surface.
Responsibility: None.

Deficiency: Split in door panel.
Standard: Split panels shall not allow light to be visible through the door.
Responsibility: Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time in first year of Limited Warranty period.

B. Glass
Deficiency: Broken glass
Standard: None
Responsibility: Broken glass not reported to Builder prior to closing is the Home Owner's responsibility.

C. Garage Doors on Attached Garages
Deficiency: Garage doors fail to operate properly, under normal use.
Standard: Garage doors shall operate properly.
Responsibility: Builder will correct or adjust garage doors as required, except where the cause is determined to result from Home Owner action or negligence.

Deficiency: Garage doors allow entrance of snow or water.
Standard: Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.

Responsibility: Builder will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Plastic and Metal Windows
Deficiency: Malfunction of windows.
Standard: Windows shall operate with reasonable ease, as designed.
Responsibility: Builder will correct or repair as required.

Deficiency: Condensation and/or frost on windows.
Standard: Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Home Owner.

Responsibility. Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

E. Weatherstripping and Seals

Deficiency: Air infiltration around doors and windows.

Standard: Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping shall be adjusted or replaced. It may be necessary for the Home Owner to have storm doors and windows installed to provide satisfactory solutions in high wind areas.

Responsibility: Builder will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping.

7. FINISHES: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Lath and Plaster

Deficiency: Cracks in interior wall and ceiling surfaces.

Standard: Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks exceeding 1/8 inch in width as required one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.f "Painting.")

B. Gypsum Wallboard

Deficiency: Defects which appear during firs year of Limited Warranty such as nail pops, blisters in tape or other blemishes.

Standard: Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable.

Responsibility: Builder will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.F "Painting".)

C. Ceramic Tile

Deficiency: Ceramic tile cracks or becomes loose.

Standard: Ceramic tile shall not crack or become loose.

Responsibility: Builder will replace cracked tiles and re-secure loose tiles unless the defects were caused by the Home Owner action or negligence. Builder will not be responsible for discontinued patters for color variations in ceramic tile.

Deficiency: Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

Standard: Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.

Responsibility: Builder will repair grouting in necessary one time only, during the first year of the Limited Warranty period. Builder will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Home Owner within the life of the Home.

D. Finished Wood Flooring

Deficiency: Cracks developing between floor boards.

Standard: Cracks in excess of 1/8" wide shall be corrected.

Responsibility: Builder will repair cracks in excess of 1/8 inch in width within the first year of the Limited Warranty period, by filling, or replacing, at Builder's option.

E. Resilient Flooring

Deficiency: Nail pops appear on the surface of resilient flooring.

Standard: Readily apparent nail pops shall be repaired.

Responsibility: Builder will correct nail pops which have broken the surface. Builder will repair or replace, at Builder's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.

Deficiency: Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Standard: Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch straightedge placed over the depression or ridge with three inches of the straightedge on one side of the defect, held lightly to the floor.

Responsibility: Builder will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder will not be responsible for discontinued patters or variations in floor covering.

Deficiency: Resilient flooring loses adhesion.

Standard: Resilient flooring shall not lift, bubbie or become unglued.

Responsibility: Builder will repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Home Owner neglect or abuse.

F. Painting

Deficiency: Exterior paint or satin peels, deteriorates or fades.

Standard: Exterior paints or stains should not fail during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility: If paint or stain is defective, Builder will properly prepare and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.

Deficiency: Painting required as corollary repair because of other work.

Standard: Repairs required under this Limited Warranty shall be finished to match surrounding areas as closely as practicable.

Responsibility: Builder will finish repair areas as indicated.

Deficiency: Deterioration of varnish or lacquer.

Standard: Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.

Responsibility: Builder will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.

Deficiency: Mildew or fungus on painted surfaces.

Standard: Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake or river front.)

Responsibility: Mildew or fungus formation is a condition the Builder cannot control and is a Home Owner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

G. Wall Covering

Deficiency: Peeling of wall covering.

Standard: Peeling of wall covering shall not occur.

Responsibility: Builder will repair or replace defective wall covering applications.

Deficiency: Edge mismatching in patter of wall covering.

Standard: None

Responsibility: None

H. Carpeting

Deficiency: Open carpet seams.

Standard: Carpet seams will show. However, no visible gap is acceptable.

Responsibility: Builder will correct.

Deficiency Carpeting becomes loose, seams separate or stretching occurs.

Standard: Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate form its point of attachment.

Responsibility: Builder will re-stretch or re-secure carpeting as needed, if original installation was performed by Builder.

Deficiency: Spots on carpet, minor fading.

Standard: Exposure to light may cause spots on carpet and/or minor fading.

Responsibility: None

I. Special Coatings

Deficiency: Cracks in exterior stucco wall surfaces.

Standard: Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

8. SPECIALTIES: COVERAGES 1ST YEAR ONLY, WORKMANSHIP & MATERIALS

A. Louvers and Vents

Deficiency: Inadequate ventilation of attics and crawl spaces.

Standard: Attic and crawl spaces shall be ventilated as required by the approved building codes.

Responsibility: The Builder shall provide for adequate ventilation. Builder will not be responsible for alterations to the original system.

B. Fireplaces

Deficiency: Fireplace and chimney does not draw properly.

Standard: A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a

window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.

Responsibility: Builder will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.

Deficiency: Chimney separation form structure to which it is attached.

Standard: Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed ½ inch from the main structure in any 10 foot vertical measurement.

Responsibility: Builder will determine the cause of separation and correct if standard is not met. Caulking is acceptable.

Deficiency: Firebox paint changed by fire.

Standard: None.

Responsibility: None. Heat and flames from "roaring" fires will cause cracking.

9. EQUIPMENT: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Residential Equipment

Deficiency: Surface cracks, point delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops.

Standard: Countertops fabricated with high pressure laminate coverings shall not delaminate.

Responsibility: Builder will replace delaminated coverings to meet specific criteria. Builder will not be responsible for chips and cracks noted following first occupancy.

Deficiency: Kitchen cabinet malfunctions.

Standard: Warpage not to exceed 1/4 inch as measured from face frame to point of furthermost warpage with door or drawer front closed position.

Responsibility: Builder will correct or replace doors or drawer fronts.

Deficiency: Gaps between cabinets, ceiling or walls.

Standard: Acceptable tolerance 1/4 inch in width.

Responsibility: Builder will correct to meet Performance Standard.

10. PLUMBING: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Water Supply System

Deficiency: Plumbing pipes freeze and burst.

Standard: Drain, waste and vent, and water pipes shall be adequately protected, as required by applicable code, during normally anticipated cold weather, and as defined in accordance with ASHREA design temperatures, to prevent freezing.

Reeponsibility: Builder will correct situations not meeting the code. It is the Home Owner's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System

Deficiency: Faucet or valve leak.

Standard: No valve or faucet shall leak due to defects in workmanship and materials.

Responsibility: Builder will repair or replace the leaking faucet or valve.

Deficiency: Defective plumbing fixtures, appliances or trim fittings.

Standard: Fixtures, appliances or fittings shall comply with their manufacturer's standards.

Responsibility: Builder will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.

Deficiency: Noisy water pipes.

Standard: There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.

Responsibility: Builder cannot remove all noises due to water flow and pipe expansion. Builder will correct to eliminate "water hammer".

Deficiency: Cracking or chipping of porcelain or fiberglass surfaces.

Standard: Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

Responsibility: Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy.

11. HEATING AND COOLING: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Heating

Deficiency: Inadequate heating.

Standard: Heating system shall be capable of producing and inside temperature of 70 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHREA handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility: Builder will correct heating system to provide the required temperatures. However, the Home Owner shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration

Deficiency: Inadequate cooling.

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

Responsibility: Builder will correct cooling system to meet temperature conditions, in accordance with specifications.

C. Condensation Lines

Deficiency: Condensation lines clog up.

Standard: None.

Responsibility. Condensation lines will clog eventually under normal use. This is a Home Owner maintenance item. Builder shall provide unobstructed condensation lines at time of first occupancy.

D. Evaporating Cooling

Deficiency: Improper mechanical operation.

Standard: Equipment shall function properly at temperature standard set.

Responsibility: Builder will correct and adjust so that blower and water system operate as designed.

12. VENTILATION: COVERAGE 1ST YEAR, WORKMANSHIP AND MATERIALS

A. Air Distribution

Deficiency: Noisy ductwork.

Standard: When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is generally to be expected.

Responsibility: None.

Deficiency: Oilcanning.

Standard: The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not "oilcan". The booming noise caused by "oilcanning" is not acceptable.

Responsibility: Builder will correct to eliminate this sound.

13. ELECTRICAL: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Electrical Conductors, Fuses, and Circuit Breakers

Deficiency: Fuses blow or circuit breakers (excluding ground fault interruptors) "kick out".

Standard: Fuses and circuit breakers shall not activate under normal usage.

Responsibility. Builder will check wiring circuits for conformity with local, state or approved national electrical code requirements. Builder will correct circuitry not conforming to code specifications.

B. Outlets, Switches and Fixtures

Deficiency: Drafts from electrical outlets.

Standard: Electrical junction boxes on exterior wall may produce air flow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.

Responsibility: None.

Deficiency: Malfunction of electrical outlets, switches or fixtures.

Standard: All switches, fixtures and outlets shall operate as intended.

Responsibility: Builder will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

Deficiency: Ground fault interrupter trips frequently.

Standard: Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

Responsibility: Builder shall install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

SYSTEMS: FIRST AND SECOND YEARS

14. PLUMBING SYSTEM: COVERAGE 1ST AND 2ND YEARS, SYSTEMS

A. Water Supply

Deficiency: Water system fails to deliver water.

Standard: All non-site service connections to municipal water main and private water supply shall be the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

Responsibility: Builder will repair if failure is the result of defective workmanship or materials. If conditions beyond Builder's control disrupt or eliminate the sources of the supply, the Builder has no responsibility.

B. Septic Tank System

Deficiency: Septic system fails to operate properly.

Standard: Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable anticipated (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable, approved Code requirements.

Responsibility: Builder will repair, or otherwise correct, a malfunctioning or non operating system, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the builder or contractors or subcontractors under the builder's control. Builder will not be responsible for system malfunction or damage which is caused by owner negligence, lack of system maintenance, or other causes attributable to actions of the owner or owner's contractors, not under the control of the builder, including, but not necessarily limited to: the addition of fixtures, items of equipment, appliances or other sources of waste or water to the plumbing system served by the septic system; and damage, or changes, to the septic system installation or surrounding soil conditions critical to system's functioning.

C. Piping

Deficiency: Leakage from any pipe.

Standard: No leaks of any kind shall exist in any soil, waste, vent, or water pipe. Condensation on piping does not constitute leakage, and is not covered.

Responsibility: Builder will make repairs to eliminate leakage.

Deficiency: Stopped up sewers, fixtures and drains.

Standard: Sewers, fixtures and drains shall operate properly.

Responsibility: Builder will not be responsible for sewers, fixtures and drains which are clogged through the Home Owner negligence. If a problem occurs, the Home owner should consult Builder for a proper course of action. Where defective construction is shown to be the cause, Builder will assume the cost of the repair; where Home Owner negligence is shown to be the cause, the Home Owner shall assume all repair costs.

Deficiency: Refrigerant lines leak.

Standard: Refrigerant lines shall not develop leaks during normal operation.

Responsibility: Builder will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Home Owner.

15. VENTILATION SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS

A. Air Distribution

Deficiency: Ductwork separates or becomes unattached.

Standard: Ductwork shall remain intact and securely fastened.

Responsibility: Reattach & resecure separated/unattached ductwork.

16. ELECTRICAL SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS

A. Wiring

Deficiency: Failure of wiring to carry is designed load.

Standard: Wiring should be capable of carrying the designed load for normal residential use.

Responsibility: Builder will check wiring for conformity with local, state, or approved national electrical code requirements. Builder will repair wiring not conforming to code specifications.

EXHIBIT F

DECLARATION

Establishing a Plan for Condominium Ownership of the Azrad Condominium Association at the premises known as 1404 Ocean Parkway, Brooklyn, New York 11230 Pursuant to Article 9-B of the Real Property Law of the State of New York

SPONSOR: 512 Avenue N LLC
3858 Nostrand Avenue
Brooklyn, New York 11235

Date of Declaration: , 201_.

Prepared by:

S. SETH YAVNE

Attorney for Sponsor
3407 Avenue K
Brooklyn, New York 11210

The land affected by the within instrument lies in Block 6587, Lot 10 on the Tax Map of the County of Kings, City and State of New York.

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DECLARATION OF CONDOMINIUM
FOR THE AZRAD CONDOMINIUM ASSOCIATION
THE PREMISES KNOWN AS 1404 OCEAN PARKWAY,
BROOKLYN, NEW YORK 11230
(Pursuant to Article 9-B of the Real Property Law of the State of New York)

512 Avenue N LLC with offices at 3858 Nostrand Avenue, Brooklyn, New York, 11235 (hereinafter referred to as "Sponsor"), hereby declares as follows:

PART 1

ARTICLE 1
Definitions

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Article 2
Submission of the Property

Sponsor hereby submits the Property to the provisions of the Condominium Act and, pursuant thereto, does hereby establish a regime for condominium ownership of the property as more particularly set forth herein and in the By-Laws.

Article 3
The Land

The Land, which is located in the Borough of Brooklyn, County of Kings, City and State of New York, and is more particularly described in Exhibit A annexed hereto, is owned by the Sponsor in fee simple absolute.

Article 4
The Building

The Condominium shall consist of twelve (12) residential

units, a community facility space and six (6) parking units. The building will have a cellar and seven (7) stories. The Building is classified as 1D construction pursuant to the Building Code of the City of New York, in which the walls, exit ways, shafts, structural members, floors and roofs are constructed of fire rated materials and assemblies, with Class A occupancy. The principle material of which it is constructed is concrete, masonry, bricks and block.

Article 5
The Units

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its unit designation number and location; (ii) its tax lot number; (iii) its approximate area; (iv) the number of rooms contained therein; (v) the portions of the Common Elements to which such Unit has immediate access; and (vi) the Common Interest appurtenant to such Unit.

(b) The boundaries of the Units consist of the area measured horizontally between the surface of the gypsum wall boards enclosing each such Unit and the area measured vertically from the top of the floor to the underside of the gypsum wall board ceiling. However, any Common Elements located within a Unit shall not be considered a part of such Unit.

(c) The Units include the following areas in or bounding each such Unit; (i) the front entrance door and any other entrance doors to such Unit; (ii) the interior walls, partitions and floor coverings and gypsum wall board ceilings affixed, attached, or appurtenant to such Unit; (iii) all windows (including, without limitation, their panes, casements and frames) located within, or opening from, such Unit; (iv) any and all equipment, fixtures and appliances (including, without limitation, heating and cooling equipment, plumbing facilities, sinks, bathtubs, water closets, ranges, dishwashers and any other appliances) affixed, attached, or appurtenant to such Unit; and (v) all other Unit Facilities affixed, attached, or appurtenant to such Unit and benefiting only that Unit.

(d) Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owners sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and

floors that face the interior of such Unit Owner's Unit, as shall be appropriate and desirable to such Unit Owner, provided that no such installation shall impair the structural integrity of such Unit or of the Building in which such Unit is located nor of any adjacent Unit.

Article 6
The Common Elements

(a) The Common Elements are comprised of (i) the General Common Elements, which are described in paragraph (b) of this Article 6 and (ii) the Limited Common Elements, which are described in paragraph (c) of this Article 6.

(b) The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Unit Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land;

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, roofs, and ceilings in, on, or under the Buildings, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 5 hereof or as part of a Limited Common Element pursuant to the terms of paragraph (c) of this Article 6;

(iii) all hallways, corridors, lobbies, if any, vestibules, mail boxes, stairs, stairways, mechanical equipment spaces and entrances to, and exits from, the Building;

(iv) all central and appurtenant installations and Unit Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, cable television and other mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 5 hereof;

(v) the mechanical room located in the Building; and

(vi) all other parts of the Property, and all

apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

(c) The Limited Common Elements consist of all portions of the Land and the Building (other than the Units) that are for the use of one Unit to the exclusion of all other Units. The Limited Common Elements include without limitation any balcony to which there is direct and exclusive access from the interior of a Unit (which shall be for the exclusive use of such Unit).

(d) The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 14 hereof and Section 5.5 of the By-Laws.

Article 7
Determination of Common Interests

The Common Interest of each Unit has been determined, pursuant to Section 339-i (1) (iv) of the Condominium Act, as set forth on Exhibit "B" to this Declaration.

Article 8
Use

(a) Except as set forth in the next sentence, each Unit may be used only as a residence. However,

(i) Sponsor shall have the right to use any one or more of its Unsold Units as model apartments and offices for selling, renting, management, operation, and promotion of the Unsold Units owned by it, subject only to compliance with the Law; and

(ii) Upon the consent of the Condominium Board, a Unit may be used as a professional or business office or for any other purpose provided that the nature and manner of such use complies with the Law and does not violate the then existing Certificate of Occupancy covering such Unit.

(b) (i) Any of the Units (other than Unsold Units) owned or leased by an individual, corporation, partnership, fiduciary or any other entity may be occupied only by such individual, or by a designated officer, director, stockholder or employee of such

partnership, or by such fiduciary (including a designated director, officer, stockholder or employee of a corporate fiduciary and a designated partner or employee of a partnership fiduciary), or by the beneficiary of such fiduciary, or by a principal or designated employee of such other entity, respectively, or by Family Members or guests of any of the foregoing. Nothing contained herein shall prohibit the exclusive occupancy of the Unit in question by such Family Members. However, guests are permitted to occupy a unit only when the owner of such Unit or such Owners designee or its or his Family Members are present. Under no circumstances may more than one family occupy a Unit at one time.

(ii) Within 30 days after a Person, other than a natural person, becomes the owner of a Unit, such non-individual owner shall notify the Condominium Board or Managing Agent if any has been appointed, in writing, of the name of the officer, director, stockholder, partner or employee designated by such owner to occupy its Unit. The non-individual owner may change such designee from time to time by similar written notice to the Condominium Board or Managing Agent if any has been appointed. All designees must be bona fide officers, directors, stockholders, partners or employees of such owner.

(iii) The foregoing restrictions in this paragraph (b) do not apply to Unsold Units; they may be leased to any Persons (whether individuals, corporations, partnerships, fiduciaries or other entities) and, in the case of Unsold Units, occupied by any Person authorized by such lessee and approved by the owner of such Unsold Units, who is not required to comply with the designation notice requirement set forth in the preceding paragraph (b)(ii).

Article 9
Easements for the Enjoyment of Common Elements

(a) Subject to the terms of the By-Laws and the Rules and Regulations, the Unit Owner (including Sponsor, as long as it owns any Unit), all other permitted tenants and occupants of the Buildings, the Managing Agent (if any has been appointed), the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the General Common Elements except in accordance with the reasonable purpose for which they are

intended and without encroaching upon the rights of other Permitted Persons to do so.

(b) Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof.

(c) Notwithstanding anything to the contrary contained in paragraph (a) hereof, Sponsor and its successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the General Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units. In addition, Sponsor shall have the right, to the extent not prohibited by Law, to use one or more portions of the Common Elements, as designated by Sponsor, in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the Buildings (including on the exterior walls and adjacent sidewalk thereof) and the Property.

Article 10
Other Easements

(a) Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines, and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serves, or is necessary to the service of, such Unit Owners Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations there from and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one days notice,

except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building.

(b) Sponsor (for so long as it owns any Unit) reserves for itself and to the Condominium Board, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agents, shall have a right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right to access shall be exercised in such manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(c) Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

(d) If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or (iii) any such encroachment shall hereinafter occur as a result of (x) the settling of the Building, (y) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent of, the Condominium Board, by Sponsor or Sponsor's designee, or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Elements shall stand.

(e) In addition to the specific easements set forth in this Article 10 and in Article 9 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

Article 11
Changes in Unit

(a) Sponsor or its designee shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, or Mortgage Representative (if any), to subdivide any Unsold Unit into separate Units, provided and on condition that:

(i) Such subdivision into separate Units shall be appropriately reflected in (A) an Amendment to this Declaration recorded in the Registers Office and (B) an Amendment to the Floor Plans filed with the Registers Office, each such Amendment to set forth all information required by the Condominium Act;

(ii) The Common Interest of each newly established Unit shall be in equal percentages as of the date of the filing of this Declaration; however, (A) the Common Interests of all newly established Units shall equal the Common Interest of the original Unit being so subdivided, and (B) the Common Interests of all Units shall equal 100%;

(iii) Sponsor or its designee (as the case may be) shall comply with the Law;

(b) Subsequent to the subdivision of any Unsold Unit into separate Units in accordance with the preceding paragraph (a), Sponsor or its designee (as the case may be) shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, other Unit Owners or Mortgage Representatives (if any):

(i) To make alterations, additions and/or improvements (whether structural or nonstructural, interior or exterior, ordinary or extraordinary) in, to and upon Unsold Units, provided and on condition that:

(A) No physical modification shall be made to any other units and the Common Interests and interior dimensions of any other Units shall not be changed by reason thereof, unless the owner or purchaser (if a purchase agreement has been executed and the purchaser is not in default thereunder) of any such other

affected Unit shall consent thereto;

(B) Sponsor or its designee (as the case may be) shall comply with the Law;

(C) Such alteration, addition or improvement shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property;

(ii) To change the layout of, or number of rooms in, any Unsold Units, provided and on condition that the Sponsor or its designee (as the case may be) shall comply with the Law; and

(iii) To change the size and/or number of Unsold Units by (w) further subdividing one or more Unsold Units into two or more Units, (x) combining two or more separate Unsold Units (including, without limitation, those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls of any Unsold Unit, or (z) otherwise, provided and on condition that:

(A) The Common Interest of any Unit affected by such change in size or number shall be appropriately reapportioned in accordance with the factors, conditions and restrictions set forth in paragraph (a) of this Article 11;

(B) The Declaration and Floor Plans shall be appropriately amended to reflect the changes made to such affected Units and the reapportionment of the Common Interest for each, all in accordance with the Condominium Act;

(C) Sponsor or its designee (as the case may be) shall comply with the Law.

(c) In the event that one or more Unit is subdivided into two or more units in accordance with the foregoing provisions of this Article 11, all newly established Units as well as the Owners, tenants and occupants thereof, shall be subject to, bound by and shall comply with, the provisions of this Declaration, the By-Laws, and the rules and Regulations, as they may be amended from time to time.

(d) The provisions of this Article 11 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

Article 12
Acquisitions of Units by the Condominium Board

If (i) any Unit Owner surrenders his Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or of Section 339-X of the Condominium Act or (ii) the Condominium Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests, or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, in and to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designees shall be held by the Condominium Board or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

Article 13
Power of Attorney to Sponsor and the Condominium Board

(a) Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owners attorney-in-fact, coupled with an interest and with power (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 17 hereof and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(x) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

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

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition,

construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

(b) In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Registers Office, a Unit Owners Power of Attorney in the form set forth as Exhibit D to this Declaration.

Article 14
Termination of Condominium

The Condominium shall continue until terminated by (i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act in accordance with the provisions of Section 339-t of the Condominium Act.

Article 15
Covenant of Further Assurances

(a) Any Person who is subject to the terms of this Declaration (whether such person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise) shall, at the expense of Sponsor, the Condominium Board, any officer of the Condominium, or the Managing Agent, as the case may be, requesting the same, execute, acknowledge and deliver to Sponsor, the Condominium Board, any officer of the Condominium, or the Managing Agent, as the case may be, such instruments, in addition to those specifically provided for herein, and take such other action, as Sponsor, the Condominium Board, any officer of the Condominium, or the Managing Agent, as the case may be, may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(b) Subject to paragraph (c) below, if any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefore, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the

Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefore, to take any action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person, as the case may be.

Article 16
Covenants to Run With the Land

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 16, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating any rights in, or for the benefit of, the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the succeeding to title, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and

shall bind any person having, at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease.

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

(c) Subject to the terms of paragraph (b) of this Article 16, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

Article 17
Amendments to This Declaration

(a) Subject to the provisions contained herein or in the

By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any provision of this Declaration may be amended, modified, added to, or deleted by the vote of all Unit Owners, both in number and in aggregate Common Interests, taken in accordance with the provisions of the By-Laws. However, no amendment, modification, addition, or deletion pursuant to the preceding sentence shall be effective without the written consent of the Mortgage Representatives (if required by the terms of the applicable mortgage), if any, which consent shall not be unreasonably withheld or delayed. In addition, such amendment, modification, addition, or deletion: (i) shall not be effective until recorded in the Register's Office and (ii) shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, which power shall be deemed to be coupled with an interest, and the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney-in-fact. No amendment may be made which will in any way effect the rights of the Sponsor unless the Sponsor shall consent to such amendment.

(b) Sponsor or its designee shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Sponsor's or such designee's sole option, to require the Condominium Board or any other Unit owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as the Sponsor or such designee deems appropriate to effectuate the same:

(i) to reflect any changes in the Unsold Units, including any reapportionment of the Common Interest resulting therefrom made by the Sponsor in accordance with the terms of Article 11 hereof; or

(ii) required by an Institutional Lender, any governmental agency having regulatory over the Condominium, or any title insurance company selected by Sponsor to insure title to any Units; provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this paragraph shall not (1) change the Common Interest of any Unit not then owned by Sponsor, (2) require a material, physical modification of any Unit not then owned by Sponsor or of the Common Elements, or (3) adversely affect the priority or validity of the lien of any mortgage held by an institutional lender unless the owner of the affected Unit (in the event described in subparagraph (1) or (2)

of this paragraph) or the holder of such mortgage (in the event described in subparagraph (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

(c) Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of paragraph (b) hereof, by any officer of Sponsor or (ii) if on behalf of the Unit Owners or by the Condominium Board, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certification shall be described the number and percentage of Unit Owners so consenting and, if voted upon at a meeting, the date and time of the meeting.

(d) Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no Amendment to the Condominium Documents shall be adopted which would:

(i) (A) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit;

(B) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit to Sponsor or its designee; or

(C) impose any discriminatory charge or fee against Sponsor or its designee, unless Sponsor or such designee shall consent thereto, by joining in the execution of such Amendment; or

(ii) change the permitted use of any Unit or such Unit's Common Interest, unless the owner of such affected Unit shall consent thereto by joining in the execution of such Amendment.

Article 18
Consents of Sponsor

Wherever, the consent, approval, satisfaction, or permission of Sponsor or its designee, is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission

shall not be required when Sponsor or such designee no longer owns any Units.

Article 19
Person to Receive Service

S. Seth Yavne, 3407 Avenue K, Brooklyn, New York 11210, is hereby designated to receive service of process in any action that may be brought against the Condominium relating to the Common Elements or more than one Unit.

Article 20
Incorporation by Reference

The terms, covenant, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owners Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

Article 21
Waiver

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

Article 22
Severability

Subject to the provisions of paragraph (b) and (c) of Article 16 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 23
Successors and Assigns

The right and/or obligations of, and limitations imposed on, Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, its successors and assignees as well as any designated transferee of its Units. Subject to the foregoing, Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment, or otherwise.

Article 24
Gender

A reference in this Declaration to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Article 25
Captions

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the day of , 201_.

By:_____
512 Avenue N LLC

STATE OF)
ss:
COUNTY OF)

On the ____ day of _____, in the year 201_, before me, the undersigned, a notary public in and for the said state personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT A TO THE DECLARATION
OF AZRAD CONDOMINIUM ASSOCIATION

THE PREMISES KNOWN AS
1404 OCEAN PARKWAY, BROOKLYN, NEW YORK 11230

DESCRIPTION OF THE LAND

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

BEGINNING at the corner formed by the intersection of the Southerly side of Avenue N with the Westerly side of Ocean Parkway;

RUNNINHG THENCE, Southerly along said Westerly side of Ocean Parkway, 31 feet 0 inches;

THENCE, Westerly and parallel with Avenue N, 110 feet 0 inches;

THENCE, Southerly and parallel with Ocean Parkway, 63 feet 5-3/8 inches (actual), 63 feet 2-1/4 inches (deed), to the Northerly side of Ryder Avenue;

THENCE, Westerly along said Northerly side of Ryder Avenue, 50 feet 0-1/2 inches;

THENCE Northerly and parallel with East 5th Street, 108 feet 7-3/8 inches (actual), 108 feet 7-1/4 inches (deed) to the Southerly side of Avenue N;

THENCE Easterly along said Southerly side of Avenue N, 158 feet 0 inches to the point or place of BEGINNING.

EXHIBIT B TO THE DECLARATION OF AZRAD CONDOMINIUM ASSOCIATION

THE PREMISES KNOWN AS 1404 OCEAN PARKWAY, BROOKLYN, NEW YORK 11230

DESCRIPTION OF UNITS

Unit Designation and Location	Tax Lot No.	Approx. Area in Square Feet	Number of Rooms	Percentage of Common Interest

EXHIBIT C TO THE DECLARATION
OF AZRAD CONDOMINIUM ASSOCIATION

THE PREMISES KNOWN AS
1404 OCEAN PARKWAY, BROOKLYN, NEW YORK 11230

DEFINITIONS

(1) **"Appurtenant Interest"** shall mean, with respect to any Unit, the undivided interest of the owner thereof, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

(2) **"Building"** shall mean the building at 1404 Ocean Parkway, Brooklyn, New York 11230.

(3) **"By-Laws"** shall mean the By-Laws of the Condominium, which are annexed as Exhibit G, as the same may be amended from time to time pursuant to the terms thereof.

(4) **"Common Elements"** shall mean, collectively, the Limited Common Elements and the General Common Elements, and shall consist of all parts of the Property other than the Units.

(5) **"Common Charges"** shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), to meet the Common Expenses.

(6) **"Common Expenses"** shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to this Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

(7) **"Common Interest"** shall mean the undivided percentage interest of each Unit in the Common Elements.

(8) **"Condominium"** shall mean Azrad Condominium Association, established pursuant to the terms of this Declaration and which is to be governed pursuant to the terms of the By-Laws.

(9) **"Condominium Act"** shall mean Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.

(10) **"Condominium Board"** shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Article 2 and 4 of the By-Laws.

(11) **"Condominium Documents"** shall mean this Declaration, the By-Laws and the Rules and Regulations.

(12) **"Declaration"** shall mean this Declaration as executed by Sponsor for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof.

(13) **"Family Members"** shall mean the spouse, children (natural and adopted), siblings, parents, parents-in-law, grandparents, great grandparents and aunts and uncles of a Unit Owner who reside in such Unit Owners Unit.

(14) **"First Closing"** shall mean the first date upon which title to a Unit is conveyed to a purchaser.

(15) **"Floor Plans"** shall mean the floor plans of the Unit filed in the Registers office simultaneously with the recording of this Declaration, together with any supplemental floor plans thereto.

(16) **"General Common Elements"** shall mean those certain portions of the Land and the Building (other than the Units), as well as those Unit Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in paragraph (b) of Article 6 of this Declaration.

(17) **"Initial Control Period"** shall mean the period ending on the earlier of: (i) the closing of title with purchasers under the Plan to Units having more than 50 percent of the

maintenance, or safety of the Property.

(37) **"Unit Owner"** shall mean any Person who holds fee title, of record, to a Unit at the time in question.

(38) **"Units"** shall mean more than one Unit.

(39) **"Unsold Unit"** shall mean any Unit owned by Sponsor or its designee at the time in question.

(40) **"Unsold Units"** shall mean more than one Unsold Unit.

aggregate Common Interests appertaining to all Units or (ii) two years after the First Closing.

(18) **"Institutional Lender"** shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teachers or union employee, welfare, pension or retirement fund or system.

(19) **"Institutional Mortgage"** shall mean any first mortgage covering one or more Units that is a permitted mortgage and the initial holder of which is either Sponsor or its designee or an Institutional Lender.

(20) **"Land"** shall mean the land more particularly described in Exhibit A to this Declaration.

(21) **"Limited Common Elements"** shall mean those certain portions of the Land and the Building (other than the Units) that are to be used by the owners of one or more specified Units to the exclusion of all other Unit Owners, as more particularly described in paragraph (c) of Article 6 of this Declaration.

(22) **"Managing Agent"** shall mean a Person employed by the Condominium Board, if any, pursuant to Section 2.4 of the By-Laws.

(23) **"Majority of Unit Owners"** shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.7 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

(24) **"Mortgage Representatives"** shall mean the representatives of the holders of all Permitted Mortgages encumbering Units.

(25) **"Permitted First Mortgage"** shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

(26) **"Permitted First Mortgagee"** shall mean any holder of a Permitted First Mortgage.

(27) **"Permitted Mortgage"** shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

(28) **"Permitted Mortgagee"** shall mean any holder of a Permitted Mortgage at the time in question.

(29) **"Person"** shall mean any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

(30) **"Plan"** shall mean the offering plan, if any, to convert the property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

(31) **"Property"** shall mean the Land, the building, and all other improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

(32) **"Rules and Regulations"** shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

(33) **"Special Assessments"** shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the (By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

(34) **"Sponsor"** shall mean 512 Avenue N LLC.

(35) **"Unit"** shall mean one of the residential apartments or the commercial units, if any, and their appurtenances located throughout the Condominium. If a Unit is subdivided into two or more Units in accordance with Article 11 of the Declaration the term "Unit" shall refer to any of the Units established as a result of such subdivision, each of which will be more particularly identified in an Amendment to the Declaration and Floor Plans. In such case, the term "Unit" shall mean more than one or all of such Units.

(36) **"Unit Facilities"** shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence,

UNIT OWNER'S POWER OF ATTORNEY
EXHIBIT D TO THE DECLARATION OF THE
AZRAD CONDOMINIUM ASSOCIATION

All terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of Azrad Condominium Association (the "Condominium") under Article 9-B of the Real Property Law of the State of New York, dated _____, 201_, and recorded in the Kings County office of the Register of the City of New York on _____,201_, in Reel _____, Page _____(hereinafter referred to as "Declaration"), or (b) in the By-Laws of the Condominium (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meaning in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ the owners of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") being described as the _____ floor Unit and also designated as Tax Lot ____ in Block _____ of the Borough of Kings on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans (does) (do) hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, (c) to subject to a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of sub-division (a) or (c) of this paragraph) at such price or at such rental as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present, and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance,

regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (b) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements, that the Condominium Board deems necessary or appropriate.

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

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint _____ (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionments of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 11 of the Declaration or (2) shall be required by (a) an Institutional Lender, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interests of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or to the Common Elements or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the _____ day of _____, 201_.

_____

_____

STATE OF)
ss:
COUNTY OF)

On the ____ day of _____, in the year 201_, before me, the undersigned, a notary public in and for the said state personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT G

BY LAWS
OF
AZRAD CONDOMINIUM ASSOCIATION, BROOKLYN, NEW YORK

THE PREMISES KNOWN AS
1404 OCEAN PARKWAY, BROOKLYN, NEW YORK 11230

County of Kings, City and State of New York

, 201_

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BY-LAWS
AZRAD CONDOMINIUM ASSOCIATION

THE PREMISES KNOWN AS
1404 OCEAN PARKWAY, BROOKLYN, NEW YORK

ARTICLE 1
GENERAL

Section 1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium.

Section 1.2 Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to the verbs of any tense.

Section 1.3 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
BOARD OF MANAGERS

Section 2.1 General. The affairs of the Condominium shall be governed by the Condominium Board. The Condominium Board will be comprised of owner-occupants, members of an owner-occupant's households, or non-resident unit owners who are unrelated to the Sponsor and its principals. Owner occupants and non-resident unit owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing. (i.e. purchase of a home as opposed to an investment.)

Section 2.2 Powers and Duties of the Condominium Board. (A) The Condominium Board shall have all the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements and/or any other portions of the Property for which the Condominium Board is responsible pursuant to the Declaration and the By-Laws, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material, and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a residential condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof;

(v) to determine the amount and establish the

means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefore;

(viii) to use the Common Charges and Special Assessments collected from Unit owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the Administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property (whether after damage or destruction by fire or other casualty, or as a result of destruction by fire or other casualty, or as a result of eminent domain proceedings or otherwise), including any matter concerning the health and safety of the occupants of the building, all in accordance with the terms of these By-Laws;

(xii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiii) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(xiv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvi) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit owners for Violations of the same;

(xvii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xviii) to incorporate, to the extent and in the manner provided in the Condominium Act;

(xix) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a Permitted Lessee or other permitted occupant.

Section 2.3 Certain Limitations on the Powers of the Condominium Board. Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the following actions unless a certain percentage of all members thereof shall approve the same in writing or by vote at a duly constituted meeting called for such purpose:

(i) increase the number, or change the type, of employees from those hired at the time of recording the Declaration;

(ii) provide for new or additional services from those being provided at the time of recording the Declaration;

(iii) impose any Common Charge or Special Assessment for the purpose of making any capital or major improvement, alteration, or addition to the Common Elements or to any Unit, unless required by Law; or

(iv) establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements, or replacements, other than a twelve-month reserve for contingencies not exceeding five percent of the budgeted operating expenses for the ensuing 12 months of operation.

Section 2.4 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may, by 80% vote of the Unit Owners, employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. The Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

Section 2.5 Number, Election and Qualification of Members. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of three individuals to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, the Condominium Board shall consist of three individuals to be elected by the Unit Owners or designated by Sponsor or its designee pursuant to the terms of Section 4.8 hereof. Except for members designated by Sponsor or its designee pursuant to the terms of this Section 2.5 or of Section 2.8 or 4.8 hereof, all members of the Condominium Board shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing.

Section 2.6 Term of Office Members. The term of office of the three members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Unit Owners shall expire when the three individuals to be elected or

designated at such meeting are so elected or designated and qualified. The term of office of each of the three individuals elected or designated and qualified at the first annual meeting of the Unit Owners and at all subsequent annual meetings shall be one year. Notwithstanding anything to the contrary contained in this Section 2.6, however, each member of the Condominium Board shall serve until his successor shall be elected or designated and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve.

Section 2.7 Removal and Resignation of Members. (A) Any member of the Condominium Board who was elected thereto by the Unit owners may be removed from office by a 80% vote of Unit Owners. Any member of the Condominium Board who was designated as such by Sponsor or its designee, pursuant to the terms of Section 2.5, 2.8, or 4.8 hereof, may be removed, with or without cause, only by Sponsor or said designee, by giving written notice thereof to the Condominium Board. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such by Sponsor or its designee, to Sponsor or such designee. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.5 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualifications shall cease.

Section 2.8 Vacancies. (A) Upon the occurrence of a vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit owners, the terms of all other members of the Condominium Board elected by the Unit Owners shall promptly be held for the purpose of electing a new Condominium Board.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was designated as such by Sponsor or its designee shall be filled by an individual designated by Sponsor or such designee.

Section 2.9 Regular Meetings of the Condominium Board. Regular meetings of the Condominium Board may be held at such time and place in the Borough of Kings as shall be determined

from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given to each member thereof by personal delivery, mail, or telegram at least five business days prior to the day named for such meeting.

Section 2.10 Special Meetings of the Condominium Board. Any member may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. Written notice of all special meetings shall be given to each member thereof by personal delivery, mail or telegram at least five business days prior to the day named for such meeting, which notice shall state the time, place (in the Borough of Kings) and purpose of the meeting.

Section 2.11 Waiver of Notices of Meeting. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.12 Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for lack of a quorum may be transacted without further notice.

Section 2.13 Conduct of Meetings. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions

and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same is in conflict with the terms of the Declaration, these By-Laws or the Condominium Act.

Section 2.14 Decisions of the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the vote of a majority of the members of the Condominium Board present at a meeting thereof at which a quorum is present shall constitute the decision of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.15 Compensation of Members. No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.16 Liability of the Condominium Board. (A) All members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his own bad faith or willful misconduct.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly provide (if such provision is reasonably obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Section 3.9 and 4.11 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.11 hereof.

(C) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from such member's acts or omissions as, or by reason of the fact that such

individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3
OFFICERS

Section 3.1 General. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board.

Section 3.3 Secretary. The Secretary shall keep a record wherein the actions of the Condominium Board and the meetings of the Unit Owners shall be recorded and shall act as President in the absence of the President.

Section 3.4 Treasurer. The Treasurer shall keep the financial records and books of account of the Condominium.

Section 3.5 Election, Term of Office and Qualifications of Officers. Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Secretary and Treasurer shall be elected from amongst the members of the Condominium Board. No person shall hold more than one office.

Section 3.6 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the President of the Condominium Board. Finally, if the President, Secretary, or Treasurer shall cease to be a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date which his membership shall cease.

Section 3.7 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.8 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.9 Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable to Unit Owners for his or her own bad faith or willful misconduct.

(B) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4
UNIT OWNERS

Section 4.1 Annual Meeting of the Unit Owners. The first annual meeting of the Unit Owners shall be held immediately after the Initial Control Period.

Section 4.2 Special Meetings of the Unit Owners. Any member of the Condominium Board may call a special meeting of the Unit Owners by setting forth, in reasonable detail, the purpose for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes. In addition, a special meeting shall take place promptly after the occurrence of a vacancy in the Condominium Board for the purpose of electing new members of the Board pursuant to Section 2.8 (A) of these By-Laws.

Section 4.3 Place of Meetings. Meetings of the Unit Owners shall be held at the Condominium or at such other location within the Borough of Kings as may be designated by the Condominium Board.

Section 4.4 Notice of Meetings. (A) The Secretary or

person calling the meeting shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote or designate members of the Condominium Board at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail or telegram not later than 10 business days prior to the day fixed for the meeting; however, the mailing for such notice to any Unit Owner, addressed to his or her address at the Property, at least 15 days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 15 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which 50% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 (A) Voting. Subject to the terms of Section

4.8 hereof, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own one or more Unsold Units) shall be entitled to cast one vote at all meetings of the Unit Owners for each Unit owned.

(B) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two or more Persons own a Unit, they shall designate one Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(C) The owner(s) of any Unit may designate any Person to act as a proxy on his or her behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designor and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such a resignation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the Secretary of such meeting. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six months after the date thereof.

(D) Except when otherwise required by law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

Section 4.8 Election of Members of Condominium Board.

(A) During the Initial Control Period, Sponsor or its designee shall have the right to designate the following number of members of the Condominium Board: (a) three members, for so

long as the Common Interests attributable to any Units owned by Sponsor or its designee equals, in the aggregate, 50% or more of the Common Interests of all Units, and (b) two members, for so long as the Common Interests attributable to any Units owned by Sponsor or its designee equals, in the aggregate, less than 50% but 30% or more of the Common Interests of all Units.

(B) After the Initial Control Period, Sponsor or its designee shall not have voting control over the Condominium Board or veto power over expenditures and shall have the right to designate one member on the Condominium Board for so long as Sponsor or its designee owns at least four Unsold Units.

(C) Sponsor shall have the right to vote the Common Interests attributable to Units owned by Sponsor for members of the Condominium Board so long as Sponsor or its designee designates one or more members of the Board. From and after the time when Sponsor or its designee does not designate at least one member of the Board, Sponsor or its designee shall have the right to vote the Common Interests attributable to Units owned by Sponsor for members of the Board.

(D) Each Unit Owner entitled to vote for members of the Condominium Board pursuant to this Section 4.8 shall be entitled to cast 1 vote for each Unit owned. A Unit owner who is entitled to more than one vote may divide his votes among different candidates, or vote them all for one candidate on a cumulative basis.

(E) The three persons receiving the highest number of votes shall be elected to the Condominium Board.

Section 4.9 Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if Unit Owners, sufficient in number (both in absolute number and in Aggregate Common Interests) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit owners pursuant to this Section 4.9 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.10 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.11 Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any Managing Agent shall provide (if such provision is reasonably obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officer of the Condominium pursuant to the terms of Section 2.16 and 3.9 hereof, respectively) that the liability of any Unit Owner with respect thereof shall be limited to: (i) such proportionate shares of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's Interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5
OPERATION OF THE PROPERTY

Section 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, kitchen, bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and balcony, if any) and their frames and saddles, exposed plumbing, gas and heating, fixtures and equipment, air conditioning units, lighting and electrical fixtures and any General Common Elements incorporated therein shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and

(ii) in or to the General Common Elements shall be performed by the Condominium Board as a Common Expense; and

(iii) in or to the Limited Common Elements shall be performed (a) by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto) or (b) by the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving non-structural ordinary maintenance, repairs, or replacements (including, without limitation, individual heating and hot water equipment).

Promptly upon obtaining knowledge thereof, each Unit Owner

shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of the Unit Owner of the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the Owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs or replacements of the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any balcony, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and the Land and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of balconies, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.2 Alterations, Additions, or Improvements to the General Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense except that any improvements or additions shall only be made after unanimous consent of the board is obtained.

Section 5.3 Alterations, Additions, Improvements, or Repairs in or to the Units and Limited Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.3 no Unit Owner shall make any structural alteration, addition, improvement, or repair in or to his Unit or its appurtenant Limited Common Elements without the prior written approval of the Condominium Board. This includes the installation of any security gates on doors and/or windows. The Condominium Board shall grant its approval provided that prior to, and as a condition of, the granting of any such approval, the Unit Owner procures and agrees to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and executes an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done, and further provided that the alteration does not impair the structural integrity of the building or any Unit or otherwise interfere with the use of any other Units.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.3 however, Sponsor or its designee shall have the right pursuant to the terms of Article 11 of the Declaration, without the approval of the Condominium Board to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Units whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Unsold Units.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit or its appurtenant Limited Common Elements, provided that, with respect to all such work of a structural nature (but other than

that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) and appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (ii) to any Person asserting any claim for personal injury or property damage, arising therefrom. Any Unit Owner(s) making alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) and appurtenant Limited Common Elements shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.4 Insurance. (A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance, or other insurance, (c) invalidity arising out of any acts of the insured and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall

be paid to the Condominium Board, as provided in Section 5.5 hereof;

(iii) a New York standard mortgage clause in favor of each Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interests may appear, subject, however, to the loss payment provisions in favor of the Condominium Board;

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to all of the insured, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to all Unit Owners and Permitted Mortgagees at least 30 days prior to the expiration of the then current policies.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insured (a) the Condominium Board and each member thereof, (b) the Managing Agent if any), (c) each officer of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit or its balcony);

(ii) water damage legal liability insurance; and

(iii) such other insurance as the Condominium Board shall from time to time determine. Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount sufficient to avoid the effects of co-insurance (and, until the first regular meeting of the first three-member Condominium Board elected by the Unit Owners, such

coverage shall be at least in the amount of $350,000.00); and

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $300,000 in the aggregate until the first regular meeting of the first three-member Condominium Board elected by the Unit Owners.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once a year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4 shall be borne by the Condominium Board as a Common Expense.

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

Section 5.5 Casualty or Condemnation. (A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the General Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable to the Condominium Board. All such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements other than balconies are contemporaneously taken) shall be deemed to have waived whatever rights that he or

she may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of the damage covered by the insurance for each unit but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such unit or supplied or installed by the unit owners. In such event Unit Owners may be assessed for deficits, if any, in insurance proceeds.

(C) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the General Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor or its designee, if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall not be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds and the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

Section 5.6 Use of the Property. (A) No nuisance shall be allowed on the Property. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result

in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common elements be altered or removed.

Section 5.7 Use of the Units. (A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Each Unit shall be used only as a residence. Notwithstanding the foregoing, however, during the Initial Control Period upon the written consent of Sponsor (or after the Initial Control Period upon the prior written consent of the Condominium Board) a Unit may be used as a professional or business office or for any other purpose other than that set forth in this paragraph (B) provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unit.

(C) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing. Additionally, in no event shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (C) may be accommodated therein.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board of the Unit Owners:

(i) grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies

with Law and does not violate the then existing Certificate of Occupancy covering such Unsold Unit; and

(ii) use any one or more Unsold Units as model units and offices for the sales, promotions, rental, management and operation of the unsold Units or for any other purpose, subject only to compliance with Law.

(E) Under no circumstances may more than one family occupy a Unit at one time.

Section 5.8 Use of the Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Unit Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the Common Elements (except for those areas designated as storage areas, if any) without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls and stairways shall be used only for normal passage through them.

(B) Notwithstanding the terms of paragraph (A) of this Section 5.8, Sponsor or its designee shall have the right, without charge or limitation so long as there are any Unsold Units, to: (i) erect and maintain signs, of any size or content determined by Sponsor or such designee, on or about any portion of the General Common Elements chosen by Sponsor or such designee, including, without limitation, on the exterior walls of the Building or adjacent to the main entrances thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the General Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations. In no event, however, shall Sponsor or such designee be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 Right of Access. (A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), and/or to any other Person authorized

by any of the foregoing a right of access to his Unit and its appurtenant Limited Common Elements for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property,

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his or her Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Common Elements, and the Condominium Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, in such a manner as will unreasonably interfere with the use of such Unit and Limited Common Elements for their permitted purposes.

Section 5.10 Modification of the Rules and Regulations. The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of a majority of Unit Owners. Copies of the text of any amendments, modifications, additions or deletions to the rules and Regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof.

Section 5.11 Real Estate Taxes, Water Charges and Sewer Rents. Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the city collector, such taxes, charges and rents shall be payable by the Condominium Board.

The Condominium Board may act as an agent of each Unit Owner who has given his written authorization to complain or apply to the board of assessment review of the assessing agency by filing a single complaint on behalf of all such Unit Owners and to commence and prosecute a special proceeding for the review of assessments of real estate property as an aggrieved person. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and may charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees, for which charges the Condominium Board shall have a lien pursuant to the terms of these By-Laws.

Section 5.12 Gas. Gas shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for gas consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefore.

Section 5.13 Electricity. Electricity shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for electricity consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefore.

Section 5.14 Utilities Serving the General Common Elements. The cost and expense of water, steam and electricity serving or benefiting any Common Element other than balconies shall be (i) considered part of the expense of maintaining such Common element, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.15 Records and Audits. (A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of accounts shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the dates when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within four months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense.

ARTICLE 6
COMMON CHARGES

Section 6.1 Determination of Common Expenses and Fixing of Common Charges. (A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject to the restrictions set forth in Section 2.3 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges among the Unit Owners pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws). The Condominium Board may, as its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination.

(B) The failure or delay of the Condominium Board to

prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to any restrictions contained herein, to levy Special Assessments to meet the Common Expenses.

Section 6.2 Payment of Common Charges. (A) During the period that the Units have not been separately assessed all real estate taxes will be included and payable with the Common Charges. In addition, all Unit Owners (including Sponsor or its designee with respect to Unsold Units, for so long as the same are owned thereby, which have not been separately assessed for real estate tax purposes) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit for the period subsequent to a sale, with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First

Mortgagee (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefore, and in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the Statutory lien for unpaid Common Charges and Special Assessments; (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit and (iv) at the time of conveyance, and in the event that the Unit is encumbered by a Permitted Mortgage, the Unit Owner shall deposit with the Condominium Board an amount equal to the product of the then currently monthly debt service on the Permitted Mortgage multiplied by 24. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Charges by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). No Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with the Law.

Section 6.3 Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefore from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on weekdays.

Section 6.4 Default in Payment of Common Charges. (A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remains unpaid for more than 30 days after the due date for the payment thereof. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such Common Charges. In addition any Unit Owner in default of two months payment of common charges will lose all voting rights after a receipt from the Condominium Board of a ten-day notice to cure.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, (if any) in connection with collecting such unpaid Common Charges and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorney's fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

(C) In any action brought by the Condominium Board to foreclose a lien on a unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same).

In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

ARTICLE 7
SELLING AND LEASING OF UNITS

Section 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of the said Unit Owner as the owner, or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorney's fees, disbursements and court costs.

Section 7.2 Right of First Refusal. (A) Subject to the terms of Sections 7.5 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTION 7.2 AND 7.3 OF THE BY-LAWS OF THE SAID CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such contract of sale or lease shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the contract of sale or the lease, as the case may be, containing all of the terms offered in good faith by the prospective purchaser

or tenant (hereinafter referred as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his Unit, together with its Appurtenant Interests, or to lease his Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are outlined in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 20 business days after receipt of the notice referred to in paragraph (A) (provided that if further information had been requested pursuant to the terms of paragraph (B) hereof, such 20 day period shall commence on the receipt of such information), to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of Unit Owners.

Section 7.3 Acceptance of Offer. (A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased, a lease or contract shall be executed in either event in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within 45 days after the day upon which the Condominium Board shall give notice of its election to accept

such offer.

(B) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board of such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form or lease, including without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises thereunder without consent of the landlord.

Section 7.4 Failure to Accept Offer. (A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the time set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within 120 days after (i) notice of refusal is sent to the Offeree Unit owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such 120-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3, and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly

provide that:

(i) such lease shall be for a term of not less than six months and shall not be for less than an entire Unit.

(ii) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(iii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iv) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 Termination of, and Exceptions to, the Right of First Refusal. (A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without unreasonable charge, such certificate upon written request of any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact, been terminated. In no event, however, shall the Right of First Refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Section 7.2, 7.3, and 7.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent, (if any) as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease,

or conveyance of a Unit, together with its Appurtenant by:

(i) the owner of such Unit to any of his or her adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, to any entity or individual that owns more than 50 percent of the legal and beneficial interest of such Unit Owner or entity with respect to which such Unit Owner (individual or otherwise) owns more than 50 percent of the legal and beneficial interest thereof;

(ii) Sponsor or its designee, with respect to the Unsold Units;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his or her Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; Provided, However, that each succeeding Unit Owner shall be bound by, and his Unit shall continue to be subject to, all of the terms and conditions of this Article 7.

Section 7.6 No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6 however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common

Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit provided that if a Unit Owner shall convey his Unit without having paid in full all such payments, the purchaser of such Unit shall be responsible for all such payments.

Section 7.8 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his or her title insurance company (or, if no such representative is present, to Sponsor or its designee, or, if Sponsor or its designee is not then the owner of any Unsold Unit, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as on Exhibit to the Declaration and the new Unit Owner shall bear the cost of recording the Unit Owner's Power of Attorney.

Section 7.9 Devises, Etc. Any Unit Owner shall be free to devise his Unit together with its Appurtenant Interests by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 7.

ARTICLE 8
MORTGAGING OF UNITS

SECTION 8.1 General. Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units."

Section 8.2 Restrictions on Mortgaging. (A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted

Mortgages levied against such Unit.

(B) Any mortgage or other document mortgaging, pledging, or hypothecating title to a Unit shall include therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or descried therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be reasonably required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or noninstitutional lender to make the mortgage loan.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such Mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such permitted Mortgagee.

Section 8.4 Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

ARTICLE 9
ARBITRATION

Section 9.1 Procedure. Any dispute between the Unit Owners, members of the Condominium Board, or Officers of the Condominium shall be submitted to binding arbitration in accordance with the rules of the American Arbitration Association (the AAA) then obtaining. The AAA generally commences administration of an arbitration case when one party submits a Demand for Arbitration, a copy of the arbitration provision and the appropriate filing fee to the AAA. From there, the respondent will be notified by the AAA, and a deadline will be set for an answer and/or counterclaim. The person or entity submitting the demand will be responsible for the cost thereof. One Arbitrator will be required and the arbitration will take place in the city and county in which the property is located. By commencing the arbitration the parties are giving up the right to bring a suit in court, including the right to trial by jury. This submission does not affect in any way the rights of the unit owners under Article 23-A of the General Business Law.

Section 9.2 Binding Effect. The decision in any arbitration conducted pursuant to the terms of Section 9.1 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

ARTICLE 10
NOTICES

Section 10.1 General. All notices required or desired to be given hereunder shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to all members thereof at their home address.

(ii) if to a Unit Owner other than Sponsor or its designee, to such Unit Owner at his or her address at the Property;

(iii) if to a Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of

this Section 10.1 shall be deemed given when deposited in a United States Postal Service depository located in the State of New York enclosed in a sealed, postage prepaid wrapper, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 10.2 Waiver of Service. Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 11
AMENDMENTS TO BY-LAWS

Section 11.1 General. (A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments (hereinafter referred to as "Special Amendments") affecting or in favor of Sponsor or its designee, any Unsold Unit(s), and/or any permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 80% in number and the aggregate Common Interests of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.9 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.9 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision

contained in the Declaration of these By-Laws with respect to Special Amendment:

(i) the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof; and

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed.

Section 11.2 Special Amendments. (A) Any amendments, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or its designee without the consent of the Condominium Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or such designee as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-in-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor of such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or such designee pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

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

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, or subparagraph (iv) or (v) of paragraph (B) of Section 7.5, hereof shall be effective with respect to the holder of any Permitted

Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 12
FURTHER ASSURANCES

Section 12.1 General. Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 12.2 Failure to Deliver or Act. (A) Subject to the provisions of (B) below, if any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge and deliver or to take action required to be taken pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

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

ARTICLE 13
MISCELLANEOUS

Section 13.1 Inspection of Documents. Copies of the

Declaration, these By-Laws, and Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 13.2 Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 13.3 Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 13.4 Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforceable to the fullest extent provided by Law.

Section 13.5 Successors and Assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignees of Sponsor or, with the consent of Sponsor, any transferee of all the then Unsold Units.

Section 13.6 Gender. A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 13.7 Captions. The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

Notwithstanding anything contained in the By-Laws to the contrary the By-Laws hereby provide as follows:

A. Any right of first refusal in the condominium project documents will not adversely impact the rights of a mortgagee or its assignee to:

1- Foreclose or take title to a condominium unit pursuant to the remedies in the mortgage;
2- Accept a deed or assignment in lieu of foreclosure in the event of default by mortgagor;
3- Sell/lease a unit acquired by the mortgagee/assignee

B. The project documents state that:

1- Amendments of a material adverse nature to mortgagees be agreed to by mortgagees that represent at least 51 percent of the votes of unit estates that are subject to mortgages.
2- In any action to terminate the legal status of the project after substantial destruction or condemnation occurs or for other reasons to be agreed to by mortgagees that represent at least 51 percent of the votes of the unit estates that are subject to mortgages.

C. The project documents give the mortgagee and guarantor of the mortgage on any unit in the condominium project the right to timely written notice of:

1- any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
2- delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage, which is in excess of 60 days;
3- a lapse, cancellation, or material modification of any insurance policy maintained by the homeowners' association; and
4- any proposed action that requires the consent of a specified percentage of mortgagees.

D. 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.

E. 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 months of the unit's unpaid regularly budgeted dues or charges accrued before acquisition of the title to the unit by the mortgage. If the condominium association's lien priority includes costs of collecting unpaid dues, the lender will not be liable for any fees or costs related to the collection of the unpaid dues.

ADDENDUM TO THE BY-LAWS OF
AZRAD CONDOMINIUM ASSOCIATION
THE PREMISES KNOWN AS
1404 OCEAN PARKWAY, BROOKLYN, NEW YORK
RULES AND REGULATIONS

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

2. No refuse from the Units shall be deposited or kept in the cellars of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows or open balconies, or placed upon the window-sills, of the Building and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

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

4. No Unit Owner shall make, cause or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his or her Unit that will interfere with the rights of the other Unit Owners. No Unit Owner shall play upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy occupants of other Units, and in no event shall any Unit Owner practice or suffer to be

practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M. unless such construction or repair work is necessitated by an emergency.

5. Unless otherwise authorized by the Condominium Board in each instance, not less than 80 percent of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise-reducing material.

6. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

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

8. Each Unit Owner shall keep his or her Unit and its appurtenant balcony (if any) in a good state of preservation, condition, repair, and cleanliness in accordance with the terms of the By-Laws.

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

10. All residential unit owners' must notify the Managing Agent in writing when a child under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each unit owner

will then be required to install at their own expense, window guards in all of the windows of the Unit. The guards shall not be removed until permitted by applicable law, in any event, without the full knowledge of the Managing Agent.

11. Until such time the handicapped parking space, and any other parking spaces in the condominium are sold, they will be rented by the Board of Managers, on behalf of the Sponsor, its successors and/or assigns, on a month-to-month basis starting at $200 per month. The individual renting the space will also be responsible for the payment of the monthly common charge and tax allocated to that space. Both the rent and monthly fees will be subject to an annual increase. At any time, if any person purchases a unit in the Condominium, they will be offered the rights to either purchase a current rented parking space, or rent it on a month to month basis. Any person then occupying the space to be purchased will be required to immediately relinquish their rights to the space at that time.

EXHIBIT H

512 Avenue N LLC
3858 Nostrand Avenue, Suite 203
Brooklyn, New York 11235

CERTIFICATION BY SPONSOR

November 20, 2016

Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Azrad Condominium Association

Dear Sirs:

I am the sponsor and the principal of sponsor of the condominium offering plan for the captioned property.

I understand that I have the primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

I have read the entire offering plan and have investigated the facts set forth in the offering plan and the underlying facts. I have exercised due diligence to form a basis for this certification.

I certify that the offering plan does, and that documents submitted hereafter by me which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond

reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

512 Avenue N LLC

Sponsor: By: _____
Yaacov Azrad, Member

Principal of Sponsor: _____
Yaacov Azrad

Sworn to before me this
8 day of NOVEMBER, 2016.

_____
Notary Public

SOLOMON SETH YAVNE
Notary Public, State of New York
No. 24-4829690
Qualified in Kings County
Commission Exp. Nov 30, 2017

EXHIBIT I

SCHNEIDER ASSOCIATES

866 Johnston Drive
Watchung, N.J. 07069
Phone : (908) 755-0059

CERTIFICATION BY SPONSOR'S ENGINEER
PURSUANT TO PART 20.4 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED

Department of Law of
The State of New York
120 Broadway, 23rd Floor
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 1404 Ocean Parkway
Brooklyn, New York

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction of the property (hereinafter "the Report"). I visually inspected existing portions of the property, if any on August 17th, 2016. I examined the building plans and specifications, prepared by Bricolage Architecture & Design PLLC, 6321 New Utrecht Avenue, Brooklyn, N.Y. 11219; dated June 8th, 2015, and prepared the original Report dated, September 14th, 2016, a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely on the Report.
I have revised the original Report with the amended Report dated, February 14th 2017, so that prospective purchases may rely on the Report.

I am a licensed Engineer, registered in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20, insofar as they are applicable to this "Report".

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

(i) set forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications which I examined.

(ii) in our professional opinion, afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction provided that construction is in accordance with the plans and specifications which I examined.

(iii) not omit any material fact;

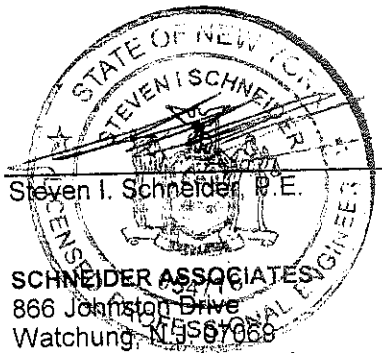
(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, or suppression;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances.

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

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



Steven I. Schneider, P.E.
SCHNEIDER ASSOCIATES
866 Johnston Drive
Watchung, NJ 07069
Phone # (908) 775-0059

Sworn to before me this

4th day of Feb., 2017

Notary Public

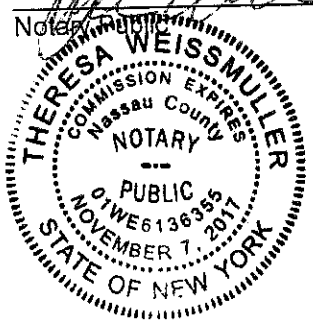


EXHIBIT J

Maximillion
Realty, Inc
101 Avenue U, Brooklyn, NY 11223
Tel: 718.376.9300 Fax 718.339-7100

CERTIFICATION BY SPONSOR'S EXPERT ON THE ADEQUACY OF THE BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

Date:

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

Re: 512 Avenue N LLC
Azrad Condominium Association
1404 Ocean Parkway
Brooklyn, New York

Dear Sirs:

The Sponsor of the condominium offering plan for the captioned property retained me to review the Schedule B and B-1, containing projections of income and expenses for the first year of condominium operation.

I, the undersigned, Boris Tansky, am a duly licensed real estate broker. For the past twenty years I have been doing business as Maximillion Realty, Inc. My experience in Real Estate includes real estate investments, brokerage and real estate management of rental properties and condominiums. My firm currently manages 12 properties. My real estate Broker's license number is 31TA0981990.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

I have reviewed the schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. I have also relied on my experience in managing residential buildings.

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

I certify that the Schedules:

i. sets forth in detail the projected income and expenses for the first year of condominium

operation;

ii. affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

iii. does not omit any material fact;

iv. does not contain any untrue statement of a material fact;

v. does not contain any fraud, deception, concealment or suppression;

vi. does not contain any promise or representation as to the future which is beyond reasonable expectations or unwarranted by existing circumstances;

vii. does not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth, or

(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of the Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business and Penal Law.

Maximillion Realty, Inc.

By: _____
Boris Tansky, Broker/Owner

Sworn to before me this
4 day of April, 2017.

_____
Notary Public

ANASTASIA ARIELLI
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01AR6310687
Qualified in Kings County
Commission Expires Sep. 02, 2018

of the commercial units:

i. set forth in detail the projected common charges for the commercial units for the first year of condominium operation;

ii. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;

iii. do not omit any material fact;

iv. do not contain any untrue statement of a material fact;

v. do not contain any fraud, deception, concealment or suppression;

vi. do not contain any promise or representation as to the future which is beyond reasonable expectations or unwarranted by existing circumstances;

vii. do not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth, or

(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of the Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the 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 offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business and Penal Law.

Maximillion Realty, Inc.

By: _____
Boris Tansky, Broker/Owner

Sworn to before me this
4 day of April, 2017.

_____
Notary Public

ANASTASIA ARIELLI
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01AR6310687
Qualified in Kings County
Commission Expires Sep. 02, 2018

Maximillion
Realty, Inc
101 Avenue U, Brooklyn, NY 11223
Tel: 718.376.9300 Fax 718.339-7100

CERTIFICATION BY SPONSOR'S EXPERT ON THE ADEQUACY OF THE BUDGET PAYABLE BY THE COMMERCIAL UNIT OWNERS FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

DATE:

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

Re: 512 Avenue N LLC
Azrad Condominium Association
1404 Ocean Parkway
Brooklyn, New York

Dear Sirs:

The Sponsor of the condominium offering plan for the captioned property retained my office to review the Schedule B, which includes projections of common charges payable by the owners of the commercial units.

I, the undersigned, Boris Tansky, am a duly licensed real estate broker. For the past twenty years I have been doing business as Maximillion Realty, Inc. My experience in Real Estate includes real estate investments, brokerage and real estate management of rental properties and condominiums. My firm currently manages 12 properties. My real estate Broker's license number is 31TA0981990.

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 the commercial units listed in Schedule B.

I have reviewed the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. I have also relied on my experience in managing residential buildings.

I certify that the projections in 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 reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedule B for the common charges payable by the owners

EXHIBIT K

NEW YORK STATE DEPARTMENT OF LAW

MODEL FORM OF ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 20___, by and among _____ ("PURCHASER"), 512 Avenue N LLC, as Sponsor of the Azrad Condominium Association offering plan, and the Law Office of S. Seth Yavne ("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 1404 Ocean Parkway, Brooklyn, New York, 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 condominium unit __ (the "Purchase Agreement") at Capital One Bank located at 404 5th Avenue, New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Azrad Condominium Association Escrow Account ("Escrow Account"). The account number is [redacted].

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: S. Seth Yavne. 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 3407 Avenue K, New York, New York 11210, and a telephone number of 718 253-9181.

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 S. Seth Yavne, 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 a post closing 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 building is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

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

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

4. RECORDKEEPING.

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

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

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

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

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender

of the Deposit by PURCHASER, using such transmittal forms as required by ESCROW AGENT.

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

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

7. TERMINATION OF AGREEMENT.

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

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

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

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

8. SUCCESSORS AND ASSIGNS.

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

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

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

11. SEVERABILITY.

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

12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

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

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

ESCROW AGENT: S. Seth Yavne

Law Offices of S. Seth Yavne

By: _____
Name: S. Seth Yavne
Title: Attorney at Law

SPONSOR: 512 Avenue N LLC

By: _____
Name: Yaacov Azrad
Title: Principal of Sponsor

PURCHASER:

_____

Name: _____

Department of Housing Preservation & Development
nyc.gov/hpd

DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
VICKI BEEN, Commissioner
421-a Partial Tax Exemption Program
Office of Development-Division of Housing Incentives
100 GOLD STREET, NEW YORK, N.Y. 10038
(212) 863-8540

Preliminary Certificate of Eligibility

Owner : 512 AVENUE N, LLC

Docket #: TEO11351

wner Address : 3845 BEDFORD AVENUE
BROOKLYN, NY 11229

ldress	Borough	Block	Lot	Permit Date	Construction Start Date
04 Ocean Parkway	Brooklyn	06587	0010	01/07/2015	01/07/2015

Total Number of Units: 12
Preliminary Initial Adjusted Monthly Rent Per Room: Condo
Ineligible AFA: 0.00%

mments: 1. FORMERLY LOTS 8, 9, 10 2. 12 RESIDENTIAL UNITS + RESIDENTIAL PARKING (1ST FL & OFF-STREET) & COMMUNITY FACILITY (CEL, 1ST & 2ND FLS) 3. COMMUNITY FACILITY APPLIED FOR TAX EXEMPTION UNDER THE I.C.A.P. PROGRAM (APPLICATION #19358) AND IS NOT THE SUBJECT OF THIS APPLICATION

s Certificate is for construction benefits only. Upon issuance of a Final Certificate of Eligibility, this project will be entitled to: 15 Year Tax Exemption. Subject to the Exemption Cap.

sed upon the information contained in the Application for Preliminary Certificate of Eligibility for Partial Tax Exemption filed 08/27/2015 and a determination by the Commissioner, the applicant, suant to Section 421-a of the Real Property Tax law and the 421-a Rules of the Department of Housing Preservation and Development issued pursuant thereto, is hereby granted this Preliminary Certificate Eligibility for Partial Tax Exemption for the above premises, except as to those portions of the new building, if any, which are non-residential and which exceed the allowable 12% of Commercial, Community ility and Accessory Use Space.

s Certificate is conditioned upon the filing and approval of a Final Application to be submitted to the Department of Housing Preservation prior to initial occupancy (for multiple dwellings owned as a rental), prior to the first taxable status date following the completion of construction (for multiple dwellings owned as a co-op or condo), and the submission of the temporary or permanent certificate of occupancy ed by the Department of Building as evidence of the fact that the structure was completed. It entitles the property to benefits while under construction for up to three years. It is the applicant's responsibility omplete the necessary filing in order to obtain a Final Certificate of Eligibility. This Certificate must be filed with the New York City Department of Finance immediately upon issuance.

te of Issuance: JAN 20 2016

Elaine R. Toribio
Director, Tax Incentive Programs

JAN 20 2016

d:486]