

CONDOMINIUM OFFERING PLAN

FOR

120 VIVABENE CONDOMINIUM

**LOCATED AT
120 MAIN STREET
TUCKAHOE, NEW YORK 10707**

**CONSISTING OF TEN (10) RESIDENTIAL UNITS,
ONE (1) PARKING UNIT AND ONE (1) GARAGE UNIT
OFFERING PRICE FOR TEN (10) RESIDENTIAL UNITS: \$8,075,490.00**

**THE PARKING UNIT AND GARAGE UNIT ARE NOT BEING OFFERED FOR SALE
AT THIS TIME.**

SPONSOR: DORAMI REALTY OF NEW YORK, INC. 146 Main Street Tuckahoe, New York 10707	SELLING AGENT: Claire D. Leone Associates Ltd. 29 Wilmot Road Scarsdale, New York 10583
--	--

Date of Acceptance of Offering Plan: May 20, 2005.

The term of the offer is twelve (12) months, unless amended or extended by a duly filed amendment.

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

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

SEE PAGE (iii) FOR SPECIAL RISKS TO PURCHASERS.

TABLE OF CONTENTS
PART I

	<u>PAGE</u>
SPECIAL RISKS.....	iii
1. INTRODUCTION.....	1
2. DEFINITIONS	5
3. DESCRIPTION OF PROPERTY AND IMPROVEMENTS	10
4. LOCATION AND AREA INFORMATION	10
5. OFFERING PRICES AND RELATED INFORMATION SCHEDULE A.....	13
6. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION, SCHEDULE B.....	17
7. BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1.....	22
8. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i.....	24
9. CHANGES IN PRICES AND UNITS	25
10. INTERIM LEASES.....	26
11. PROCEDURE TO PURCHASE	27
12. ASSIGNMENT OF PURCHASE AGREEMENTS	34
13. EFFECTIVE DATE OF PLAN	34
14. TERMS OF SALE	35
15. UNIT CLOSING COSTS AND ADJUSTMENTS	40
16. RIGHTS AND OBLIGATIONS OF THE SPONSOR	44
17. CONTROL BY SPONSOR	52
18. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS - RESTRICTIONS ON PURCHASE, USE AND SALE OF UNITS.....	54
19. RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS/SUMMARY OF BY-LAWS.....	63
20. REAL ESTATE TAXES.....	71
21. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM	73
22. OPINION OF COUNSEL RE: DEDUCTIBILITY OF TAXES.....	75
23. WORKING CAPITAL FUND	80
24. MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS	80
25. IDENTITY OF PARTIES	83
26. REPORTS TO UNIT OWNERS	84
27. DOCUMENTS ON FILE	84
28. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION	85
29. PARKING AND GARAGE UNITS.....	85
30. GENERAL	86

PART II

A.	PURCHASE AGREEMENT	A-1
	FINAL INSPECTION STATEMENT	A-21
B.	POWER OF ATTORNEY	B-1
C.	FORM OF UNIT DEED	C-1
D.	DESCRIPTION OF PROPERTY AND BUILDING CONDITION.....	D-1
	FLOOR PLANS.....	D-16
E.	SITE PLAN	E-1
F.	DECLARATION OF CONDOMINIUM	F-1
G.	CONDOMINIUM BY-LAWS	G-1
H.	FORM OF ESCROW AGREEMENT WITH ESCROW AGENT	H-1
I.	APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS.....	I-1
J.	CERTIFICATIONS	
	1. SPONSOR.....	J-1
	2. SPONSOR'S ARCHITECT	J-3
	3. SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET	J-5
	4. SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET FOR COMMERCIAL UNIT(S)	J-7

SPECIAL RISKS.

1. **Time of the Essence.** TIME IS OF THE ESSENCE AS TO PAYING THE PURCHASE PRICE FOR A RESIDENTIAL UNIT, AND AS TO CURING ALL DEFAULTS WITHIN ANY GRACE PERIODS GRANTED HEREUNDER. FAILURE TO MAKE A PAYMENT AT THE TIME WHEN A PURCHASER IS CALLED UPON TO MAKE SUCH PAYMENT MAY RESULT IN LOSS OF THE DOWN PAYMENT AND CANCELLATION OF THE PURCHASE AGREEMENT. For a more detailed summary, see Section 11 of the Plan, entitled "Procedure to Purchase". Purchasers should consult their own attorneys prior to executing a Purchase Agreement.

2. **Payments for Upgrades and Extras.** All funds received by Sponsor for upgrades or extras will initially be placed in the Special Account maintained by Sponsor's counsel. Such funds may be released from the Special Account by the Sponsor's Counsel 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 be entitled to receive a refund of any funds which were designated for upgrades or extras. See Section 11 of the Plan, entitled "Procedure to Purchase".

3. **Control by Sponsor.** Until the first anniversary of the recording of the Declaration of Condominium, the Board of Managers shall consist of three (3) persons designated by Sponsor. Accordingly, until such first anniversary, Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners.

The Sponsor shall relinquish voting control of the Board of Managers at the next Annual Meeting after the earlier of (i) the transfer of title to Residential Units representing 90% of the Residential Units' Common Interest or (ii) five (5) years after the First Closing ("Control Period"). During this Control Period, the Board of Managers shall consist of three (3) or five (5) members of which the Sponsor shall be entitled to designate a majority of the members.

While the Sponsor owns a Residential Unit, the Sponsor will have the right to, and intends to, vote the percentage of Common Interests allocated to its Residential Units for all seats on the Board, including unaffiliated members. In addition, so long as the Sponsor or a Sponsor-designee shall continue to own at least one (1) Residential Unit, the Sponsor or Sponsor-designee shall have the right to designate one (1) of the members of the Board .

Notwithstanding the foregoing restrictions, the Sponsor shall not have the right to veto expenditures for the expenses detailed in Schedule B in the Plan, or expenditures for the making of capital repairs to the Common elements, or assessment of any Common Charge for expenses required to remedy any notice of violation, comply with applicable law, or cure a work order of an insurance carrier.

For further information see Section 17, "Control by Sponsor."

4. **Minimum Sales Requirement.** Pursuant to existing law and regulation the Sponsor may declare the Plan effective by selling a minimum of fifteen percent (15%) of the Units offered for sale pursuant to the Plan, which is the equivalent of two (2) Residential Units. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Residential Unit.

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

5. **Housing Merchant Implied Warranty.** Pursuant to applicable law, Unit owners are entitled to the benefit of the Housing Merchant Implied Warranty. The full warranty provides the following coverage:

(a) For one (1) 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 by code, the construction must be in accordance with locally accepted building practices.

(b) For two (2) years, the plumbing, electrical, heating cooling and ventilation systems (if any) must be free from defects caused by unskillful installation.

(c) For six (6) years, the Unit must be free from physical defects in the structural elements (foundation, floors, walls, roof framing) which make it unsafe or unlivable.

Defects not caused by defective workmanship, materials or design, and patent defects which were obvious (or would have been obvious upon inspection) are excluded. There are no warranties for appliances sold with the Unit, which are covered by other warranties from the manufacturers of those goods.

The Housing Merchant Implied Warranty can be limited. In this Plan, the Warranty is limited or made more specific in several ways, including the following: (i) a purchaser cannot make a claim for incidental, consequential, special or indirect damages; (ii) a purchaser's recovery for property damage is limited to thirty-five percent (35%) of the purchase price of the Unit; and (iii) the Warranty is for the benefit of the first owner of a Unit and excludes all subsequent owners. See Section 16 (B). For the full scope of the Limited Warranty, Purchasers are advised to read the Limited Warranty attached to the Purchase Agreement (see also Section D, Part II of the Plan).

6. **Rights of Sponsor.** The Sponsor is not required to obtain the approval of the Board of Managers or meet requirements imposed upon other Unit Owners in order to exercise a number of rights described in the By-Laws. Included among these are the right to use a Unit as a model

and display "For Sale", "For Rent", or "For Lease" signs, or similar signs, the right to transfer or lease a Unit without offering the Board of Managers the right of first refusal, the right to alter a Unit without obtaining the prior consent of the Board of Managers, but only in accordance with the other terms of this Plan, and the right to amend the Declaration without a vote for the sole purpose of filing the Floor Plans as required by Section 339-p of the Real Property Law. For as long as the Sponsor or its designee own title to one or more Residential Units, the Regulations of the Condominium, By-Laws or Declaration may not be amended in a manner which would, in the sole discretion of Sponsor or its designee, adversely affect the Sponsor or its designee in any way, unless the Sponsor or its designee give their written consent to such an amendment. See Section 16(B), "Rights and Obligations of Sponsor", and Section 19(J) of the Plan, entitled "Amendments to Condominium Declaration and By-Laws".

7. No Bond or Security for Performance of Sponsor Obligations. No bond or other security has been furnished to secure the performance of the Sponsor's obligations. At the time the Offering Plan is accepted for filing, the Sponsor represents that it will be financially capable of performing Sponsor's obligations, including its obligations with respect to Unsold Residential Units. However, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. At this time, the Sponsor anticipates financing construction with a construction loan and the Sponsor's own funds. If the Sponsor cannot perform the Sponsor's financial obligations hereunder, the Sponsor will amend the Plan, cease selling Units, and offer a right of rescission to Purchasers of Units. See Section 16, "Rights and Obligations of Sponsor."

8. Limited Financing Contingency.

(a) If a Purchaser is electing to obtain financing, the obligations of Purchaser hereunder will be conditioned upon issuance on or before the 45th day after the date of the Purchase Agreement of a written loan commitment, subject to the following conditions and limitations:

(i) The financing contingency is only applicable to mortgage financing of no more than ninety percent (90%) of the purchase price (or such lesser amount as Purchaser shall apply for) at the then prevailing rates of interest and for a customary loan term, secured by a first mortgage on the Residential Unit;

(ii) The financing contingency is applicable to mortgage financing obtained through any lending institution selected by Purchaser ("Lender").

(iii) Purchaser shall pay all fees, points and charges required in connection with such application and loan;

(iv) Purchaser shall pursue such application with diligence, and generally cooperate in good faith with such Sponsor Designated Lender to the end of securing such first mortgage. Purchaser shall furnish Seller with a copy of any loan commitment promptly after receipt thereof. If Purchaser has complied with the terms of this Limited Financing Contingency and the Lender has not issued a loan commitment on or before the 45th day after the date of the

Purchase Agreement, then Purchaser shall have the right to cancel the Agreement by giving notice to Seller by the 50th day after the date of the Purchase Agreement. Upon cancellation, the Down Payment and accrued interest shall be promptly refunded to Purchaser, and neither party shall have any further rights against, or obligations or liabilities to the other by reason of the Purchase Agreement. If Purchaser does not give such notice to Seller on or before the 50th day after the date of the Purchase Agreement or if the Purchaser has not applied to the Lender, the Purchase Agreement shall not be terminated by virtue of this paragraph and the Agreement shall remain in full force and effect, except that Purchaser's right to cancel under this Paragraph shall be deemed waived. A mortgage commitment conditional upon the Purchaser's selling any property that Purchaser owns, the liquidation or reduction of any existing installment debt prior to closing, or the furnishing of documents and information reasonably available to Purchaser, shall be deemed a firm mortgage commitment which satisfies the limited financing contingency clause in the Purchase Agreement.

(b) If Purchaser obtains a financing commitment through the Lender and the commitment lapses or expires before the actual closing date through no fault of Purchaser, Purchaser shall make a good faith effort to extend the commitment, including payment of a reasonable and customary extension fee and acceptance of changes in the interest rate to reflect prevailing market conditions. If the Lender is unwilling to extend the commitment on those terms, Purchaser shall have the right to cancel the Purchase Agreement by notice given to Sponsor within fifteen (15) days after receiving the notice of refusal to extend the commitment. In case of cancellation, the applicable provisions of subsection (a) shall apply.

9. Management by an Affiliate of the Sponsor. At the First Closing, the Board of Managers will enter into a management agreement with Mirado Properties, Inc. (an affiliate of Sponsor) to manage the Building. The management agreement may not be canceled for a period of two (2) years unless the managing agent defaults in the performance of its obligations under the agreement. See Section 24 for further details.

10. Deposits in Excess of \$100,000 Not Insured by the Federal Deposit Insurance Corporation. The Sponsor shall deposit down payments in a bank that is covered by the Federal Deposit Insurance Corporation ("FDIC"). Down payments will be held in separate subaccounts within the master escrow account. A FDIC insured bank is insured for all deposits in the amount of \$100,000 or less. The portion of the deposit in excess of \$100,000 is not covered by insurance. Purchasers should note that any deposit over \$100,000 will not be FDIC insured in excess of \$100,000. See Section 11, "Procedure to Purchase."

11. No Separate Reserve Fund. The Plan does not provide the Condominium with a separate reserve fund. In the event the Condominium elects to make any capital improvements or repairs, it can utilize working capital or assess the Unit Owners. The Sponsor does not foresee any major capital improvements or repairs that will be necessary during the first five (5) years of Condominium operation, other than due to ordinary use. See Section 23, "Working Capital Fund."

12. Majority of the Board of Managers Not Limited to Owner-Occupants. After the

Control Period expires, a majority of the Board of Managers may be comprised of both owner-occupants and non-owner-occupants (or members of their households unrelated to the Sponsor and its principal.) Owner-occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing. For example, an owner-occupant who is purchasing a Residential Unit as a primary residence may have views on repairs and capital expenditures which differ from a non-resident purchaser who has purchased of the purposes of an investment.

13. Sponsor's Right to Offer Units for Rent. The Sponsor represents that it will make good faith efforts to sell, in a reasonably timely manner, all of the Unsold Residential Units to Purchasers rather than retaining title to the Unsold Residential Units for rental. Sponsor's good faith efforts to sell to Purchasers shall include listing Unsold Residential Units with brokers, showing Unsold Residential Units to brokers and prospective Purchasers or their representatives and otherwise engaging in customary sales activities. However, in the event that there is a decline in market values from the offering prices set forth in contracts counted toward effectiveness for comparable Units, then the Sponsor reserves the right to rent, rather than sell, the Unsold Units until there is an upturn in the market.

There are no limits placed on Sponsor's right to rent rather than sell Residential Units under the terms of the Sponsor's construction loan.

14. Impact of Construction. Purchasers should note that the construction of Units causes certain inconveniences which are normally associated with new condominium construction, such as construction noise and dirt on the Property. In addition, the Sponsor may not complete the landscaping and lawns in the General Common Element areas and the Limited Common Element areas which surround the finished Units until construction of all Units is complete.

15. Payment for Closing Adjustments with Condominium. At closing, the Sponsor will adjust with the Condominium certain ongoing costs that had been prepaid by the Sponsor for the first year of Condominium operation, largely prepaid water and sewer charges and insurance for the Condominium. The cost of reimbursement will be paid from the Condominium Working Capital Fund. The Working Capital Fund will be funded by the payment of an amount equal to two months common charges by each purchaser at closing. For more detailed information, See Section 23 of the Plan entitled "Working Capital Fund".

16. Receipt of Certificate of Occupancy. The Sponsor reserves the right to close title to Residential Units after procuring a Temporary Certificate of Occupancy with respect to such Unit. However, the Sponsor will obtain a Permanent Certificate of Occupancy for the Completed Building before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. The Sponsor anticipates receipt of the Permanent Certificate of Occupancy not more than three (3) years after the First Closing. See Section 16 herein.

17. Payment of Transfer Taxes by Purchasers. New York State transfer taxes relating to the Unit, as follows: For the purchase of a single Unit, the state transfer tax is \$2.00

per \$500 of the purchase price (“NYS Tax”). These taxes are normally paid by the Seller. However, by contractual arrangement, they will be paid by each Purchaser. For the purposes of calculating taxes payable, the amount of such taxes will be included in the total consideration subject to tax. For further information, see Section 15.

18. **Interim Leases.** The Sponsor has the option to allow Purchasers who have signed Purchase Agreements to occupy Residential Units before their closings pursuant to “interim leases.” The interim lease is cross-defaulted with a Purchaser’s purchase agreement. If a Purchaser becomes entitled to rescind his purchase agreement, he must vacate the leased premises within 30 days after exercising his right to rescind. If the Purchaser fails to comply with the above provisions, the right of rescission will be ineffective and the purchase agreement shall be reinstated, except that the Purchaser shall be in default under the purchase agreement and shall be required to cure such default within thirty (30) days thereafter. If an Interim Lessee exercises a right of rescission, the lease shall automatically terminate in all events as of the date the rescission right is exercised and will not be reinstated under any circumstances. See section 10, entitled “Interim Leases” for further details.

19. **Parking Unit.** The Parking Unit consists of sixteen (16) parking spaces which will be dedicated parking for the merchants of the stores located at 110 Main Street, Tuckahoe, NY and will be used by non-residents of the Condominium.

PARTS I AND II TOGETHER CONSTITUTE THE ENTIRE OFFERING PLAN. ALL DOCUMENTS REFERRED TO IN THE OFFERING PLAN ARE IMPORTANT. IT IS SUGGESTED THAT YOU CONSULT YOUR ATTORNEY OR FINANCIAL ADVISOR BEFORE PURCHASING AND PROVIDE HIM WITH A COPY OF THIS OFFERING PLAN.

BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK

1. INTRODUCTION.

Dorami Realty of New York, Inc., the sponsor (the "**Sponsor**"), presents this Offering Plan ("**Plan**") with the intention of setting forth herein all material information relating to the submission to Condominium ownership of the land and building located at 120 Main Street, Tuckahoe, New York, and to be known as "**120 VivaBene Condominium**". 120 VivaBene Condominium shall be located on one lot which is currently designated as 120 Main Street. The land, building and appurtenances are hereinafter sometimes referred to collectively as the "**Building**", the "**Property**", or the "**Condominium**". The Plan may be amended from time to time to reflect changes in the terms of the offering when such amendment is filed with the New York State Department of Law and served on purchasers and Unit Owners.

The Condominium will be organized pursuant to Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act. The Condominium will consist of a total of ten (10) residential units (collectively as "**Residential Units**" or individually as a "**Residential Unit**"), the parking unit which is the exterior parking area described by the metes and bounds description in Schedule B of the Declaration ("**Parking Unit**") and the garage unit which is the garage space in the sublevel located below the ground floor of the Building ("**Garage Unit**") The Parking Unit and the Garage Unit shall be used exclusively by the invitees of the Sponsor and not by the individual Residential Unit Owners. Construction of the Condominium will be completed in March, 2005.

The Sponsor acquired 120 Main Street in May 2000.

The Sponsor represents that it will make good faith efforts to sell, in a reasonably timely manner, all of the Residential Units to purchasers. Sponsor's good faith efforts to sell to Purchasers shall include listing Unsold Residential Units with brokers, showing Unsold Residential Units to brokers and prospective Purchasers or their representatives and otherwise engaging in customary sales activities. However, in the event that there is a decline in market values from the offering prices set forth in Purchase Agreements counted toward effectiveness for comparable Residential Units, then the Sponsor reserves the right to rent, rather than sell, the Unsold Residential Units until there is an upturn in the market. If the Sponsor makes a bulk sale of all or some of its Unsold Residential Units, then the purchaser, as a successor sponsor, shall be bound by the Sponsor's representations regarding its commitment to sell Residential Units.

The Sponsor reserves the right to close title to Residential Units after procuring a Temporary Certificate of Occupancy with respect to a Residential Unit. However, the Sponsor will obtain a Permanent Certificate of Occupancy for the entire project before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. This period may extend longer than three (3) years from the First Closing. See Section 16 herein.

The Regulations of the Attorney General's office require that Purchase Agreements be executed for at least 15 percent (15%) of the Units offered for sale under the Plan in order to declare the Plan effective.

The Sponsor has retained Claire D. Leone Associates Ltd., ("Selling Agent"), 29 Wilmot Road, Scarsdale, New York 10583 as Selling Agent in connection with the offering.

The Residential Units are to be sold as Condominium Units in accordance with the Plan at the prices noted in Schedule A. These prices have been established by the Sponsor and are not subject to the approval of the Department of Law or any other governmental agency.

The Sponsor has obtained a construction loan from Hudson Valley Bank. The Sponsor has almost completed construction of the Units. There are no limits placed on Sponsor's right to rent rather than sell Units under the terms of the Sponsor's construction loan. However, in order to obtain partial mortgage releases from Hudson Valley for each Residential Unit at Closing, the Sponsor shall pay \$100,000 for each of the first four (4) Residential Units sold and \$400,000 for each Residential Unit sold thereafter at the Closing of each Residential Unit until the loan is satisfied.

Parts I and II of the Plan, including all Schedules and Exhibits, constitute the entire offer of Sponsor. The Plan and the Exhibits will be available for inspection by prospective Purchasers and their attorneys without charge at the office of the Selling Agent and are available for inspection and copying at a reasonable fee at the Department of Law, 120 Broadway, 23rd Floor, New York, New York. All documents forming a part of this Offering Plan are important. It is suggested that you consult your own attorney or financial advisor before purchasing and provide him with a copy of this Offering Plan.

The purchaser of a Residential Unit (the "**Residential Unit Owner**") owns his Residential Unit similarly in many respects to the manner in which a private homeowner owns his home. He owns the Residential Unit in fee and is entitled to the exclusive possession thereof. He is also the owner, in common with the owners of all other Units, of all remaining parts of the Property except for the Units themselves, including the land under the Building, its foundations and supports, the lobby, the exterior walls and the roofs (the "**Common Elements**"). The Common Elements include limited common elements which serve or benefit less than all Unit Owners and which is further described herein ("**Limited Common Elements**") and general common elements other than the Limited Common Elements and as further described herein ("**General Common Elements**"). Each Unit Owner's proportionate share (a "**Common Interest**") of the Common Elements is determined pursuant to New York State Real Property Law Sections 339-i and 339-m.

Each Unit Owner is obligated to comply with the governing documents of the Condominium, including the Declaration of Condominium ("**Declaration**"), By-laws ("**By-Laws**"), and Rules and Regulations of the Condominium ("**Regulations**"). These documents are reproduced in Part II of the Plan.

Each Unit Owner may mortgage his Unit on the terms and in such amount as he or she chooses. However, if Purchasers seek mortgage financing to fund any part of the purchase price, they will be required to follow procedures set forth in the Procedure to Purchase section of the Plan (see Section 11) and in the Purchase Agreement in Part II of the Plan. No Unit will be

subject to the lien of any mortgages placed by other Unit Owners on their Units.

Sales of Units by Unit Owners are subject to a right of first refusal by the Board of Managers of the Condominium (referred to in this Plan as either the "**Condominium Board**" or the "**Board of Managers**") at the same price and terms as the Unit Owner has been offered. Such right of first refusal is described in Section 18 of the Plan, "Rights and Obligations of the Unit Owners". A Unit cannot be sold without a sale of the proportional Unit Interest in the Common Elements. The Board of Managers does not have the right to approve or disapprove Purchasers, except by the exercise or waiver of the right of first refusal. The Board of Managers does not have a right of first refusal with respect to the sale of Unsold Units owned by the Sponsor.

Leases of Units are subject to the consent of the Board of Managers, such consent shall not be not unreasonably withheld. See Article X of the By-Laws for further information. Notwithstanding the foregoing, the Sponsor may lease its Unsold Units without the consent of the Board of Managers.

A Unit Owner may make non-structural alterations and decorate the interior of his Unit in any way he desires, subject to local codes and the rules and regulations of the Condominium, and he is obligated for the cost of his own interior decoration, maintenance, and repairs after closing. A Unit Owner may not make any structural or aesthetic changes or alterations to the exterior of the Unit, without the consent of the Board of Managers.

Each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible if any of the other Unit Owners fail to pay their real estate taxes. The Board of Managers of the Condominium will assess against each Unit Owner, in proportion to his respective Common Interest, charges (the "**Common Charges**") for the maintenance of the Common Elements and for the operating costs of the Property (the "**Common Expenses**"), as provided in New York State Real Property Law Section 339-m. Each Unit Owner will pay for all gas, water and electricity consumed within his own Unit, the charges for which will be separately metered.

In the opinion of counsel for the Sponsor, a Unit Owner, like a home owner, may deduct from his income for income tax purposes the real estate taxes and the interest paid on the mortgage encumbering the Unit(s) owned by the Unit Owner to the extent allowed by law.

Each Unit Owner will be responsible for maintaining his own Unit and for making repairs within his own Unit ("Repairs"). Unit Owners will be responsible for the cost of repairing the Limited Common Elements (such as windows, doors, and carports), but the quality and conduct of the Repair will be subject to the Board of Managers' approval. Notwithstanding the foregoing, the Condominium will be responsible for the cost of making structural Repairs to those portions of the driveway which are Limited Common Elements and each Unit Owner will be responsible for the cost of nonstructural Repairs and regular maintenance to those portions of the driveway which are Limited Common Elements.

The cost of maintenance and repair of the Common Elements shall be shared by all Unit

Owners as provided above. Each Unit Owner shall have the same rights of access to, use of and benefit of the Common Elements (but not the Limited Common Elements). Each Unit Owner shall also be responsible for obtaining and bearing the cost of casualty and liability insurance in connection with his respective Unit. The Board of Managers shall have the duty of obtaining casualty and liability insurance, on behalf of the Condominium, with respect to the Building.

The Board of Managers of the Condominium shall be elected by the Unit Owners with the number of votes allocated to each Unit Owner determined by their percentage of Common Interest. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the determination of Common Charges and the adoption of Regulations covering the Condominium. Please see Section 19, "Rights and Obligations of Board of Managers/Summary of By-Laws" for further discussion.

Residential Units may be purchased either by natural persons over the age of eighteen (18) years or by a duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. The Plan does not limit the number of Unit Owners who may purchase for investment rather than personal occupancy; as a result, the Condominium may have a substantial percentage of Unit Owners who are non-residents.

As of the date this Plan is accepted for filing, Sponsor has not entered into any contracts or agreements, written or oral, for the sale or transfer of any of the Units offered in this Plan and no deposits or advances of funds have been taken by, or on behalf of the Sponsor in connection with the reservation, sale or transfer of such Units.

As of the date this Plan is accepted for filing, none of the Units in the Building are occupied by residential or commercial tenants.

Reference to the masculine gender in this Plan shall be deemed to include all of the above.

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

BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK

2. DEFINITIONS.

"Board of Managers": The governing board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their percentage of Common Interest.

"Building" Refers to the structure or structures containing the Units.

"Common Charges": Each Unit's proportionate share of Common Expenses in accordance with its Common Interest.

"Common Elements": All portions of the Property other than Units. Common Elements are comprised of General Common Elements, Limited Common Elements which are defined as follows:

A. The General Common Elements include the following:

(1) The land on which the Building stands and all other land within the boundaries of the property, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Article);

(2) All foundations, columns, beams, supports, bearing walls; those portions of the exterior walls and insulation beyond the unexposed face of the dry wall at the exterior face of the Building or, where applicable, those portions of the exterior walls beyond the interior face of the exterior wall; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the unexposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; storage and utility areas located beyond the unexposed face of the dry walls enclosing a Unit and not otherwise designated as Limited Common Elements; all basements and cellars which are not included within a particular Unit and are used for the benefit of all Unit Owners; the entrances to and exits from the Building; and mailboxes. Notwithstanding the above, the foregoing excludes all windows and window frames of the Units which are considered Limited Common Elements and any doors, windows and window frames of the Garage Unit which are considered part of the Garage Unit.

(3) All central and appurtenant installations for services such as power, light, intercom, telephone, television, gas, hot and cold water, heat (including all pipes, ducts, wires, shoots, cables and conduits used in connection therewith) and all other mechanical equipment spaces, except that installations relating to such utilities and other services that have been or will be made by the owners or tenants of the Garage or Parking Units to exclusively benefit the Garage Unit or Parking Unit shall be Limited Common Elements appurtenant to such Units;

(4) Water service pipes and sewer pipes;

(5) Any house tank providing water to the Units and the pipes used in connection therewith;

(6) To the extent that the Building is served by steam heat or hot water, portions of any steam riser and connections originating in the boiler room, together with any distribution piping;

(7) Ventilation supply system consisting of motors, duct work, fans and controls serving General Common Elements and steam and condensate return piping serving General Common Elements;

(8) All passages and corridors, mechanical and other rooms, meter room, areas and indoor or outdoor spaces located at the Property serving or benefiting one or more Units and which are not part of a Unit;

(9) Copings, flashings, leaders, gutters and parapets appurtenant to the roof of the Building;

(10) Any portion of the Building's roof and all bulkheads that are reserved for common use;

(11) The driveway between the Parking Unit and the Residential Units.

(12) Compactor rooms, laundry room, and boiler room (if any);

(13) Trash room(s) and access doors and all facilities used in connection therewith;

(14) Window glass and window frames located on the perimeter of (but not exclusively serving) a particular Unit, and all other window frames and window glass in the Building. The window glass and window frame serving a particular Unit are Limited Common Elements for that particular Unit as per subsection (c) below;

(15) Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vents, gas risers, electric risers and shafts serving Units;

(16) Gas piping serving the Units up to the exit points from the walls;

(17) All other facilities of the Property (including, but not limited to, vaults, shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Units; and

(18) All other Common Elements other than Limited Common Elements.

B. The Limited Common Elements include, but are not limited to, the following:

(1) Windows and window frames located on the boundary of a Unit and serving exclusively that Unit.

(2) All landings and stairs leading to the individual Residential Units, located on the outside of the Building (except as set forth elsewhere in this Plan);

(3) Carports and parking spaces dedicated to the individual Residential Units;

(4) Ramp exiting the Garage Unit;

(5) Stair tower to Garage Unit;

(6) Stairs to Garage Unit.

“Common Expenses”:

(a) Expenses of operation of the Property, and

(b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.

“Common Interest”:

The proportionate, undivided interest expressed as a numerical percentage in the Common Elements, appertaining to each Unit, as determined in accordance with the Declaration and the Condominium Act in fee simple absolute.

“Condominium Act”:

Article 9-B of the New York Real Property Law.

“Condominium”:

A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan "Condominium" specifically refers to "The 120 VivaBene Condominium".

“Declaration”:

The instrument by which the Property is submitted to the provisions of the Condominium Act, and such instrument as from time to time may be amended, consistent with the provisions of the Condominium Act and the By-Laws.

“First Closing”: The first closing of title with a bona fide Purchaser of a Residential Unit.

“Limited Common Elements”: Parts of the whole which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner or several Unit Owners. See the definition of “Common Elements” above for details on the different types of Limited Common Elements.

“Person”: A natural person, corporation, partnership, association, trustee or other legal entity.

“Property”: The land, Building and all other improvements thereon, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act by this Plan.

“Purchaser”: Any person over the age of 18 or entity that executes a Purchase Agreement with the Sponsor.

“Recording Officer”;
“Recording”
or Recorded”: Shall have the meanings stated in Section 290 of the New York State Real Property Law.

“Repairs”: Means repairs, maintenance or replacement.

“Selling Agent”: Claire D. Leone Associates Ltd., 29 Wilmot Road. Scarsdale, New York 10583.

“Sponsor”: The promoter of the project and/or Offering Plan to convert a particular parcel of property to Condominium ownership. Dorami Realty of New York, Inc. is the Sponsor of this Offering Plan.

“Unit”: Any of the Residential Units, Parking Unit and Garage Unit.

“Unit Designation”: Means the number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the floor plans.

“Unit Owner”: Means the person or persons, or entity owning a Unit in fee simple absolute; “Unit Owners” collectively means the respective owners of the Units.

“Unsold Residential Unit”: Means any Residential Unit owned by the Sponsor.

BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK

3. DESCRIPTION OF PROPERTY AND IMPROVEMENTS.

The Property consists of the land and a building located at 120 Main Street, Tuckahoe, New York. The lot area is approximately 20,000 square feet. The property is bounded by the street bed of Main Street on the north and Washington Street on the east.

The Property is located in the Town of Eastchester, Village of Tuckahoe, and County of Westchester. The Property will contain one Building. The Building shall contain ten (10) attached Residential Units (which are three-story units consisting of five different types of units ranging from two to three bedrooms), a Parking Unit (which is the exterior parking area described by the metes and bounds description in Schedule B of the Declaration) and a Garage Unit (which is the garage space in the sublevel located below the ground floor of the Building). Units A and J each include a carport and an exterior parking space, which are Limited Common Elements. Units B through I includes two carports for each Residential Unit, which are Limited Common Elements. Construction of the Units, together with appurtenant parking spaces and driveways, had begun in 2003. The Sponsor anticipates that construction of the Units will be completed in March, 2005. The Sponsor will obtain a temporary residential Certificate of Occupancy with respect to each Residential Unit being closed prior to the closing of title to that Residential Unit. The Condominium is being constructed in accordance with all applicable zoning and building laws, regulations, codes and other requirements of the Town of Eastchester, Village of Tuckahoe.

The Residential Units will be heated with gas-fired heating systems. Heat, hot water and electricity will be supplied by Consolidated Edison with separate meters for each Unit. See Schedule B-1 in the Plan for the estimated electric costs of individual Residential Units.

The Sponsor reserves the right to close title to Residential Units after procuring a Temporary Certificate of Occupancy with respect to a Residential Unit. However, the Sponsor will complete construction and obtain a Permanent Certificate of Occupancy for the entire project before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. This period may extend longer than three (3) years from the first Unit closing. See Section 16 herein.

The Parking Unit and the Garage Unit shall be used exclusively by the invitees of the Sponsor and not by the individual Residential Unit Owners.

For a more complete description of the Property, see Section D, entitled "Description of Property and Building Condition", in Part II of the Plan.

4. LOCATION AND AREA INFORMATION.

1. Location.

The Property is located in the Village of Tuckahoe, Town of Eastchester, on the corner of Main Street and Jefferson Street. The surrounding neighborhood includes residential, educational, commercial, retail, entertainment and dining establishments.

2. Area Information.

A. Transportation:

The Property is located three blocks east of Tuckahoe Metro-North Railroad Station at 1 Depot Square, which provides transportation into New York City and Northern Westchester County. The Bee-Line System services the area by local bus service. An entrance to the Bronx River Parkway is approximately one mile from the Property, and the Hutchinson River Parkway is located approximately two miles away.

B. Educational Facilities:

Public elementary and secondary schools are both located within several blocks of the property. The nearest elementary school is Cottle Elementary School, located approximately one half (1/2) mile away. The nearest middle school is Tuckahoe Middle School. The property is served by Tuckahoe High School as a public school. Nearby New Rochelle is the home of Iona College and the College of New Rochelle, among other institutions of higher learning. No representation is made that any Unit Owner's child will be able to attend any particular educational facility.

C. Religious Institutions:

There are houses of worship of most major denominations in the vicinity of the Property, several of which are in walking distance.

D. Parks, Recreational and Cultural Facilities:

The Property is located approximately one block from Main Street Park which has a playground, tennis courts and basketball courts. There are nine parks within the Town of Eastchester, including Lake Isle Park which consists of 116 acres and has an 18 hole golf course, swimming pools and tennis courts.

E. Medical Facilities.

Lawrence Hospital is located approximately two miles from the Condominium. Various physicians and dentists have offices near the Property.

F. Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance.

These services, other than water are provided by the Village of Tuckahoe and all charges (except water) are incorporated into the Village of Tuckahoe and the Eastchester Fire District taxes. The Property is located near the Tuckahoe Police Department, located at 65 Main Street, Tuckahoe, New York. The nearest Fire Department Station is Engine Station located on Underhill Road in Tuckahoe.

G. Zoning. The building is located in a Business/Residential zone, which permits residential use.

H. Mailing Address and Postal Facilities: The mailing address of Units will be 120 Main Street, Tuckahoe, NY 10707. The post office servicing the building is conveniently located on Main Street.

I. Libraries and Community Center. The Tuckahoe Public Library and Community Center is located at 71 Columbus Avenue.

J. Shopping Facilities: There is a Stop & Shop located at 420 White Plains Road in neighboring Eastchester, which is less than one mile from the Condominium. In addition, there is another Stop & Shop located at 1300 Midland Avenue in Yonkers, which is approximately two miles from the Condominium.

BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK

SCHEDULE A		120 VIVA BENE TUCKAHOE NY																
SALES PRICE AND ESTIMATED MONTHLY CHARGES FOR THE FIRST YEAR OF OPERATION		PERIOD FROM APRIL 1, 2005 TO MARCH 31, 2006																
UNIT #	AS PER UNIT PLANS	UNIT ADDR.	UNIT TYPE	TAX LOT	DESCRIPTION	NO. OF ROOMS	NO. OF BEDROOMS	NO. OF BATHROOMS	NO. OF SQ. FEET	APPROX. TOTAL SQ. FEET	PERCENTAGE OF COMMON ELEMENTS	SALES PRICE	EST. MONTHLY R.E. TAX	EST. MONTHLY COMMON CHARGES	EST. TOTAL MONTHLY EXPENSES	EST. ANNUAL COMMON CHARGES	EST. ANNUAL R.E. TAX	EST. TOTAL ANNUAL EXPENSES
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
01	120-A		TYPE I	29 08 01-A	3 STORY TOWNHOUSE END UNIT	09	03	(2)F (2)H	2,222	2,222	6.72%	789,999	536	324	860	3,888	6,432	10,320.00
02	120-B		TYPE II	29 08 01-B	3 STORY TOWNHOUSE	08	02	(2)F (2)H	2,243	2,243	6.78%	773,499	548	327	875	3,924	6,576	10,500.00
03	120-C		TYPE III	29 08 01-C	3 STORY TOWNHOUSE + ELEVATOR	09E	03	(2)F (2)H	2,342	2,342	7.08%	834,999	571	341	912	4,092	6,852	10,944.00
04	120-D		TYPE IV	29 08 01-D	3 STORY TOWNHOUSE + ELEVATOR	09E	03	(2)F (2)H	2,308	2,308	6.98%	834,999	571	336	907	4,032	6,852	10,884.00
05	120-E		TYPE II	29 08 01-E	3 STORY TOWNHOUSE	08	02	(2)F (2)H	2,243	2,243	6.78%	773,499	548	327	875	3,924	6,576	10,500.00
06	120-F		TYPE V	29 08 01-F	3 STORY TOWNHOUSE + ELEVATOR	09E	03	(2)F (2)H	2,350	2,350	7.10%	834,999	571	343	913	4,116	6,852	10,968.00
07	120-G		TYPE III	29 08 01-G	3 STORY TOWNHOUSE + ELEVATOR	09E	03	(2)F (2)H	2,342	2,342	7.08%	834,999	571	341	912	4,092	6,852	10,944.00
08	120-H		TYPE II	29 08 01-H	3 STORY TOWNHOUSE	08	02	(2)F (2)H	2,243	2,243	6.78%	773,499	548	327	875	3,924	6,576	10,500.00
09	120-I		TYPE IV	29 08 01-I	3 STORY TOWNHOUSE + ELEVATOR	09E	03	(2)F (2)H	2,308	2,308	6.98%	834,999	571	336	907	4,032	6,852	10,884.00
10	120-J		TYPE I	29 08 01-J	3 STORY TOWNHOUSE END UNIT	09	03	(2)F (2)H	2,222	2,222	6.72%	789,999	536	324	860	3,888	6,432	10,320.00
11	120		PARKING	29 08 01-K	16 SPACE COMMERCIAL PARKING	16	N/A	N/A	3,400	3,400	9.00%	N/A	6	434	440	5,208	72	5,280.00
12	120		GARAGE	29 08 01-L	32 SPACE RESIDENTIAL PARKING	28	N/A	N/A	11,720	11,720	22.00%	N/A	6	1,061	1,067	12,732	72	12,804.00
										TOTAL SQ FT TOWNHOUSES	22,823	5,580	4,822	10,402	66,996	57,852	124,848.00	
										TOTAL SQ FT OF PARKING UNITS	15,120							
										TOTAL ANNUAL REAL ESTATE TAX	66,993							

THIS PAGE INTENTIONALLY LEFT BLANK

FOOTNOTES TO SCHEDULE A

1. (a) The number of rooms in each Residential Unit is calculated in accordance with the "Recommended Method of Residential Room Count", effective January 1, 1964, from the Real Estate Board of New York. All kitchen areas are deemed to be independent rooms, whether or not separated from the living room or dining room by a demising wall.

(b) The total square footage shown on Schedule A is measured horizontally from the exterior face of exterior walls to the midpoint of the opposite interior walls, and from the midpoint of demising walls between Units to the midpoint of the opposite wall; square footage is measured vertically from the underside of the Unit's finished flooring to the exposed painted face of a concrete ceiling or the unexposed side of the Unit's drywall or plaster ceiling, as applicable. Square footage shown in the Declaration of Condominium filed with the County Clerk will be slightly lower based on differences in criteria for measurement of boundaries of Units for purposes of distinguishing Units from common elements in the Declaration. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of a typical Unit. Each Unit should be inspected prior to purchase so that any prospective Purchaser will be able to inspect the actual dimensions, layout and physical condition. (See Part II of the Plan, Exhibit D for floor plans of each Unit).

2. The prices for these Residential Units may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar Residential Units. No such change will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales price below the Offering Plan price without filing a prior amendment to the Plan as long as the reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Unit price. (See Section 9 entitled "Changes in Prices of Residential Units").

In addition to the payment of the balance of the sales price at the time of closing, the Purchaser will be responsible for the payment of various closing costs and adjustments. See Section 15, entitled "Residential Unit Closing Costs and Adjustments", for a schedule of estimated closing expenses to be paid by a Purchaser.

3. Pursuant to Section 339-i (1) (iv) of the New York Real Property Law, the percentage of Common Interest of each Unit in the Common Elements is based upon floor space, subject to 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. The approximate interior square footage of the Residential Units varies from 2082 to 2240 square feet, excluding Limited Common Elements.

4. The monthly common charges payable by each Unit Owner are based on their Percentage of Common Interest in the Common Charges. See the footnotes to Schedule B and Schedule B-1 for a more detailed description of the expenses and services which Common Charges cover. The projected Common Charges do not cover certain costs such as repairs, replacements or

alterations to the interior of Units, electricity, heat and hot water (which is separately metered for each Unit), air conditioning, cable television service, or fire and liability insurance for improvements and furnishings in the Units, which are the responsibility of the individual Unit Owner. The Sponsor is not offering mortgage financing in connection with this Plan. If the Purchaser obtains mortgage financing, the Purchaser will be responsible for debt service on the mortgage as an additional expense.

5. Certain Units have amenities which are appurtenant to the particular Unit, such as carports described on Schedule A are Restricted Residential Limited Common Elements. For a description of the rights and obligations of Unit Owners with respect to the repair and alteration of the Limited Common Elements see Section 18.

6. (a) 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 his or her Unit be subject to, any lien arising from the non-payment of taxes on other Units. Each Unit Owner's real estate taxes will be based on his or her percentage of common interest of the real estate taxes determined for the entire Property.

(b) First Year of Condominium Operation. As set forth in the real estate tax estimate by Richard O'Donnell, assessor for the Town of Eastchester, 40 Mill Road, Eastchester, New York 10709 ("Town Assessor"), the full value of the land and improvements is \$48,900.00. The tax liability of the entire Property will be \$66,963 based on a Town tax rate of \$328.0846, Village tax rate of \$301.73 and School tax rate of \$739.57 per \$1,000 of assessed value. See Section 20 for full details.

(c) The Sponsor makes no representation as to the accuracy of the (i) assessed value of the Property; (ii) projected assessed value of the Property; (iii) tax rate; or (iv) method of assessing real property used by the Town Assessor.

7. The total estimated monthly carrying charges are the sum of the estimated monthly Common Charges and the estimated monthly real estate taxes. If a Purchaser obtains financing, the Purchaser's debt service will be an additional expense.

BALANCE OF PAGE INTENTIONALLY LEFT BLANK

6. PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION.

SCHEDULE B

120 VIVABENE CONDOMINIUM
120 Main Street, Tuckahoe, New York
April 1, 2005 to March 31, 2006 (Note 1)

ESTIMATED INCOME

Residential Common Charges (Note 1)
 Parking Unit Common Charges (Note 1)
 Garage Unit Common Charges (Note 1)

CONDOMINIUM BUDGET

\$ 39,926.
 \$ 5,208.
\$12,730.

Total Income:

\$57,864.

Estimated Expenses	Total
Payroll and Related Expenses (Note 2)	\$7,500.00
Electricity (Note 3)	\$6,120.00
Water Charges/Sewer Rent/Fire Water Charges (Note 4)	\$1,284.00
Repairs and Maintenance (Note 5)	\$3,900.00
Service Contracts and Supplies (Note 6)	\$6,120.00
Insurance (Note 7)	\$14,520.00
Management Fee (Note 8)	\$9,600.00
Legal and Audit Fees (Note 9)	\$5,820.00
Administrative Fees (Note 10)	\$600.00
Reserve for Contingencies (Note 11)	\$1,500.00
Miscellaneous (Note 12)	\$900.00
TOTALS	\$57,864.00

The Notes to Schedule B below are an integral part of this Schedule and should be read in conjunction herewith.

(1) First Year of Condominium Operation:

Amounts are projected on the assumption that the first year of Condominium operation will run from April 1, 2005 to March 31, 2006. The actual first year of Condominium operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the first year of Condominium operation is delayed more than six (6) months, the Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25 percent (25%) or more, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their down payments returned, together with interest earned thereon. If the date of the first closing of a Unit is delayed by twelve (12) months or more from the projected closing date, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements by notice given to the Sponsor within fifteen (15) days after April 1, 2006.

These amounts represent the total Common Charges to be levied against and collected from the Units during the projected first year of Condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Common Expenses are allocated to the Units based upon their respective assigned common interests.

(2) Payroll and Related Expense: \$7,500.00

The Condominium will employ a non-union part-time superintendent as provided by the Managing Agent under its management agreement. This level of staffing complies with all applicable housing and labor laws.

(3) Electricity: \$6,120.00

The amount set forth is the estimate for the electricity consumed only by the Common Elements, since electricity for individual Units will be individually metered by Consolidated Edison.

The amount set forth is the estimate for the electricity consumed only by the Common Elements, comprised of the site lighting fixtures, electric heat, pumps and motors based on projected consumption of approximately 36,000 kilowatt hours of electricity at a rate of \$0.17 per KWH. The electricity for individual Units will be individually metered by Consolidated Edison. In a letter dated September 28, 2004, Seymon Rodkin, Licensed Professional Engineer ("Engineer"), located at 214 west 29th Street, New York, New York 10001, provided the estimate for electricity cost and consumption for all Common Elements. The electricity estimate reflects the current cost of electricity, inclusive of sales tax, plus 5 percent (5%).

For individual electricity costs, see Schedule B-1.

(4) Water Charges and Sewer Rent: \$1,284.00

Water is separately metered to each Unit Owner; accordingly, this estimate applies only to water used for irrigation of the Common Elements. The cost of sewer rent is included in the Westchester County taxes which Unit Owners pay the Town of Eastchester.

Fire water service is provided by United Water of New Rochelle and is currently a fixed cost of \$215.00 each quarter.

In a letter dated September 28, 2004, the Engineer provided the estimate for water cost and consumption for all Common Elements. The Common Elements that require summer irrigation for a period of 13 weeks per year. Approximately 80,000 gallons of water are consumed for the summer irrigation. This is the equivalent of 8.23 cubic feet of water per week at a cost of \$20.54 (\$2.50 per cubic feet of water). The water estimate reflects the current cost of water, inclusive of sales tax, plus 5 percent (5%).

Water meters will be installed to measure actual water usage for billing purposes. It is believed that the budgeted amount should be sufficient to cover any reasonable increase in the cost of utilities during the first year of Condominium operation. However, no budget item is warranted as to its accuracy, sufficiency or otherwise.

(5) Repairs and Maintenance: \$3,900

This figure represents the estimated cost for ordinary maintenance and Repairs of the Common Elements, including supplies, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements. The cost of supplies is included in Repairs and Maintenance.

This estimate is reasonable based on the experience of Sponsor's budget expert, David Amster of Prime Locations Inc., in managing residential buildings.

(6) Service Contracts: \$6,120

This estimate includes the cost of services used in or for the Common Elements, such as landscaping, garbage removal, and snow removal based on the managing agent's experience with its other premises located near the Condominium.

Services	Estimated Annual Cost
Landscaping	\$1,500.00
Snow Removal	\$3,900.00
Security and Alarm Service	\$720.00
Total	\$6,120.00

No maintenance or service contracts have been entered into as of the date of the Plan.

Although Schedule B includes a reasonable allowance for possible increases in cost which may occur prior to and during the first year of Condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

No amounts are budgeted for extermination and rubbish removal, the cost of which will be the responsibility of individual Unit Owners.

(7) Insurance: \$14,520.00

The insurance premiums are based on a letter from Kevin McLaughlin, Chief Operating Officer of IPA Risk Management, LLC, 65 Willowbrook Boulevard, Wayne, New Jersey 07470, setting forth the following coverages for the Building

All Risk, Agreed Amount Replacement Cost with a Deductible of \$5,000.00	
Building with Boiler and Machinery	\$4,000,000.00
Personal Property	\$ 100,000.00
Comprehensive General Liability	\$1,000,000.00
Hired/Non/Owned/Auto Liability	\$1,000,000.00
Premium	\$10,530.00
Directors and Officers Liability	\$1,000,000.00
Premium	\$ 975.00
Umbrella Liability	\$15,000,000.00
Premium	\$ 2,800.00

This quotation is a projection of rates for the first year of operation. However, because conditions in the insurance marketplace are volatile, it is not possible to predict exactly what the premiums will be for the first year of Condominium operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure on behalf of the Board, on or before the date of the first closing, the fire, casualty, and general liability insurance required to be carried by the Condominium. The insurance carried by the Sponsor prior to the date of the first closing meets the requirements of the Sponsor's mortgage lender.

The insurance budget provides that the Condominium will have public liability insurance at closing. The casualty and general liability insurance carried by the Condominium will provide that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Insurance expenses for the Condominium have been allocated among all Units on the basis of percentage of Common Interest. It is suggested that individual Unit Owners procure additional insurance at their own expense to cover such risks as fire and casualty losses to Unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the Unit, or (where applicable) on limited common elements.

(8) Management Fee: \$9,600.00

This estimate is based on the management agreement to be entered into with Mirado Properties, Inc. at or before the First Closing. In the opinion of David Amster of Prime Locations Inc., the fee for the Managing Agent for the first year of Condominium operation is comparable to the fees charged for such services at similar associations. Reference should be made to "Management Agreement" for further discussion of the terms of the Management Agreement.

(9) Legal and Audit Fees: \$5,820

Based upon the quotation of McGuigan & Company, \$5,000 has been budgeted for fees to be incurred in connection with the audit of expenses of the Condominium for the first year of operation. The financial statements will be certified by the accountants for the Condominium every year, for as long as the Sponsor is in control of the Board of Managers. The Sponsor expects the Condominium to adopt a less formal standard of accounting review after the Sponsor surrenders control, which will result in a substantial reduction in accounting costs. The Sponsor has budgeted \$820.00 for legal fees during the first year.

(10) Administrative Fees: \$600

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of Condominium operation to increase items of expenses and decrease the contingency reserve.

(11) Reserve for Contingencies: \$1,500

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of Condominium operation to increase items of expenses and decrease the contingency reserve.

(12) Miscellaneous: \$900

This estimate is included to provide for the estimated cost of miscellaneous administrative and other costs including, but not limited to, inspection fees, license fees, permits, stationery, postage, printing, pager and telephone and fees.

The estimated budget does not include an estimate for income taxes payable by the Condominium. Less than 85 percent (85%) of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Accordingly, the Condominium may not elect to be treated as a homeowner's association under Section 528 of the Internal Revenue Code. (See the Sections of the Plan entitled, "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Opinion of Counsel" (Sections 21 and 22 of the Plan, respectively, for further discussion.)

In the opinion of David Amster of Prime Locations, Inc., a licensed real estate broker with experience in managing rental and condominium properties in the New York metropolitan area, the projected income for the Condominium is adequate to meet the estimated expenses for the first year of Condominium operation, assuming that such first year is the fiscal year commencing April 1, 2005. The budget, however, is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property by the Board will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the first year of Condominium operation will vary from the amounts shown in the budget.

Special Note re: Closing Adjustments: At closing, the Sponsor will adjust with the Condominium certain ongoing costs that had been prepaid by the Sponsor for the first year of Condominium operation, largely water and sewer charges and insurance for the Condominium. The Condominium will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund. The Sponsor estimates that net adjustments will not exceed \$15,000. For more detailed information, see Section 15(B).

**7. BUDGET FOR INDIVIDUAL ENERGY COSTS,
SCHEDULE B-1.**

By letter dated September 28, 2004, the Engineer provided the following estimate of annual energy costs for lighting, heat pumps and typical electrical appliances located in each Unit, air conditioning on a seasonal basis, water, and gas for heat, hot water and cooking. The calculations of the engineer assume substantially the same consumption in each Unit having similar square footages and exterior wall area.

Utility	Estimated Annual Energy Cost and Consumption for Individual Units
Gas for Heating, Hot Water and Cooking (1)	\$2,227.00
Annual Gas Consumption	1,700 Therms
Electricity Cost (2)	\$1,292.00
Annual Electricity Consumption	7,600 kWh
Annual Water Cost (3)	\$488.00
Annual Water Consumption	19,520 cubic feet

- (1) Based on \$1.31 per Therm.
- (2) Based on \$0.07 per KWH.
- (3) Based on \$0.025 for one cubic foot of water.

The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors which are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of occupants and weather conditions.

Note re: Utility Charges. In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of Condominium operation, although it is believed that reasonable provisions for increased costs have been made. The actual cost for water, electricity, and gas will vary depending upon various factors, including the amount of consumption, the severity of the weather, conservation measures, if any, adopted by the Board or Unit Owners, the rates of the utility company (which fluctuate periodically), and the possibility of changes in the methods of calculating charges by the utility company.

THIS PAGE INTENTIONALLY LEFT BLANK

PRIME LOCATIONS, INC.

733 Yonkers Avenue

Yonkers, New York

914-963-7400

Dated: December 6, 2004

Dorami Realty of New York, Inc.
146 Main Street
Tuckahoe, New York 10707

Re: 120 Main Street
Tuckahoe, New York

8. OPINION RE: COMPLIANCE WITH RPL 339-i

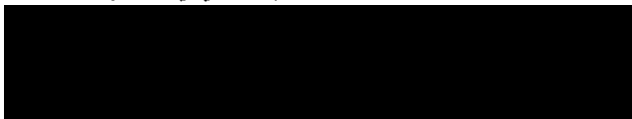
Ladies and Gentlemen:

I am a licensed real estate broker in the State of New York. I have been involved in the ownership, operation, appraisal, and sale of multifamily residential buildings, condominiums and cooperatives for more than 16 years. I have been retained as the expert consultant in connection with this Plan.

I have reviewed the allocation of common interest as shown on Schedule A to be included in the condominium offering plan for the subject premises.

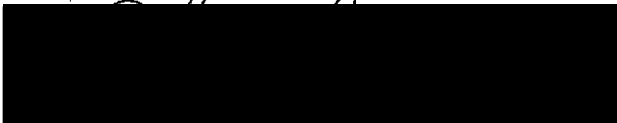
The common interest has been allocated to each condominium unit based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i (1) (iv) of the NYS Real Property Law. This allocation is based on measurements and calculation of net square footage made by Franke, Gottsegen, Cox Architects, the architectural firm which prepared the Architect's Description in Part II of the Plan.

Very truly yours,



Lloyd Amster, President

Sworn to before me this
6th day of December, 2004



ANTHONY T. SIMARI
Notary Public, State of New York
No. 02SI6002629
Qualified in New York County
Commission Expires April 16, 2006

9. CHANGES IN PRICES OR UNITS.

The Offering prices set forth in Schedule A for each Residential Unit may be increased in all cases (including individual price increases) only by amendment to the Offering Plan, and decreased only by amendment if the change of price is an across-the-board change affecting one or more lines of Residential Units or Residential Unit models or is to be advertised. As set forth in the Notes to Schedule A, offering prices are negotiable. Accordingly, the Sponsor may enter into a Purchase Agreement with a Purchaser to sell one or more Residential Units at prices less than those set forth in Schedule A without filing an amendment before entering into the Purchase Agreement. As a result of the negotiability of offering prices and the right to change them, certain Purchasers may pay or may have paid more or less than other Purchasers under this Plan for similar Residential Units. However, no change will affect the percentage of Common Interest allocated to a Residential Unit as to which the amount of the Offering prices was changed.

Except as otherwise provided in the Plan, no changes will be made in the size or number of Units or their respective percentage of Common Interest, and any material adverse change will be made in the size, amount or quality of Common Elements only with the consent of all Unit Owners directly affected and by Amendment to the Plan, and also by Amendment to the Declaration if the Declaration was filed prior to such change.

Changes in the size, layout or percentages of Common Interest of a Residential Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to Sponsor or changes in the amount or quality of Common Elements directly affecting or servicing a Residential Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to Sponsor shall be made only with the written consent of the Purchaser of such Residential Unit. If Purchaser is in default then Purchaser's consent shall not be required. Notwithstanding the foregoing, such changes may be made provided all directly affected Unit Owners consent in writing to such a change and all directly affected Purchasers who are contract vendees and who are not then in default either consent in writing to such a change or are given the right to rescind for fifteen (15) days from the date of mailing or personal delivery of written notice from Sponsor. If Purchaser exercises such right of rescission then Sponsor will promptly return any deposit or refund the down payment.

The Sponsor also reserves the right to substitute for any of the materials specified in either the Building Plans, the Description of Property and Building Condition, or elsewhere in the Plan, materials of equal or better quality. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, appliances and equipment of equal or better quality for any of those set forth in the specifications or otherwise in this Plan.

The Sponsor may enter into additional agreements with Purchasers for the purpose of providing upgrades within a particular Unit. Among the items which may be upgraded are electrical fixtures, appliances, cabinetry, flooring, painting, or similar items or work at a cost above the prices listed in Schedule A, the offering prices. Each such agreement shall be separately negotiated from the Purchase Agreement price.

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

10. INTERIM LEASES.

The Sponsor reserves the right to rent or lease Unsold Residential Units to Purchasers prior to the closing of title. There are no rental protection laws which are applicable to interim leases or lessees.

The term of an interim lease shall be for a period which will expire on the earlier of the date of closing of title (in the event this plan shall be declared effective) or one year after the date of execution of the lease. Such lease will also provide that an uncured default by the Purchaser under his Purchase Agreement will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement if the Purchaser fails to cure a default under his lease within the applicable grace period (if any) and such default results in his eviction from the Residential Unit (whether by voluntary removal or by court order). If the Purchaser defaults under the interim lease, an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser-tenant must be obtained or the Purchaser-tenant must have vacated the Residential Unit before the Sponsor may declare the down payment under the Purchase Agreement forfeited. No portion of the rental paid under such lease will be credited toward the Residential Unit's Total Purchase Price.

The lessee shall have thirty (30) days to vacate the Residential Unit after notice of a default under the Purchase Agreement.

If a right of rescission is offered in the future, and exercised by Purchaser, then the Purchaser's right to rescind will be conditioned upon his surrendering the Interim Lease and possession of the Residential Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he elects to rescind. He must also pay any rent due under his Interim Lease. Nothing contained herein shall relieve any Purchaser of liability for damage caused to the Residential Unit.

IF THE PURCHASER FAILS TO COMPLY WITH THE ABOVE PROVISIONS, THE RIGHT OF RESCISSION WILL BE INEFFECTIVE AND THE PURCHASE AGREEMENT SHALL BE REINSTATED, EXCEPT THAT THE PURCHASER SHALL BE IN DEFAULT UNDER THE PURCHASE AGREEMENT AND SHALL BE REQUIRED TO CURE SUCH DEFAULT WITHIN THIRTY (30) DAYS THEREAFTER, AND THE INTERIM LESSEE AND THE SPONSOR WILL CONTINUE TO BE ENTITLED TO ALL OF THEIR RESPECTIVE RIGHTS UNDER THE PURCHASE AGREEMENT. If an Interim Lessee exercises a right of rescission, the lease shall automatically terminate in all events as of the date the rescission right is exercised and will not be reinstated under any circumstances.

11. PROCEDURE TO PURCHASE.

1. **How to Purchase; Acceptance of Purchase Agreements.** A person desiring to purchase a Residential Unit in the Condominium shall be required to execute two (2) copies of the Purchase Agreement in the form contained in Section A in Part II and return it to the Sponsor at 146 Main Street, Tuckahoe, New York 10707, together with a check in an amount equal to 10 percent (10%) of the total purchase price for the Residential Unit, drawn to the order of "**SBJ - 120 VivaBene Condominium Escrow Account**".

Purchase Agreements will be binding on purchasers who have had an opportunity to review the Offering Plan and any filed amendments for not less than three (3) business days prior to their executing a Purchase Agreement. Within twenty (20) days after receiving two (2) executed copies of a Purchase Agreement, together with the required down payment, the Sponsor will return to the Purchaser a fully executed copy of the Purchase Agreement or reject the Purchase Agreement by returning to Purchaser the down payment tendered. If Sponsor takes no action within said twenty (20) day period, the Purchase Agreement shall be deemed null and void.

2. **Interest on Down Payment.** Interest will accrue on the down payment for the benefit of the Purchaser until the closing or termination of the Purchase Agreement.

3. **Disbursement of Funds.** Counsel for the Sponsor, Smith, Buss & Jacobs, LLP ("**Escrow Agent**"), 733 Yonkers Avenue, Yonkers, New York 10704 (914-476-0600) will hold all monies received directly or through its agents or employees in an escrow account until the closing of title to a particular Residential Unit or cancellation of the Purchase Agreement. Such funds will be deposited in a special account entitled "**SBJ - VivaBene Condominium Escrow Account**" or similar name (the "**Escrow Account**") at Hudson Valley Bank, 865 McLean Avenue, Yonkers, NY, within five (5) business days after execution and delivery of a Purchase Agreement to all parties. The following attorneys with Smith, Buss & Jacobs, LLP are signatories on the account: Thomas W. Smith; Jeffrey D. Buss; Kenneth R. Jacobs; and Domenick J. Tammaro. The funds will bear interest at the prevailing annual rate for such accounts, currently 0.35%. Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement and delivery to Purchaser of a fully executed Purchase Agreement, the escrow agent shall notify the Purchaser that such funds have been deposited, together with the account number and the rate of interest. After the closing of title to the Residential Unit, such funds will be payable to Sponsor. Any interest earned on the deposits will be payable to the Purchaser at closing. The signature of a member of Escrow Agent shall be required to withdraw any of such funds.

Before the Escrow Agent is changed, or funds are transferred to a new escrow account, the Plan will be amended to disclose the changes made. The Escrow Agent will maintain all records as to the escrow account for a period of seven years after release of the funds.

The Sponsor reserves the right to secure a bond from a New York insurance company or letter of credit from a New York bank in favor of each Purchaser of a Residential Unit at 120 VivaBene Condominium in an amount equal to the down payments received by Sponsor, directly or through its agents or employees, to guarantee the return of the down payments. In order to use security in the form of surety bonds or a letter of credit in lieu of escrow of such funds, the Sponsor must first apply and receive approval from the Attorney General. If Sponsor's application is granted, then the terms of such alternate security shall be disclosed in a promptly filed amendment to the Plan.

All funds received by Sponsor will be handled in accordance with the provisions of Section 352-h and 352-e(2)(b) of the General Business Law and Lien Law and shall be employed by Sponsor only in connection with the consummation of the Plan. Such deposit together with any interest accumulated thereon shall remain the property of the Purchaser until consummation of the Plan.

All funds received by Sponsor for upgrades or extras must initially be placed in the Escrow Account. However, Purchasers should note as a Special Risk that such funds may be released from the Escrow Account by the Sponsor's Counsel as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras.

The following provisions of Section 71-a(3) of the Lien Law are included in the Plan for explanatory purposes only, and not to supersede any other rights granted to Purchaser in this Section 11. Section 71-a (3) of the Lien Law requires, at the Purchaser's option, that the deposit be placed in escrow in an interest-bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association located in New York. Said monies must be deposited within five (5) business days after entering into the contract. The Sponsor must advise the Purchaser, in writing, within ten (10) business days after the deposit has been made. Such deposit, together with the interest accumulated thereon, shall remain the property of the Purchaser until consummation of the transaction or until such time as either party is entitled to said funds pursuant to the terms of the Purchase Agreement and the Offering Plan. All interest shall be the property of the Purchaser unless the Purchaser defaults under the Purchase Agreement.

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

If insufficient funds are raised through the offering or otherwise to effectuate the contemplated transaction, or if Sponsor is unable for any reason to perform in accordance with the terms of the Purchase Agreement, and if the Purchase Agreement has been subsequently terminated as set forth above, such monies will be fully returned to him with interest, if any.

The form of Escrow Agreement governing the disbursement of funds from the Escrow Account and the resolution of disputes relating thereto is contained in Exhibit H. For further information regarding the terms of the Escrow Agreement, see subsections (11) and (12) below.

Any provision of an agreement with a Purchaser by which a Purchaser purports to waive or indemnify Escrow Agent with respect to any obligation of Escrow Agent holding trust funds is absolutely void.

The Purchase Agreement and the Plan may contain, or be modified to contain a provision waiving purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the GBL.

4. Events of Default. The following will be Events of Default under the Purchase Agreement:

(a) Failure to pay the balance of the Total Cash Payment or any other fees or charges under the Purchase Agreement when due, which failure is not cured within thirty (30) days after written notice; or

(b) Failure to comply with any other requirements of the Purchase Agreement, which failure is not cured within thirty (30) days after written notice.

If an Event of Default occurs, the Sponsor will have the right to terminate the Purchase Agreement and to retain as liquidated damages the down payment, plus the cost of any special work done for the Purchaser. This will be the Sponsor's sole remedy.

TIME IS OF THE ESSENCE WITH RESPECT TO ALL TIME PERIODS TO MAKE PAYMENTS AND TO COMPLY WITH OTHER OBLIGATIONS UNDER THE PURCHASE AGREEMENT, AND WITH RESPECT TO ALL GRACE PERIODS FOR CURING DEFAULTS. FAILURE OF A PURCHASER TO COMPLY WITH ITS OBLIGATIONS WITHIN APPLICABLE TIME PERIODS MAY RESULT IN LOSS OF THE DOWN PAYMENT AND CANCELLATION OF THE PURCHASE AGREEMENT. If the Purchase Agreement is canceled, the Sponsor will have the right to sell the Residential Unit to others as though the Agreement had never been made (and without accounting to Purchaser for the proceeds of such sale), and Purchaser, and Sponsor shall be relieved of all further liability and obligations thereunder and under the Plan.

5. Closing, Payment of Balance Due. After the Plan is declared effective, Purchasers shall be given not less than thirty (30) days notice of the closing of title to their Residential Units. This notice period may be waived by Purchasers. The notice shall provide that the balance of the purchase price shall be due at closing of title. The balance of the cash portion of the purchase price must be paid by cash, unendorsed certified, teller's or cashier's check made payable to the order of Sponsor or as the Sponsor may direct. Failure to make this payment when a Purchaser is called upon to make such payment may result in loss of the down payment and cancellation of the Purchase Agreement.

6. **Fees.** Counsel for the Sponsor will charge \$1,250, payable by the Residential Unit Purchasers, in connection with the preparation of closing documents and attendance at the closing. In addition, if the closing takes place outside of the Westchester offices of Counsel for the Sponsor, an additional fee of \$250 will be charged, and if the Purchaser uses a title company other than the designated Title Company in Section 15, an additional fee of \$750 will be charged.

For further information regarding closing fees and adjustments, see Section 15.

7. **Risk of Loss.** The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title, but without any obligation or liability by Sponsor to repair or restore any Unit. In case of damage or destruction of a Unit due to fire or other casualty prior to the closing, but after a Purchase Agreement has been signed, the Sponsor will have the right to elect whether to repair or restore the Unit, which election shall be in the Sponsor's sole discretion. If the Sponsor elects to restore the Unit, the Purchase Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit or abatement against the purchase price for the Unit. In that event the Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any insurance proceeds shall belong solely to the Sponsor. If the Sponsor elects not to restore the Unit, or (if the damage occurs after the establishment of the Condominium but before closing of title to the subject Unit) the Board of Managers elects not to restore the common elements of the Condominium, the Purchase Agreement shall be deemed canceled, the Sponsor shall return to Purchaser all sums deposited thereunder (together with interest) and the parties shall have no further liability to each other. However, if a Purchaser is in default under the Purchase Agreement at such time, the Sponsor may retain all sums paid as liquidated damages.

As stated above, in the event a Purchaser enters into actual possession of a Unit prior to the closing of title, the Purchaser shall bear the risk of loss or other casualty with respect to the Unit (i.e., the Purchaser will be obligated to bear the cost of restoring the Unit to the same extent as if the Purchaser had already taken title). Accordingly, any Purchaser who takes possession of a Unit prior to the closing of title would be well advised to obtain insurance coverage for the Unit prior to taking possession. A Purchaser should consult with an attorney and/or an insurance agent as to the Purchaser's insurance needs.

8. **Limited Financing Contingency.** Purchase Agreements are subject to a limited financing contingency. If a Purchaser is electing to obtain financing, the obligations of Purchaser hereunder will be conditioned upon issuance on or before the 45th day after the date of the Agreement of a written commitment from certain lending institutions to be selected by the Purchaser ("Lender") on or before the date of the Purchase Agreement, subject to the following conditions and limitations:

(a) The financing contingency is only applicable to mortgage financing of no more than ninety percent (90%) of the purchase price (or such lesser amount as Purchaser shall apply for) at Lender's prevailing rate of interest and for a customary loan term, secured by a first mortgage on the Unit;

(c) Purchaser shall furnish accurate and complete information to the Lender relating to Purchaser, as required;

(d) Purchaser shall pay all fees, points and charges required in connection with such application and any other "points" or charges if the Purchaser accepts the commitment;

(e) Purchaser shall pursue such application with diligence, and generally cooperate in good faith with such Lender to the end of securing such first mortgage. Purchaser shall notify the Sponsor promptly of the name and address of each Lender or other lender to which Purchaser has given an application. Purchaser shall furnish Seller with a copy of such commitment promptly after receipt thereof. If Purchaser fails to obtain such a commitment from a Lender on or before the 45th day after the date of the Agreement, Purchaser shall have the right to cancel the Purchase Agreement by giving notice to Seller by the 50th day after the date of the Agreement. Upon cancellation, the Down Payment and accrued interest shall be promptly refunded to Purchaser, and neither party shall have any further rights against, or obligations or liabilities to the other by reason of the Agreement. If Purchaser does not give such notice to Seller on or before the 50th day after the date of the Agreement or if the Purchaser has not applied to at least one (1) Lender, the Agreement shall not be terminated by virtue of this paragraph and the Agreement shall remain in full force and effect, except that Purchaser's right to cancel under this Paragraph shall be deemed waived. A mortgage commitment conditional upon the Purchaser's selling any property that Purchaser owns, the liquidation or reduction of any existing installment debt prior to closing, or the furnishing of documents and information reasonably available to Purchaser, shall be deemed a firm mortgage commitment which satisfies the limited financing contingency clause in the Agreement;

(f) If Purchaser obtains a financing commitment from a Lender and the commitment lapses or expires before the actual closing date through no fault of Purchaser, Purchaser shall make a good faith effort to extend the commitment, including payment of a reasonable and customary extension fee and acceptance of changes in the interest rate to reflect prevailing market conditions. If the Lender is unwilling to extend the commitment on those terms, Purchaser shall have the right to cancel the Agreement by notice given to Sponsor within ten (10) days after receiving the notice of refusal to extend the commitment. In case of cancellation, the applicable provisions of subsection (a) shall apply;

(g) As used in the Agreement, "Lender" means a person or entity in the business of making loans to persons seeking to purchase residential Units. A mortgage broker who does not have independent lending capacity shall not be deemed to be a "Lender" under the Agreement.

9. Conflicts between Plan and Purchase Agreement. Any conflict between this Plan and the Purchase Agreement will be resolved in favor of the Plan. In no event may the Purchase Agreement contain, or be modified to contain, any provision waiving Purchaser's rights, other than the ability of Purchaser to waive his right to thirty (30) days notice prior to the closing of title to Purchaser's Unit. In no event may the Purchase Agreement contain, or be modified to contain, any provision abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law.

10. Minimum Sales Requirement. Under state law, the Sponsor has the right to declare the Plan effective upon the execution of Purchase Agreements for fifteen percent (15%) of all Units offered, i.e., 2 Residential Units.

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

11. Procedures for Release of Funds under Escrow Agreement between Sponsor and Special Closing Counsel. In addition to the provisions in the Disbursement of Funds subsection above, the release of escrow funds shall be governed by the following:

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

(b) The escrow agent shall hold the funds in escrow until otherwise directed in (i) a writing signed by both the Sponsor and Purchaser or (ii) a determination of the Attorney General, or (iii) a judgment or order of a court competent jurisdiction, or until released pursuant to subsection (d) below.

(c) The Sponsor shall not object to the release of the escrowed funds to (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or (ii) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

(d) If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent shall not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor, unless the Purchaser has already made an application to the Department of Law and notified the Escrow Agent pursuant to the dispute resolution provisions described in subsection (12) below.

12. Disputes Relating to Release of Funds.

(a) In the event of a dispute, the Sponsor shall apply and the Purchaser or the Escrow Agent holding the down payments in escrow may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. Forms for this purpose will be available from the Department of Law. The party applying shall contemporaneously send to all other parties a copy of such application.

(b) Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

(c) If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

(d) The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time is necessary for stated reasons.

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

(f) In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order of judgment of a court of competent jurisdiction or by written agreement of the Sponsor and the Purchaser.

A copy of the form of Application to the Attorney General for dispute resolution appears as Exhibit I in Part II of the Plan.

13. Effect of Delays in Closing Date. The Sponsor anticipates the First Unit Closing will occur on or before April 1, 2005. If the date of the first closing of a Unit is delayed beyond March 31, 2006, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements by notice given to the Sponsor within fifteen (15) days after April 1, 2006.

14. Power of Attorney to Board of Managers. At closing, Purchasers are required to execute a Power of Attorney in favor of the Board of Managers of the Condominium in the form contained in Exhibit B in Part II of the Plan. For further information see Section 19(K) of the Plan.

15. Prepayment of Upgrades and Extras. Any funds paid to the Sponsor for the purposes of upgrades or extras are non-refundable and shall not be governed by the escrow requirements detailed in this Section.

16. Deposits in Excess of \$100,000 Not Insured by the Federal Deposit Insurance Corporation. The Sponsor shall deposit down payments in a bank that is covered by the Federal Deposit Insurance Corporation ("FDIC"). A FDIC insured bank is insured for all deposits in the amount of \$100,000 or less; however, the portion of the deposit in excess of \$100,000 is not covered by insurance. Purchasers should note that any deposit over \$100,000 will not be FDIC insured in excess of \$100,000.

12. ASSIGNMENT OF PURCHASE AGREEMENTS.

Purchase Agreements are not assignable. Any purported assignment shall be void *ab initio*. See Paragraph 10 of the Purchase Agreement.

13. EFFECTIVE DATE OF PLAN.

All Purchase Agreements signed by Sponsor shall be contingent upon Sponsor's declaring the Offering Plan effective pursuant to the requirements and terms of the Plan. These requirements, stated below, must be satisfied within one (1) year of the date the Plan is accepted for filing unless the Plan is amended so as to extend this period. The closing of title to any Residential Unit may not occur until after the Plan has been declared effective and an amendment has been filed with the Department of Law substantiating same, and the Condominium Declaration, By-Laws, and Floor Plans have been duly recorded.

The Plan will be declared effective by the mailing or personal delivery of written notice to all Purchasers. Within three (3) business days after such notice is given, an amendment to the Plan will be submitted to the Department of Law by the Sponsor stating that the Plan has been declared effective.

The Plan may be declared effective when Purchase Agreements have been executed by bona fide Purchasers, including investors, and accepted by Sponsor for the sale of at least two (2) Residential Units, which represents 20 percent (20%) of the Units offered under this Plan. The Plan must be declared effective only when Purchase Agreements have been both executed and accepted by Sponsor for the sale of Units representing a minimum of at least 80 percent (80%) of the Units offered under the Plan.

The 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; (ii) as to which the Purchaser was not afforded the opportunity to review the Plan and all amendments for at least three (3) business days before signing a Purchase Agreement; or (iii) with any Purchaser who is the Sponsor, the Selling Agent, the Managing Agent, or is a principal of any of the foregoing, or related to any of the foregoing by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner (except that such a Purchaser (other than the Sponsor or a principal thereof) may be included if the Sponsor submits satisfactory proof to the Department of Law establishing that the Purchaser is bona fide).

The Plan may be abandoned, at Sponsor's sole option, at any time before it is declared effective and before 80 percent (80%) of the Units offered for sale have been purchased. If the Plan is abandoned, Sponsor shall promptly file an amendment to the Plan and a notice of abandonment on Form RS-3 with the Department of Law. Such notice shall explain the basis for abandonment and must state how any funds received pursuant to the Plan will be distributed. All monies paid by Purchasers pursuant to Purchase Agreements shall be refunded to them in full, with interest, if any, within twenty (20) days of such abandonment.

The Sponsor also reserves the right to abandon the Plan after it has been declared effective, but prior to the First Unit Closing, for any defect in title which cannot be cured without litigation or cannot be cured for less than 0.5 percent (0.5%) of the total offering price, or due to substantial damage or destruction of any portion of the Building by fire or other casualty which cannot be repaired for less than 0.5 percent (0.5%) of the total offering price (as estimated by the insurance adjuster retained by the Sponsor); or the taking of any material portion of the Property by condemnation or eminent domain. Attorneys' fees are excluded from the calculation that determines whether the resolution of an above-described title defect, damage to the Building, or taking by condemnation or eminent domain costs 0.5 percent (0.5%) or more of the total offering price. The cost of curing a title defect or determination of any authority or regulatory association, which exists on the date of presentation of the Plan and is either known to the Sponsor or is a matter of public record, will not be grounds to abandon the Plan after it is declared effective.

14. TERMS OF SALE.

A. Generally.

The Units, when sold by the Sponsor, will be sold in fee simple to Purchasers who may be individuals, a duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective sales prices as set forth in Schedule A (as such prices may be changed by the Sponsor), and will include the respective undivided interests in the Common Elements. The Sponsor will convey good and marketable title to the Units and its appurtenant interests in the Common Elements by Bargain and Sale Deed with Covenant against Grantor's Acts and containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances other than:

1. Any state of facts an accurate survey or physical inspection of the Unit may show, but policy will insure that any encroachment of the Unit onto the common elements or onto other Units may remain undisturbed as long as the building stands;

2. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the contemplated structures and use;

3. The Declaration, By-Laws, Maps and Floor Plans of the Condominium to be recorded in the Office of the County Clerk, Westchester County, as the same may be amended from time to time;

4. 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, existing as a result of the renovation of the Building, or renovation of the individual Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

5. Easements in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utilities, and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

6. Revocability of the right to maintain street vaults and other areas, if any, under sidewalks;

7. Consents by Sponsor or any former owner of the Property for the erection of any structure or structures on, under or above any street or streets on which the Property may abut;

8. Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;

9. Service, maintenance and union contracts, and agreements, if any, in effect on the date of the First Unit Closing and to be assumed by the Condominium;

10. Encroachments of stoops, areas, cellar steps, doors, ledges, window sills, bay windows, trim, coping, cornices, vaults, chutes, fuel oil lines, drainage pipes, standpipes, sewer pipes, foundations, footings, retaining walls, fences, fire escapes, air conditioning units, canopy and similar projections, if any, on, over or under the Property or the streets or sidewalks or property abutting the Property and rights of governmental authorities and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any;

11. All covenants, restrictions, reservations, agreements and easements of record, if any, which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent residential use of the Units at the Property nor prevent the existence of the present structure;

12. Beams and beam rights and party walls and party wall agreements, if any;

13. The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally (which shall be apportioned at closing);

14. Any variations between tax lot lines and lines of record title;

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his Unit;

16. Any state of facts an accurate survey would show.

If the Unit is materially damaged between the date of the Purchase Agreement and the Closing Date, and the Sponsor has not elected to abandon the Plan, either the Sponsor or the Purchaser will have the right to cancel this Agreement by notice given to the other within thirty (30) days after the date of the damage. However, if the Sponsor elects to cancel this Agreement, provided the damage relates solely to an individual Unit and does not affect the common elements of the Condominium, then a Purchaser may, within ten (10) days notice, nullify the Sponsor's election to cancel and agree to take title subject to the damage without abatement or reduction in the purchase price. The Purchaser will then receive an assignment of all insurance proceeds allocable to the repair of the Unit. If the Purchase Agreement is canceled, the down payment and all accrued interest shall be returned to the Purchaser and the parties shall have no further liability. If the Purchase Agreement is canceled by the Sponsor and subsequently reinstated, then at closing the Sponsor shall assign to the Purchaser all insurance proceeds allocable to the Unit and the Sponsor shall have no further responsibility to repair the Unit. If the Purchase Agreement is not canceled, the Sponsor will repair the Unit with all reasonable dispatch, subject to receipt of insurance proceeds and force majeure. In that case, the Sponsor will be entitled to reasonable adjournments of the Closing Date in order to complete repairs, subject to the other rights of rescission of the Purchaser contained in the Plan.

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, owned by the Sponsor or the owner of the property, is included in the conveyance subject to the next sentence. The foregoing does not include any personal property of the Sponsor or its agents or contractors used for the renovation of the Unit or the common elements, or in connection with the sales of Units or the operation of the Condominium (other than the Unit).

B. Closing Adjustments with Condominium Board.

Immediately prior to the First Unit Closing, Sponsor shall apportion the following items with the Condominium Board as of midnight of the day immediately preceding the closing;

- (a) Common Charges for the period from the First Unit Closing to the end of the month in which same occurs;
- (b) charges for electricity for the Common Elements, for which the Sponsor shall obtain a reading;
- (c) charges under service and maintenance contracts and concession agreements, if any;
- (d) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed;
- (e) supplies on hand at Sponsor's cost (plus sales tax);
- (f) premiums for transferable insurance policies, provided that the amount and the extent of coverage conforms to the disclosures in this Plan in Schedule B;
- (g) survival of tax certiorari rights and obligations;
- (h) oil in tanks; and
- (i) such other items as are customarily included in closing adjustments in the State of New York.

At the time of the closing of title to each Unit, the Sponsor will collect the equivalent of two (2) months' of common charges and real estate taxes for the Working Capital Fund of the Condominium, based upon the common charges and real estate taxes set forth in Schedule A. Within ninety (90) days after First Unit Closing, the Sponsor shall pay into the Working Capital Fund of the Condominium the equivalent of two (2) months' common charges and real estate taxes for any remaining Unsold Units in the Building. Thereafter, when title to an Unsold Unit is conveyed by the Sponsor, the Purchaser of such Unit shall reimburse the Sponsor at the closing of title for the amount contributed to the Working Capital Fund.

The Sponsor's contributions to the Working Capital Fund are special contributions which are separate from the obligations of the Sponsor to pay common charges.

The Condominium Association will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund. The Sponsor estimates that net adjustments will not exceed \$15,000, comprised mostly of reimbursement for insurance. In that case, the adjustments can be paid entirely from the Working Capital Fund without any additional common charges being required.

C. Conditions for Closing of Title to Individual Units.

At the closing of title to a Unit the Purchaser will pay to the Sponsor the balance of the purchase price for the Unit and the Sponsor will deliver to the Purchaser a Bargain and Sale Deed with Covenant against Grantor's Acts.

Closing of title shall take place concurrently with or after the following events have occurred:

(1) The issuance of a Temporary Certificate of Occupancy for the Unit or a Permanent Certificate of Occupancy for the Building.

If the Sponsor has not obtained a Permanent Certificate of Occupancy for the Building prior to closing of title to the last Unit, it shall retain an amount in escrow, certified by the Sponsor's architect or engineer, sufficient to perform any work required within the common areas of the Building to obtain a Permanent Certificate of Occupancy for the project. The amount retained in escrow may be disbursed only to pay for work or services in connection with completing the renovation and obtaining a Permanent Certificate of Occupancy. Any balance in the account after obtaining a Permanent Certificate of Occupancy will be disbursed to Sponsor.

Notwithstanding the foregoing, the Sponsor shall not be required to escrow funds if it has sufficient alternate means, either from capital contributions from its members or a firm construction loan commitment, to finance the remaining work required to obtain a Permanent Certificate of Occupancy for the Building.

(2) The recordation in the County Clerk's Office of the Declaration, the By-Laws and the filing in that office of a set of as-built floor plans of the Building showing the layout, location and approximate dimensions of the Units and the Unit designations. Such filings will be certified by the Tax Assessor of the Town of Eastchester as conforming to the official tax lot number for each such Unit and include an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York which certifies that the plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built.

(3) The discharge of all duly recorded liens affecting the Unit to be closed and its undivided Common Interest, or the recording of a partial release which releases such Unit and its undivided Common Interest from such lien, if any, as required by Section 339-r of the Real Property Law;

(4) Service by personal delivery or ordinary mail to the Purchaser of written notice of the closing date not less than thirty (30) days prior to closing of title, unless Purchaser elects to waive the thirty (30) day requirements. The notice of closing will require the Purchaser to inspect the Unit or Common Elements during normal business hours prior to closing, or the Purchaser will be deemed to have accepted the Unit in "as is" condition; and

(5) Acceptance by the Department of Law of an amendment substantiating that the Plan has been declared effective.

The Sponsor will assign to the Unit Owner any manufacturer's warranties with respect to equipment and appliances installed within a Unit at the closing of title to that Unit. Sponsor will assign to the Board of Managers any warranties with respect to equipment and appliances installed in Common Elements at the First Unit Closing.

15. UNIT CLOSING COSTS AND ADJUSTMENTS.

1. General.

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit are described in detail below and summarized in subsection (E). Such costs are only estimates and are subject to change.

A. Costs and Expenses.

a. Fee title insurance which Sponsor shall order on Purchaser's behalf from Title Resource Agency, 18 East 41st Street, New York, NY 10017 representing various underwriters of title insurance (collectively, "TRA") if Purchaser elects to obtain title insurance. Fee title insurance rates in the State of New York as of the date of this Plan are as follows: \$541.25 for up to \$100,000 of coverage, plus \$3.05 per thousand dollars of the additional purchase price up to \$500,000, and \$2.80 per thousand dollars of the additional purchase price in excess of \$500,000. For a Unit costing \$835,000 the cost of fee title insurance will be approximately \$3,851. A purchaser may obtain title insurance from a company other than TRA, subject to an additional fee of \$750.00 payable to counsel for the Sponsor for coordinating the satisfaction of title requirements with Purchaser's new title insurer.

b. Title search charges (estimated at approximately \$450.00) and recording fee for recording the deed and Unit owner's power of attorney of approximately \$150.00.

c. If a mortgage is obtained from a lending institution, the Purchaser may expect to incur the following costs:

(i) Points, application fee, appraisal costs, survey update or condominium endorsement if required, legal fees and other customary costs of the lending institution;

(ii) Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured. Mortgage title insurance rates in the State of New York as of the date of this Plan for a borrower simultaneously obtaining fee title insurance are \$138.00 for coverage of up to \$100,000, plus \$0.77 per thousand for additional coverage up to \$500,000 and \$0.64 per thousand dollars in excess of \$500,000. For a Unit with a \$668,000 mortgage simultaneously obtaining fee title insurance, the cost would be approximately \$800.

A purchaser may obtain mortgage title insurance from a company other than its fee insurance company, or without obtaining fee title insurance. However, the cost of mortgage title insurance under those circumstances would be substantially higher (\$2.35 per thousand for additional coverage up to \$500,000).

(iii) Mortgage recording tax (currently 1% of the amount of the mortgage, less the sum of 1/4% plus \$25.00, which is paid by the mortgage lender for a residential purchaser for mortgages). For a mortgage of \$668,000, the cost would be about \$6,655. Please also note the discussion of Mortgage Tax Credit in Section D below;

(iv) Recording fee for recording of the mortgage, approximately \$150.00.

(v) A deposit towards the payment of real estate taxes based upon a multiple of estimated monthly real estate taxes, which will vary with the closing date.

d. Fees and expenses of Sponsor's counsel for closing of title (\$1,250.00, plus an additional \$750.00 fee if Purchaser uses a title company other than TRA to insure Purchaser's title), as well as those of Purchaser's own attorney, if any.

e. Fee for recording of the deed and the power of attorney, approximately \$150.00.

f. Two months' Common Charges and real estate taxes, to be paid into the Working Capital Fund, unless previously contributed by the Sponsor, in which case they shall be paid to the Sponsor. Based on the Common Charges and taxes projected in Schedule A, this would be approximately \$1,828.

g. New York State transfer taxes relating to the Unit, as follows: For the purchase of a single Unit, the state transfer tax is \$2.00 per \$500 of the purchase price ("NYS TAX"). THIS TAX IS NORMALLY PAID BY THE SELLER. HOWEVER, BY CONTRACTUAL ARRANGEMENT, THIS WILL BE PAID BY EACH PURCHASER. Therefore, for purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. The steps to compute the tax are:

(i) Multiply the purchase price by .4% to compute the preliminary NYS Tax.

(ii) Add the preliminary tax to the purchase price.

(iii) Multiply the total by .4% to get the final NYS Tax.

Example: If the Purchase Price is \$835,000:

$$(1) \$835,000 \times .4\% = \$ 3,340$$

$$(2) \$835,000 + \$3,340 = \$ 838,340 \quad [\text{taxable consideration}]$$

(3) $\$838,500^* \times .4\% = \$ 3,354$ [NYS Tax]

*By law, the purchase prices for tax calculation are rounded up to the nearest \$500.

h. If the purchase price of the Residential Unit exceeds \$1,000,000, an additional New York State tax due under Article 31 of the Tax Law (the "Additional Tax"), currently equal to 1% of the purchase price.

B. Adjustments.

All adjustments shall be made as of the scheduled closing date, unless the closing is adjourned at the Sponsor's request. Adjustments include the following:

(1) Real estate taxes from the midnight preceding the date of the closing through the end of the half-year tax payment period within which the closing date occurs, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay, but for an adjournment in closing of title by Purchaser.

(2) Common Charges assessed during the month in which title closes shall be adjusted with the Sponsor as of the midnight preceding the closing date, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was obligated to pay to the Board of Managers as a result of any delay in closing of title at the request of Purchaser. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown in Schedule A of the Plan.

(3) Interest on the purchase price at 12 percent (12%) per annum due to any adjournment in closing of title to Purchaser's request beyond the time limits imposed by Sponsor to compensate the Sponsor for lost opportunity costs on the unpaid amount.

The above closing costs are cumulative to the extent applicable to any individual closing.

C. Escrows with and Payments to Condominium at Closing.

1. Escrows for Real Estate Taxes until Units are Separately Assessed for Real Estate Taxes.

If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to a Unit, then at closing, real estate taxes for the tax year in which the closing occurs will be adjusted with the Sponsor as per Section 15(1)(B) above. In addition, the Unit Owner will place in escrow with the Condominium an amount equal to the real estate taxes allocable to the Unit for the next succeeding half tax year. For example, if the closing occurs on or before April 1, 2005, pro-rata taxes for the tax year January 1, 2004–December 31, 2004 will be collected at closing, and the Unit Owner will place in escrow with the Condominium the projected allocable taxes for the tax period January 1, 2005–December 31, 2005. The Condominium will then apply such payments toward the taxes due for the Property for the applicable tax year. When the Units are separately assessed, any amounts held in escrow on behalf of a particular Unit will be returned to the Unit Owner or as he or she may direct.

If no separate Unit apportionment has occurred by the time of a Unit closing, the real estate taxes allocable to each Unit shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment needs to be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of percentage Common Interest and adjustment on the basis of actual apportionment, it shall be made at that time.

The Sponsor will not be obligated to put any amounts in escrow with the Condominium Board unless tax lots remain unapportioned as of the first day of the last month before the next tax payment period. Thereafter, the Sponsor shall be entitled to reimbursement from a Unit Owner for real estate taxes that the Sponsor has placed in escrow with the Condominium.

2. Next Month's Common Charges. At closing, each Unit Owner will pay the common charges (and real estate tax installment, if applicable) to the Condominium for the next month after the month in which the Closing Date occurs. Such payment is being made at closing to avoid potential delays in collection due to move-ins and changes of address. Such payments will be applied to the common charges and real estate taxes applicable to that month.

D. Summary: Typical Closing Costs, Adjustments, Escrows.

A Purchaser of a Unit costing \$835,000 will pay the following typical estimated costs:

Title insurance	\$ 3,851
Title search	\$ 450
Recording charges	\$ 150
Legal fees (Sponsor)	\$ 1,250 (see detail)
Contribution to Working Capital Fund of Condo	\$ 1,828
NYS Transfer Tax	\$ 3,354

In addition, if the Purchaser is obtaining mortgage financing in the amount of \$668,000, the Purchaser can anticipate the following expenses of financing:

Mortgage title insurance

(simultaneous rate)	\$ 800
NYS mortgage tax	\$ 6,655
Recording charges	\$ 150

The Purchaser will likely incur other financing charges, such as commitment fee, application fee, appraisal, legal fees for the lender, a survey update or a condominium endorsement if required, and other customary costs of the lending institution. However, it is not possible to estimate these costs, which vary from lender to lender.

At closing, the Purchaser will also make cash payments for escrow deposits for real estate taxes with either the lender or the Condominium; the following month's Common Charges; and loan interest to its lender through the end of the month in which the closing occurs. In addition, the Purchaser will adjust with the Sponsor for prepaid real estate taxes and Common Charges. However, none of these payments are additional closing costs, but represent reimbursement or prepayment of actual expenses of ownership of the Unit and operation of the Condominium. Likewise, any mortgage tax credit under Section 339-ee does not change the total mortgage tax payment owed by a Purchaser, merely whether such tax is paid to the lender or used to reimburse the Sponsor.

Purchasers are advised to read the detailed analysis of costs in this Section for further information.

16. RIGHTS AND OBLIGATIONS OF SPONSOR.

No bond or other security has been furnished to secure the performance of the Sponsor's obligations. Although at the time the Offering Plan is accepted for filing, the Sponsor represents that it will be financially capable of performing Sponsor's obligations, including its obligations with respect to Unsold Units, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. The Sponsor used mortgage financing on the Property for the acquisition of the Property and improvements. The mortgage affecting a respective Residential Unit shall be release at the closing of the sale of such Residential Unit. If the Sponsor cannot perform the Sponsor's financial obligations hereunder, the Sponsor will amend the Plan, cease selling Units, and offer a right of rescission to Purchasers of Units.

A. General Representations:

The Sponsor makes the representations set forth below with respect to certain obligations under the Plan.

1. The Sponsor represents that it will make good faith efforts to sell, in a reasonably timely manner, all of the Residential Units in the Condominium to Purchasers for their personal occupancy or the occupancy of their immediate families, rather than retaining them for rental. Sponsor's good faith efforts to sell to Purchasers shall include listing Unsold Residential Units with brokers, showing Unsold Residential Units to brokers and prospective Purchasers or their representatives and otherwise engaging in customary sales activities. However, in the event that there is a decline in market values from the offering prices set forth in Purchase Agreements counted toward effectiveness for comparable Residential Units, then the Sponsor reserves the right to rent, rather than sell, the Unsold Residential Units until there is an upturn in the market.

Bona fide Purchasers may purchase Residential Units for personal occupancy or for rental operation. Residential Units rented to tenants will receive the same Building services and use of the Building's common areas as owner-occupants. However, a tenant may not have the same economic interest in the maintenance and care of the Building's facilities and amenities as the owners of the Units. In addition, resident and non-resident Unit Owners may disagree as to expenditures for items such as lobby and hallway decorations and capital improvements, to exercise the Board's right of first refusal to purchase or lease a unit, or to borrow money to alter or improve the Building.

If the Sponsor (its successors, assigns or designees) does offer Unsold Residential Units for rent, then the Purchasers of any leased Residential Units will be purchasing Residential Units that have been previously occupied. Sponsor will notify Purchasers of Residential Units that have been previously occupied prior to the execution of a Purchase Agreement of such occupancy and will set forth the condition in which such Residential Unit will be delivered (including outstanding warranties, if any). There shall be no obligation on the part of Sponsor or any other offeror of such Residential Unit to decorate, repaint, refurbish or in any way repair such Unit.

2. Sponsor shall be obligated to defend any suits or proceedings arising out of its acts or omissions and to indemnify the Board of Managers or the Unit Owners against any such suits or proceedings.

3. All representations under the Plan, all obligations pursuant to the General Business Law and such additional obligations under the Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

4. The Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the renovation of the Units and Common Elements for the authorized and proper work performed and fixtures, material and equipment supplied or installed in said renovation.

5. Sponsor will pay all Common Charges, real estate taxes, special assessments and other expenses allocable to any Units owned by the Sponsor, so long as Sponsor shall continue to own the same, subject to the terms and limitations contained herein. Sponsor represents that it has the financial resources to meet its obligations with respect to the unsold Units from rental income, cash reserves and the capital of the Sponsor's principal. However, if Purchaser has adjourned the closing of title, Sponsor shall be entitled to certain reimbursements for real estate taxes, Common Charges and interest on the purchase price at the rate of 12 percent (12%) per annum to compensate the Sponsor for lost opportunity costs.

6. The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title to the Unit, unless a Purchaser takes possession prior to purchasing his or her Unit (in which case the Purchaser shall bear the risk of loss or other casualty with respect to that Unit, i.e., the Purchaser will be obligated to bear the cost of restoring the Unit as if the Purchaser had already taken title.) For specific details see Procedure to Purchase, Section 11.

7. Prior to the First Closing, Sponsor shall procure on behalf of and at the expense of the Condominium, fire and casualty insurance policies pursuant as set forth in Schedule B. The cost of such insurance will be adjusted with the Board of Managers at the First Unit Closing and repaid from the Working Capital Fund of the Condominium.

8. The Sponsor shall not voluntarily dissolve or terminate prior to the First Closing. In the event of a dissolution or liquidation of the Sponsor after the transfer of two (2) or more Residential Units or 20 percent (20%) or more of the total number of Residential Units in the Condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those Units under the offering Plan, applicable law or regulations.

9. The Sponsor has obtained a construction loan from Hudson Valley Bank. The Sponsor has almost completed construction of the Units. There are no limits placed on Sponsor's right to rent rather than sell Units under the terms of the Sponsor's construction loan. However, in order to obtain partial mortgage releases from Hudson Valley for each Residential Unit at Closing, the Sponsor shall pay \$100,000 for each of the first four (4) Residential Units sold and \$400,000 for each Residential Unit sold thereafter at the Closing of each Residential Unit until the loan is satisfied.

10. The Sponsor reserves the right to close title to Residential Units after procuring a Temporary Certificate of Occupancy with respect to a Residential Unit. However, the Sponsor will obtain a Permanent Certificate of Occupancy for the entire project before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. This period may extend longer than three (3) years from the First Closing.

In order to secure the Sponsor's obligation, if the Sponsor closes title to a Residential Unit based on a Temporary Certificate of Occupancy, the Sponsor shall retain in escrow from the closing an amount, certified by an engineer or architect designated by the Sponsor, sufficient to perform any work required to complete the public portions and common areas of the Building. The amount retained in escrow may be disbursed only to pay for work or services in connection with completing the renovation and obtaining a Permanent Certificate of Occupancy. Any balance in the account after obtaining a Permanent Certificate of Occupancy will be disbursed to Sponsor.

Notwithstanding the foregoing, the Sponsor shall not be required to escrow funds if it has sufficient alternate means, either from capital contributions from its members or a firm construction loan commitment, to finance the remaining work required to obtain a Permanent Certificate of Occupancy for the completed Building.

11. Sponsor shall keep copies of the Plan, Exhibits and documents referred to in the Plan on file at Sponsor's offices for six (6) years from the date the Declaration is recorded.

12. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the Declaration are a substantially accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the renovation of buildings.

13. During the time the principals of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pursuant to the Plan and pertaining to the Common Elements. Therefore, Sponsor agrees that during such period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

14. The Sponsor will assign to the Unit Owner any manufacturer's warranties with respect to equipment and appliances installed within a Unit at the closing of title to that Unit. Sponsor will assign to the Board of Managers any warranties with respect to equipment and appliances installed in Common Elements at the First Unit Closing.

15. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with its operation and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred, or in connection with the sale of all of the Residential Units held or owned by the Sponsor, and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of Sponsor, including, but not limited to, advertising and printing costs, architect's fees, organization costs, engineer's fees, appraisal and any surveying fees and costs. The above does not obligate the Sponsor to perform any work for the Purchaser prior to closing of title except as specifically described in the Purchase Agreement or elsewhere in this Plan.

16. Prior to the First Closing, all liens affecting the Property shall be paid and satisfied or bonded or the Units being conveyed and their appurtenant Common Interest shall be released therefrom by partial release duly recorded.

17. Sponsor shall deliver to the Board of Managers a set of "as built" architectural plans upon completion of the project.

18. No bond or other security has been furnished to secure the performance of the Sponsor's obligations. At the time the Offering Plan is accepted for filing, the Sponsor represents that it will be financially capable of performing Sponsor's obligations, including its obligations with respect to Unsold Units. The Sponsor intends to fund its obligations to the Condominium through income from projected sales. If sales do not meet the Sponsor's projections then Sponsor may require a capital contribution from its principal or enter into lease agreements for the Unsold Residential Units. The subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. At this time, the project is being financed with a construction loan and Sponsor's own funds. If the Sponsor cannot perform the Sponsor's financial and construction obligations hereunder, the Sponsor will amend the Plan, cease selling Residential Units, and offer a right of rescission to Purchasers of Residential Units.

19. The Sponsor and Sponsor's attorneys will comply with the escrow and trust fund provisions of Section 352-e (2) (b), 352-h of the General Business Law and Section 71-a (3) of the Lien Law.

20. Sponsor will not be liable for, and a purchaser may not make a claim for, incidental, consequential, special, or indirect damages. The Sponsor will not be responsible for correcting any latent defects of construction or renovation or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others, have been assigned to the Condominium or individual Unit Owners. Also, in no event shall the Sponsor be responsible for any condition resulting from normal wear and tear or natural deterioration or from the normal settling or shifting of the Building or normal spalling of concrete, or for other minor defects, such as, without limitation, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, bath tile grouting, or consequential damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building or slight separation between base and floor), normal plumbing and heating noises, any leakage from balcony doors, or floor discoloring and stretching.

21. The Sponsor shall build and complete the Condominium in accordance with the building plans and specifications identified in this Plan. The Sponsor has the right to substitute equipment or materials and make modifications of the layout or design, however, Sponsor may not (a) substitute equipment or materials of lesser quality or design; or (b) change the size, location of buildings or 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 and contract vendees consent in writing to such change.

B. Housing Merchant Implied Warranty.

The Housing Merchant Implied Warranty ("Warranty Law") grants to buyers of most newly constructed Units a statutory limited warranty. The full warranty provides the following coverage:

a) For one (1) 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 by code, the construction must be in accordance with locally accepted building practices.

b) For two (2) years, the plumbing, electrical, heating, cooling and ventilation systems (if any) must be free from defects caused by unskillful installation.

c) For six (6) years, the Unit must be free from physical defects in the structural elements (foundation, floors, walls, roof framing) which make it unsafe or unlivable.

Defects not caused by defective workmanship, materials or design, and patent defects which were obvious (or would have been obvious upon inspection) are excluded. There are no warranties for appliances sold with the Unit, which are covered by other warranties from the manufacturers of those goods. The Housing Merchant Implied Warranty can be limited. In this Plan, the Warranty is limited in several ways. Purchasers are advised to read the full Limited Warranty set forth as Exhibit A to the Purchase Agreement in Part II for the complete terms thereof

A brief summary of some of the material terms of the Limited Warranty appears below.

Under the Limited Warranty, a purchaser cannot make a claim for incidental, consequential, special, or indirect damages, and a purchaser's recovery for property damage is limited to 35% of the purchase price of the Unit. In addition to the above, the Sponsor will not be responsible for correcting any latent defects of construction or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others, are assigned to the Condominium or individual Unit Owners. Also, in no event shall the Sponsor be responsible for any condition resulting from normal wear and tear or natural deterioration or from the normal settling or shifting of the Building or normal spalling of concrete, or for other minor defects, such as, without limitation, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, bath tile grouting, and consequential damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building or slight separation between base and floor), normal plumbing and heating noises, any leakage to wooden balcony doors if the Purchaser has not installed storm doors, or floor discoloring and stretching.

All Repairs will be made only during normal business hours. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications. Sponsor makes no warranties as to these items.

All guarantees of portions of Unit or the common areas in use as of the Closing Date (such as the roof) shall run for the applicable period beginning with the Closing Date, regardless of when the Unit is sold. Except as expressly set forth herein, the Sponsor has no obligation to make any Repairs of any kind. Nothing contained herein shall be construed to render the Sponsor liable for consequential damages (whether based on negligence, or breach of contract, warranty, or otherwise), it being intended that the Sponsor's sole obligations pursuant to this section of the Plan shall be as set forth in the Limited Warranty. The Sponsor will not be responsible for restoring decorations or installations made by the Purchaser after the date of purchase of the Unit.

For the full scope of the Limited Warranty, Purchasers are advised to read the Limited Warranty which is attached to the Purchase Agreement (See Section A in Part II of the Plan).

TIME IS OF THE ESSENCE WITH RESPECT TO ALL NOTICE PERIODS UNDER THE WARRANTY LAW. Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if notification of any Warranty Claim is not accomplished within the time periods described in the Limited Warranty.

C. Sponsor's Rights of Access, Alterations, Repairs.

1. General.

As a condition of sales of Units pursuant to this Plan, Sponsor reserves to itself, its principal shareholders, successors, assigns, designees, invitees, contractors, agents, employees and tenants any and all easements and rights of access, in and to Units, Common Elements and Limited Common Elements consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder.

2. Examples of Specific Easements and Rights of Access Reserved by Sponsor.

Without in any way limiting the generality of rights reserved in Paragraph "1" above, such rights reserved to Sponsor and its designee(s) specifically include the following:

a) The right to maintain any vacant and Unsold Unit(s) as general and sales and leasing office(s) and/or Model Unit(s) and to maintain personnel at the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection by and display of vacant or leased Units, as well as all Common Elements and Limited Common Elements, to prospective Purchasers or lessees;

b) The right of access in and to Units, Common Elements, Limited Common Elements and adjoining lots for purposes of renovation, construction, repair, refurbishment, correction, alterations, finishing, servicing (including but not limited to garbage collection) and similar work;

c) The right to show vacant or leased Units; and

d) Utility and other easements to alter any Unit or General or Limited Common Elements subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

3. Alterations.

Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Common Element subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

4. Repairs; Interference.

Sponsor agrees to repair damage resulting to a Unit from exercise of the above rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. However, under no circumstances will the Sponsor be obligated to repair or replace improvements or decorations to a Unit made by a Unit Owner.

5. Construction Easements.

(a) The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the common elements of the Condominium for the purpose of completing construction of the Building and facilities in the Condominium and sale of a Unit and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the common elements of the Condominium for the installation, maintenance and inspection of water, gas, electric, heating, telephone lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities; the right to alter, reconstruct, remove, and relocate any common elements of the Condominium in order to complete construction of the Building; the right of access to bring onto the Condominium and the right to install any other materials or services necessary for the completion of the work. Such easements include, without limitation, (i) attachment of protective covering over the roof of the Building, (ii) construction and maintenance of non-permanent scaffolding over and encroaching upon the Building and adjacent to the Building, (iii) operation of a crane or like equipment over the Building, for the non exclusive use and enjoyment of the Sponsor and its agents, employees, licensees, invitees and/or contractors, and (iv) the right to apply for permission to close the sidewalk adjoining the Building, provided that reasonable means of ingress and egress to and from the Building is maintained during such closing.

(b) The Sponsor reserves the right to alter, relocate, install and connect with and make use of all utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads in any portions of the common elements in order to complete construction of the Building or any Units or operate the Parking Unit and Garage Unit.

D. Power of Attorney.

At closing all Unit Owners must execute a Power of Attorney in favor of the Sponsor to amend the Declaration, By-Laws and the Regulations of the Condominium to effect reallocations of percentages of common interest among Sponsor owned Units and to permit the Sponsor to implement various rights reserved to the Sponsor under the Condominium Documents. See Power of Attorney, Exhibit B, and Declaration of Condominium, Exhibit E, in Part II of the Plan.

17. CONTROL BY SPONSOR.

Title to all Units which have not been sold by the time of the First Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide Purchasers. Sponsor sales do not require a waiver of the right of first refusal from the Board of Managers.

Until the first anniversary of the recording of the Declaration of Condominium, the Board of Managers shall consist of three (3) persons designated by Sponsor. Accordingly, until such first anniversary, Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining

the Common Charges to be paid by Unit Owners.

The Sponsor shall relinquish voting control of the Board of Managers at the next Annual Meeting after the earlier of (i) the transfer of title to Residential Units representing 90% of the Residential Units' Common Interest or (ii) five (5) years after the First Closing ("Control Period"). During this Control Period, the Board of Managers shall consist of three (3) or five (5) members of which the Sponsor shall be entitled to designate a majority of the members. So long as the Sponsor or a Sponsor-designee shall continue to own at least one (1) Residential Unit, the Sponsor or Sponsor-designee shall have the right to designate one (1) of the members of the Board of Managers. While the Sponsor owns a Residential Unit, the Sponsor will have the right to, and intends to, vote the percentage of Common Interests allocated to all of its Residential Units for all seats on the Board. Until such time as the Unsold Units constitute less than 90 percent (90%) of the Common Interest, or five (5) years from the First Unit Closing (whichever is sooner), the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent: (i) make any addition, alteration or improvement to the Common Elements or to any Unit at the expense of the Condominium; (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except to the extent that the aggregate fund does not exceed 5 percent (5%) of the budgeted expenses of the Property; (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient); or (iv) hire any employee or enter into any service or maintenance contract to perform services or work not set forth in Schedule "B". As long as the Sponsor or any Sponsor-designee shall continue to own a Unit, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent: (i) amend the Declaration or the By-Laws so as to in any way adversely affect the Sponsor or its designees; or (ii) interfere with the offer and sale or leasing offices at the Property or any actions necessary for construction, renovation, repair or correction at the Property required by Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the foregoing restrictions, the Sponsor or Sponsor-designee shall not have the right to veto expenses detailed in Schedule B, or expenditures for the making of capital repairs to the Common Elements, or assessment of any Common Charge for expenses required to remedy any notice of violation, comply with applicable law, or cure a work order of an insurance carrier.

Members of the Board of Managers will serve without compensation. All officers of the Condominium shall also serve without compensation. Sponsor represents that for as long as it or any of its designees are members of the Board of Managers neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

Except for a member of the Board of Managers designated by the Sponsor or the Garage Unit, a member of the Board of Managers may be removed from office with or without cause by the affirmative vote of Unit Owners owning in the aggregate a percentage of Common Interest in excess of 50 percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or the Garage Unit may only be removed for cause or by the Sponsor or Garage Unit respectively, and in either event, only the Sponsor or Garage Unit respectively shall have the right to designate a replacement.

An officer may be removed, with or without cause, by an affirmative vote of a majority of the members of the Board of Managers.

After the Control Period expires, a majority of the Board of Managers may be comprised of both owner-occupants and non-owner-occupants (or members of their households unrelated to the Sponsor and its principal.) Owner-occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing. For example, an owner-occupant who is purchasing a Residential Unit as a primary residence may have views on repairs and capital expenditures which differ from a non-resident purchaser who has purchased of the purposes of an investment.

18. RIGHTS AND OBLIGATIONS OF UNIT OWNERS.

A. Sale or Lease of Units.

(1) Each Unit Owner may freely sell his Unit provided he first gives the Board, on behalf of all Unit Owners, an opportunity to purchase such Unit at the same price and on the same terms as were offered in good faith by a prospective Purchaser as more specifically provided for in the By-Laws. The Unit Owner will indicate whether or not the prospective buyer will be an owner-occupant. After receipt of the initial notice, the Board of Managers reserves the right to request additional information regarding the proposed Purchaser and the transaction, and to request a personal interview. If the Board fails to notify the Unit Owner of its election to purchase the Unit within forty-five (45) days after receipt of the offering Unit Owner's notice (or, if additional information has been requested after reviewing the submissions of the Unit Owner, within thirty (30) days after receipt of all additional information reasonably required by the Board), the Unit Owner will have sixty (60) days to accept the outside offer of the prospective Purchaser, failing which the Unit Owner will be required to again first offer same to the Board.

A Unit Owner may lease his Unit, subject to the consent of the Board of Managers, such consent shall not be unreasonably withheld. After receipt of the initial notice, the Board of Managers reserves the right to request additional information regarding the proposed tenant and the transaction, including a personal interview. If the Board fails to notify the Unit Owner of its election to lease the Unit within thirty (30) days after receipt of the offering Unit Owner's notice (or, if additional information has been requested after reviewing the Unit Owner's submissions, within thirty (30) days after receipt of all additional information reasonably requested by the Board), consent will be deemed to have been given.

Leases of Units may be subject to additional restrictions including, but not limited to, a minimum term length and rights after a default. See Article X of the By-Laws for further details. Any lease of a Unit shall be in the form then recommended by the Real Estate Board of New York, Inc., for residential space except for such changes therein as may be provided in the By-Laws as the Regulations of the Condominium.

(2) Title to a Unit may not be conveyed nor may a Unit be leased unless all unpaid Common Charges and liens against such Unit (other than a permissible mortgage) are paid and satisfied at or prior to closing.

(3) Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed such Unit Owner's (i) undivided interest in the Common Elements; (ii) interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) interest in any other assets of the Condominium.

(4) Notwithstanding the foregoing restrictions, a Unit Owner may lease, sell or convey the Unit to a spouse, adult child, parents, parents-in-law or adult sibling, or may convey his Unit by gift, may devise his Unit by will, or have it pass by intestacy, without first offering the Unit to the Condominium; however, each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the preceding restrictions.

The restrictions upon the sale and lease of Units set forth in this Section shall not apply to Units owned by the Sponsor, its designees, or to any first mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure; they shall be free to sell or lease without first offering to sell or lease to the Board, and without any form of consent.

B. Mortgage of Units.

Each Unit Owner is free to mortgage his Unit. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy any arrearage for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens therefor. The By-Laws provides that the Board of Managers may request that it be notified by each Unit mortgagee of any default of a mortgage on a Unit.

C. Easements and Right of Access.

Each Unit Owner shall have an easement in common with the Owners of other Units to use and maintain all pipes, ducts, cables, wires, conduits, air conditioning condensers (if any), public utility lines or other Common Elements located in other Units and serving his Unit. In addition, each Unit Owner shall have an easement for the continuance of any encroachment by the Unit on any adjoining Unit or on any Common Element, now existing or which may come into existence hereafter as a result of the settling or shifting of the Building, or as a result of restoration of the Building or a Unit after damage by fire or other casualty, or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by the Board of Managers to the Common Elements so that any such encroachment may remain undisturbed so long as the Building stands. The Board of Managers, through a designated manager, managing agent, or their employees or other designee shall have a right of access to such Unit to inspect and make repairs to the Unit to prevent damage to the Common Elements, Limited Common Elements or any other Unit.

D. Use and Occupancy of Units.

The Residential Units may be used only for private residential use, or any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Residential Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. No illuminated or other sign may be used in connection with the aforementioned use, except for a professional sign, non-illuminated, not larger than the size permitted by the Board of Managers.

The Parking Unit and the Garage Unit shall be used exclusively by the invitees of the Sponsor and not by the individual Residential Unit Owners.

Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Units, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent", or "For Lease" or similar signs on any Unsold or unoccupied Units. Additionally, as previously set forth, the right is reserved by Sponsor and its designee to maintain and staff one or more vacant and Unsold Units in the Building as a sales office and/or model Unit. Sponsor and its designee shall have the right to place "For Sale", "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building without regard to size.

No exterior of a Unit, the windows or doors thereof, or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner without prior written consent of the Board of Managers.

No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners for adjoining Units; nor shall any illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

No Unit shall harbor more than three (3) pets, without the written consent of the Board of Managers.

Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and for providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage or where specifically designated as such; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

The use of the Property or any part thereof, shall conform to all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

No portion of a Unit other than the entire Unit may be leased.

Under the Condominium Regulations, guests of Unit Owners may occupy Units for up to thirty (30) days at a time, without a Unit Owner being required to comply with the right of first refusal and minimum term requirements described in Article X of the By-Laws, provided that the Unit Owner advises the Managing Agent of the identity of the guest and the length of the stay. The Board of Managers may establish additional restrictions on short-term occupancy of Units, whether or not consideration is being paid by the occupant to a Unit Owner.

Complaints regarding the management of the Building and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

For a more complete discussion see the Declaration of Condominium and the Regulations which are reproduced in full in Part II of the Plan.

E. Determination of Common Charges and Liens for Nonpayment of Common Charges.

Each Unit Owner shall have an obligation to pay Common Charges and assessments on other expenses when due. Common Charges for each Unit shall be determined by multiplying that Unit's percentage of Common Interest by the total annual net expenses incurred or anticipated to be incurred for those items listed in Schedule B in the Plan, together with the expense of any special repairs, major capital improvements or other expenses deemed by the Board of Managers to be part of the Common Expenses and to be paid as Common Charges, all in accordance with Article VI of the By-Laws of the Condominium. Common Charges will be established on an annual basis and paid in equal monthly installments, due and payable on the first day of each month. In accordance with Article VI of the By-Laws, The Board of Managers may also, impose special assessments as it deems necessary to meet unanticipated or extraordinary expenses, including but not limited to, expenses incurred for major capital improvements. Any such special assessment to be paid by each Unit Owner shall also be determined in accordance with the Unit Owner's percentage of Common Interest. Common Charges also include late payment charges, fees and expenses of collection or enforcement of the Condominium Documents (including attorneys' fees), accrued interest, and fines charged to a Unit Owner.

Common Charges which remain unpaid for more than thirty (30) days shall bear interest at the maximum rate permitted by law.

Under the provisions of Section 339-z of the Real Property Law of the State of New York, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon in excess of six (6) months common charges and attorneys fees for collection thereof. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof in the office of the Clerk of the County of Westchester and until all sums secured thereby with the interest thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

Upon the failure of a Unit Owner to pay any portion of Common Charges for the Unit within fifteen (15) days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above, and to impose late charges and administrative fees of up to \$100 as additional Common Charges with respect to each new violation to cover the additional costs of administration. The Sponsor will cause the Board of Managers to file a lien as provided in Real Property Law Section 339-aa on Units in which the Sponsor is more than thirty (30) days in arrears of common charges while the Sponsor controls the Board. Failure of the Board of Managers to place such a lien or impose such charges shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer, or other conveyance made by him of his Unit, with appurtenant Common Elements, in accordance with the Declaration and By-Laws.

All Unit Owners shall be required to comply with the Declaration, By-Laws, Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to impose appropriate sanctions where a Unit Owner is in default. Such sanctions include placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner.

The Board of Managers may also impose fines on Unit Owners who violate the Condominium Documents. The amount and administration of such fines shall be established in the Board's reasonable discretion. Such fines shall be deemed additional Common Charges.

Section 339-kk of the Real Property Law. Under the provisions of Section 339-kk of the Real Property Law of the State of New York, the Board of Managers also shall be entitled to collect all rental payments due from a tenant to a non-occupying Unit Owner if the non-occupying Unit Owner fails to make payments to the Board of Managers for Common Charges, assessments or late fees when due, and if such non-payment shall continue for a period of sixty (60) days after the expiration of any grace period for payment provided for in the Declaration and By-Laws.

F. Repairs.

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

All maintenance, repairs and replacements (individually and collectively "Repairs") to the General Common Elements (as defined in the Declaration) and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the Repairs are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case the expense shall be charged to such Unit Owner.

Repairs in or to the Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (a) the Board of Managers at the expense of the Unit Owner, if it is a Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to the repair of leaks), or (b) by the Unit Owner having direct and exclusive access the Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs.

Notwithstanding the foregoing: (i) the Condominium will have the right to enter any Unit upon reasonable notice for the purpose of making Repairs in an emergency, or if the Condominium determines (in its sole discretion) that it is necessary or appropriate for the Condominium to make the Repair, whether or not for the account of the Unit Owner, and to charge the cost thereof to the appropriate person under the Condominium Documents; and (ii) the Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board.

G. Additions, Alterations and Improvements.

A Unit Owner may make a non-structural alteration to a Unit that does not affect the exterior of the Building, the utility systems of the Condominium, or the value of other Units without the consent of the Board of Managers. However, the Board of Managers may establish regulations governing access, insurance and other matters relating to the performance of any work within a Unit. No other installations or alterations may be made to a Unit without the consent of the Board of Managers as described below. No Unit Owner, other than the Sponsor may make a structural alteration in a Unit, install any fixtures or appliances (other than electrical appliances), or make any alteration affecting the utility systems of the Building without the prior written approval of the Board of Managers, which shall not be unreasonably withheld. Any approval, if granted, shall provide that such alteration shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and workmen's compensation insurances, (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions shall be maintained in their entirety by said Unit Owner (who shall also be responsible for any repairs, including structural repairs, to such addition under all circumstances, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration). Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. The Unit Owner shall sign an alteration agreement to the effect of the foregoing and incorporating such other terms as the Condominium may require.

No Unit Owner may alter or improve a Limited Common Element without the consent of the Board of Managers.

Unit Owners may combine two or more Units, subject to the conditions and limitations set forth in this Section.

The Board of Managers and managing agent shall have a right of access to any Unit for the purpose of inspection, making any repairs or replacements to any of the General Common Elements or Limited Common Elements contained in such Unit or elsewhere in the Building, remedying any condition which would result in damage to any other Unit or to the General Common Elements or Limited Common Elements or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purpose permitted by the By-Laws.

All alterations are subject to the regulations of the Condominium regarding the time and manner of performance, security, insurance, responsibility for interruption of services, and liability for future repairs. Unit Owners may be required to execute an Alteration Agreement incorporating such terms, which agreement may be recorded and will bind future owners of the Unit.

Notwithstanding the foregoing, the consent of the Board of Managers is not required in order for the Sponsor to make alterations or additions to Unsold Units, whether or not such alterations are structural or nonstructural, ordinary or extraordinary, so long as they do not materially adversely affect the structure or utility systems of the Building. The Condominium hereby appoints the Sponsor as its attorney in fact, coupled with an interest, to execute such documents on behalf of the Condominium as may be required in order to obtain any necessary licenses or permits to make or complete an alteration, and grants to the Sponsor an easement of access, ingress and egress to make any such alterations.

H. Use of Limited Common Elements.

Certain Units have access to a Limited Common Elements reserved for the exclusive use of the owner of the owner of the Unit. The location and dimensions of such areas are detailed on the floor plans attached in Part II of the Plan.

The use of the Limited Common Elements by Unit Owners is governed by the terms of the Declaration and By-Laws, including the following:

No alteration or improvement may be made by a Residential Unit Owner to the Limited Common Elements without the consent of the Board of Managers, including alterations (such as decking) which do not require the consent of the Building Department or other municipal agency. Certain improvements (i.e., enclosing a roof area) may also require the consent of government agencies, depending on whether such enclosures are deemed to use development rights belonging to the Condominium. The Board of Managers must approve any application to such agencies.

All alterations are subject to the regulations of the Condominium regarding the time and manner of performance, security, insurance, responsibility for interruption of services, and liability for future repairs. Unit Owners may be required to execute an Alteration Agreement incorporating such terms, which agreement may be recorded and will bind future owners of the Unit.

The Board of Managers will have the right to enter any Limited Common Element for the purpose of inspecting or making repairs to the General Common Elements. The Unit Owner will be responsible for removing all personal property or improvements to a Unit in order to provide such access, at his or her expense.

Repairs in or to the Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (a) the Board of Managers at the expense of the Unit Owner having direct and exclusive access, if it is a Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of leaks), or (b) the Unit Owner having direct and exclusive access to the Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs. The Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board.

Notwithstanding the foregoing, any Limited Common Elements appurtenant to the Garage Unit or Parking Unit may be altered or improved by the owner of the Garage Unit or Parking Unit who has use of or benefits by the particular Limited Common Element; provided however that structural alterations or alterations which affect the utility systems of the Building require the consent of the Board which will not be unreasonably withheld or delayed.

I. Insurance.

The insurance policies obtained by the Board of Managers shall provide that each Unit Owner shall be an additional insured. These policies shall provide fire and casualty insurance for the Building, liability insurance, water damage, and legal liability insurance. The specific amounts of coverage are noted in footnote 9 of Schedule B.

The insurance coverage does not include coverage for losses either due to fire, theft or other casualty to the personal property of a Unit Owner contained within the Unit or a Limited Common Element or the cost of living elsewhere if a Unit is greatly damaged. Nor does it include liability coverage for a Unit Owner for occurrences within a Unit or a Limited Common Element. Unit Owners should consult their insurance agents as to the availability of this insurance and any additional coverage which might be recommended.

J. Miscellaneous.

The Sponsor is not required to obtain the approval of the Board of Managers or meet requirements imposed upon other Unit Owners in order to exercise a number of rights described in the By-Laws, including but not limited to: (i) the right to use a Unit as a model and display

"For Sale", "For Rent", or "For Lease" signs, or similar signs; (ii) the right to transfer or lease a Unit without offering the Board of Managers the right of first refusal; (iii) the right to alter a Unit without obtaining the prior consent of the Board of Managers (but only in accordance with the other terms of this Plan); and (iv) the right to amend the Declaration without a vote for the sole purpose of filing the Floor Plans as required by Section 339-p of the Real Property Law. For as long as the Sponsor or its designee own title to one or more Residential Units, the Regulations of the Condominium, By-Laws or Declaration may not be amended in a manner which would, in the sole discretion of Sponsor or its designee, adversely affect the Sponsor or its designee in any way, unless the Sponsor or its designee give their written consent to such an amendment.

19. RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS AND SUMMARY OF BY-LAWS.

Principal provisions of the By-Laws are summarized in this Section. It is suggested that Purchasers make reference to the full By-Laws, a copy of which is set forth in Part II of the Plan.

A. Board of Managers.

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of not less than three (3) and not more than five (5) persons. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Managers. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast the number of votes equal to each Unit Owner's Common Interest multiplied by 10,000 which is the total number of votes on all matters put to a vote at all meetings of the Unit Owners except that when voting for the election of members of the Condominium Board, each Unit Owner: (i) shall be entitled to one (1) vote for each 0.01% of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. If Units are owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning that Unit shall agree among themselves and cast the votes for their Unit.

Unit Owner meetings to elect Board members shall be held on an annual basis. In addition, special meetings of Unit Owners may be held from time to time pursuant to the By-Laws at the direction of the Board of Managers or upon receipt by the Secretary of a petition signed by a majority of Unit Owners' votes.

The Sponsor contemplates that the first three Board members will be Philip Raffiani, Laura Raffiani and Jeanne Raffiani. These members, or other Sponsor designees, shall be the only Board members until the first anniversary of the recording of the Declaration of Condominium. Thereafter, the Sponsor shall retain the right to designate a majority of the Board until the earlier of (i) the transfer of title to Residential Units, the percentage Common Interest of which in the aggregate, equals at least 90 percent (90%), or (ii) five (5) years after the First Closing (the "Control Period").

The Sponsor will have absolute voting control of the Board of Managers until the next annual meeting after the expiration of the Control Period, and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. Subject to the foregoing limitations, the Sponsor will cause the Condominium to hold a meeting of Unit Owners within thirty (30) days after the expiration of the Control Period to elect new Board members unaffiliated with the Sponsor.

While the Sponsor owns any Residential Unit, the Sponsor will have the right to, and intends to, vote the percentage of Common Interests allocated to its Unsold Residential Units for all the available seats on the Board, including unaffiliated Unit Owners. So long as the Sponsor or Sponsor-designee owns at least one (1) Unit, the Sponsor or Sponsor-designee shall have the right to designate one of the members of the Board of Managers. (See Section 17 of the Plan).

After the Control Period expires, the number of Managers may be changed by a vote of the Unit Owners at their annual meetings prior to the election of the next Board of Managers. The Managers shall be elected at each annual meeting of the members. To the extent that the Sponsor or the Garage Unit Owner is entitled to designate members of the Board of Managers, such designations shall reduce the number of Managers elected by the Unit Owners during that year.

To be eligible for election, members of the Board of Managers, except for those members elected or designated by the Sponsor, must be either a Unit Owner, the principal or officer of a Unit Owner, or the spouse, son, daughter, or parent of a Unit Owner.

After the Sponsor Control Period expires, the Board of Managers may be comprised of both owner-occupants and non-owner-occupants (or members of their households unrelated to the Sponsor and its principal). Owner-occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing. For example, an owner-occupant who is purchasing a Unit as a home may have views on repairs and capital expenditures which differ from a non-resident purchaser who has purchased of the purposes of an investment.

Except for a member of the Board of Managers designated by Sponsor or the Garage Unit, managers may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of 50 percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or Garage Unit Owner may be removed without cause only by the Sponsor or Garage Unit Owner respectively and only the Sponsor or Garage Unit Owner respectively shall have the right to designate a replacement. The Unit Owners may transact such other business at such meetings as may properly come before them. All members of the Board of Managers shall serve without compensation, and the Sponsor represents that, for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium. Any Board member may be removed from the Board of Managers for cause, including members designated by the Sponsor, by the affirmative vote of a majority of disinterested members of the Board

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to: determination of the Common Charges, adoption of rules and regulations covering the details of the Property, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing, or mortgaging of Units owned by the Board of Managers and generally managing or supervising the Condominium property as provided in the Declaration and By-Laws. The Common Expenses shall include such amounts as the Board of Managers deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for capital replacements and to make up any deficit in the Common Expenses for any prior year. The Board, in its discretion, may delegate such managerial powers as it sees fit to the officers of the Condominium. The Board of Managers is authorized to employ a Managing Agent for the Condominium, on such terms as the Board of Managers may deem proper.

In order to limit the liability of the Unit Owners, the members of the Board of Managers, the Managing Agent, if any, and any officers of the Condominium, any contract or other commitment shall be made by the Board of Managers or the Managing Agent or an officer of the Condominium, as the case may be, only as agent for the Unit Owners. The members of the Board of Managers, the Managing Agent or the officer, as the case may be, shall have no personal liability on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. The Board of Managers and the officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall jointly and severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification shall be limited to such proportionate share thereof as the Common Interest of such Unit bears to the aggregate Common Interest of all Unit Owners. Members of the Board of Managers and any officers of the Condominium who handle or are responsible for Condominium funds shall be bonded.

Upon the transfer of title to any Unit, the Unit Owners will be required to execute a Power of Attorney in favor of the Board of Managers to exercise certain rights on behalf of the Condominium, such as exercising or waiving a right of first refusal to purchase or lease a Unit (and taking such steps as may be needed to implement such action), borrowing funds to repair the Common Elements pursuant to Real Property Law Section 339-jj, protesting the Condominium's real estate tax valuations with the applicable governmental authorities, or amending the Declaration and By-Laws of the Condominium. The form of Power of Attorney appears as Exhibit B in Part II.

B. Officers.

The principal officers of the Condominium shall be: the President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The President must be a

member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse, son, daughter, or parent of a Unit Owner. Other officers need not be either a Unit Owner, principal or officer or a Unit Owner or the relative of a Unit Owner or a member of the Board of Managers. The President and Treasurer may not be the same person. The Board of Managers may appoint such other officers as in its judgment may be necessary. All officers shall serve without compensation from the Condominium. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners. The Secretary shall be empowered to take and keep minutes of all meetings and to keep the books and records of the Condominium. The Treasurer shall be responsible for the funds of the Condominium and for accurately keeping the financial records and books of the Condominium. The Board of Managers, in its discretion, shall delegate such powers to the officers as it deems necessary or appropriate in order to, among other things, execute agreements, contracts, deeds, leases and checks on behalf of the Condominium.

C. Repairs.

As used in this section, repairs, maintenance and replacements of any portion of the Unit or Common Element whether ordinary or extraordinary, are referred to as “**Repairs**”. All Repairs to any Unit, and to the doors (except painting the exterior side of a Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be made at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws.

Repairs to the General Common Elements (as defined in the Declaration) and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the Repairs are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case the expense shall be charged to such Unit Owner. Repairs in or to the Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (a) the Board of Managers at the expense of the Unit Owner, if it is a Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of leaks), or (b) by the Unit Owner having direct and exclusive access to a Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs.

Notwithstanding the foregoing: (i) the Condominium will have the right to enter any Unit upon reasonable notice for the purpose of making Repairs in an emergency, or if the Condominium determines (in its sole discretion) that it is necessary or appropriate for the Condominium to make the Repair, whether or not for the account of the Unit Owner, and to charge the cost thereof to the appropriate person under the Condominium Documents; and (ii) the Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board.

D. Additions, Alterations or Improvements by Board of Managers.

Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements, and the Board determines to require the placement of a lien on the Common Elements or an assignment of common charges payable by the Unit Owners, and (if required by law and not otherwise delegable to the Board of Managers) the making of such additions, alterations or improvements shall have been approved by 50 percent (50%) in number and in Common Interest of the Unit Owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws (and by the holders of Unit mortgages, if such approval is required), the Board of Managers shall have the right to proceed with such additions, alterations or improvements and to assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements which do not require a lien to be placed on the Common Elements or an assignment of the common charges payable by the Unit Owners may be made by the Board of Managers, without approval of the Unit Owners or the holders of Unit mortgages, and the cost thereof (unless paid from the Working Capital Fund in accordance with the Plan of Condominium Ownership) shall constitute part of the Common Expenses. As long as Sponsor or its designee own a Unit, or for a period of five (5) years from the first Closing of Title to a Unit, whichever is earlier, the Board of Managers may not make any addition, alteration, or improvement to the Common Elements without Sponsor's prior written consent, unless required by law.

For a description of the rights of Unit Owners to alter or improve the Common Elements, see Section 18(G).

E. Insurance.

The Board of Managers shall be required to obtain and maintain the following insurance: fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units, including all of the Units and all fixtures installed therein by the Sponsor and any property customary to the servicing and general occupancy, (but not including furniture, furnishings, equipment or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an aggregate amount to be determined by the Board of Managers, but in no event to be less than 80 percent (80%) of the full replacement cost of the Building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker. Notwithstanding the foregoing, while the Sponsor controls the Board of Managers, the Sponsor will cause the Condominium to carry 100 percent (100%) replacement cost insurance, with an agreed value endorsement.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. The standard mortgage loss payable clause shall be attached to all policies.

The cost of all such insurance and the fees and expenses of the Insurance Trustees shall be paid by the Board of Managers and shall constitute a Common Expense.

The Board of Managers shall also obtain and maintain to the extent obtainable: (i) workmen's compensation insurance for Condominium employees and (ii) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The public liability insurance will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners, liability insurance will be in a limit of at least \$1,000,000 covering all claims for bodily injury with respect to any one occurrence.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies contain waivers of subrogation and further provide that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

In the event of a fire or other casualty which destroys or substantially damages less than 75 percent (75%) of the Building, the insurance proceeds shall be dedicated to the repair and/or renovation of the Building and the Units but not the repair or replacement of any improvements made by individual Unit Owners. If the cost of such repair exceeds the insurance proceeds available the excess cost shall constitute a Common Expense and Unit Owners may be accordingly assessed a proportional amount to be paid as Common Charges.

In the event of a fire or other casualty in which more than 75 percent (75%) of the Building is destroyed or substantially damaged, repairs and/or restoration will be made if Unit Owners whose percentage of Common Interest, in the aggregate, is at least 75 percent (75%) of the Total Common Interest, affirmatively vote for such a course of action. If no such affirmative vote is given then the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor.

F. Notice of Meetings; Reports to Unit Owners.

Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than fifty (50) days before such meeting. Minutes of all meetings of Unit Owners and of all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

G. Severance of Ownership Prohibited.

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, his undivided interest in the common elements, together with his interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-Laws, all of which are interests appurtenant to his Unit.

H. Right of First Refusal for Unit Sales; Consent for Unit Leases.

(1) Any exercise by the Board of Managers of the Condominium's right of first refusal with respect to Unit Sales must be approved by a majority of Unit Owners present at a meeting duly called with a quorum present.

(2) In administering the right of first refusal with respect to any sale of a Unit the Board shall be required to exercise such rights, if at all, within forty-five (45) days of its receipt of the later of (a) written notice from a Unit Owner of the Unit Owner's intention to sell the Unit to a bona fide grantee or lessee or (b) all other information reasonably required by the Board. See Section 19(A) of the Plan for a detailed description of the rights and obligations of the Board and Unit Owners in this regard.

(3) The Board of Managers will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law in exercising the right of first refusal and resale of such Units.

(4) In the event the Board does exercise the right of first refusal, the acquisition of the Unit may be made from the working capital and Common Charges or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's percentage of common interest, or may borrow money to finance such acquisition. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired by the Board of Managers, the title shall be held by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interest. Any sale of such Unit shall be made by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interests. While owned by the Board of Managers, such Unit may be used for any purpose that it could be used for by an individual Unit Owner. However, in no event may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant to that Unit.

(5) All leases are subject to the consent of the Board of Managers, such consent shall not be unreasonably withheld. All leases must be for a minimum period of one (1) year (with each such lease being to a specific named tenant and with no right to substitute any other tenant during the term of the lease). All leases shall be consistent with the By-Laws and shall contain such reasonable conditions as the Board of Managers may impose in order to protect the physical and financial security and continuity of the Condominium, including (but not limited to)

provisions that a lease may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers; that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers; that the Board of Managers shall have the right to terminate the lease on not less than thirty (30) days prior written notice upon foreclosure of the lien granted by Section 339-z of the New York State Real Property Law; and that the Board of Managers may establish other reasonable regulations governing leases of Units from time to time. Except as set forth above, the form of any such lease shall be substantially the then current form of apartment lease recommended by The Real Estate Board of New York, Inc. with such modifications as may be approved in writing by the Board of Managers.

The foregoing restrictions on leasing and the contents of leases contained in this Section shall not apply to a Unit owned by Sponsor, or a Unit owned by a mortgagee who took title for its own account in foreclosure or a deed in lieu of foreclosure.

(6) Each Unit Owner, at the closing of title to this Unit, shall be required to execute a Power of Attorney in the form contained in of Part II of the Plan, which (in part) designates the Board of Managers and their successors, as his attorneys in fact, coupled with an interest, for the purpose of waiving or exercising a right of first refusal to purchase a Unit and the right to consent to all leases (and taking such steps as may be needed to implement such action), selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners, borrowing funds to repair the Common Elements pursuant to Real Property Law Section 339-jj, and filing tax protests on behalf of the Unit Owners.

I. Review of Real Estate Tax Assessments.

It shall be the responsibility of the individual Unit Owners, at their sole cost and expense, to review the real estate tax assessments of their Units and, if they so desire, to take any steps necessary to review and challenge such assessments. However, the Board of Managers reserves the right, on behalf of all Unit Owners, to challenge any assessment at the expense of the Condominium.

J. Amendments to Condominium Declaration and By-Laws.

The Declaration may be amended upon a vote of 66-2/3 percent (66-2/3%) of the Unit Owners in number and whose percentage of common interest in the aggregate exceeds 66-2/3 percent (66-2/3%) held at a duly called meeting of the Unit Owners, provided however, that:

(i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the common charges, nor the voting rights appurtenant to any Unit, unless all record Owner(s) affected thereby and the first mortgagees, if any, of each of these same Units agree to such amendment by recorded instrument.

(ii) No amendment shall be passed which shall impair or prejudice the rights and priorities of the Sponsor without the Sponsor's consent.

The By-Laws may be amended at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the Amendment shall be approved by 66-2/3 percent (66-2/3%) of the Unit Owners in number and common interest (or such lesser amount as may be required by law); and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owner's interest and the interests of holders of a mortgage encumbering a Unit or Units. No amendment shall adversely affect the Sponsor or its designee without the prior written consent of Sponsor or such designee.

Subject to the foregoing restrictions, and pursuant to the Power of Attorney executed by Unit Owners, the Board of Managers is also appointed the attorney in fact for each Unit Owner to make such amendments to the Declaration and By-Laws as it may deem necessary or appropriate in its business judgment.

K. Unit Owner Power of Attorney.

Upon the transfers of title to any Unit, the Unit Owners will be required to execute a Power of Attorney in favor of the Board of Managers to exercise certain rights on behalf of the Condominium, such as exercising or waiving a right of first refusal lease a Unit (and taking such steps as may be needed to implement such action), borrowing funds to repair the Common Elements pursuant to Real Property Law Section 339-jj, protesting the Condominium's real estate tax valuation with the County of New York, or amending the Declaration or By-Laws of the Condominium. The form of Power of Attorney appears as Exhibit B in Part II. The Power of Attorney will reflect the rights of the applicable parties to amend the Declaration to implement these changes.

L. Termination.

The Condominium may be terminated by withdrawing the property from the provisions of the New York Condominium Act, by an affirmative vote of not less than 80 percent (80%) of Unit Owners in number and whose percent of Common Interest equals in the aggregate, not less than 80 percent (80%). The Sponsor shall not cast the votes of any Unsold Units it holds for such withdrawal unless votes equaling 80 percent (80%) in number and of the Common Interest have been so cast or unless at least 80 percent (80%) in number and in Common Interest of all other Unit Owners have voted to terminate. If the Unit Owners vote to terminate the Condominium the Property shall be subject to an action for partition by any Unit Owner or lienor and the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided that no Unit Owner shall receive any payment until there has first been paid out of such Unit Owner's share of the net proceeds all liens on his Unit.

20. REAL ESTATE TAXES.

After the closing of title, each Unit will be taxed as a separate tax lot for real estate tax purposes. As a result, a Unit Owner will not be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

Under Section 339-y of the NYS Real Property Law the aggregate assessments of all Units cannot exceed the assessment of the Property if the Property were assessed as a single income-producing parcel. Moreover, under Section 581 of the NYS Real Property Tax Law, real property owned on a condominium basis cannot be assessed at a higher amount than if the parcel were not owned on a condominium basis. Thus the assessing authority customarily bases its calculation of assessed valuation as if the Property were a rental property, and each Unit were rented at fair market value. Once such valuation is established, generally the assessed valuation of each Unit is calculated based on the percentage of common interest of each Unit in the deemed assessed valuation of the Property. However, subject to the foregoing limitations, the tax assessment for each Unit may be allocated on a basis that differs from the allocation of common interests.

The assessing authority for real estate taxes is the Town of Eastchester (the "Town Assessor"). The Town Assessor has estimated that after the completion of construction, each Unit will have a individual annual tax liability as follows:

<u>Unit</u>	<u>Assessed Valuation</u>	<u>Estimated Individual Tax Liability (annual)</u>
Unit 1A	\$4,700	\$6,436.09
Unit 1B	\$4,800	\$6,573.02
Unit 1C	\$5,000	\$6,846.90
Unit 1D	\$5,000	\$6,846.90
Unit 1E	\$4,800	\$6,573.02
Unit 1F	\$5,000	\$6,846.90
Unit 1G	\$5,000	\$6,846.90
Unit 1H	\$4,800	\$6,573.02
Unit 1I	\$5,000	\$6,846.90
Unit 1J	\$4,700	\$6,436.09
Parking Unit	\$ 50	\$ 68.47
Garage Unit	\$ 50	\$ 68.47

The liability is based on each Unit's percentage of common interest in the assessed valuation for the Property after construction is completed and is based on a Town tax rate of \$328.0846, Village tax rate of \$301.73 and School tax rate of \$739.57 per \$1,000 of assessed value. Based on the calculations of the Town Assessor, the assessed valuation for the entire Property would be approximately \$48,900.00 upon closing.

Although the Units will be separately assessed upon filing of the Declaration of Condominium, it is estimated that the Units will not receive separate tax bills until June, 2005. Therefore, until the Units receive separate tax bills, each Unit Owner will place in escrow with the Condominium an amount equal to the total of all real estate taxes allocable to the Unit payable on due dates for installments of tax payments up to and including one (1) quarter ahead, 2005, until such separate assessment has been made. The Condominium Board will make such payments on behalf of the Unit Owners until after the earlier to occur of June, 2005 or issuance of separate tax bills.

The By-Laws of the Condominium provide that the Board of Managers has the power to request a reduction in the taxable assessed valuation of the Condominium on behalf of all Unit Owners. Each Unit Owner has delegated such right to the Board of Managers by Power of Attorney executed at the closing.

There are no pending proceedings to protest the assessed valuation of the Property at this time. To the extent any such proceedings are commenced before the date of the closing of title to any Unit, any benefits received will be apportioned between the Sponsor and each Unit Owner based on the portion of the tax year to which the benefit relates that the Unit was owned by each person, after subtracting the costs of obtaining any reduction in taxes.

21. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The Sponsor has been advised by its attorneys, Smith, Buss & Jacobs LLP, 733 Yonkers Avenue, Yonkers, New York, that for Federal Income tax purposes, under Sections 163 and 164 of the Internal Revenue Code of 1986, as amended, a Unit Owner will be entitled to a deduction for interest paid or accrued with respect to any mortgage indebtedness encumbering the Unit(s) and for real estate taxes paid or accrued with respect to the Unit. It is also the opinion of Sponsor's Counsel that each Unit Owner for New York State income tax purposes, will be entitled to a deduction equivalent to that which is allowed for Federal income tax purposes for such mortgage interest and real estate taxes paid or accrued during the taxable year.

It should be noted, however, that such deductions may be curtailed if (among other events): (i) the Unit is not occupied by the Unit Owner as his or her first or second home; (ii) mortgage indebtedness exceeds the purchase price of the Unit (plus the costs of any improvements thereto); (iii) the Unit is utilized for professional or business use or for the production of income; and/or (iv) the Unit Owner is subject to Alternative Minimum Tax.

Specific exemptions from real estate taxes may be available for veterans, senior citizens, or government rebate programs. Purchasers are advised to consult their attorneys to determine if this or any other exemption may be available to them.

All Purchasers are advised to consult with their counsel to determine their tax liability for the particular circumstances.

Each Unit Owner's proportionate share of the income received by the Board of Managers, including, but not limited to, income, if any, from the sale or leasing of Units owned by the Board of Managers or its designee on behalf of all Unit Owners (or from similar sources), will either be includable by the Unit Owner as taxable income for Federal and New York State income tax purposes, or taxed on the Condominium itself. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charges. In such event this additional Common Charge may also be subject to tax.

Under Section 528 of the Internal Revenue Code, a Condominium may be eligible to be exempt from taxation on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. One of the requirements to be met is that at least 85 percent (85%) of the total square footage of the Units must be used by individuals as residences or (if unoccupied) zoned for individuals as residences. Because the total square footage of the Parking Unit and Garage Unit is more than 15 percent (15%) of the total square footage of the Residential Units, this criterion is not met. As currently used, the Condominium may not elect to be treated as a homeowners association under Section 528.

Notwithstanding the unavailability of a Section 528 exemption, in the opinion of counsel, it does not appear that the Condominium's members would incur substantial taxes if the Condominium were treated either as their agent or as a partnership for tax purposes. If, as anticipated, the Condominium income is largely offset by expenses, the ultimate income tax payable would be small. Hence, the major concern, if Section 528 is not available, is in assuring that the net taxable income derived from the Condominium's activities in any year is minimal. With careful attention to the various accounting and other administrative details, this should not be difficult to accomplish. For example, assessments for capital expenditures should be made and held in trust by the Board of Managers until the funds are disbursed, and careful documentation to this effect should be prepared on each occasion.

The opinion of Sponsor's Counsel 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 Board of Manager of the Condominium, the Selling Agent, Managing Agent or any other person be liable if the Unit Owners cease to meet the requirements of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing its opinion, or if there are changes in the applicable statutes or regulations.

BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK

May 10, 2005

22. OPINION OF COUNSEL re: DEDUCTIBILITY OF TAXES.

Re: 120 VivaBene Condominium,
120 Main Street, Tuckahoe, New York

Dear Sir/Madam:

You have requested our opinion with respect to the deductibility for Federal and New York State income tax purposes of mortgage interest and real estate taxes paid by a person (a "Unit Owner" or an "Owner") who purchases a unit (a "Unit") under the offering plan for the above-referenced condominium (the "Plan"). The Plan provides for the condominium conversion of the building to ten (10) residential condominium Units.

In connection with this opinion, we have reviewed the Plan, including the schedules and exhibits thereto. The opinions expressed in this letter are based upon the assumptions that the Plan becomes effective and is consummated in accordance with its terms so that valid condominium ownership of the premises known as 120 VivaBene Condominium, 120 Main Street, Tuckahoe, New York (the "Condominium") is established upon the filing of a condominium declaration. In our opinion, pursuant to the Plan:

A. A Unit Owner will own fee simple title to his or her Unit and an undivided interest in the Common Elements;

B. Each Unit, together with its appurtenant interest in the Common Elements, will be a separate tax lot for purposes of New York County and City of New York real estate taxation, and the Unit Owner will be directly liable for the real estate tax assessment with respect to his or her Unit, but not with respect to any other Unit;

C. Subject to certain restrictions described in the Declaration and By-Laws of the Condominium, a Unit Owner may mortgage his or her Unit as he or she wishes, and the Unit

Jeffrey D. Buss
Kenneth R. Jacobs
Thomas W. Smith
Domenick J. Tammaro

Voula T. Katsoris
Emanuela Lupu
Peter A. Nenadich
Robin A. Remick
Anthony T. Simari
Matthew J. Smith

Of Counsel
Edgar C. Gentry, Jr.
Gerald Kahn
Charles S. Lesnick

will not be subject to the lien of any mortgage placed on other Units; and

D. A Unit Owner may transfer his or her Unit subject, with certain exceptions, to certain rights of the Board of Managers as described in the Plan.

Under the Plan, the Condominium will be managed by a Board of Managers whose members will be elected by the Unit Owners (and by the Sponsor of the Plan, to the extent that the Sponsor owns any Units). We also understand that the Condominium will, at least initially, be an unincorporated association under New York law. The Plan and the By-Laws provide that the expenses incurred in the operation and maintenance of the Condominium exclusive of the Units themselves (the "Common Expenses") shall be borne by the individual Unit Owners and assessed (in proportion to each Unit Owner's Common Interest) and collected by the Condominium Board on behalf of the Condominium (the "Common Charges").

Based upon the foregoing, it is our opinion that an individual Unit Owner who purchases a residential Unit as his or her principal or second residence and who itemizes deductions will be entitled, under present tax laws and regulations, to deduct from adjusted gross income, for Federal income tax purposes, real estate taxes, if any, assessed against such Owner's Unit, as well as qualified residence interest on acquisition indebtedness up to \$1,000,000 (\$500,000 for a married individual filing a separate return) secured by a Unit (See Sections 163(h) and 164 of the Internal Revenue Code of 1986, as amended (the "Code"). We express no opinion as to the availability of such deductions under applicable requirements of the Code with respect to payment of alternative minimum tax under Sections 55-59 of the Code, or as to the availability of such deductions to the owner of a residential Unit which is not used as the Unit Owners' principal or second residence (e.g., a rental Unit).

Where an owner does not occupy the Unit but holds it instead as an investment, current federal tax law imposes a limit on the amount of interest that is deductible equal to the taxpayer's net investment income for the year. The deduction is also considered a miscellaneous deduction that (together with other miscellaneous deductions) must exceed 2 percent (2%) of adjusted gross income to have effect. An investor-owner should obtain the opinion of his own tax advisor to determine how the investment interest limitation affects him/her.

Common Charges will be borne by Unit Owners and assessed and collected by the Board of Managers. If the Condominium is treated for tax purposes as merely the agent of the Unit Owners, the income received by the Board of Managers and the Condominium, and the expenses incurred would be deemed to be income and expenses of the individual Unit Owners, in proportion to their respective interests, and the amount of such income less such expenses would be taxable to them in the same proportion. See, e.g., Rev. Rul. 74-563.

The law in this area is uncertain, though. If the Internal Revenue Service asserts that the Condominium constitutes an association under the default rules of Section 301.7701-3(b), it would be taxable as a partnership unless it elects to be taxable as a corporation. If so, members of the Condominium would be subject to Federal income tax on their pro-rata share of the Condominium's income.

Receipts by the Condominium from capital or special assessments are not taxable income where the funds are properly treated as trust funds, or set aside in separate bank accounts for a specific purpose, designated as such and properly accounted for. See GCM 36188; Rev. Rul. 75-371. Interest earned on these funds would be taxable income as discussed below. Annual assessments in excess of annual expenses will also be includable in the Condominium's income, unless the member-owners are given the option to have excess assessments returned to them at the end of each year. See Rev. Rul. 70-604; TAM 9539001; *Mission Heights Homeowners Association v. US*, 96-2 USTC ¶ 50,489 (S.D. Cal).

Under Section 528 of the Internal Revenue Code, a Condominium Management Association may elect to be exempt from Federal tax on membership fees, dues, assessments and other "exempt function income" received from the owners of the condominium units who are members of the association. To be exempt function income, the income must be received by the association as part of the obligation of ownership of the residential property and not as payment for private services. For example, annual fees for special facilities such as tennis courts are exempt but guest fees, rentals of a clubhouse for a private party and interest earned by the association are not. The association is taxed on its non exempt function income less any expenses directly connected with the production of this taxable income.

To qualify for the above election, which must be made annually, the following requirements must be met:

1. It must be organized and operated to carry out exempt functions, such as management, maintenance and care of association property.
2. At least 60 percent (60%) of gross income must consist of membership dues, fees or assessments from the owners of the residences.
3. At least 90 percent (90%) of annual expenditures must be to acquire, construct, manage, maintain, care for or improve association property.
4. No part of net earnings may inure to the benefit of any private shareholder or individual.
5. Substantially all (at least 85%) of the total square footage of the Units must be used by individuals as residences or (if unoccupied) zoned for individuals as residences.

Because the square footage of the non-residential units is approximately 30% of the total square footage of the units, the last criterion is not met and the Condominium may not elect to be taxed as a homeowners association under Sec. 528.

However, it does not appear that the Condominium's members would incur substantial taxes if the Condominium is treated either as their agent or as a partnership for tax purposes. If, as anticipated, its income is largely offset by expenses, the ultimate income tax payable would be small. Hence, the major concern, if Section 528 is not available, is in assuring that the net taxable income derived from the Condominium's activities in any year is minimal. With careful attention to the various accounting and other administrative details, this should not be difficult to accomplish. For example, assessments for capital expenditures should be made and held in trust by the Board of Managers until the funds are disbursed, and careful documentation to this effect should be prepared on each occasion.

Please note further, though, that it is also possible that other sources of income, such as interest on interim investments by the Board of Managers, income from concessions or rentals, if any, and possibly income from the sale of Units acquired by the Board of Managers pursuant to its right of first refusal, may be subject to federal or state income taxation.

The New York State Department of Taxation and Finance is likely to take the position that the Condominium is subject to the New York State Corporation Franchise Tax even though the Condominium does not (absent an election) constitute an association taxable as a corporation for federal income tax purposes.

We express no views as to any federal or New York State tax consequences, or as to any aspects of the Plan, other than those aspects explicitly discussed in this opinion, or as to any tax status of the Plan under the laws of any other jurisdiction. Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with a Unit Owner's trade or business, or for the purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his or her foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Common Elements are acquired, sold, and/or leased by the Board of Managers. Thus, each person contemplating the purchase of a Unit is strongly advised to consult his or her own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

Tax laws, regulations and rulings are subject to change by the federal and state governments and their agencies, and also by judicial interpretation. Moreover, facts and conditions assumed in this opinion are subject to change. To the extent that such changes may occur, no warranties or assurances are made that the Internal Revenue Service or the New York State Department of Taxation and Finance will allow income tax deductions. Neither the Sponsor nor the counsel to the Sponsor will be liable if such changes occur and as a result it is determined that the income tax deductions referred to herein are not allowable in whole or in

part.


Compliance with RPL Section 339-i. We have reviewed the allocation of common interest among the units of the Condominium. In our opinion, the allocation of common interest complies with the requirements of Section 339-i of the New York State Real Property Law. Our opinion is based on the analysis of Prime Locations, Inc., that the common interest has been allocated to each condominium unit 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, in accordance with Section 339-i (1) (iv) of the NYS Real Property Law, such allocation being based on measurements and calculation of net square footage made by Franke, Gottsegen, Cox, Architects, the Sponsor's architects.

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

Very truly yours,

SMITH, BUSS & JACOBS, LLP

By:


Kenneth R. Jacobs, Partner

23. WORKING CAPITAL FUND.

At the time of the closing of title to each Unit, the Sponsor will collect the equivalent of two (2) months' of common charges and real estate taxes for the Working Capital Fund of the Condominium, based upon the common charges set forth in Schedule A. Within ninety (90) days after First Unit Closing, the Sponsor shall pay into the Working Capital Fund of the Condominium the equivalent of two (2) months' common charges and real estate taxes for any remaining Unsold Units in the Building. Thereafter, when title to an Unsold Unit is conveyed by the Sponsor, the Purchaser of such Unit shall reimburse the Sponsor at the closing of title for the amount contributed to the Working Capital Fund.

In the event that the closing adjustments with the Condominium Board as set forth in the section of the Plan titled "Closing Adjustments With the Condominium Board" result in a net credit to Sponsor, the Board of Managers may be required to draw on the Working Capital Fund to pay such adjustments to Sponsor. After deducting net closing adjustments, the Working Capital Fund may be held or used at any time for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board of Managers in its sole discretion.

No provision has been made in the Budget for a Reserve Fund in excess of the amount contributed to the Working Capital Fund. The Sponsor believes that the amount of the Working Capital Fund will be sufficient to pay for major capital improvements or replacements to the Building which are reasonably foreseeable within five (5) years from the date of this Plan. However, the Sponsor makes no representation or warranty to that effect. If additional funds are required, it may be necessary to increase Common Charges or assess the Unit Owners.

As long as the Sponsor retains control of the Board of Managers, the Working Capital Fund shall not be used to reduce estimated Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

24. MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS.

At or prior to the First Unit Closing the Board of Managers shall enter into a management agreement with Mirado Properties, Inc., 146 Main Street, Tuckahoe, New York 10707 or another company on terms which are no more expensive or restrictive to the Board of Managers than those set forth below. The Managing Agent is an affiliate of the Sponsor.

The proposed agreement will be for a term of three (3) years, commencing on the date of the First Unit Closing, at a fee of \$9,600 per year, which agreement may be terminated for cause by either party on 30 days notice and following two (2) years, the management agreement may

be canceled by either party on thirty (30) days notice. The Managing Agent may not assign the agreement to another entity without the consent of the Board which shall not be unreasonably withheld or delayed.

The duties and services to be rendered by the Managing Agent and pursuant to the proposed agreement include, among others:

- (a) billing and collecting Common Charges and assessments from Unit Owners;
- (b) causing the Common Elements, to be maintained, repaired and altered in the manner deemed advisable by the Board of Managers, except that the prior written approval of one of the designated officers the Board is necessary for an expenditures of over \$1,000. for any one item of ordinary repairs or alterations (other than emergency repairs);
- (c) contracting for necessary services for the Common Elements (such as utilities and exterminating);
- (d) purchasing all supplies necessary to properly maintain and operate the Common Elements;
- (e) checking all bills received in connection with the operation of the Common Elements and causing all such bills and other expenses to be paid;
- (f) supervising, hiring and discharging employees of the Condominium, including the resident Superintendent, if any, subject to union contracts, if any;
- (g) rendering monthly statements of receipts and disbursements to the Board of Managers;
- (h) maintaining payroll records and causing to be prepared and filed all necessary forms for unemployment insurance, social security taxes and withholding taxes and all other forms required by any federal, state or municipal authority;
- (i) maintaining and operating bank accounts of the Condominium;
- (j) considering and, when reasonable, attending to complaints of Unit Owners, tenants and subtenants, provided that if it shall deem any complaint unreasonable it shall so advise the Board of Managers and give reasons for its opinion;
- (k) cooperating with the accountants and auditors engaged by the Board of Managers in regard to the preparation of all tax returns and annual statements;
- (l) supervising the moving in and out of Unit Owners and tenants;
- (m) sending to each Unit Owner each year a statement, furnished by the accountants of the Condominium, showing tax data relevant to the Unit Owners;

(n) making all arrangements necessary for the holding of the meetings of the Unit Owners and the Board of Managers of the Condominium;

(o) at the direction of the Board of Managers, carrying out required procedures and giving required notifications as set forth in the Condominium Declaration and By-Laws, in connection with the exercise of the right of first refusal on a proposed sale of lease of Units;

(p) maintaining accurate sets of books for the Condominium (other than books of account to be maintained by the Condominium's accountants) and orderly files of rent records, insurance policies, leases, receipted bills and the like;

(q) sending notices, preparing agendas, and attending the annual meeting of Unit Owners.

The annual financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Board of Managers, whose fees are to be paid by the Board of Managers and charged to the Unit Owners as a Common Expense. However, after control of the Board passes to Unit Owners other than the Sponsor, the Board reserves the right to provide financial statements in form reasonably satisfactory to the Board.

All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Board of Managers and charged to the Unit Owners as a Common Expense. In addition, the Board of Managers will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Board of Managers or for personal injury or property damage not resulting from the Managing Agent's negligence or willful misconduct.

The Board of Managers may elect to obtain a bond exclusively for the benefit of the Condominium, with a surety company authorized to do business in the State of New York, to protect against loss incurred by the Condominium through any improper acts of the officers and employees of the Managing Agent. The cost of the bond is included in the common charge estimate for insurance.

The Managing Agent will receive a reasonable fee from the Unit Owner for services rendered in connection with processing each application for the sale of a Unit by a Unit Owner (other than the Sponsor), including obtaining a waiver of the right of first refusal and other agreements necessary to properly effect the transfer of an interest in the Unit. The Managing Agent shall receive a reasonable fee for assisting the Board of Managers with the preparation of an annual budget and for processing of each application for the lease of a Unit by a Unit Owner other than the Sponsor. Additionally, with the exception of Units owned by Sponsor, the Managing Agent shall receive a reasonable fee to process each application to renew the lease of a Unit to the same lessee.

Other than as set forth above at the time of the First Unit Closing there shall be no service contracts which will be binding upon the Condominium that cannot be canceled on thirty (30) days notice.

25. IDENTITY OF PARTIES.

Sponsor

The Sponsor of the Offering Plan is Dorami Realty of New York, Inc., a New York corporation with an office at 146 Main Street, Tuckahoe, New York 10707.

Philip Raffiani is the Vice President of Dorami Realty of New York, Inc. Mr. Raffiani has not been involved in any previous condominium offerings.

Selling Agent

The Selling Agent is Claire D. Leone Associates Ltd. with an office at 29 Wilmot Road, Scarsdale, New York 10583. The Selling Agent has been involved in over ten (10) prior offering plans in the Westchester Area.

Neither the Selling Agent nor its principals have any financial interest in the Property or the Sponsor, except that they will be paid a fee for services.

Managing Agent

The Managing Agent is Mirado Properties, Inc., 146 Main Street, Tuckahoe, New York 10707. The Managing Agent is an affiliate of the Sponsor, who has over one (1) year experience as a manager for rental, cooperative and condominium properties in Westchester County, including 141 Main Street, 146 Main Street, 150 Main Street and 60 Washington Street, Tuckahoe, New York.

Architects and Engineers

The Architect is Franke, Gottsegen, Cox Architects ("FGC"), 443 Greenwich Street, 6th Floor, New York, New York 10013. The consulting engineer for the energy costs in Schedules B and B-1 is Seymon Rodkin, Licensed Professional Engineer (referred to herein as "Engineer"), located at 214 west 29th Street, New York, New York 10001. Neither the Architect nor the consulting engineer have any financial interest in the Property or the Sponsor, except that they will be paid a fee for services.

FGC is a full-service architectural firm which has been providing architectural and consulting services throughout the northeast since more than three (3) years. Services range from master planning, site plan development and redesign, construction supervision, expediting services, due diligence reports, recommendations, as well as comprehensive design, code compliance and ADA.

The consulting engineer, Seymon Rodkin is licensed in the State of New York. The engineer has relevant experience in the design of many residential properties and forecasting utility costs for both commercial and residential properties. Over the past several years, the engineer has prepared schedules of energy costs for numerous Condominium projects in the New York metropolitan area and Westchester County.

Counsel to Sponsor for Offering

The Sponsor has retained the law firm of Smith, Buss & Jacobs LLP, 733 Yonkers Avenue, Yonkers, New York 10704, to represent it in the preparation of the Offering Plan. Kenneth R. Jacobs, Esq. of this law firm prepared the Declaration, and the By-Laws, this Plan, the form of purchase agreement, the form of deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto.

No separate counsel has been retained to represent the Condominium. It is suggested and expected that each Purchaser will consult and be represented by his own counsel in connection with this Offering.

The above-noted counsel has no financial interest in the Property or the Sponsor, except that they will be entitled to a fee for their services.

26. REPORTS TO UNIT OWNERS.

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

- 1) a financial statement of the Condominium prepared by a certified public accountant or public accountant by April 30th of each calendar year, which report shall be certified while the sponsor controls the Board of Managers;
- 2) prior notice of annual Unit Owners' meetings; and
- 3) a copy of the proposed annual budget of the Condominium no later than fifteen (15) days prior to the date set for adoption thereof by the Board of Managers, which budget shall be certified as adequate by an independent expert while the Sponsor controls the Board of Managers.

27. DOCUMENTS ON FILE.

The Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at the offices of

Claire D. Leone Associates Ltd., 29 Wilmot Road, Scarsdale, New York 10583. (the Selling Agent) for a period of six (6) years from the date of the first Unit 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 First Unit Closing.

28. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION.

Attached in Part II of the Plan is the Architect's Description of Property and Building Condition detailing the work to be performed by the Sponsor in building the Building.

The Sponsor hereby adopts the Description of Property and Building Condition in Part II of the Plan. The Sponsor represents that the Sponsor has no knowledge of any material defects or need for major repairs to the Property, except as may be set forth in the Description of Property and Building Condition.

29. PARKING AND GARAGE UNITS.

The Parking Unit and the Garage Unit shall be used exclusively by the invitees of the Sponsor and not by the individual Residential Unit Owners. The rights and obligations of the Parking and Garage Units, as set forth in further detail in the Declaration, By-Laws and Condominium Rules and Regulations, are as follows:

A. Restrictions of on the Use of the Parking and Garage Units. The Parking and Garage Units may be used for any lawful purpose, subject to the restrictions set forth below and any other restrictions contained in the Declaration or By-Laws. The Parking and Garage Units may not be used for any purpose other than parking motor vehicles consistent with applicable ordinances.

B. Rights of the Parking and Garage Units Owners. The Parking and Garage Units Owners are not required to obtain the approval of the Board of Managers or meet certain requirements imposed upon other Unit Owners in order to exercise a number of rights described in the By-Laws. Included among these are the right to transfer or lease the Parking and Garage Units without offering the Board of Managers the right of first refusal and the right to alter and subdivide the Parking and Garage Units without obtaining the prior consent of the Board of Managers, but only in accordance with the other terms of this Plan. In addition, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration of Condominium, or the Rules and Regulations of the Condominium modifying the permitted uses of the Parking and Garage Units or affecting the rights, privileges, easements, licenses or exemptions granted to the Parking and Garage Units Owners, shall be effective in any way against the Parking and Garage Units Owners, without the written consent of that Owner. Notwithstanding the foregoing, the Parking and Garage Units may not be altered in a manner which causes a material adverse impact upon the structure or utility systems of the Building.

C. Common Charges Payable by the Parking and Garage Units. The contribution of the Parking and Garage Units Owners to common expenses will be based on the percentage of common interest of the Parking and Garage Units Owners.

In the opinion of David J. Amster, Vice President of Prime Locations Inc., the common charges for the Parking and Garage Units, as detailed in Schedule A and B, are fairly allocated based upon the anticipated use and consumption of the Parking and Garage Units.

The Parking and Garage Units Owners are obligated to pay its fair share of the expenses incurred by the Condominium for operating, maintaining and repairing those Common Elements that are utilized by the Parking and Garage Units Owners. No more frequently than once per year, the Board of Managers may seek to adjust the allocation of Common Expenses to reflect the proportions fairly attributable to the Residential and Parking and Garage Units to the amount of usage fairly anticipated by such Unit Owners of the services and Common Elements in question during the following year, based on historical usage or (in the event of capital repairs) anticipated costs. However, without the consent of the Parking and Garage Units Owners, the Condominium Board may not (1) modify its method of allocations and assessments, or increase the number of building employees servicing the Parking and Garage Units or the categories of services, utilities or supplies provided to the Parking and Garage Units, in such a manner as would increase the Common Charges otherwise payable by the Parking and Garage Units Owners or (2) increase the Common Charges payable by the Parking and Garage Units Owners beyond their Percentage of Common Interest in any particular category of Common Charges, including charges for capital Repair projects not otherwise reflected in the annual operating expense budget. Any allocation shall conform to Section 339-m of the Real Property Law.

30. GENERAL.

A. Each Unit Owner shall be required to comply with and abide by the Declaration, the By-Laws and the Regulations of the Condominium made in accordance therewith and to pay the Common Charges levied by the Board of Managers. Such obligations shall be enforceable by the Board of Managers by foreclosure of the statutory lien against the Unit for the amount of any such unpaid Common Charges or by suit to collect the same by action for damages, by injunction or by other appropriate relief.

B. There are no lawsuits or other legal proceedings pending which would materially affect this Offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all its obligations under the Plan, the Condominium or the operation thereof.

C. To the best of Sponsor's knowledge, the Property has not been the subject of any prior public offering.

D. The Declaration and By-Laws of the Condominium are made part of this Offering Plan. If there is any inconsistency between the terms of this Offering Plan and the terms set forth in the Declaration, then the terms of the Plan shall prevail.

E. Annexed to the By-Laws are the Regulations of the Condominium which shall apply unless amended by the Board of Managers.

F. This Plan contains an accurate summary of the pertinent provisions of the various documents referred to herein and copies thereof are on file with the Sponsor for inspection purposes. Any information, data, or representation not referred to in this Plan and not contained in the various documents mentioned herein, must not be relied upon. This Plan does not knowingly omit any material fact or contain any untrue statement of a material fact. No person has been authorized by the Sponsor to make any representation which is not expressly contained in the Plan.

G. If there is an amendment to the Plan that materially adversely affects Purchasers, the Sponsor will grant Purchasers a right of rescission for a period not less than fifteen (15) days after the date of presentation of the amendment to exercise the right. The Sponsor must return any deposit or down payment to Purchasers who rescind. The Sponsor may condition the return of the down payment to interim lessees (if any) to their vacating the Unit.

H. Sponsor hereby represents that neither it, nor any of its agents, will refuse to sell or offer, or will otherwise discriminate against any person or persons by reason of their race, religion, color or place of national origin in the sale, transfer or lease of Units described in this Plan.

I. No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the date the plan is accepted for filing.

J. As of the date the plan is accepted for filing, all of the Units are vacant and none of the Units have been occupied by residential or commercial tenants.

K. This Plan may not be changed or modified orally.

Dated: May 20, 2004
Westchester, New York

Dorami Realty of New York, Inc.
Sponsor

THIS PAGE INTENTIONALLY LEFT BLANK