

The amount of fire insurance to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners shall be in at least the sum of \$4,255,000.00.

Each Unit Owner and such Unit Owner's known mortgagee shall be a named insured on the policy and shall receive, at the time of purchase and at the time a new policy is obtained or an existing policy renewed, a certificate evidencing proof of insurance coverage. Duplicate originals of the policy and of all renewals of the policy shall be furnished to all known institutional mortgagees of Units.

Flood Insurance. The Board of Managers will obtain, if available, a "blanket" policy of flood insurance covering all Units in buildings located entirely or partially within any flood hazard area as identified by the Federal Secretary of Housing and Urban Development. Such coverage shall be for the maximum amount available or the current replacement cost of the building, whichever is less.

- 2- Liability Insurance Covering the Board of Managers, the Officers of the Condominium, the Managing Agent, if any, and All Unit Owners (but not the liability of Unit Owners arising from occurrences within such Owner's Unit or within or on any common elements exclusive to such Owner's Unit). The policy shall include the following endorsements (i) comprehensive general liability, (ii) personal injury, (iii) medical payments, (iv) cross liability and (v) contractual liability. Until the first meeting of the Board of Managers elected by the Unit Owners, this public liability insurance shall be in a combined single limit of \$500,000.00 covering all claims for bodily injury and property damage.
- 3- Directors' and Officers' Liability Insurance Covering the "Wrongful" Acts of a Member of the Board of Managers or Officer of the Condominium. This coverage provides for funds to be available to defend suits against officers and members of the Board of Managers for their "wrongful" acts and to pay any claims which may result. The policy shall be on a "claims made" basis so as to cover all prior officers and members of the Board of Managers. The policy shall provide for "participation" by the Condominium or by the members of the Board of Managers or officers of the Condominium only to the minimum extent required by law or applicable governmental regulation (5% as of the date of this Plan). Until the first meeting of the Board of Managers elected by the Unit Owners, the directors' and officers' liability coverage shall be at least in the amount of \$500,000.00.

In the future, the Board may wish to obtain the following additional coverage:

- 4- Fidelity Bond Covering All Members of the Board of Managers, Officers and Employees of the Condominium and of the Condominium's Managing Agent Who Handle Condominium Funds.
- 5- Worker's Compensation Insurance. Such insurance would cover any employees of the Condominium, as well as any other person performing work on behalf of the Condominium.

Allocation of Deductible. The deductible, if any, on any insurance policy purchased by the Board of Managers shall be a common expense, provided, however, that the Board of Managers may assess any deductible amount necessitated by the gross negligence or wantonly malicious act of a Unit Owner, against such Unit Owner.

Insurance Obtained by Unit Owners. The Sponsor suggests that purchasers of Units obtain the following coverages which the Board of Managers does not provide or is not obligated to provide:

- 1- Fire and Casualty Coverage for (i) any upgrading, i.e., any replacement to the original construction of the Unit or equipment in the Unit which is of better quality, larger or more costly than a replacement to the item as installed in the Unit at the time it was initially offered for sale. Such upgraded items may include kitchen and bathroom flooring, carpeting, bathroom tile and fixtures, lighting fixtures, kitchen cabinets, carpeting and wall coverings; (ii) any fixtures installed or improvements made to the Unit by the Unit Owner which are not replacements of items in the Unit at the time the Unit was initially offered for sale; (iii) the personal property of the Unit Owner.
- 2- Liability coverage for occurrences within the Unit or within any common elements exclusive in use to such Owner's Unit.

Each policy obtained by the Owner of an individual Unit shall contain a waiver of the right of subrogation and shall provide that the liability of carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such insurance carried by any Unit Owner.

The customary form of policy for the above coverages for Unit Owners is HO-6 or equivalent. Unit purchasers may obtain such coverage by making arrangements with their own insurance agent or with the insurance agent for the Condominium (whose name is available from the Sponsor upon request). Unit purchasers are advised that the HO-6 policy has a \$1,000.00 limit of liability for "additions, alterations, fixtures, improvements, or installations." This limitation may be increased by payment of an additional premium.

Unit purchasers may also wish to obtain coverage for living expenses in the event their Unit cannot be occupied because of a fire or other casualty. All Unit Owners may wish to cover their liability for any "deductible" or other shortfall in the Condominium's coverage in the event the loss suffered is the result of the Owner's gross negligence or wantonly malicious act.

Access Rights of Board of Managers. The Board of Managers, its agents, contractors and employees, shall have a right of access to the Units and to the common elements (irrespective of the restricted nature of such common element) to remove violations, maintain, repair or replace the common elements or any pipe, wire, duct, cable, conduit or utility line located in any Unit and servicing any other Unit or to make repairs to a Unit to prevent damage to the common elements or to any other Unit.

The Board of Managers, its agent and/or any other person authorized by the Board of Managers, the manager or the managing agent shall have a right of access to all Units, for the purpose of (i) making inspections or (ii) correcting any condition originating in a Unit and threatening another Unit or a common element, or (iii) performing installations, alterations or repairs to the mechanical or electrical services or other common elements in a Unit or elsewhere in the Building, or (iv) correcting any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. (See Condominium Declaration Section 7.02 and Condominium By-Laws Section 7.04).

Obligation of Unit Owners to Comply With Declaration, By-Laws and Rules and Regulations of Condominium. All Unit Owners, their tenants and the other Unit occupants are, pursuant to provisions of the Condominium Declaration and the Condominium By-Laws obligated to comply with the provisions of such Declaration and By-Laws. The Condominium By-Laws also require compliance with any rules or regulations promulgated by the Condominium in accordance with the Condominium Declaration or By-Laws. (See Condominium Declaration Section 11.01 and Condominium By-Laws Section 7.07).

In the event of the breach of any provision of the Condominium Declaration or Condominium By-Laws or the violation of any Condominium rule or regulation, (i) the Board of Managers or any aggrieved Unit Owner may enjoin, abate or remedy, by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (ii) the Board of Managers may establish a penalty as described below in this section. Prior to exercising such right, the Board of Managers or Unit Owner or Owners, as the case may be, shall, if reasonably possible, notify the owner and mortgagee (if known) of the Unit or Units involved and provide a reasonable amount of time for the cure of such violation or breach. (See Condominium By-Laws Section 7.10).

If an action is successfully brought to extinguish a violation of any Condominium rule or regulation adopted by the Board of Managers or to successfully enforce the provisions of the Condominium Declaration or Condominium By-Laws, the cost of such action, including legal fees, shall become a binding personal obligation of the violator. If such violator is (1) the Unit Owner, or (2) any family member, tenant or guest or invitee of such Unit Owner, or (3) a family member or guest or invitee of such Unit Owner, or (4) a family member or guest or invitee of the tenant of such Unit Owner, or (5) a guest or invitee of (i) any member of such Unit Owner's family, or (ii) any family member of the tenant of such Unit Owner; such cost shall also be a lien upon the Unit or Units of such Unit Owner. (See Condominium By-Laws Section 7.09).

In addition or as an alternative to an action at law or suit in equity, the Board of Managers may, with respect to any violation of the Condominium Declaration or By-Laws or of any rule or regulation of the Condominium or any committee of the Condominium, and after affording the alleged violator a reasonable opportunity to appear and be heard, establish monetary and non-monetary penalties, the amount and severity of which shall be reasonably related to the violation and to the aim of deterring similar future violations by the same or any other person. Monetary penalties imposed against a Unit Owner or occupant shall be deemed an assessment against the Unit of such Owner and, as such, shall be a charge and continuing lien upon such Unit, shall constitute a personal obligation of the Unit Owner, and shall be collectible in the same manner as common charges and special assessments under Article V of the Condominium By-Laws. (See Condominium By-Laws Section 7.10).

**RIGHTS AND OBLIGATIONS OF CONDOMINIUM
BOARD MEMBERS
-SUMMARY OF DECLARATION AND BY-LAWS**

Composition, Election and Removal of Board of Managers of Condominium. The Board of Managers of the Condominium shall initially consist of three (3) persons designated by the Sponsor. Within 30 days after the initial transfer of title to sixteen (16) Units or one (1) year from the date of recording of the Condominium Declaration, whichever first occurs, a fourth board member shall be elected by those Unit Owners other than the Sponsor. Within 30 days after the transfer of title to thirty-one (31) of the Units or two (2) years from the date of the recording of the Condominium Declaration, whichever first occurs, a fifth board member shall be elected by those Unit Owners other than the Sponsor. At the first meeting of Unit Owners, which shall be held within 30 days after the Sponsor no longer owns 25% or more of the Units or common elements, a new five (5) member Board shall be elected by the Unit Owners. So long as the Sponsor owns at least 10% (but less than 25%) in number of Units or in percentage interest, the Sponsor shall have the right to elect or appoint at least two (2) of the five (5) board members, and so long as the Sponsor owns at least one Unit, the Sponsor shall have the right to elect or appoint one (1) of the five (5) members of the Board. (See Condominium By-Laws Sections 2.04 and 3.01).

All members of the Board shall be (i) Unit Owners, (ii) spouses of Unit Owners, (iii) mortgagees of Units, (iv) members, officers of members or employees of a partnership Unit Owner or mortgagee, (v) officers, directors, shareholders, employees or agents of a corporate Unit Owner or mortgagee, (vi) the fiduciary or officers, agents or employees of a fiduciary Unit Owner, or (vii) the Sponsor or designees of the Sponsor. (See Condominium By-Laws Section 3.01).

Nominations for election to the Board of Managers shall be made by a nominating committee which shall be appointed by the Board or from the floor at the annual meeting of Unit Owners. (See Condominium By-Laws Section 3.04).

At the first meeting of Unit Owners, three (3) Board members shall be elected for a two (2) year term and two (2) for a one (1) year term. Thereafter, all members shall be elected for a two (2) year term. (See Condominium By-Laws Section 3.04).

Members of the Board elected by the Unit Owners may be removed with or without cause by a majority of the Unit Owners at any regular or special meeting of Unit Owners. Any Board member whose removal has been proposed shall be given the opportunity to be heard at the meeting. (See Condominium By-Laws Section 3.05).

Powers and Duties of Board of Managers of Condominium. The Board of Managers of the Condominium shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Condominium Declaration or Condominium By-Laws may not be delegated to the Board of Managers by the Unit Owners. As set forth in Condominium By-Laws Section 3.02, such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

1. Determination and levying of annual assessments (common charges) and special assessments.
2. Collection, use and expending of assessment money to maintain, care for and preserve the Units, buildings and common elements.
3. Making of repairs, additions and improvements to or alterations of the Property as deemed necessary by the Board of Managers, or required by law or as a result of damage or destruction by casualty.
4. Entering into and upon the Units when necessary with as little inconvenience to the Unit Owners as possible, in connection with the maintenance care and preservation of the Property.
5. Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers.

6. Obtaining and maintaining insurance for the Property.
7. Purchasing of Units at foreclosure or other judicial sale.
8. Selling, leasing, mortgaging, repairing, maintaining, or otherwise dealing with Units acquired by the Board of Managers.
9. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.
10. Leasing of portions of the common elements and granting of licenses for vending machines.
11. Borrowing money on behalf of the Condominium when required in connection with the operation, care and maintenance of the common elements, provided that at least 66-2/3% of Unit Owners in number and common interest consent if the borrowing is for a sum in excess of 25% of the amount of the then current annual budget of the Condominium.
12. Adoption and amendment of reasonable rules and regulations governing the operation and use of the Property and delivery of any such rules and regulations or amendments thereto to each Unit.
13. Collection of delinquent assessments by suit or otherwise, abatement of nuisances, and the enjoinder and or seeking of damages for violations of rules and regulations.
14. Employing and terminating the employment of employees and independent contractors, purchasing supplies and equipment, entering into contracts and generally having the powers of manager in connection with the above recited powers and duties.
15. Establishing reserves for the repair and replacement of the common elements.
16. Complying with any change in law as it may affect the Condominium.

Complete details of the powers of the Board are set forth in Section 3.02 of the Condominium By-Laws.

Officers of the Condominium. The officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer. They shall be elected annually by the Board of Managers. Only the President must be a member of the Board of Managers. The Board may remove any officer by the affirmative vote of a majority of Board members.

As provided in the Condominium By-Laws Sections 4.04 through 4.07, the duties of the Condominium officers shall be as follows:

President. The President shall (i) be the chief executive officer of the Condominium, (ii) preside at all meetings of the Unit Owners and of the Board of Managers, (iii) have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners to assist in the conduct of the affairs of the Condominium.

Vice President. The Vice President shall (i) take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act, and (ii) perform such other duties as the Board of Managers or the President shall from time to time determine.

Secretary. The Secretary shall (i) keep the minutes of all meetings of the Unit Owners and of the Board of Managers, (ii) record all votes and the minutes of all proceedings in a book to be kept for that purpose, (iii) have charge of such books and papers as the Board of Managers may direct, (iv) give or cause to be given, notice of all meetings of Unit Owners and all special meetings of the Board of Managers; and (v) in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Treasurer. The Treasurer shall (i) have the responsibility for Condominium funds and securities, (ii) be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data, (iii) be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and (iv) in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Risks and Liabilities of Condominium Board Members, Officers and Unit Owners. Because the recorded Condominium Declaration gives the members of the Condominium's Board of Managers (referred to in this subsection as "Board members") and the officers of the Condominium control over the rights, interests, actions and property of other people, the officers and Board members are deemed to be in a fiduciary position.

Those in a fiduciary position are held to a higher standard of conduct than persons not in such position. Officers and Board members must discharge their duties (such as the enforcement of rules and regulations, assessment collections and management of funds) in good faith and with a degree of diligence, care and skill which an ordinarily prudent person would exercise under like circumstances. A failure to act in such a manner which results in an illegal or tortious act which the Board member or officer participated in or could have prevented but did not, could result in personal liability. Failure to exercise proper supervision can also be grounds for finding a breach of fiduciary duty and personal liability.

The legal documents of the Condominium include several provisions designed to protect or indemnify officers, Board members, and individual Unit Owners from personal liability, including the following:

- The Condominium By-Laws (Section 3.11) provide that any contract or other commitment made by the Board of Managers, the managing agent or the manager shall state that the party entering into the contract is doing so only as the agent for the Unit Owners and shall have no personal liability (except as a Unit Owner), and that the liability of any Unit Owner in such contract shall be limited to the proportionate share of the total liability under the contract as the percentage interest in the common interest of the Condominium appurtenant to such Owner's Unit.
- The Condominium By-Laws (Section 3.11) provide that the Board members shall have no liability to the Unit Owners for errors of judgment, negligence or otherwise, except for willful misconduct or bad faith and that the Unit Owners shall severally indemnify the Board members against any liability or claims except those arising out of the bad faith or willful misconduct of the Board members. The liability of any Unit Owner on account of indemnification to a Condominium Board member shall be limited to the proportionate share of the common interest of such Unit Owner in the common elements of the Condominium.
- The Condominium By-Laws (Section 8.01) provide for the obtaining of directors' and officers' liability insurance to have funds available to defend law suits against officers and/or Board members and to pay any claims that may result. So long as any Board member has been elected or appointed by the Sponsor, this coverage may not be obtainable, or if obtainable, the cost may be too great in the opinion of the Board to warrant the expenditure. (In New York the coverage of this type of policy is limited to 95% of such costs.) Such insurance usually will not cover any losses resulting from insufficiency of fire and casualty or liability insurance coverage and may have other exclusions including intentional wrongdoing, libel and slander, fraudulent acts or civil rights actions.

Unit Owners should be aware that if the Condominium insurance coverage is for any reason insufficient, they could be called upon to make up the difference between the amount of coverage and the amount of damages due an injured party as agreed upon or as determined by a court.

In addition to the above measures, there are certain precautions or actions which officers and Board members can take to reduce the possibility of legal actions against them, the Condominium or the Association. These include the following:

- Policy decisions should be made only by Board members. Officers should refrain from making policy decisions, especially "on-the-spot" decisions.

- Proposed rules and regulations should be reasonable and should be communicated to the Unit Owners or members so as to afford an opportunity for comment prior to adoption. Rules and regulations should be uniformly and timely enforced. Alleged violators of the rules and regulations should be afforded the opportunity to be heard before any penalty is imposed. Penalties imposed for violations of the provisions of the Declarations, By-Laws or any rules and regulations should not be unconscionable.
- Officers and Board members cannot discriminate on the basis of race, sex, religion, creed or national origin.
- Penalties, interest, late charges and attorneys fees with respect to the collection of assessments, if not controlled by statute, should reasonably relate to the cost of collection and the loss of funds for the period such assessments remain unpaid.
- Officers and Board members should exercise proper supervision over the employees of the Condominium.
- Officers and Board members should operate the Condominium in a business-like manner and they should not incur large deficits because of mismanagement.
- The Condominium can be sued by their Unit Owners or members or others for injuries sustained allegedly as a result of the negligence or wrongful conduct of their Board members, officers, agents or employees. Officers and Board members must not act in an illegal or tortious manner and, if they can, take action to prevent an illegal or tortious act.
- Officers and Board members should avoid actual or potential conflicts of interest and should make full disclosure of such actual or potential conflicts. Any Board member having an existing or potential conflict in a matter before the Board should not vote on the matter.

Repair, Replacement and Maintenance of Common Elements. All maintenance, repairs and replacement to the common elements of the Property including but not limited to exterior walls (but not doors which open from a Unit which are part of the Unit), roof and roof members, fences and exterior stairs, shall be common expenses unless occasioned by a negligent or willful act or omission in which event the Board of Managers shall seek recovery from the responsible party. (See Condominium By-Laws Section 7.01).

Repair or Restoration After Fire or Other Casualty. In the event of damage to or destruction of any of the buildings or common elements as a result of fire or other casualty, the insurance proceeds, if any, shall be payable to the Board of Managers if they do not exceed \$50,000.00; and if in excess of \$50,000.00, then to such insurance trustee as the Board of Managers shall select. The amount of this limit shall automatically increase each

calendar year by 5% over the limit of the previous year. The Board of Managers shall arrange for prompt repair and restoration of the damage (including any damaged Units, and any kitchen or bathroom fixtures, initially installed therein by the Sponsor, but excluding any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures, appliances or equipment installed by the present or any prior owner of the Unit), and the Board of Managers or the insurance trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair or restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers shall assess all the Unit Owners for such deficit and for a completion bond for such as part of the common charge.

If there shall have been such a repair or restoration, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds shall be divided by the Board of Managers or the insurance trustee, as the case may be, among all the Unit Owners, subject to the rights of holders of mortgages encumbering such Units in proportion to their respective common interests after first paying out of the share due each Unit Owner such amounts as may be required to reduce unpaid liens on such Unit in the order of priority of such liens.

If seventy-five percent (75%) or more of the Units are destroyed or substantially damaged as determined by the Board of Managers and seventy-five percent (75%) or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition upon the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies, shall be held in escrow by the Board of Managers or the insurance trustee, as the case may be, to be divided among all Unit Owners, subject to the rights of holders of mortgages encumbering such Units, in proportion to their respective common interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on this Unit, in the order of the priority of such liens. (See New York Condominium Act, Section 339-cc and Condominium By-Laws Section 8.03).

Insurance Coverage. The Board of Managers of the Condominium shall obtain and maintain, to the extent reasonably obtainable and to the extent determined by the Board of Managers to be appropriate or relevant and containing the provisions, endorsements and coverages as set forth in the Condominium By-Laws: (1) fire and casualty insurance covering the Units and other improvements on the Property for their full replacement value under the "single entity" concept, (2) liability insurance, (3) directors' and officers' liability insurance. The Board may later choose to obtain: (4) a fidelity bond, and (5) workers' compensation insurance. Details of the insurance coverages to be obtained are set forth elsewhere in this Plan. (See Condominium By-Laws Section 8.01).

Reports and Notices to Unit Owners. All Unit Owners will be entitled to receive annually copies of the following: (1) an annual audited or reviewed financial statement of the Condominium prepared by an independent certified public accountant, to be received annually within four months after the end of the fiscal year of the Condominium, (2) notice of the holding of an annual Unit Owners' meeting for the purpose of electing the Board of Managers of the Condominium, to be received annually not less than 10 days before the meeting, and (3) a copy of the proposed annual budget of the Condominium, to be received not less than 15 days prior to the date set for adoption thereof by the Board of Managers. (See Condominium By-Laws Sections 6.02, 2.07 and 5.01).

Amending Condominium Documents. The Condominium Declarations and By-Laws may be amended as follows: By the affirmative vote of 67% or more of all Unit Owners in number and in common interest voting at a duly called meeting of Unit Owners, provided that the Board of Managers does not, prior to the date established for voting on the proposed change, receive written notification of opposition to the change from first mortgagees of 51% or more in number and common interest of all Units subject to mortgages as listed on the books and records of the Condominium, which opposition must not be unreasonable (see Condominium Declaration Section 12.01 and Condominium By-Laws Section 10.01), except that (1) the Sponsor's consent to any change in the Condominium Declaration is required so long as the Sponsor owns 10% or more of the Units, but in no event later than three years from the date of recording of the Condominium Declaration and (2) the Sponsor's consent is required with respect to certain changes in the Condominium Declaration and By-Laws which could adversely affect the interests of the Sponsor as specified in Condominium Declaration Section 12.01 and By-Laws Section 10.01. The Sponsor may also amend the Declaration without any Unit-Owner approval in order to correct errors or omissions or to file additional floor plans. See Sections 12.02 and 12.03 of the Declaration.

Termination of Condominium. The Condominium shall continue (unless terminated by casualty loss as provided by law or by condemnation as described in the Declaration or By-Laws) until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote of at least 80% in number and in common interest of the Unit Owners at which time the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common and the net proceeds of the sale resulting therefrom shall be divided among all Unit Owners in proportion to their respective interests in the common elements, after first applying the share of the net proceeds of such sale otherwise payable to each Unit Owner to the payment of any liens on his Unit in the order of the priority of such liens. (See Section 339-t of New York Condominium Act).

Procedure for Review of Real Estate Tax Assessments. Pursuant to Section 339-y of the New York Condominium Act, the Board of Managers may act as the agent of all Unit Owners who have given their written authorizations to the Board of Managers to complain or apply to the Board of

Assessment Review by filing a single complaint on behalf of all such Unit Owners, and to commence and prosecute a special proceeding for the review of assessments of real property. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent to and to charge such Unit Owners a pro-rata share of expenses, disbursements and legal fees.

In lieu of protesting their real property tax assessment through the Board of Managers, Unit Owners may request a review of the assessment of their Unit on their own or through their own attorney. If the request of an individual Unit Owner is denied, the Unit Owner may commence and prosecute a formal proceeding for court review. The small claims review procedure established in 1981 by Sections 730 through 738 of the New York Real Property Tax Law is not available to owners of condominium units.

Covenant Against Partition of Common Elements. Pursuant to Section 5.04 of the Condominium Declaration, the common elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law and unless consented to by all holders of institutional first mortgages on the Units. Section 4.06 of the Condominium Declaration provides that no Unit (including the interest in the common elements appurtenant thereto) shall be subject to partition or subdivision. This shall not prohibit structural alterations or changes in the number of rooms within a Unit undertaken with the approval of the Board of Managers.

Accumulation of Reserves. The Board of Managers is required to establish reserves for the purpose of funding capital replacements and repairs of the common elements. The reserves shall be in such amount as are adequate to fund the projected cost of such repairs and replacements and shall be sufficient to meet the reasonable requirements of existing or proposed lenders, holders and insurers of first mortgages on the Units. (See Condominium By-Laws Section 3.02).

TAXES - DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

Unit Owners. Under both federal and New York income tax laws, Unit Owners will be entitled to deduct from their gross income the real estate taxes assessed against their Unit and paid, and the amount paid on account of interest on any mortgage indebtedness covering their Units.

The Sponsor will apply for individual Unit tax abatements pursuant to Section 421-a of the New York Real Property Tax Law. The Sponsor anticipates that this will result in a full tax abatement (i.e., tax assessment on the land only) for the first two years of ownership, 80% tax abatement for years three and four, 60% tax abatement for years five and six, 40% tax abatement for years seven and eight, and 20% tax abatement for years nine

and ten. Thereafter, the Units will be fully taxed. The Sponsor will use its best efforts to obtain such abatements, and the information provided to the local taxing authority by the Sponsor is and will be complete, true and correct, but the Sponsor does not warrant their availability.

Unit Owners who are veterans of the United States Armed Forces may be entitled to a veteran's exemption covering a portion of the real estate taxes assessed against their respective Units. Unit Owners who are at least 65 years of age may be entitled to a senior citizens exemption covering a portion of the real estate taxes assessed against their respective Units.

Sponsor's tax counsel is of the opinion that, given the information supplied to it by Sponsor, the Condominium will be eligible for tax exempt status under the federal income tax laws should they elect to take such exemption. However, interest income earned on Condominium funds and any income not received from membership dues, fees or assessments will be taxable to the Condominium, whether or not tax exempt status under the federal tax laws is obtained.

Part II of this Offering Plan contains an opinion of Sponsor's counsel supportive of the above statements.

WORKING CAPITAL FUND AND RESERVE FUND

Working Capital Fund. At the time of closing, each Unit Purchaser will contribute \$200.00 to the Condominium's working capital fund. Alternatively, the Sponsor may, prior to or simultaneously with the first closing of title to a Unit, will deposit a total of \$200.00 for each Unit, which funds may be used by the Condominium as working capital. This amount will then be reimbursed to the Sponsor by each initial Unit purchaser at the time of closing of title to such Unit. The Board of Managers of the Condominium may use such sum as it may determine, in its sole discretion, such as for expenses which must be prepaid by the Condominium, including, but not necessarily limited to: fire, casualty and liability insurance and directors' and officers' liability insurance. The working capital fund will be replenished as funds become available from common charges collected and the working capital fund will be turned over to the resident Board of Managers when the Sponsor's control terminates. While the Sponsor is in control of the Board of Managers, the working capital contribution shall not be used to reduce the amount of common charges.

Reserve Fund. The proposed budget for the first year of operation contains expense items which will be used to establish reserve funds replacement of roofs and gutters, and miscellaneous capital items. These reserves will be funded by common assessments paid by all Unit Owners.

The purpose of the reserve funds is to insure that there is money available in the future for major maintenance and repair items. If an adequate amount is allocated annually to the reserve fund expense items in the Condominium budget, then there should be no requirement for special assessments against each Unit at the time such projects are undertaken.

Neither the Department of Law nor any other government agency has passed upon the adequacy of the working capital or reserve funds.

IDENTITY OF PARTIES

Sponsor. Laconia Homes, Inc., the Sponsor, is a New York corporation with its office at 87 Pouch Terrace, Staten Island, New York 10305. This offering is the sole enterprise of the Sponsor.

The sole principal of the Sponsor is Savino Savo, a concrete contractor who has also been building homes on Staten Island for the past ten years. Since June, 1982, Mr. Savo has constructed homes on Staten Island located at 700 Mills Avenue, 85, 87, 89, 91, 93 and 95 Haven Avenue, 82 and 90 Hallister Street, 107 Gaynor Avenue and 70 West Cedarview Avenue.

Mr. Savo will also act as the initial managing agent for the Condominium. The term of the initial management contract will be two years.

Attorney. The law firm of Lahr, Dillon, Manzulli, Kelley & Penett, P.C. (Michael F. Manzulli, Esq.), 207 Taylor Street, Staten Island, New York 10310 (718-447-8841) is representing the Sponsor in connection with all matters incidental to the Condominium and will represent the Sponsor in connection with Unit closings. The Buffalo law firm of Albrecht, Maguire, Heffern & Gregg, P.C., (George R. Grasser, Esq. and V. Douglas Errico, Esq.) 2100 Main Place Tower, Buffalo, New York, 14202 (Telephone: (716) 853-1521) has assisted in the preparation of this Offering Plan. The Condominium may retain its own counsel following the filing the Condominium Declaration.

GENERAL

A. There are no lawsuits or other legal proceedings pending which could materially affect this offering, the Property, the Sponsor's capacity to perform all its obligations under this Plan, the Condominium or the operation of the Condominium.

B. This Property has not been the subject of any prior public offering.

C. The Sponsor will not discriminate against any person because of race, creed, color, sex, disability, marital status or national origin or ancestry in the sale of Units on the Property.

PART II
DESCRIPTION AND SPECIFICATIONS
OF CONDOMINIUM PROPERTY AND ASSOCIATION PROPERTY

A. Location and Use of Property.

1. Address:
607, 615, 623 and 629 Laconia Avenue
10, 20 and 40 Meadow Place.
2. Block and Lot Number: Block 3674, Lot 17.
3. Zoning:
R3-2 under the City of New York Zoning Ordinance.
4. Permissible use:
As of right, residential only. Accessory uses customarily incidental to single family houses (e.g. private parking areas, private recreational uses, etc.)

B. Status of Construction.

Construction of buildings has commenced. When completed, the buildings will be II E Wood Frame, with 2 hour rated wood frame walls. Certificate of occupancy for each building will be obtained as building is completed.

C. Site.

1. Size:
The site consists of a parcel of land 1.7 [±] acres.
2. Number of buildings and use:
Four residential buildings, three buildings containing 16 residential units each and one building containing 14 residential units.
3. Private Street and Parking Areas:
 - a. Paving - 3 inches asphaltic concrete over 8 inches of stone
 - b. Curbing - 3200 PSI concrete to an 18 inch total depth with 7 inch reveal and batter face with an 8 inch base width and 6 inch top width
 - c. Catch basins and drainage
 - (i) storm sewers - 2 manholes, 2 opengrate manholes, 2 yard drains and 4 trough drains
 - (ii) sanitary sewers - 6 clean out traps and 2 manholes
 - d. Street lighting - 12 light poles - poles made by Prime Light, 3" round, 10 foot high pole model #6110 with photocell. Head is model #1476, a 60" plastic sphere w/200 watt incandescent light.

4. Sidewalks:

3200 PSI concrete. Thickness will be 4 inches on a 6 inch gravel or stone base except at driveways, where thickness will increase to 7 inches of concrete on a 6 inch gravel or stone base.

D. Utilities:

1. Water:
City of New York. Main meter and included in common charges.
2. Sewer:
City of New York.
3. Electric:
Consolidated Edison Co. - Individual metered.
4. Natural Gas:
Brooklyn Union Gas Co. - Individual metered.
5. Telephone:
New York Telephone - Individual service.

E. Sub-soil Conditions:

1. Load bearing capacity:
Sponsor believes the bearing capacity is sufficient to support buildings, with use of piles.
2. Moisture or seepage:
There are no apparent problems with moisture or seepage on the site, and no need for any corrective actions is contemplated.
3. Flooding:
The site is not within the flood plain.
(Site located on Flood Map Community Parcel 115 of 131, Zone A6 (El. 10), Min. 1st floor El. 6.81).

F. Landscaping and Enclosures:

1. Grass cover:
Sod wherever there is no walkway or asphalt.
2. Plantings: N/A.
3. Trees:
The variety, size and location have yet to be determined.
4. Fencing:
Aluminum chain link fence with aluminum slats, adjacent to Filbert Avenue.

5. Gates:
None
6. Garden walls: One wall 8" wide and 6' high on Laconia Ave.
7. Retaining Walls: Gabion wall. For location, see Site Plan.
8. Display pools:
None

G. Building Height:

1. Total Height:
24 feet
2. Cellar:
None.
3. Number of floors:
2

H. Occupancy:

1. Number of Units:
Sixty-two (62) residential units (in four (4) buildings).
2. Total number of residential rooms:
Three Hundred Seventy (370) residential rooms as calculated below:

17	Studio Units - dining area, kitchen, living room, utility room and bathroom x 17	=	85
15	Single Bedroom Units - dining area, kitchen, living rooms, utility room and bathroom x 15	=	75
30	2 Bedroom Units - dining area, kitchen, living room, utility/storage room, 2 bedrooms and 1-1/2 bathrooms (counted as one room) x 30	=	210

I. Structural System:

1. Foundation: wood piles, concrete pile caps and concrete grade beams, concrete slab and wood frame.
2. Exterior of buildings:
 - a. Walls:
Brick veneer and redwood vertical siding over wood frame.
Ceiling below roof has 6" fiberglass insulation. Exterior walls (except foundation) have 3-1/2" fiberglass insulation.

b. Windows:

AAMA certified - horizontal rolling window specifications. HS-B2-HP45 (ANSI/AAMA 302.9). Series 600T aluminum windows 7/8" double insulated glass. CRF factor = 48 thermal transmittance due to air infiltration $V_i = 0.37$ BTU/hr. Thermal transmittance due to conduction $UC = .66$ BTU/hr. Note: test results obtained at 15 mph wind velocity and 68° fh interior ambient and 18° fh exterior ambient temperature. Conductive thermal transmission at 0 wind velocity = 39°.

Vinyl gaskets at corners. Frame and sash members shall be manufactured of 6063 T5 extruded aluminum alloy minimum thickness .062" plus or minus commercial tolerance. Main frames to be caulked. Finish is PPG duracron thermo setting acrylic paint. Based on this information the Sponsor believes the windows are adequate to withstand the weather conditions that may occur.

2. Parapets and copings: None
3. Chimneys and caps:

Sixty-two (62) double wall metal flues, #294-56SM. In first floor studios, run from utility room, through second floor to roof. In one bedroom units flues run from utility room through second floor to roof. In 2nd floor studios, flues run from utility room to roof. In two-bedroom units, flues run from utility room through second floor to roof.
4. Balconies and Patios: None
5. Exterior entrances:
 - a. Exterior doors and frames - Metal insulation pre-hung doors, Level Lok, made by Level Line, Inc.
 - b. Vestibule doors and frames - N/A
 - c. Exterior stairs - Wood frame w/railings
 - d. Railings - wrought iron
 - e. Mail boxes - each building is to have mailbox located near main road
 - f. Lighting - incandescent adjacent to door.
6. Service entrances: N/A
7. Roof and roof structures:
 - a. Type roofs: hip
 1. Material - 3-in-1 235 class "C" roofing shingles over 15 lb. felt paper
 2. Insulation - R-19 at the second floor ceiling
 3. Surface finish - N/A
 4. Expected useful life - fifteen years
 5. Guarantee - 15 years
 6. Flashing materials including counterflashing - aluminum
 - b. Drains, gutters and downspouts:

Drains - twenty in buildings 1, 3 and 4. Sixteen in building 2. Drains are seamless aluminum by Royal Apex
Gutters and downspouts - 5" aluminum gutters and 2 x 3 leaders
 - c. Skylights - N/A

8. Fire escapes - N/A
 9. Yards and courts - N/A
 10. Interior stairs:
 - a. Stair construction - wood
 - b. Stringers - wood
 - c. Treads - wood
 - d. Risers - wood
 - e. Railing - wood
 - f. Ballustrade - wood
 11. Interior doors and frames:
 - a. wood luanex hollow core.
 12. Elevators - N/A
 13. Elevator cabs - N/A
- J. Auxiliary Facilities:
1. Laundry Rooms: each unit has a laundry room or provision in utility room for washer and dryer.
 - a. Dryer ventilation - metal duct to exterior wall
 - b. Laundry trays - N/A, but washer and dryer hook-ups provided.
 2. Refuse disposal:
 - a. Incinerator - N/A
 - b. Garbage disposal - none
 - c. Storage - N/A
 - d. Weekly pick-up by City of New York
- K. Plumbing and Drainages:
1. Water supply - supplied by New York City.
 2. Fire protection system:
 - a. Standpipes - none
 - b. Hose racks, hoses and nozzles - none for fire protection. Faucets for common water usage are located on building exteriors.
 - c. Sprinkler heads - none
 - d. Siamese connection - none
 - e. Fire hydrants - three hydrants located on site; four hydrants located off site.
 3. Water storage tanks and enclosures - None
 4. Water pressure and how maintained - 70 pounds static pressure at hydrant, maintained by New York City.
 5. Sanitary sewage system:
 - a. Piping materials - 6 inch and 10 inch ductile iron, class 56, pipe. The pipe will be bedded on a six inch granular base.

- b. Sewage disposal - Sewer pipes to public treatment facility
- c. Sewage pumps - N/A

- 6. Dates required permits obtained:
 - Plumbing - not obtained, will be released by the New York City Department of Buildings upon approval of Building Plans.
 - Sewer taps - not obtained, will be released by the New York City Department of Buildings upon approval of Building Plans.
- 7. Storm drainage system:
 - The internal storm drainage system will be constructed of 8 inch, 10 inch and 12 inch ductile iron, Class 56, pipe. The pipe will be bedded on a six inch granular base. The storm drainage system will incorporate three (3) trough drains, two (2) open grate manholes, two (2) yard drains and three (3) manholes. The system will be entirely gravity and no ejector or sump pumps are required.

L. Heating and Hot Water:

- 1. Heating - Individual forced air central heat. Studio and 1 bedroom units have Borg Warner V65 40 D10 boilers, 40,000 BTU capacity, with York burners. 2 Bedroom Units have Borg Warner U6S 65 D08 boilers, 65,000 BTU capacity, with York burners. Heating system is designed to maintain a 70° indoor temperature with outside temperature as low as 0° fh and wind velocity no more than 15 mph.
- 2. Hot Water - Studio and 1 bedroom Units have 40 gallon, 34,000 BTU tank by A.O. Smith or Rheem. 356 ph. 90° rise. Sufficient for 3 showers before running out of hot water. 2 bedroom Units have 50 gallon, 34,000 BTU tank by A.O. Smith or Rheem. 376 ph 90° rise, 75% efficient.
- 3. Fuel - Natural gas for both furnaces and water heaters. Natural gas is supplied by Brooklyn Union Gas Co.

M. Gas Supply:

- 1. Type - Natural gas
- 2. Meters - Individual meters.
- 3. Piping - black maleble fittings.

N. Air Conditioning: N/A

O. Ventilation:

Kitchen - galvanized ductwork broom fan.
Bathroom - 3" pipe 50 CFM.

P. Electric System:

1. Service entrances to main service switchgear: 100 ampere service, 220 volt, single phase.
2. Service to individual units - 60 amp, 220 volt, single phase.
3. Compartment switch gear - outdoor metering approved by New York City. Con Edison transformer unit located at property line.
4. Unit service - 100 ampere breaker
5. Adequacy:
 - a. Service - There are adequate circuits serving each unit which meets the code requirements
 - b. Lighting and fixtures - Recessed, wall and hanging ceiling fixtures
 - c. Convenience outlets - meets the code requirements. 2 appliance outlets in kitchen, 1 grounded outlet in bathroom.
6. Intercommunication and door signal system - 16 volt bell system.

Q. Television Reception Facilities: N/A.

R. Public Area Lighting: parking areas will be lighted.

S. Garages and Parking Areas:

1. Location of garages: N/A.
2. Location of parking areas:
62 parking spaces:
3. Surfaces - Asphalt
4. Parking is not attended
5. Garage ventilation - N/A
6. Garage fire protection - N/A
7. Drainage - Storm water drainage (See K-7 above)

T. Recreational facilities:

None

U. Additional Items:

1. Applicable permits - Building, plumbing, electrical and sewer
2. Type of inspections - Building, plumbing, electrical and sewer
3. Inspecting authority - New York City
4. Duration of approval - Permanent

V. Unit Information:

1. Rooms -

a. Studio Units (17 Units)

(i) Unit Designations -

- Building (1) - 623D, 623F, 629B, 629F
- Building (2) - 40B, 40G, 40J, 40P
- Building (3) - 20D, 20F, 10C, 10D, 10F
- Building (4) - 607B, 607F, 615D, 615F

- (ii) Rooms - studios have two rooms; a full bathroom and a large undivided room containing areas for the kitchen, utilities, living room and dining area.

b. One Bedroom Units (15 Units)

(i) Unit Designations -

- Building (1) - 623C, 623E, 629A, 629E
- Building (3) - 20C, 10E
- Building (4) - 607E, 607A, 615C, 615E
- Building (2) - 40A, 40N, 40F, 40H

- (ii) Rooms - one bedroom units have three rooms; a full bathroom, a bedroom, and a large undivided room containing areas for the kitchen, utilities, living room and dining area.

c. Two Bedroom Units (30 Units)

(i) Unit Designations -

- Building (1) - 623A, 623B, 623G, 623H, 629C, 629D, 629G, 629H
- Building (2) - 40C, 40D, 40E, 40K, 40L, 40M
- Building (3) - 20A, 20B, 20G, 20H, 10A, 10B, 10G, 10H
- Building (4) - 607C, 607D, 607G, 607H, 615A, 615B, 615G, 615H

- (ii) Rooms - two bedrooms have five and a-half rooms; one and a-half bathrooms, two bedrooms, a storage/utility room, and a large undivided room containing areas for the kitchen, dining area and living room.

2. Type and grade of finish materials:
 - a. Floors - Three-quarters inch plywood with either pad and carpet except bathroom will have ceramic tile floor, and kitchen and utility rooms will have Kextile floor.
 - b. Walls and Ceilings - taped sheetrock with coat of primer and off-white paint.
3. Bathroom Fixtures:
 - a. Sink - American Standard or Briggs, vitrous chino or 19" self rimming steel
 - b. Tub - American Standard or Briggs, steel tub.
 - c. Toilet - American Standard or Briggs, vitrous chino.
4. Kitchen Equipment:
 - a. Range - Magic Chef Gas 3107K
 - b. Hood - Coloric
 - c. Refrigerator - GE TV 14SF
 - d. Dishwasher - GE GSD640
 - e. Sink - Steel American Standard or Briggs
 - f. Garbage disposal - GE GFC 230
 - g. Cabinets - Ash plywood and fibercore
 - h. Countertop - Wilson artificial plastic

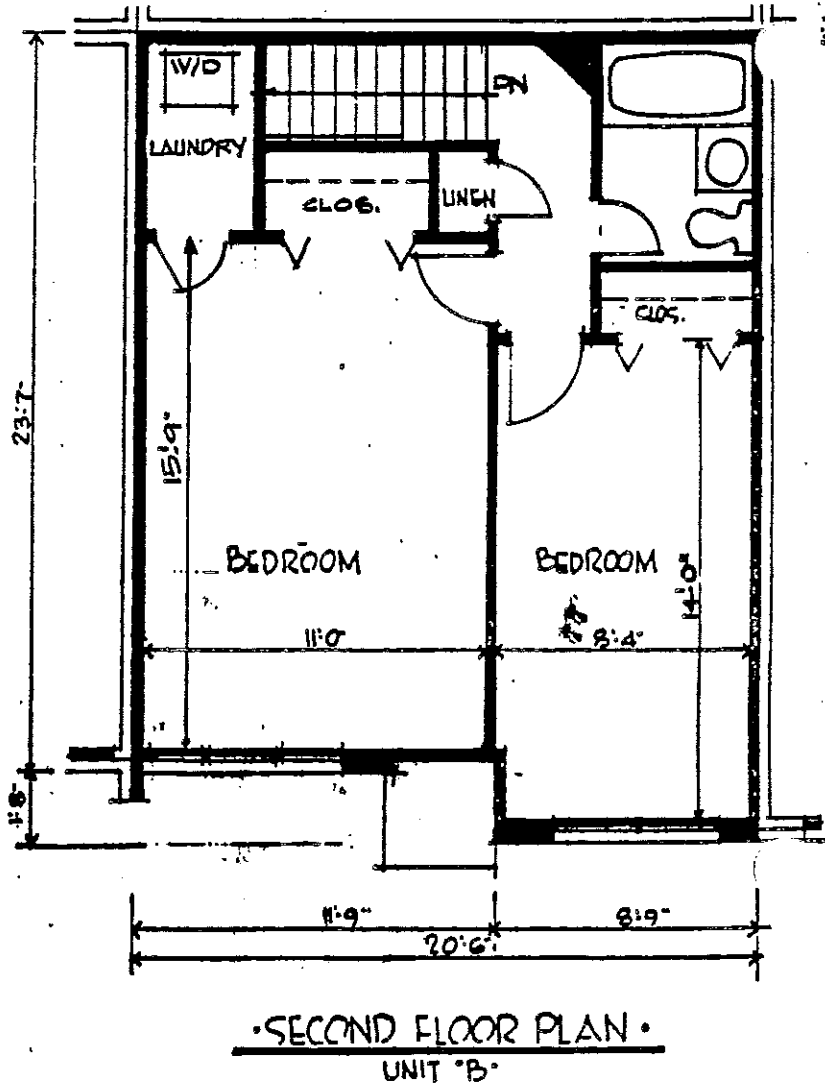
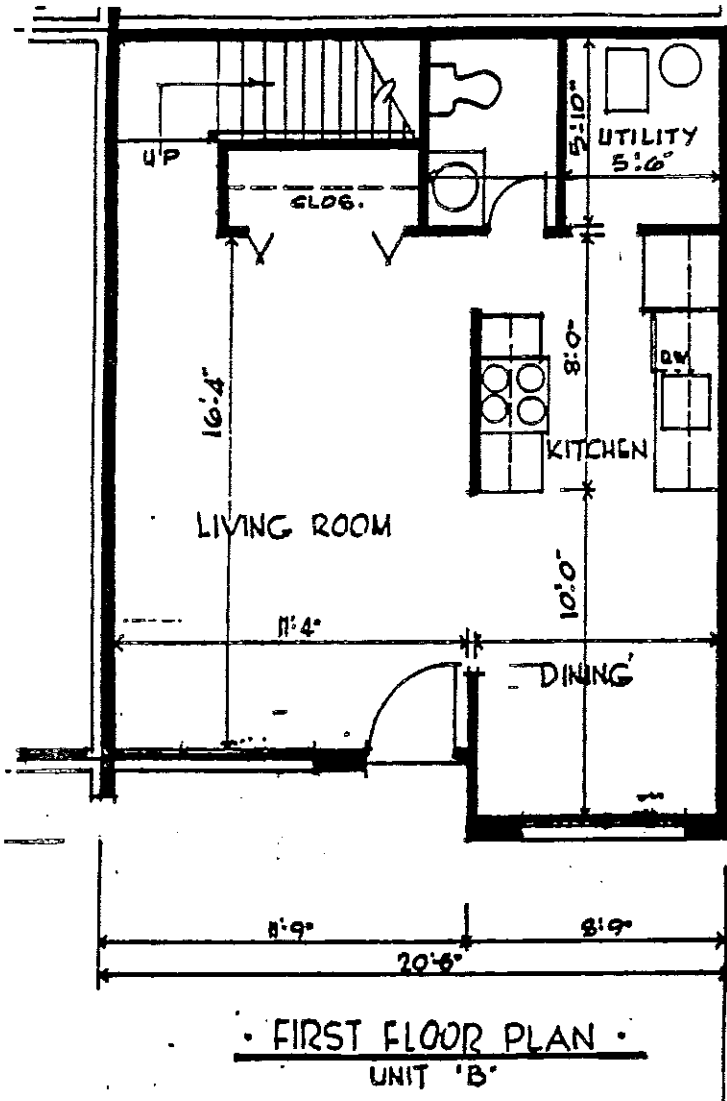
W. Schedule of Spaces Other than Units: N/A

X. General Information:

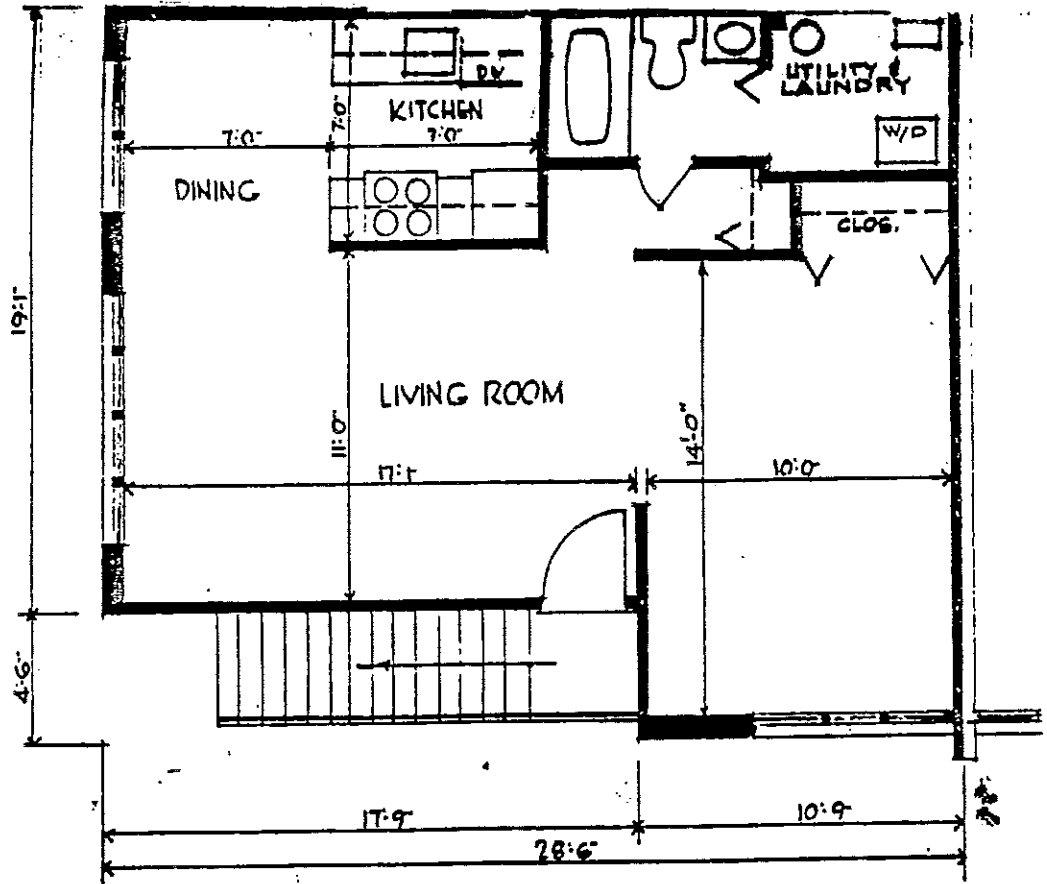
1. Fire safety devices - Ionization chamber or photo electric, 2 per unit in 2 bedroom units, one per unit in studios and one bedroom units.

Dated: January 11, 1985

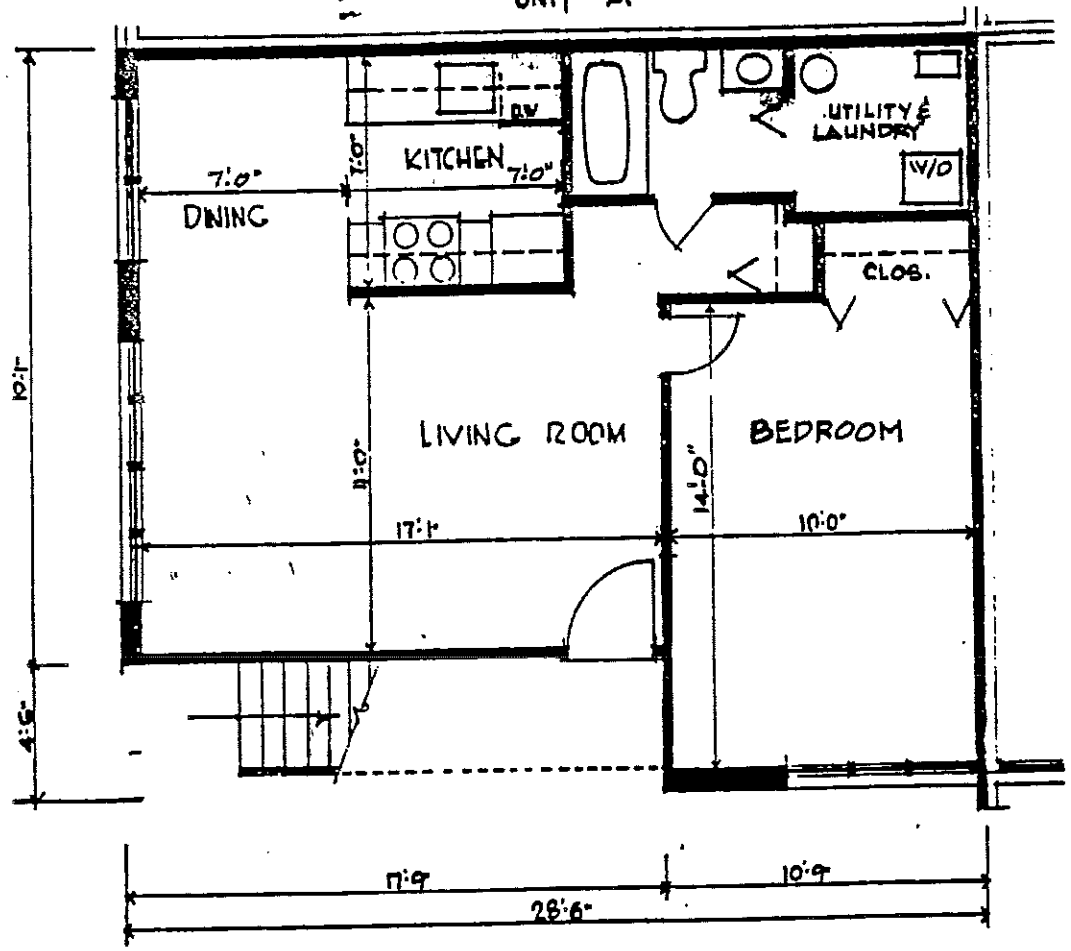


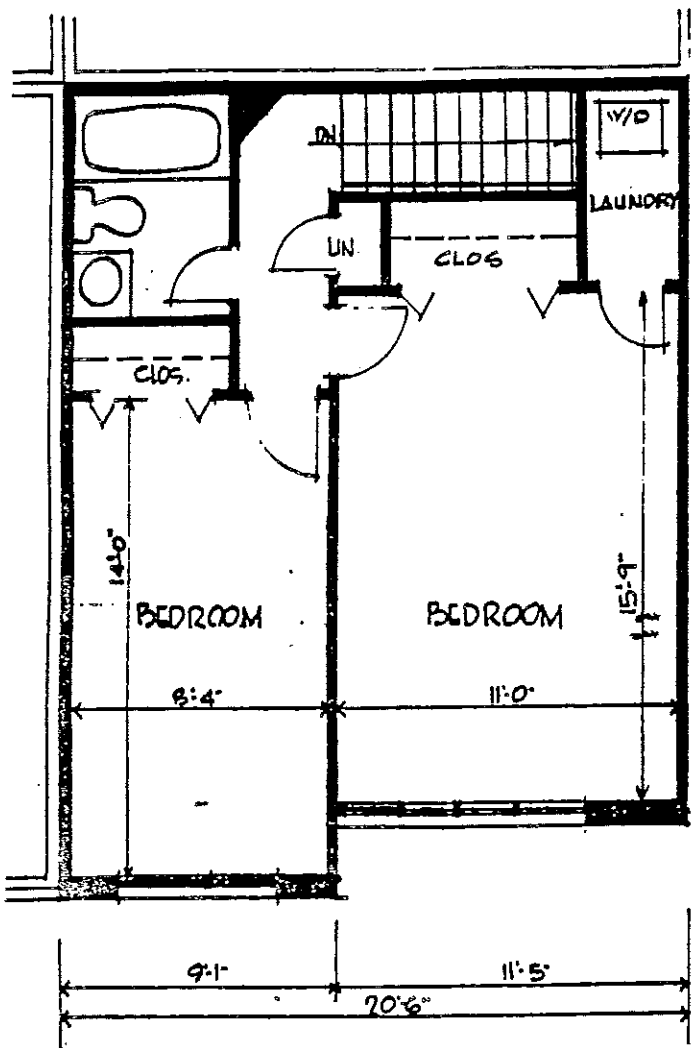


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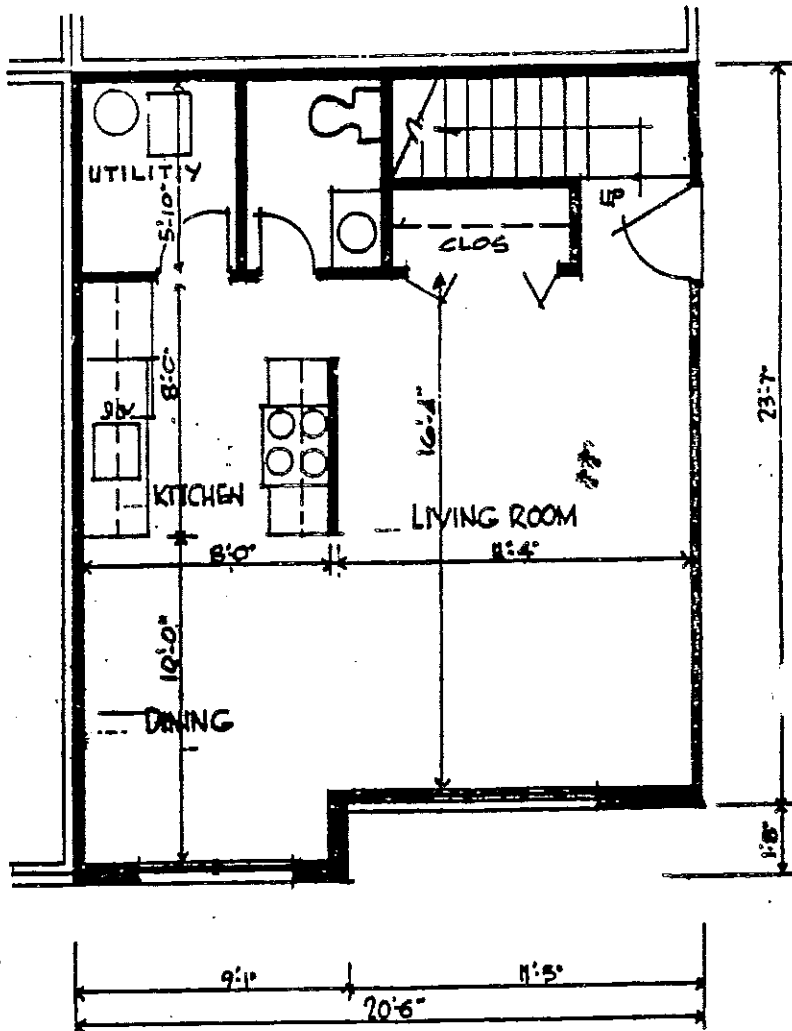


SECOND FLOOR PLAN.
UNIT A

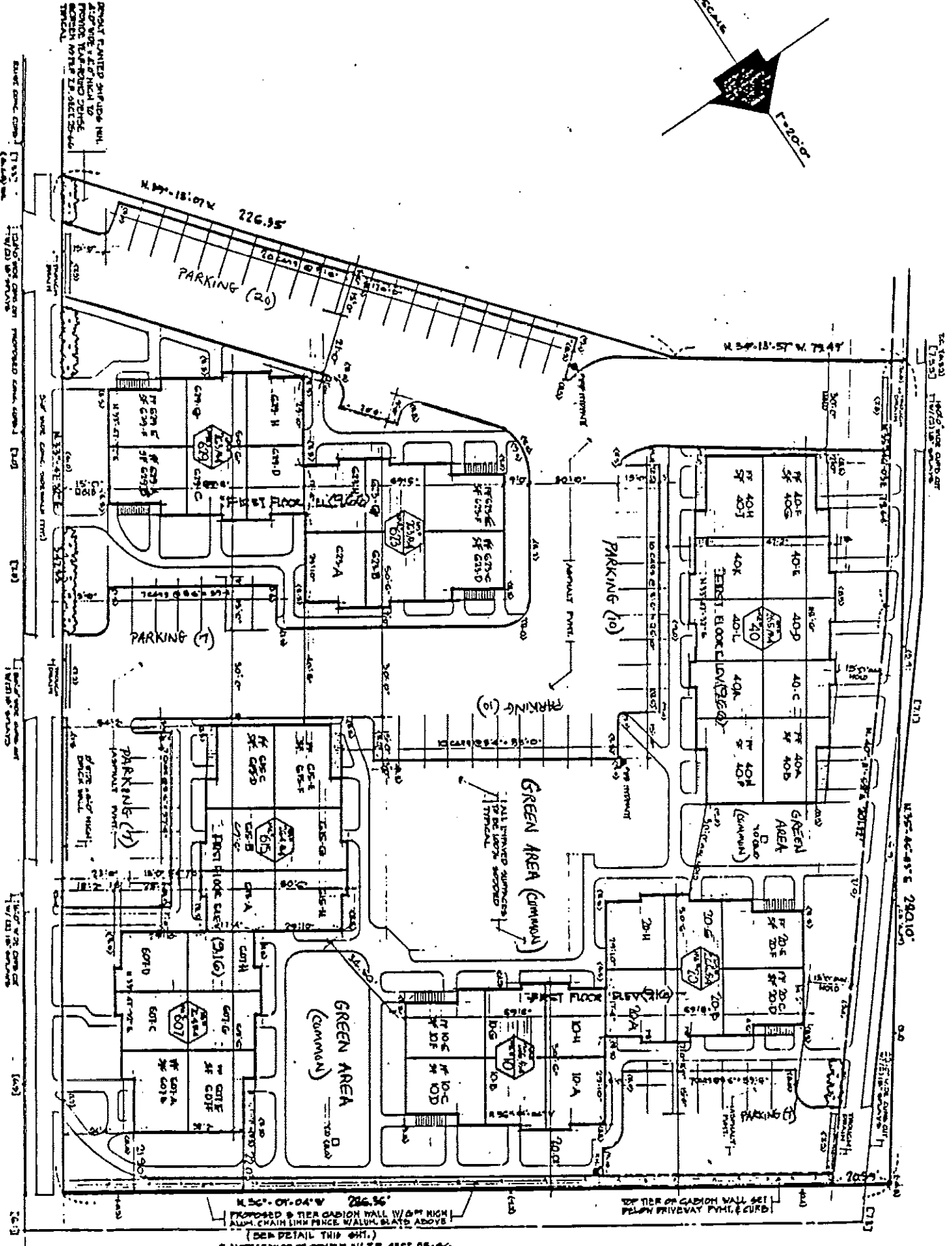
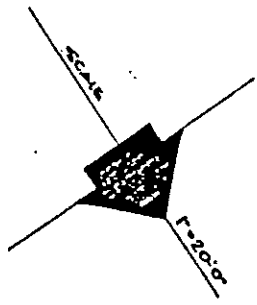




• SECOND FLOOR PLAN •
UNIT 'C'



• FIRST FLOOR PLAN •
UNIT 'C'



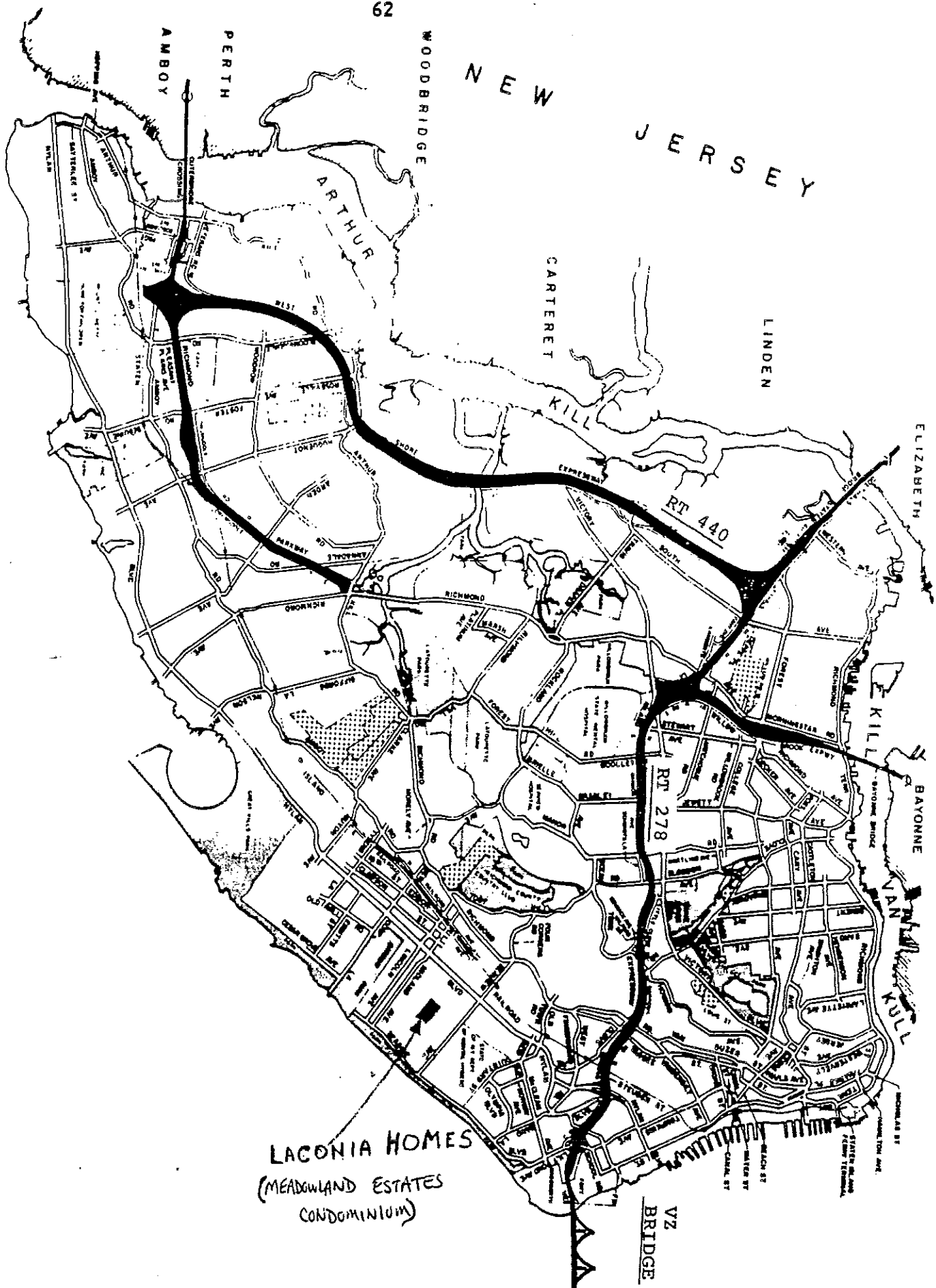
PLACE

LAUNDRY

AREA

NOTE: FENCE TO COMPLY W/ Z.R. SECT. 25-6C

NEW JERSEY



LACONIA HOMES
 (MEADOWLAND ESTATES
 CONDOMINIUM)

VZ
 BRIDGE

**NARRATIVE DESCRIPTION OF UNITS AND DISTINCTION
BETWEEN UNITS AND COMMON ELEMENTS**

Each Unit is measured horizontally from the exterior surface of the sheetrock at the exterior walls of the Building to the exterior surface of the sheetrock at the walls dividing the Residential Units from other Residential Units, and vertically from the lower surface of the subfloor forming the floor of the Unit up to the exterior surface of the sheetrock forming the ceiling of the Unit. Doors, windows and interior walls which abut a Unit are part of the Unit. All pipes, wires and conduits from the gas and electric meters to the Units are part of the Residential Unit. Any and all heating units, heat pumps, air conditioners and hot water heaters serving only one Unit are part of the Unit served.

The remainder of the Property other than that within a Unit as described above, is a part of the common elements. The common elements include, but are not limited to, the following: (i) all land within the boundaries of the Condominium property; (ii) the foundations, columns, girders, beams and supports, the outside walls, roofs and outside stairways of the Buildings; (iii) all utility or other pipes, wires, conduits and other material which are not part of the Units and not owned by public utility companies or independent authorities; (v) parking areas, driveways, roadways, grass areas, sidewalks and fences; (vi) mailboxes; and (vii) all other apparatus and

installations on the Property for common use or which may be necessary or convenient to the existence, maintenance or safety of the Property or normally in common use. Certain of the common elements are or may be limited in use to the Owners and Occupants of certain Units. See Section 5.06 of the Condominium Declaration in Part II of this Offering Plan.

PURCHASE AGREEMENT

AGREEMENT made and dated the ___ day of _____, 1985, by and between LACONIA HOMES, INC., a New York corporation having its offices at 87 Pouch Terrace, Staten Island, New York, hereinafter called the Seller ("Sponsor"); and _____, residing at _____, hereinafter called the Purchaser.

WHEREAS, the Seller will promulgate a Condominium Offering Plan and desires to offer for sale, pursuant to Article 23-A of the General Business Law and Article 9-B of the Real Property Law of the State of New York, Condominium Homes to be situated on the land owned by it located in the Borough of Staten Island, County of Richmond, City and State of New York, and the Purchaser is desirous of purchasing a condominium home therein;

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth in this Purchase Agreement, the parties mutually agree as follows:

1. Sale of Home. The Purchaser hereby agrees to purchase and the Seller agrees to sell the Condominium Home in Meadowland Estates Condominium designated as Job No. _____, Model Type ____, as shown on the plot plan which forms a part of the Offering Plan heretofore delivered to Purchaser, together with a ___ percent undivided interest in the common elements appurtenant thereto.

2. Delivery of Deed; Adjustments. The Closing of Title shall take place at an office to be designated by Seller or by the lending institution at _____ o'clock on or about _____, 1985, or at another date and time designated by the Seller upon fifteen (15) days' written notice mailed to the Purchasers at their address hereinabove set forth. The Seller shall be entitled to a reasonable adjournment in the closing of title as set forth in Paragraph 28 in the event of delay by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. If the Purchaser is not ready to close title at the date and time fixed pursuant to the contract, any adjournment exceeding fourteen (14) days granted at the request of the Purchaser shall be upon the condition that all adjustments, including mortgage interest, shall be made as of the date originally fixed for the closing of title. Nothing herein contained shall be construed to require Seller to grant any adjournment not reasonable in duration.

3. Purchase Price, Method of Payment. The purchase price is \$ _____, payable as follows:

\$ _____ on the signing of this Agreement, the receipt of which is hereby acknowledged;

\$ _____ by certified check or bank cashiers' check, payable to the order of the Seller on Closing of Title; \$ _____ by obtaining a conventional mortgage loan, which shall include fixed rate,

renegotiable, variable or other type of loan in that amount, for any permitted term of years, at the prevailing rate of interest permitted by a lending institution to be procured by the Purchasers from a lending institution designated by the Seller in accordance with Paragraph 10 of this Agreement. The proceeds of the mortgage loan shall be turned over to the Seller.

4. Recording of Condominium Declaration. The Declaration and By-Laws will be recorded by Seller in the Office of the Clerk of the County of Richmond, prior to the conveyance of the first Condominium Home as set forth in the Offering Plan. The Seller shall file with the Declaration when it is recorded or shall amend the Declaration prior to the closing date and file at such time a verified statement of a registered architect or licensed professional engineer certifying that the plans theretofore filed or being filed simultaneously with such amendment fully and fairly depict the layout, location, Condominium Home designation and approximate dimensions of the Condominium Homes as built. The Declaration and By-Laws, when recorded by the Seller, will be substantially in the form and substance of the Declaration and By-Laws delivered to the Purchaser, and any changes therein will not substantially adversely affect the Purchaser.

5. Seller's Failure to Convey. It is specifically understood and agreed that in the event the Seller shall be unable to deliver or cause to be delivered a deed to the premises to the Purchaser in accordance with this Agreement because of the inability of the Seller to complete the filing of the premises as part and parcel of a condominium plan in accordance with the Offering Plan of Meadowland Estates Condominium and any amendments thereto, then the Seller shall immediately notify Purchaser and this Agreement will terminate and the sole liability between the parties shall be the return by the Seller to the Purchaser of the Purchaser's downpayment with interest, if any, under this Agreement, whereupon neither party shall have any claim against the other and both shall be released from all obligations hereunder.

6. Construction of Condominium. The Seller will apply for a building permit from the local municipal authorities having jurisdiction over the issuance of permits for construction of the premises. Prior to the closing of title set forth herein, the Seller will declare the property and the Condominium Homes erected thereon to be a Condominium pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York.

7. Purchaser Bound by Offering Plan, Etc. The Seller has exhibited and delivered to the Purchaser and the Purchaser acknowledges receipt of the Offering Plan at least three (3) business days prior to the execution of this Purchase Agreement and has read and agrees to be bound by the proposed Declaration, By-Laws and Offering Plan of the said Condominium (and the Schedules, Plans and Exhibits attached thereto) all of which are incorporated by reference and made a part of this Agreement with the same force and effect as if set forth in full herein. Any conflict between the Offering Plan and the Purchase Agreement is to be resolved in favor of the Offering Plan. The Purchaser acknowledges that he is purchasing a Condominium Home in a Condominium to be formed, and that, except as stated in this Agreement (and as set forth in the Declaration, By-Laws, Exhibits and Offering Plan), he has

not relied on any representations or other statements of any kind or nature made by the Seller or otherwise, including, but not limited to, any rooms therein, and the estimated common charges or other expenses in connection therewith.

8. Purchase of Home Without a Mortgage Loan. The Purchaser may, at his option, pay the Purchase Price "all cash" without obtaining a mortgage, provided Purchaser gives written notice to Seller thereof within thirty (30) days from the date hereof. In the event Purchaser exercises this option, the provisions of this Agreement which refer to the mortgage to be obtained by Purchaser (including provisions for mortgage costs) shall be deemed deleted. In the event this option is exercised after thirty (30) days, a Purchaser must reimburse Sponsor for all costs incurred by the Seller in obtaining said mortgage commitment.

9. Mortgage Loan - Manner of Payment. The mortgage loan applied for by Purchaser herein shall be secured by a first mortgage on the Home herein described; payable in monthly installments of principal and interest, together with installments of taxes, common charges and such other items as the lending institution shall require.

10. Contract Subject to Purchaser Receiving Mortgage Commitment. The Purchaser does hereby agree, within Five (5) days from the date hereof, to furnish, deliver and/or execute all instruments, whether application, affidavit, statement or any other instruments in connection with the Purchaser's application for such loan; to furnish all information required by the lending institution and/or the Sponsor and to render promptly a truthful and accurate statement of them, and if the application is approved, to execute at title closing all papers, statements or instruments which may be necessary to consummate the mortgage loan transaction. Failure to comply shall be deemed a material breach of this Agreement. If, after compliance with the foregoing by the Purchaser, they are not approved by a lending institution designated by Sponsor within ninety (90) days after execution of this Purchase Agreement, then this Agreement shall be deemed cancelled and the monies paid hereunder by the Purchaser shall be refunded to the Purchaser and the parties hereto shall be released from any liability hereunder, except that Sponsor reserves the right for a period of thirty (30) days to designate another lending institution or to grant the mortgage loan itself on the same terms and conditions. Purchaser shall notify Sponsor in writing within ten (10) days of his inability to obtain financing. In the event the mortgage commitment is received, Purchaser agrees to furnish the Sponsor, at the Sponsor's request, with a copy of the mortgage commitment. The instruments furnished by the Purchaser are hereby made part of this Agreement. In the event said mortgage shall be approved in a reduced amount, the Purchasers agree to accept said mortgage on condition that it be reduced by not more than \$2,000.00. In the event of such reduction of the mortgage, the amount to be paid at title closing shall be correspondingly increased.

11. Closing Costs and Adjustments. The Purchaser further agrees to pay the actual cost of title examination and title policy to insure the mortgage, mortgage loan, original fees/points, mortgage recording tax, bank's attorneys' fees for preparation of documents necessary for the mortgage

loan, bank credit report and appraisal fees, recording and filing charges paid or payable to public agencies, including the New York State and City Transfer Taxes and any other governmental charges that may be assessed on the loan. In addition, Purchaser will contribute the sum of \$200.00 to the Condominium as initial working capital (or reimburse Sponsor in said amount if Sponsor has advanced it to the Condominium on Purchaser's behalf prior to closing) and agreed to apportion with Seller such real estate taxes and common charges as may be determined to be due at the time of closing. In the event that a Unit has not been separately assessed on the closing date for the then current tax fiscal year, the Sponsor will place in escrow an amount equal to the unpaid real estate taxes which are projected to be levied against the entire Condominium Property for the six-month period following the first closing or until the Units are separately assessed, whichever period is shorter. The Sponsor will pay the real estate taxes from the escrow account when they are due and payable and shall be entitled to reimbursement at closing from the Unit Purchaser for any taxes paid on the Unit owned by such Purchaser applicable to the period of such Purchaser's ownership. Purchaser will also pay, if applicable, premium and escrows for private mortgage insurance and bank inspection fees. If Purchaser is entitled to any mortgage tax credit at closing pursuant to Real Property Law Section 339-ee, Purchaser authorizes Sponsor to apply for such credit on his behalf, and Purchaser shall reimburse Sponsor at closing for the amount of such credit.

12. Escrow or Bonding of Deposits. YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE SELLER TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

The Seller will hold all monies received directly or through its agents or employees hereunder in trust until the closing of title to a Home or Sponsor may use said funds prior to closing if a bond is posted to insure a return of such payment in the event a Purchaser is entitled to a refund of such monies pursuant to the terms of this Purchase Agreement or the Offering Plan. If no bond is posted, such funds will be held as trust funds pursuant to Section 352-h and 352-e(2)(b) of the General Business Law, in a special account entitled Lahr, Dillon, Manzulli, Kelley & Penett, P.C. Escrow Account, Meadowland Estates Condominium or similar name in Citibank, N.A. The signature of any member of the firm of Lahr, Dillon, Manzulli, Kelley & Penett, P.C., Counsel to Sponsor, shall be required to withdraw such funds. The funds existing in the trust account will be payable to the Seller after the closing of title to the Home covered by this Purchase Agreement. In the event of default by the Purchaser under this Purchase Agreement, which default continues for ten (10) days after notice of such default from the Seller to the Purchaser, the downpayment (to a maximum of 10% plus the actual cost of any special work ordered) may be released to the Seller from such account as liquidated damages and thereafter neither party shall have any rights or obligations against or to the other.

In the event the Seller cannot convey marketable or insurable title to the Home, all monies advanced by the Purchaser hereunder shall be returned to the Purchaser. The Seller will not record the Declaration until it has purchase agreements for at least 15% in number of all the Homes. If the Seller does not record the Declaration within eighteen months of the date of the Offering Plan, all monies advanced by the Purchaser will be returned promptly thereafter with interest, if any, earned under the terms of this Agreement, at Purchaser's request.

13. Subordination of Purchase Agreement to Building Loan Mortgage. The Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any development or building loan mortgage on the Condominium Property heretofore or hereafter made thereon, and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, to the full extent thereof without the execution of any further legal documents by the Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments. The Seller shall satisfy all such mortgages or obtain a release of the Home from the lien of such mortgages at or prior to the closing date, except for the individual mortgage of Purchaser thereon, whether same be by extension, assumption, consolidation or otherwise.

14. Construction of Home By Seller. The Seller agrees at its own cost and expense to erect and complete the aforementioned Home in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York and with the requirements of the lending institution which shall make the mortgage loan herein set forth and further agrees that, when completed, same will be in substantial accordance with the plans as filed with the Building Department. In the event the Home is substantially completed and provided a permanent Certificate of Occupancy is issued, the Purchaser agrees to accept a letter agreement from the Seller wherein the Seller shall agree to complete all unfinished items within thirty (30) days from the date of the closing of title, weather permitting.

In the event a temporary Certificate of Occupancy rather than a Permanent Certificate of Occupancy for a Home has been issued as of the date of closing for said Home, the Purchaser agrees to close with such temporary Certificate of Occupancy, and if Purchaser has not obtained a mortgage, the Sponsor will continue to hold all monies previously deposited and being held in escrow pursuant to Section 352-e(2)(b) and 352-h of the General Business Law unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be released to the Sponsor. Upon issuance of the Permanent Certificate of Occupancy,

such escrow deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by the Sponsor's engineer or architect. If Purchaser has obtained a mortgage loan from a lending institution which has issued Sponsor a mortgage commitment and pursuant to the terms of that commitment an escrow is to be held pending delivery of a Permanent Certificate of Occupancy, Sponsor shall deposit with Lender such required sums to be held in escrow until a Permanent Certificate of Occupancy is issued and delivered to the Association.

15. Personal Property Included in Sale; Excluded in Sale; Excluded Items. All articles of personal property, fixtures and equipment as set forth in the Offering Plan for the Model Type Condominium Home referred to herein are included in this sale, and same will be delivered free and clear of all liens and encumbrances save and except the lien of the mortgage applied for by the Purchasers herein. Decorative lighting fixtures, mirrors, fireplace, wallpaper, furniture, furnishings, refrigerator, Very High Efficiency heating units and central air conditioning are not included in this sale. Wall-to-wall carpeting, range and dishwasher are included in this sale. Other items exhibited in any model home or otherwise, excepting those specifically set forth herein or in the Offering Plan, are not included in this sale.

16. Selection of Colors. It is further agreed that wherever the Purchaser has the right to make a selection of colors, fixtures and/or materials as set forth in the Offering Plan, he shall do so within seven (7) days after written demand therefor. In the event the Purchaser fails to make such selection with such period, the Seller shall have the right to use its own judgment in the selection of colors, fixtures and materials and the Purchaser shall accept the same. Such written demand shall be by ordinary mail addressed to the Purchaser at the address herein set forth.

17. Sellers Right to Make Changes in Materials, Etc. The Seller reserves the right to: (a) make changes and/or substitutions of materials or construction for items as set forth in the Offering Plan or Building Plan, provided any such changes are of comparable value and quality and are required and/or approved by the lending institution; (b) determine the grading, elevation and design (including reversal of the Home layout) of all plots and dwellings to fit into the general pattern of the community; (c) determine elevation and location of foundations, walkways and streets to conform with topographical conditions; and (d) to locate electric and gas meters, air conditioner compressors, mail boxes and refuse containers.

18. Closing Deed; Power of Attorney. The closing deed shall be in proper statutory form for record; shall be Bargain and Sale with covenants; shall be duly executed and acknowledged by the Seller at the Seller's expense and shall contain such a description of the premises as shall be acceptable and/or approved so as to validly convey, under the Condominium Act, the Home and the undivided interest in the common elements referred to herein. At the closing of title the Purchaser agrees to execute and deliver to Seller the Power of Attorney in the form annexed hereto (and made a part hereof) and designated Exhibit A.

19. Marketable Title, Subject To. The Seller shall give and Purchaser shall accept a good and insurable title (subject to the terms of the Declaration and By-Laws as filed and of the Offering Plan), free and clear of all liens and encumbrances except the lien of the mortgage applied for by Purchaser herein and except as set forth in the Offering Plan on page 77 thereof; and such title as Security Title and Guarantee Company or any other licensed title insurance company will approve and insure for mortgages and/or fee title insurance. Fee title insurance, if ordered by Purchaser, shall be purchased at Purchaser's own cost and expense.

20. Seller's Failure to Convey. The Seller's liability under this Agreement for failure to complete and/or deliver title for any reasons other than Seller's willful default, shall be limited to the return of the money paid hereunder, and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding or otherwise incur any unreasonable expense to render the title to the premises marketable or to cure any objection to title.

21. Acceptance of Deed - Full Compliance by Seller; Waiver of Jury Trial. Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of the closing of title hereunder shall constitute full compliance by the Seller with the terms of this Agreement, and none of the terms hereof, except as otherwise herein expressly provided, shall survive the delivery and acceptance of the deed. All representations contained in the Offering Plan shall survive delivery of the deed. The parties hereto do hereby agree that trial by jury in any action, proceeding or counterclaim arising out of or from this Agreement is hereby waived.

22. Limited One-Year Warranty. At the closing of title, the Seller will deliver the certificates and warranties delivered to them and transferable to Purchaser or to the Condominium and it is further agreed that title will not close without Purchaser's consent until either a Permanent or Temporary Certificate of Occupancy has been issued for the Home being transferred. In the event a temporary Certificate of Occupancy is issued, the terms of Paragraph 14 herein shall apply. Seller's liability pursuant to the manufacturer's warranties covering heating, air conditioning systems, appliances, electricity, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller, transferable to the Purchaser or to the Condominium and then only as against such manufacturer. In addition, however, Seller will promptly correct any defects in the construction of the Condominium Home of the building containing such Home or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship substantially at variance with the plans and specifications, provided only that it is notified or such defects in writing by certified mail within one year from the date of closing of title to the Home in which the alleged defect exists.

Exclusions. Except for gross negligence in construction or in the selection of materials; the following are excluded from the above warranty:

- (1) any item covered by manufacturer's warranty assigned to Purchasers;
- (2) damage due to ordinary wear and tear, abusive use, or lack of proper maintenance;
- (3) defects which are the result of characteristics common to the materials used such as (but not limited to) warping and deflection of wood; fading, chalking and checking of paint due to sunlight, cracks due to drying and curing of concrete, stucco, plaster, bricks, and masonry, drying, shrinking, and cracking of caulking and weatherstripping;
- (4) defects in items installed or work done by Purchaser or by any one other than Seller or Seller's employees and subcontractors;
- (5) loss or injury due to the elements;
- (6) conditions resulting from condensation on, or expansion or contraction of materials;
- (7) paints applied over newly plastered interior walls; or
- (8) consequential or incidental damages.

Not Transferable. The warranty shall apply only to the Purchaser and not to anyone who succeeds to Purchaser's interest in the Property.

23. Lack of Labor/Materials; Seller's Right to Cancel. The parties hereto do hereby agree that the Seller may cancel this Agreement by forwarding its check in the full amount paid by the Purchaser, with interest, if any, together with a notice in writing, addressed to the Purchaser at the address hereinabove set forth, in the event of the occurrence of either of the following:

- (1) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restriction shall prevent the Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or
- (2) that the Seller is unable to obtain materials from the usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, or the installation of public utilities is restricted or curtailed.

24. Lien of Deposit; Risk of Loss. All sums paid on account of this Agreement and the reasonable expense of the examination of the title to the Home are hereby made liens hereon, but such liens shall not continue after default by the Purchaser under this Agreement. The risk of loss or damage to

the Home by fire or any other cause until the delivery of the deed or Purchaser takes actual possession of the Home pursuant to written Agreement is assumed by the Seller.

25. Liens Satisfied at Closing. The existence of unpaid taxes or liens of any kind at the time to title closing shall not constitute an objection to title, provided the Seller shall deposit a sufficient amount with a title company so that said company shall be willing to insure against collection of same from the property herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the property, not provided for in this Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

26. Possession Prior to Closing. It is expressly understood and agreed that the Purchaser shall in no event take possession of the premises prior to the time of delivery of the deed and full compliance by the Purchaser with the terms of this Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove them from the premises as a squatter and intruder by summary proceeding. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Seller, and upon such election, the amount paid hereunder shall belong to the Seller as liquidated damages (to a maximum of 10% of the purchase price plus the actual cost of any special work ordered). It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the property on or after the closing of title herein.

27. Execution of Required Documents. Purchaser agrees to deliver to Seller all documents and to perform all acts required by the Seller to carry out the provisions of the Offering Plan, establish the Condominium and conform to the provisions of all applicable laws and regulations, including a TP-581 form ("Transferee Questionnaire") attached hereto and made a part hereof as Exhibit B, any waivers and/or affidavits required by Seller or the Department of Buildings of the City of New York or any other agency having jurisdiction thereof with respect to the occupancy as a legal one-family dwelling unit, or with respect to differences in grade and/or curb or retaining walls between adjoining properties. This paragraph shall survive delivery of the deed.

28. Delay in Closing; Purchaser's Option to Cancel. In the event the Seller shall be unable to convey title to the Condominium Home on or before six months after the date of delivery of title set forth herein and except for delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, installation of public utilities, governmental restrictions preventing Sponsor from obtaining necessary supplies and/or materials, in which event the period shall be extended to nine months, except for the Purchaser's default, the Purchaser shall have the option to cancel this Agreement and to have the downpayment advanced by him returned to the Purchaser. The Seller has the option not to close title to the Condominium Home described herein if less than 80% of all of the Condominium Homes to be constructed as part of the Condominium are sold within 18 months after

the date of the initial filing of the Offering Plan so long as title to any Condominium Home has not been conveyed and the Declaration has not been filed at such time. In the event Seller exercises such option, it shall forthwith return the Purchaser's downpayment with interest, if any.

29. Options Ordered by Purchaser. Any special work ordered or charges ordered by Purchaser shall be signed by the Purchaser and must be paid for in full within seven days of the order. If for any reason the Sponsor fails to install said special work in accordance with the work order, the limit of the Sponsor's liability is a refund of the amount of the charge.

30. Breach of Purchase Agreement. Should Purchaser violate, repudiate, or fail to perform any of the terms of this Agreement, Seller may, at its option, retain all or part of the monies paid on account hereunder as liquidated damages to a maximum of 10% of the purchase price plus the actual cost of any special work ordered, in which event the parties shall be discharged of all further liability hereunder. This provision shall apply whether or not construction has commenced and regardless of any sale of the Home subsequent to Purchaser's default. If this paragraph or any application thereof shall to any extent be invalid or unenforceable, it shall, to the extent not found invalid or unenforceable, be valid and be enforced as permitted by law.

31. Inspection. Before closing, Purchaser shall have the right to inspect the Unit on reasonable notice to Seller.

32. Possession. Purchaser shall have possession and occupancy of the Unit on delivery of the deed.

33. Binding Nature of Purchase Agreement; Assignability; Notice. The parties agree that the stipulations and agreements herein contained shall be binding upon them, their respective heirs, executors, administrators and/or assigns. The Purchaser agrees that it will not record or assign this Agreement or any of its rights hereunder without the written consent of the Seller. Any notice to be given hereunder shall be in writing and sent by certified mail to the parties at the address above given or at such address as either party may hereafter designate to the other in writing.

34. Broker. The parties agree that no broker brought about this sale and Purchaser agrees to indemnify Seller against any claim brought for brokerage by any broker based upon Purchaser's act.

35. Purchasers - Agents for Each Other. If two or more persons are named as the Purchaser herein, any one of them is hereby made agent for the other in all matters of any and every kind or nature affecting the premises herein or this Agreement.

36. Entire Agreement. This Agreement states the entire understanding of the parties and the Seller shall not be bound by any oral representations and/or agreements. Any conflict between this Purchase Agreement and the Offering Plan shall be resolved in favor of the Offering Plan.

37. Time to Accept Purchase Agreement. If this Agreement shall not be accepted within twenty (20) days of the date hereof, by the delivery or mailing to Purchaser of such endorsed and fully signed copy, this Purchase Agreement shall be deemed to be rejected and cancelled and Purchaser's deposit shall be promptly refunded to him.

38. Condominium May Not Yet Be Formed. Purchaser acknowledges and understands that, if the Condominium Declaration has not been filed, Purchaser is purchasing Units in a Condominium which has not yet been formed.

39. Tax Abatement. The premises qualifies for partial tax estate tax abatement under the provisions of Real Property Tax Law Section 421-a or Section 421-b. The Seller undertakes to file all appropriate applications with the City of New York to obtain the said abatement for the premises, and the Purchaser agrees to reimburse the Seller at the closing of title the sum of \$ _____ to cover Seller's costs to obtain same.

40. Amendment of Agreement. This Agreement may not be amended except by a written instrument signed by the party sought to be charged therewith or by the duly authorized agent of such party.

41. Completion of Real Property Gains Tax Forms. Promptly after the execution of this Agreement, Seller and Purchaser agree to complete and execute such forms as may be required pursuant to Article 31-B of the New York Tax Law to establish the liability of Seller for New York State Real Property Transfer Tax. Purchaser acknowledges that Purchaser's failure to complete such form may subject Purchaser to personal liability for any taxes due from Seller.

42. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent to any provision thereof.

Purchaser(s):

Social Security No.:

Seller:

LACONIA HOMES, INC.

By _____

**EXHIBIT A TO PURCHASE AGREEMENT
LIENS, ENCUMBRANCES AND OTHER
TITLE EXCEPTIONS**

1. The terms, conditions, covenants, easements and provisions of the Declaration and By-Laws of Meadowland Estates Condominium.
2. State of facts shown on a survey made by Wohl and O'Mara, dated October 9, 1984, and as updated _____ . Sponsor or its attorneys shall make said survey available for inspection by purchasers' attorneys, upon request.
3. Zoning, regulations and ordinances and any amendments thereto provided that neither the building in which the Unit is located nor its use as contemplated by the Plan are prohibited thereby.
4. New York State franchise taxes of any corporation in the chain of title, provided that Security Title and Guaranty Company (or any other title company) is willing to insure that such taxes will not be collected out of the Unit.
5. Sewer, water, electric, plumbing, heating, gas, telephone, television and other utility easements and consents, if any, then or thereafter recorded, including the right to maintain and operate lines, wires, cables, pipes, conduits, poles and distribution boxes in, over, under and upon the Property and the buildings.
6. Water and sewer rental charges (but the Seller will be obligated to pay all such charges through the date preceding the date of the first closing of title to a Unit).
7. Rights of others to use, and limitations and covenants imposed upon, that portion of the premises lying in the bed of Meadow Place, a public street.

All of the above shall survive delivery of the deed.

EXHIBIT B TO PURCHASE AGREEMENT
MEADOWLAND ESTATES CONDOMINIUM
POWER OF ATTORNEY

I (We) _____, the owner(s) of Unit No. _____ in the Condominium known as Meadowland Estates Condominium in the Borough of Staten Island, Richmond County, New York designated and described in the Declaration establishing the Meadowland Estates Condominium dated _____, 198_, and recorded in the Richmond County Clerk's Office in Liber ___ of Deeds at page __, and on the Floor Plans on file in said office under Map Cover No. ____, do hereby nominate, constitute and appoint the members constituting the Board of Managers of the Meadowland Estates Condominium and their successors in office, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all owners of units in said property, in accordance with the respective common interests of said owners:

- (i) any unit whose owner desires to abandon the unit;
- (ii) any unit which shall be the subject of a foreclosure or other judicial sale or which may be deeded to the Board of Managers in lieu of such foreclosure or other sale;
- (iii) any other unit.

Any such unit acquired by the Board of Managers shall include the appurtenant interest of such unit in the common elements of the Condominium, (i.e. the interest attributable to the owner of such unit in the common elements of the Condominium in any other units (or proceeds from sale thereof) previously acquired by the Board of Managers, and the interests of such unit owner in all other assets of the Condominium.)

I (We) further grant to the Board of Managers:

- right to convey, sell, lease, mortgage, vote the votes appurtenant thereto (other than for the election of members of the Board of Managers) or otherwise deal with any such unit so owned or acquired by them, on terms as they may determine;

- the power to do all things with respect to such unit acquired which I (we) could do had this power of attorney not been granted; and

- the power to lease portions of the common elements on behalf of all Unit Owners.

The acts of a majority of such persons shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall not be affected by my (our) subsequent disability or incompetence.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, I (we) have executed this Power of Attorney this ____ day of _____, 198__

STATE OF NEW YORK)
COUNTY OF RICHMOND) SS:

On the ____ day of _____, 198__, before me personally came _____ to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged to me that (s)he (they) executed the same.

**EXHIBIT C TO PURCHASE AGREEMENT
FOR UNIT _____ IN MEADOWLAND ESTATES CONDOMINIUM
EXTRAS, UPGRADES, CHANGES OR DELETIONS**

The undersigned parties to the above referenced Purchase Agreement agree that the condominium Unit _____ which is the subject of the agreement shall contain the following extras, "upgrades", changes or deletions, all of which are included in the purchase price as set forth in the Agreement:

Extra, Upgrade, Change
or Deletion

Amount Added
to Purchase Price
in Paragraph No. 1
of Purchase Agreement

The Purchaser(s) acknowledges that if the Agreement is terminated for reasons other than Seller's default, any costs incurred by the Seller for the acquisition, installation or removal of materials for such extras, upgrades, changes or deletions, prior to such termination, shall be deducted by the Seller from Purchaser's deposit prior to any return of such deposit to the Purchaser.

Purchaser also acknowledges that if completion of the Unit is delayed due to the unavailability of materials required to complete the installation of such extras, upgrades or changes, Purchaser will not delay the closing and will close the purchase solely on Seller's written assurance that the completion of such installation will be completed by Seller promptly after receipt of such materials.

Seller: LACONIA HOMES, INC.

Purchaser(s):

By: _____

UNIT DEED

MEADOWLAND ESTATES CONDOMINIUM

THIS INDENTURE made the _____ day of _____, 19____, between LACONIA HOMES, INC., a New York corporation, having an office at 87 Pouch Terrace, Staten Island, New York, the "Grantor" and _____ residing at _____ the "Grantee".

WITNESSETH:

That the Grantor, in consideration of One and More Dollars (\$1.00 and more), lawful money of the United States, paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee forever:

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a part of a condominium in the Borough of Staten Island, County of Richmond, City and State of New York known as MEADOWLAND ESTATES CONDOMINIUM (the "Condominium") and designated as the following unit(s) (the "Unit") and undivided interest in the common elements of the Condominium hereafter described as the same is defined in the Declaration of Condominium (the "Declaration") hereinafter referred to as:

No. _____, together with a _____% undivided interest in the common elements.

The real property above described is shown on the plans of a condominium certified by Rudolf J. Beneda, R.A. and filed in the Richmond County Clerk's Office on the _____ day of _____, 19____, as Map No. _____, as defined in the Declaration of Condominium entitled MEADOWLAND ESTATES CONDOMINIUM made by the Grantor under Article 9-B of the New York Real Property Law dated _____, and recorded in the Richmond County Clerk's Office on the _____ day of _____ in Liber _____ of Deeds at page _____ covering the property therein described. The land area of the property is described in Schedule "A" which is attached hereto and made a part hereof.

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

TOGETHER WITH AND SUBJECT TO the provisions, benefits, rights, privileges, easements, burdens, covenants and restrictions of the Declaration and of the By-Laws of the Condominium recorded simultaneously with and as a part of the Declaration as the same may be amended from time

to time by instruments recorded in the Office of the Clerk of Richmond County which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

TOGETHER with the benefits and subject to the burdens of other easements, agreements, rights of way and restrictive covenants of record, if any;

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

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

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

AND the Grantee, by acceptance of this deed, accepts and ratifies the provisions of the Declaration and By-Laws of the Condominium recorded simultaneously with and as a part of the Declaration and the Rules and Regulations of the Condominium and agrees to comply with all the terms and provisions thereof as the same may be amended from time to time by instruments recorded in the Office of the Richmond County Clerk.

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

The terms "Grantor" and "Grantee" shall be read as "Grantors" and "Grantees" whenever the sense of this deed so requires.

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

LACONIA HOMES, INC.

By: _____

(acknowledgments to be added)

DECLARATION

Establishing the Meadowland Estates Condominium, Borough of Staten Island, City and State of New York, pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: Meadowland Estates Condominium

SPONSOR: Laconia Homes, Inc.
87 Pouch Terrace
Staten Island, New York 10305

DATED: _____, 1985

**DECLARATION OF
MEADOWLAND ESTATES CONDOMINIUM**

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DECLARATION

Establishing MEADOWLAND ESTATES CONDOMINIUM

For the Premises Described on Schedule A attached hereto in the Borough of Staten Island, City and State of New York, pursuant to Article 9-B of the Real Property Law of the State of New York.

Laconia Homes, Inc., a New York corporation with an office at 87 Pouch Terrace, Staten Island, New York 10305, hereinafter referred to as the "Sponsor" does hereby declare:

ARTICLE I

SUBMISSION OF PROPERTY

Section 1.01. Submission. The Sponsor hereby submits the land described on Schedule A attached hereto and made a part hereof, together with all improvements thereon erected (hereinafter called the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York.

ARTICLE II

NAME OF CONDOMINIUM

Section 2.01 Name. This Condominium shall be known as the Meadowland Estates Condominium, sometimes hereinafter referred to as the "Condominium". The Condominium shall be comprised of the "Units" (see Section 4.01 below) and the "common elements" (see Section 5.01 below) on the Property.

ARTICLE III

BUILDINGS

Section 3.01. Buildings. The "Buildings" as hereinafter referred to are the four (4) structures containing the residential dwelling units.

Schedule B attached hereto, and made a part hereof, contains a description of the Buildings including the number of stories, basements (if any) and the materials of which each Building is constructed. The Property on which the Buildings are located is more particularly described in Schedule A attached hereto.

ARTICLE IV UNITS

Section 4.01. Number of Units. There are 62 residential apartment Units (hereinafter sometimes referred to as the "Units" or "Residential Units"), designated by Building address number and by letter.

Section 4.02. Designations, Locations and Plans of Units. Annexed hereto, and made a part hereof as Schedule C, is a list of all Units in the Buildings, their Unit designations, tax lot numbers, approximate areas, number of rooms, percentage of interest in the "common elements" as hereinafter defined, and common elements to which each Unit has immediate access (all except the percentage interests in the common elements as shown on the floor plans of the Buildings, certified by Rudolf J. Beneda, R.A., and filed in the Office of the Richmond County Clerk simultaneously with this Declaration). If such floor plans do not include a verified statement by such architect that such plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of any particular Unit or Units as built, there shall be recorded prior to each first conveyance of such particular Unit or Units an Amendment to this Declaration, to which shall be attached a verified statement of a registered architect or licensed professional engineer certifying that the plans theretofore filed, or filed simultaneously with such Amendment, fully and fairly depict the layout, location, Unit designations and approximate dimensions of those particular Unit(s) as built. Annexed hereto and made a part hereof as Schedule D is a site plan or survey showing the designation and location of the Units within the Buildings.

Section 4.03. Dimensions of Units. Each Residential Unit is measured horizontally from the exterior surface of the sheetrock at the exterior walls of the Building to the exterior surface of the sheetrock at the walls dividing the Residential Units from other Residential Units. Each Residential Unit is measured vertically from the upper face of the subfloor forming the floor of the Residential Unit up to the upper face of the sheetrock forming the ceiling of the Residential Unit. Doors, windows and interior walls which abut a Residential Unit are part of the Residential Unit. All pipes, wires and conduits from the gas and electric meters to the Residential Unit are part of the Residential Unit. Any and all heating units, air conditioners (if any) and hot water heaters serving only one Residential Unit are part of the Residential Unit.

Section 4.04. Ownership of Units. Each Unit will be sold to one or more parties (hereinafter referred to as the "Unit Owners") with each Unit Owner obtaining fee ownership to the Unit acquired and the appurtenant undivided interest in the "common elements" (see Article V of this Declaration) of the Condominium, as set forth in Schedule C of this Declaration. Upon acquiring title in such manner, such purchaser(s) shall become Unit Owner(s) in the Condominium and will remain such so long as such Unit is owned by such Owner(s).

Section 4.05. Use of Units. Each Residential Unit shall:

- (1) be used for residential purposes only; and
- (2) be resided in by not more persons (including children) than two times the number of bedrooms in the Unit, plus one, except that this shall not apply to persons who have a child after they have taken occupancy.

Notwithstanding the above, (i) so long as the Sponsor owns one or more Residential Units, it may use such Residential Units for sales offices, models and the storage of supplies and equipment. This right shall not be taken away by an amendment to this Declaration without the Sponsor's written consent and (ii) such restrictions shall not be construed to prohibit any occupant of any Unit from entertaining guests of any age including guests who temporarily reside in the Unit for periods of up to two months.

Section 4.06. No Partition of Units. No Unit (including the interest in the common elements appurtenant thereto) shall be subject to partition by the Unit Owner; provided, however, that the foregoing shall not be construed as prohibiting any division or combination of Units as provided in Section 6.01 of this Declaration or any structural alterations or changes in the number of rooms in a Unit upon approval of the Board of Managers as provided for in Article VI of this Declaration.

ARTICLE V

COMMON ELEMENTS

Section 5.01. Definition of Common Elements. The common elements consist of all the Property except the Units, including, but without limitation, the following: (i) the outside walls, roofs, exterior stairways and foundations of all Buildings; (ii) the land and improvements on the Property; (iii) all utility or other pipes, wires, conduits and other material which are not part of the Units and not owned by public utility companies; (iv) the parking areas, the common driveway, grass areas, exterior stairs, sidewalks and fences; (v) mailboxes; and (vi) all other apparatus and installations on the Property for common use or which may be necessary or convenient to the existence, maintenance or safety of the Property.

Section 5.02. Interest in Common Elements. Each Unit Owner shall have such percentage interest in the common elements as is set forth on Schedule C attached hereto and shall bear such percentage of the common expenses of the Condominium.

The percentage of interest of each Unit in the common elements has been determined by the Sponsor in accordance with Section 339-i-1(iii) of the Real Property Law, based upon equal percentages within 2 separate Unit classifications: (1) studio or one-bedroom Units, and (2) two-bedroom Units.

The interest in common elements as expressed herein shall have a permanent character and shall not be altered without the consent of all Unit Owners affected, as well as their mortgagees, expressed in a duly recorded amendment hereto.

The undivided interest in the common elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

Section 5.03. Eminent Domain. Notwithstanding Section 5.02 above, if a Unit or Units, or the common elements, or any portion thereof is taken by eminent domain, the following shall apply:

- (a) Action to Contest Condemnation. The Board of Managers shall have the exclusive right to contest any condemnation or eminent domain proceeding which is directed at taking any portion of the common elements or which touches upon, concerns or affects the use of the common elements. No Unit Owner or tenant of a Unit shall impair or prejudice the action of the Board of Managers in contesting such condemnation. Such restriction or prohibition shall not preclude a Unit Owner or tenant of a Unit from contesting the taking in such condemnation or eminent domain proceeding of the Unit owned or rented by such Unit owner or tenant. In any action contesting a taking by condemnation or eminent domain proceeding, the Board of Managers shall request the court to set forth the allocation of the condemnation award among the Unit Owners affected, taking into account the respective percentage interests in the common elements, the effect of the taking on each Unit affected thereby and any other relevant factors.
- (b) Partition Action in Lieu of Continuation of Condominium After Partial Taking by Condemnation. If any condemnation or eminent domain proceeding results in a partial taking of the Property, then the Property or so much thereof as shall remain shall be subject to an action for partition as provided for by Section 339-t of the Real Property Law, as said Section may be amended from time to time, in which event the net proceeds of sale, together with the net proceeds of the award from the condemnation or eminent domain shall be considered one fund and shall be divided among all

the Unit Owners in proportion to their respective common interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of such Owner's share all liens on such Owner's Unit.

- (c) Distribution of Condemnation Awards for Taking of Common Elements. Except as provided in (b) above and except for any award obtained by a Unit Owner for the Unit as further provided in (a) above, in the event that all or part of the common elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to an insurance trustee (bank, trust company, law firm or attorney) selected by the Board of Managers if the award is more than \$50,000.00 and to the Board of Managers if the award is \$50,000.00 or less. (This \$50,000.00 limit shall automatically increase each calendar year by 5% over the limit of the previous year.) The Board of Managers or the insurance trustee, as the case may be, shall arrange for the repair, restoration or replacement of such common elements to the extent reasonably possible, and shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments.

If there shall be a surplus of such proceeds or if the Board of Managers or insurance trustee cannot reasonably repair, restore or replace the common elements taken, the proceeds shall be distributed among the Unit Owners and the percentage interests in the common elements of the Condominium reallocated among the remaining Units (i) as the court shall have directed, or (ii) as provided in (d) below, (i.e., if there was no direction by the court), taking into account the respective percentage interests in the common elements of the Units affected thereby, the effect of the taking on each Unit affected thereby after the completion of any repair, restoration or replacement by the Board of Managers or insurance trustee and any other relevant factors. Any court direction as to such distribution shall be final. Any Unit Owner or tenant who wishes to contest a determination by the Board of Managers may do so by submitting the matter to the American Arbitration Association for a determination of a fair and proper distribution, or reallocation of percentage interests in the common elements, as the case may be, which shall be binding on the Board of Managers, and on all Unit Owners and tenants. The cost of such arbitration shall be borne solely by the Unit Owner or tenant submitting the matter for arbitration.

After any determination for reallocation of percentage interests in the common elements, the Unit Owners shall promptly prepare, execute and record an amendment to the Condominium Declaration reflecting such reallocation, which said Amendment need only be executed by Unit Owners affected and by a majority of the Board of Managers.

- (d) Partial or Total Taking of Units. Subject to the direction of any court as described in (c) above, if an entire Unit is so taken, or if part of a Unit is taken such that the remaining portion may not be practically or lawfully used for any purpose permitted by this Declaration, that Unit's entire interest in the common elements shall be automatically reallocated to the remaining Units in proportion to the respective common element interests of those Units before the taking. If part of a Unit is so taken, such that the remaining portion may be practically and lawfully used for a purpose permitted by this Declaration, that Unit's interest in the common elements shall be reduced in proportion to the reduction and size of the Unit in a manner consistent with the manner in which common element interests were originally determined under Section 5.02 above; the portion of the interest in the common elements so divested shall be automatically reallocated to that Unit and to the remaining Units in proportion to the respective common element interests of those Units before the taking, with the partially-taken Unit participating in the reallocation on the basis of its reduced interest in the common elements.
- (e) Condemnation Provisions Subject to Existing Law. All provisions of this Section 5.03 are subject to interpretation in accordance with the law in effect at the time of any condemnation or eminent domain proceeding. Should all or any portion of the provisions of this Section 5.03 be deemed illegal at such time, the distribution of proceeds, rights with respect to partition and allocation of percentage interests in the common elements after a partial taking, shall be as a court of law shall determine.

Section 5.04. Common Elements to Remain Undivided. The common elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law and unless consented to by all holders of first mortgages on the Units.

Section 5.05 Abandonment or Encumbrance of Common Elements. The common elements shall not be abandoned or encumbered without the consent of all the Unit Owners, who shall vote upon written ballot which shall be sent to every Unit Owner not less than thirty (30) days nor more than fifty (50) days in advance of the canvass thereof. No such abandonment or encumbrance shall be made if any first mortgagee of a Unit advises the Board of Managers in writing, prior to the date set for voting on the proposed abandonment or encumbrance that it is opposed to such abandonment or encumbrance, which opposition shall not be unreasonable. Written notice of any such proposed abandonment or encumbrance shall be sent to all lending institution first mortgagees whose names appear on the records of the Condominium not less than thirty (30) days nor more than fifty (50) days prior to the date set for voting on the proposed abandonment or encumbrance.

Notwithstanding the foregoing, the Condominium Board of Managers shall have the power to grant easements, rights of way or licenses for utilities or other similar services (e.g. cable television) across the common elements, with or without consideration. Also notwithstanding the foregoing, the Sponsor shall be entitled to exercise the rights reserved in Article VII of this Declaration. This Section may not be amended without the written consent of the Sponsor as long as the Sponsor (or its successors or assigns) owns any Residential Unit.

Section 5.06. Restricted Common Elements. Subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Unit or common element and subject to the rules of the Board of Managers (see Article VII of By-Laws attached hereto as Schedule E), the following portions of the common elements are restricted in use as specified below:

1. The land which is located beneath each Unit is restricted in use to the Owners of such Units located above it.
2. The Board of Managers shall assign one (1) outdoor parking space to each Residential Unit, and each such space shall, during the time of such assignment, be limited in use to the Owner(s) and occupants of the Residential Unit to which such space is assigned.

The assignment of particular outdoor parking spaces by the Board of Managers as provided above shall be as said Board shall determine. Upon the recording of this Declaration, the Board of Managers shall make the initial assignment of outdoor parking spaces, as it deems appropriate. Thereafter, the Board of Managers may only change such assignments of outdoor parking spaces on a reasonable basis. In making such decisions, the Board shall afford all Unit Owners affected written notice and an opportunity to be heard, and the Board shall base its decisions upon all relevant factors (relative sizes of automobiles, disabilities of individual Unit Owners, etc.)

3. Each mail box (if any) is limited in use to the Owners of the Unit to which such mailbox is assigned from time to time by the Board of Managers of the Condominium.
4. Exterior stairways leading to only one Unit are limited in use to the Owners of that Unit.

ARTICLE VI

ALTERATION OF UNITS OR COMMON ELEMENTS

Section 6.01. Increases and Decreases in Size and Number of Units. Any Unit Owner or Owners shall have the right to divide or combine Units owned by such Unit Owner or Owners, so long as (i) the common interest appurtenant to such Units after such division or combination shall equal in total the common interest applicable to the Unit or Units divided or combined prior to such division or combination; (ii) the written consent of the Board of Managers is obtained pursuant to Sections 6.04 through 6.08 of this Declaration; (iii) such proposed division or combination is in all respects lawful under the terms and provisions of the Real Property Law of the State of New York in effect at the time of the division or combination, including Section 339-k or any corresponding provision of law which succeeds said Section; and (iv) such division or combination is in compliance with all governmental laws, codes, ordinances and regulations. As to (iii) and (iv) above, the Board of Managers may require a legal opinion of the attorney of the Unit Owner(s) involved. Among the factors to be considered by the Board of Managers in determining whether or not to consent to such division or combination are adequacy of the size, shape and location of all Units after such division or combination, the structural soundness of the Building during and after the performance of the necessary improvements, and any other factors which may affect the appearance or value of the Building, or which are set forth in Section 6.04 hereof. The cost of any such division or combination shall be the sole responsibility of the Owner or Owners of the Units being divided or combined. Any such division or combination shall become effective upon the recording in the Richmond County Clerk's Office of an amendment to this Declaration (which amendment shall include, as appropriate, any necessary changes to the text of this Declaration and any plot plan attached hereto), executed by the Board of Managers and by the Owners and mortgagees of the Unit or Units so divided or combined, together with the filing of floor plans of the Unit or Units as divided or combined with the certification by tax authorities of tax lot numbers conforming to the new Unit or Units. The provisions of this Section shall not apply to a Unit(s) owned by the Sponsor until such Unit is conveyed to a purchaser thereof (as long as any proposed improvements by the Sponsor comply fully with all governmental laws, codes, ordinances and regulations and the proposed improvements are lawful under the terms and provisions of the Real Property Law of the State of New York in effect at the time of the improvement), nor shall this Section be amended without the written consent of the Sponsor as long as the Sponsor owns any Units.

Section 6.02. No Other Additions or Structural Alterations to Units. No Unit Owner shall install any major appliance (except for a washing machine and/or clothes dryer) without the prior written consent of the Board of Managers, which consent shall not be unreasonably withheld. No structural alterations shall be made to a Unit which would impair the structural soundness of any Unit or Building or which would cause an adverse material effect on the exterior appearance or value of the Building in which the Unit is located without the written approval of the Board of Managers, obtained as provided in Sections 6.04 through 6.08 of this Declaration. This Section 6.02

shall not apply to additions or alterations made by the Sponsor (as long as any proposed improvements by the Sponsor comply fully with all governmental laws, codes, ordinances and regulations and the proposed improvements are lawful under the terms and provisions of the Real Property Law of the State of New York in effect at the time of the improvement), nor shall this Section be amended without the written consent of the Sponsor as long as the Sponsor owns any Unit.

Section 6.03 Alteration and Improvement of Common Elements.

- (a) By Board of Managers: The Board of Managers shall have the right, at its option, to make or cause to be made such alterations and improvements to the common elements as, in its opinion, may be beneficial or necessary or which are requested in writing by a Unit Owner(s) and the holders of first mortgages thereon, subject however to the requirement that, if the alteration or improvement shall cost more than 10% of the then current estimated annual budget (including reserves), such alteration or improvement shall be approved by more than two-thirds in number and in common interest of the Unit Owners, voting at a meeting duly called pursuant to the By-Laws. Such expenses shall constitute common expenses. Alterations or improvements costing less than 10% of the Condominium's then current estimated annual budget may be made by the Board of Managers and the cost thereof shall constitute a part of the common expenses. Before undertaking such work, the Board may require the consent in writing of such Unit Owners and the holders of first mortgages thereon, whose rights, in the sole opinion of the Board, may be prejudiced by such alteration or improvement. In all cases of alteration or improvement, the Board of Managers shall comply fully with all governmental codes, laws, ordinances and regulations, including the terms and provisions of the Real Property Law of the State of New York in effect at the time of the proposed alteration or improvement, including Section 339-k or any corresponding provision of law which succeeds said Section.
- (b) By Unit Owners: No Unit Owner shall install any appliance in the common elements or make any addition, alteration or improvement to the common elements (i) which would in any way violate any governmental law, code, ordinance or regulation (including the terms and provisions of the Real Property Law of the State of New York in effect at the time of the alteration or improvement, including Section 339-k or any corresponding provision of law which succeeds said Section), or (ii) without the prior written consent of any Unit Owners directly affected, and of the Board of Managers, obtained pursuant to Sections 6.04 through 6.08 of this Declaration. When the alteration or improvement to the common elements is pursuant to a division or combination of Units requested by a Unit Owner(s) it shall be governed by Section 6.01 of this Declaration.

Notwithstanding the foregoing, the provisions of this Section 6.03(b) shall not apply to the Sponsor (as long as any proposed improvements by the Sponsor comply fully with all governmental laws, codes, ordinances and regulations and the proposed improvements are lawful under the terms and provisions of the Real Property Law of the State of New York in effect at the time of the improvement), nor shall this Section 6.03(b) be amended without the written consent of the Sponsor as long as the Sponsor owns any Unit.

Section 6.04. Submission of Plans to Board of Managers; Approval.

Any addition, alteration or improvement to the Units or common elements proposed by a Unit Owner(s) (other than the Sponsor) pursuant to Sections 6.01 through 6.03 above shall require that a plan or plans therefor, in such form as the Board of Managers may require, be submitted to, reviewed and approved by the Board of Managers. The Board of Managers may charge and collect a reasonable fee for the examination of plans submitted for approval, including any fees which may be charged by architects, engineers or attorneys retained by the Board of Managers in connection with the review of such plans.

The Board of Managers may adopt simplified review procedures for any such additions, alterations or improvements which it shall deem minor or for which the submission of plans is not necessary.

The Board of Managers may disapprove such plans for any of the following reasons:

- a. failure of such plans to comply with any protective covenants, conditions and restrictions contained in the Declaration, By-Laws, Rules or Regulations;
- b. failure to include information in such plans as requested;
- c. objection to the site plan, exterior design, appearance or materials of any proposed improvements, including without limitation, colors or color scheme, finish, proportion, style of architecture, proposed parking;
- d. incompatibility of proposed improvements or use of proposed improvements with existing improvements or uses in the vicinity;
- e. failure of proposed improvements to comply with any zoning, building, health, or other governmental laws, codes, ordinances, rules and regulations, including the Real Property Law of the State of New York;
- f. any other matter which in the judgment and sole discretion of the Board of Managers would render the proposed improvements, use or uses inharmonious or incompatible with the general plan of

improvement of the Condominium, including any possible adverse impact on the use and enjoyment of the Property by any other Unit Owner(s).

Upon approval or qualified approval by the Board of Managers of any plans submitted pursuant to this Section, the Board of Managers shall notify the applicant in writing of such approval or qualified approval, which notification shall set forth any qualifications or conditions of such approval, shall file a copy of such plans as approved for permanent record (together with such qualifications or conditions, if any), and, if requested by the applicant, shall provide the applicant with a copy of such plans bearing a notation of such approval or qualified approval. Approval of any such plans relating to the common elements or to any Unit shall be final as to such alterations, modifications or improvements and such approval may not be revoked or rescinded thereafter provided (i) that the improvements or uses shown or described on or in such plans do not violate any protective covenants, conditions or restrictions set forth in the Declaration, By-Laws or Rules and Regulations, and (ii) that such plans and any qualifications or conditions attached to such approval of the plans do not violate any applicable governmental law, rule or regulation, zoning, building, health or other code or ordinance, including the Real Property Law of the State of New York. Approval of any such plans shall not be deemed a waiver of the right of the Board of Managers to disapprove similar plans or any of the features or elements included therein if such plans, features or elements are subsequently submitted for use by other Unit Owner(s).

Section 6.05. Written Notification of Disapproval. In any case where the Board of Managers disapproves any plans submitted hereunder, the Board of Managers shall so notify the applicant in writing, together with a statement of the grounds upon which such action was based. In any such case, the Board of Managers shall, if requested and if possible, make reasonable efforts to assist and advise the applicant so that acceptable plans can be prepared and resubmitted for approval.

Section 6.06. Failure of Board to Act. If any applicant has not received notice from the Board of Managers approving or disapproving any plans within 60 days after submission thereof, said applicant may notify the Board in writing of that fact. Such notice shall be sent by certified mail, return receipt requested. The plans shall be deemed approved by the Committee 15 days after the date of receipt of such second notice, if no decision is rendered by the Board within said 15 day period.

Section 6.07. Board of Managers' Right to Promulgate Rules and Regulations. The Board of Managers may from time to time promulgate rules and regulations governing the form and content of plans to be submitted for approval or with respect to the approval or disapproval of certain types of alterations, modifications or improvements to the common elements or Units; provided, however, that no such rule or regulation shall be deemed to bind the Board to approve or disapprove any plans submitted for approval, or to waive the exercise of the Board's discretion as to such plans; and provided further that no such rule or regulation shall be inconsistent with the provisions of the Declaration, By-Laws or any applicable governmental law, code, ordinance, rule or regulation.

Section 6.08. Applications for Permits; Insurance. Any application to any governmental authority to make an installation, addition, alteration or improvement to the common elements or any Unit shall be executed by the Board of Managers only; provided, however, that applications for any such installation, addition, alteration or improvement proposed by a Unit Owner pursuant to Sections 6.01 through 6.03 above shall be at the sole cost and expense of such Unit Owner; and provided further that this Article VI shall in no case be construed to result in the Board of Managers incurring any liability whatsoever to any Unit Owner, contractor, subcontractor, materialmen, architect or engineer on account of such installation, addition, alteration or improvement proposed by a Unit Owner, or to any person having any claim for injury to person or property arising therefrom, and such Unit Owner agrees to indemnify and forever hold the Board harmless for any liability or expenses incurred by the Board in connection therewith, including reasonable attorneys' fees.

In connection with any installation or work done by a Unit Owner, the Board of Managers may require that the Unit Owner obtain such insurance coverages and/or completion bonds, and in such amounts, as the Board of Managers deems proper. In the event that the Board of Managers deems it necessary to expend funds either to complete work previously commenced by a Unit Owner or to otherwise protect the appearance, value or structural integrity of the Condominium, such amounts shall become a binding personal obligation of the Unit Owner involved and a lien against the Unit.

Section 6.09. Liability of Board of Managers. No action taken by the Board of Managers or any member, subcommittee, employee or agent thereof, shall entitle any person to rely thereon, with respect to conformity with laws, regulations, codes or ordinances, or with respect to the physical or other condition of any Building or other portion of the Property. Neither the Condominium, nor the Board of Managers, nor any member, subcommittee, employee or agent thereof shall be liable to anyone submitting plans to them for approval or to any Unit Owner, or any other person, in connection with any submission of plans, or the approval or disapproval thereof, including without limitation, mistakes in judgment, negligence or nonfeasance. Every person or other entity submitting plans to the Board of Managers agrees, by submission of such plans, that no action or suit will be brought against the Condominium or the Board of Managers (or any member, subcommittee, employee or agent thereof) in connection with such submission.

ARTICLE VII

EASEMENTS

Section 7.01. Utilities, Pipes and Conduits. Each Unit Owner shall have such easement of access to other Units and to the common elements, and each Unit shall be subject to such easement, as is reasonably necessary for such Unit Owner to maintain, repair and replace, as necessary, such Owner's Unit including, if any, the pipes, wires and conduits running from the meters or equipment servicing such Unit to the Unit. Each Unit Owner shall also have an easement in common with the Owners of all other Units to use, in accordance with present use and present available facilities, all pipes,

wires, ducts, cables, conduits, public utility lines, and other common elements located in any of the other Units and serving the Unit or Units of such Unit Owner. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use in accordance with present use and present available facilities the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other Units and located in such Unit.

Section 7.02 Access of Board of Managers. The Board of Managers, its agents, contractors and employees, shall have an easement and right of access to each Unit and to the common elements for the purpose of (i) making inspections; (ii) removing violations of the Declaration or By-Laws or Rules and Regulations of the Condominium therefrom; (iii) correcting any condition originating in a Unit and threatening another Unit or a common element; (iv) performing installations, alterations or repairs to the mechanical or electrical services or other common elements in a Unit or elsewhere; (v) correcting any condition which violates the provisions of any mortgage covering another Unit; (vi) making any maintenance or repair which pursuant to the By-Laws an Owner is required to make and which such Owner has failed to make after 10 days written notice; (vii) complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof; or (viii) maintaining, repairing or replacing the common elements or any pipe, wire, duct, cable (e.g. coaxial cable for cable television) conduit or utility line located in any Unit or the common elements and servicing two or more Units. The cost of such maintenance, repairs, improvements or replacements shall be a common expense, unless the cost is to be a Unit Owner expense as provided elsewhere in this Declaration or in the By-Laws, Rules or Regulations. The Board of Managers shall have a right of access to all common elements (irrespective of the restricted nature of such common elements) to remove violations and for inspection, maintenance, repair or improvement. The rights of access are to be exercised (unless in an emergency) at reasonable hours and upon reasonable notice to the Unit Owner involved. In the case of an emergency, the right of access shall be immediate, regardless of the presence of the Unit Owner involved.

Section 7.03. Sponsor's Easement for Marketing, Development and Improvement Purposes; Other Rights of Sponsor.

- (a) The Sponsor reserves the right with respect to its marketing and/or construction of Units to grant and reserve easements and rights of way for the installation, maintenance, repair, replacement and inspection of utility lines, wires, pipes and conduits, including, but not necessarily limited to, water, gas, electric, telephone, sewer and cable television to service the Units with respect to its marketing and/or construction of Units;
- (b) The Sponsor reserves the right, with respect to its marketing and/or construction of Units, to use the common elements for the ingress and egress of itself, those necessary to complete construction and prospective purchasers, and other licensees or invitees, including the right of such parties to park in parking spaces;

- (c) The Sponsor reserves the right to grant to itself or to others such other easements and rights of way as may be reasonably needed for the orderly development of the Property.

With respect to its exercise of the above rights, the Sponsor agrees (i) to repair within a reasonable time any damage resulting, and (ii) to hold the Condominium harmless from all liabilities resulting solely from the Sponsor's acts or omissions.

Section 7.04. Easement for Encroachments. The Unit Owners agree that if any portion of a Unit or the common elements (whether restricted in use to an individual Unit Owner or not) encroaches or shall hereinafter encroach upon another Unit or the common elements as a result of: (i) the original construction or settling or shifting of the Buildings or (ii) any repair or restoration by the Board of Managers of a Building, any Unit or the common elements, or (iii) any construction after a partial or total destruction as a result of a fire or other casualty or as a result of condemnation or eminent domain proceedings, a valid easement for the encroachment and the maintenance of the same shall and does exist. Such easements as provided in this Section shall exist so long as the Building in which any such encroachment exists shall stand.

Section 7.05. Easement of Necessity. Each Unit shall have and each Unit shall be subject to all easements of necessity in favor of such Unit or in favor of other Units and the common elements.

Section 7.06. Sponsor's Consent. No provision of this Article VII may be amended without the written consent of the Sponsor (or its successors or assigns) as long as the Sponsor owns any Unit.

ARTICLE VIII VOTING RIGHTS

Section 8.01. Voting Rights. For all voting purposes except for amendment to this Declaration as provided below, at any meeting of the Unit Owners, the Owners of Units shall have one (1) vote for each Residential Unit owned.

ARTICLE IX COMMON CHARGES - ALLOCATION, LIEN AND LIABILITY

Section 9.01. Allocation of Common Charges. Except as otherwise permitted in this Article or the By-Laws, the common expenses shall be charged by the Board of Managers to the Unit Owners according to their respective percentage interests in the common elements. The common

profits of the Property, after offsetting the common expenses relating to the common elements and making due allowance for the retention of a reserve to cover future common expenses, shall be distributed among the Unit Owners in the same manner.

Section 9.02. Unpaid Common Charges - Personal Obligation of Unit Owner and Lien on Unit. The common charges shall be paid when due. All sums assessed as common charges by the Board of Managers of the Condominium, but unpaid, together with accelerated installments, late charges as may be established by the Condominium By-Laws, interest thereon at such rate as may be fixed by the Board of Managers from time to time, such rate not to exceed the maximum rate of interest then permitted by law, and reasonable attorneys' fees and other costs and expenses incurred in efforts to collect such past due assessments, shall be the personal obligation of the Unit Owner and to the extent permitted by law shall constitute a lien upon the Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivision of any governmental authority, including but not limited to State, County, City, Town and School District taxing agencies and (b) all sums unpaid on any first mortgage of record encumbering any Unit.

A purchaser of a Unit shall be liable for the payment of unpaid common charges assessed against such Unit prior to such purchaser's acquisition, except that a mortgagee or other purchaser who acquires title at a foreclosure sale, or an institutional mortgagee who acquires title to a Unit by a deed in lieu of foreclosure, shall not be liable for, and such Unit shall not be subject to, a lien for the payment of common charges against such Unit, and which became due prior to such acquisition of title. In such event, the unpaid balance of common charges shall be charged to all other Units Owners as a common expense. The term "institutional mortgagee" as used in this Article shall mean a bank, savings and loan association, life insurance company, pension trust, trust company, or the Sponsor.

Except as provided above, in the case of any conveyance of a Unit either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the grantee of the Unit shall be jointly and severally liable with the former Unit Owner for any unpaid common charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the grantee's right to recover from the former Unit Owner the amounts paid by the grantee therefor. "Grantee" as used herein shall not include either the holder of an institutional mortgage of record or a purchaser of a Unit at a foreclosure sale of an institutional mortgage. No Unit Owner shall be liable for the payment of any common charges accruing subsequent to a sale, transfer, or other conveyance by him of such Unit made in accordance with applicable laws or the provisions of this Declaration and the By-Laws.

No Unit owner may be exempt from liability for payment of common charges assessed against such Owner's Unit by waiver of the use or enjoyment of any of the common elements or by the abandonment of his Unit. Dissatisfaction with the quantity or quality of maintenance furnished to the Property shall not be grounds for the withholding or failure to pay any common charge or special assessment.

ARTICLE X

BOARD OF MANAGERS

Section 10.01. Board of Managers. The affairs of the Condominium shall be governed and controlled pursuant to the Condominium By-Laws (attached hereto as Schedule E and made a part hereof) by a Board of Managers who shall be elected and serve and shall have the duties and powers as provided in the By-Laws.

Section 10.02. Administration. The administration of the Condominium, the Buildings and parcel of land (the Property) described herein shall be in accordance with the provisions of this Declaration and with the provisions of the Condominium By-Laws.

Section 10.03. Power of Attorney to Board of Managers. Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit whose Owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, or any other Unit, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and to convey, sell, lease, mortgage, vote the votes appurtenant thereto or otherwise deal with any such Unit so acquired or to sublease any Unit so leased by the Board of Managers.

Section 10.04. Acquisition of Units by Board of Managers. In the event any Unit Owner shall surrender such Unit Owner's Unit, together with (i) the undivided interest in the common elements appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners or the proceeds of the sale, or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereafter collectively called the "Appurtenant Interests") pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, or in any other manner acquire, a Unit together with the Appurtenant Interests, title to any such Unit, together with the Appurtenant Interests shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective common interests. The lease covering any Unit leased by the Board of Managers, or its designees, on behalf of all Unit Owners, shall be held by the Board, or its designee, on behalf of all Unit Owners in proportion to their respective common interests.

Section 10.05. Sponsor's Written Consent Necessary for Certain Actions Taken by Board of Managers. Notwithstanding anything to the contrary contained in this Declaration, until the closing of title to 90% of the Residential Units or until 3 years after the date of closing of title of the first Residential Unit, whichever is sooner, the Board of Managers may not, without the Sponsor's written consent, (i) except for necessary repairs, make any addition, alteration or improvement to the common elements or to any

Unit owned by the Condominium or (ii) assess any common charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of an amount equal to the proportion of the then existing budget which the amount of reserves in the initial budget of estimated expenses for the Condominium bears to the total amount of such initial budget of estimated expenses or, (iii) hire any employee in addition to the employees, if any, provided for in the initial budget of the Condominium, except as may be necessary to maintain the quantity or quality of services or maintenance, or (iv) enter into any maintenance or service contract for work not provided for in the initial budget of the Condominium, or (v) borrow money on behalf of the Condominium or (vi) reduce the quantity or quality of services or maintenance of the Property. This Section shall not be amended without the written consent of the Sponsor as long as the Sponsor owns 10% or more of the Residential Units.

ARTICLE XI

OBLIGATIONS, RESPONSIBILITIES, COVENANTS, AND RESTRICTIONS

Section 11.01. All Owners, Tenants and Occupants Subject to Condominium Documents Which Run With the Land. All present or future Unit Owners, tenants, occupants or any other person that might use the Units or the facilities of the Property in any manner, are subject to the provisions of the Declaration, the By-Laws and Rules and Regulations of the Condominium as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease, or the entering into of occupancy of any Unit shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Units, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

Section 11.02. Units to be Properly Maintained. Unit Owners shall maintain their Units in good repair and overall appearance and shall keep any exterior stairways limited to their use free from snow, ice and obstructions, and in a clean and neat condition.

Section 11.03. Mortgages on Units. Any Unit Owner who mortgages his Unit shall promptly provide the Board of Managers with the name and address of the mortgagee.

Section 11.04. No Nuisances. No nuisances shall be allowed upon the Property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents.

Section 11.05. No Immoral or Unlawful Use. No immoral, improper, offensive or unlawful use shall be made of the Property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 11.06. Obligation to Maintain Utility Service. Regardless of whether the Residential Unit is occupied, the Owner thereof shall be obligated to maintain sufficient utility service to prevent damage to other Units or to the common elements. If such service is not maintained by the Owner, the Board of Managers shall have the right to immediately arrange for such service, upon such notice to the Owner as is practical under the circumstances and without notice in emergency situations. If such service must be arranged by the Board of Managers, any costs incurred shall be collectible in the same manner as common charges and shall constitute a lien on the Unit involved and a personal obligation of the Unit Owner(s).

Section 11.07. Rules and Regulations. Rules and regulations promulgated by the Board of Managers concerning the use of the Property shall be observed by the Unit Owners, provided, however, that copies of such rules and regulations are furnished to each Unit Owner prior to the time the said rules and regulations become effective.

ARTICLE XII AMENDMENT AND TERMINATION

Section 12.01. Amendment. Except as otherwise provided in this Declaration, this Declaration may be modified, altered, amended or added to at any duly called meeting of Unit Owners provided that:

a. A notice of the meeting containing a full statement of the proposed modification, alteration, amendment or addition has been sent to all Unit Owners and first mortgagees of Units as listed on the books and records of the Condominium at least thirty (30) and not more than fifty (50) days prior to the date set for said meeting; and

b. 66-2/3% or more in number and in common interest of all Unit Owners approve the change; and

c. The Board of Managers does not, prior to the date established for voting on the proposed change, receive written notification of opposition to the change from mortgagees of more than 50% of the number of Units; and

d. An instrument evidencing the change is duly recorded in the Office of the Richmond County Clerk. Such instrument need not contain the written consent of the required number of Unit Owners, but shall contain a certification by the Board of Managers of the Condominium that the consents required by this Section for such change have been received and filed with the Board of Managers, and

e. So long as the Sponsor (or its successors or assigns) shall continue to own at least one Residential Unit, the Board of Managers obtains the Sponsor's written consent to the change if said change might adversely affect the interests of the Sponsor.

Section 12.02. Amendment by Sponsor to Correct Errors. Notwithstanding Section 12.01, the Sponsor, during the time the Sponsor owns any Unit, may make amendments to this Declaration, consistent with the current provisions of the Condominium Act, to correct omissions or errors, which amendments shall not adversely modify substantial rights of any Unit Owner without such Unit Owner's written permission. Such amendment(s) need only be signed by the Sponsor.

Section 12.03. Amendment for Filing of Supplemental Floor Plans. Notwithstanding the foregoing, the Sponsor may execute and record Amendment(s) to this Declaration at any time until it no longer owns any Units for the purpose of filing supplemental floor plans of Units, as described in Real Property Law Section 339-p, and Section 4.02 of this Declaration. Such Amendment(s) need only be signed by the Sponsor, and attached thereto shall be the verified statement of a registered architect or licensed professional engineer described in the aforementioned Sections of the Real Property Law and of this Declaration.

Section 12.04. Termination. The Condominium shall not be terminated or abandoned except as provided for by law.

ARTICLE XIII

GENERAL

Section 13.01. Service of Process. Service of process on the Unit Owners in any action with relation to the common elements shall be made upon: Board of Managers of Meadowland Estates Condominium, Laconia Avenue, Staten Island, New York.

Section 13.02. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

Section 13.03. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 13.04. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

Section 13.05. Gender. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender whenever the context so requires.

IN WITNESS WHEREOF, the Sponsor has caused this Declaration to be executed this _____ day of _____, 1985.

LACONIA HOMES, INC.

(SEAL)

By _____
Savino Savo, President

STATE OF NEW YORK)
 : ss
COUNTY OF RICHMOND)

On this _____ day of _____, 1985, before me, the subscriber, personally appeared SAVINO SAVO, to me known, who being by me duly sworn, did depose and say that he is the PRESIDENT of LACONIA HOMES, INC., the corporation described in, and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

SCHEDULE A

DESCRIPTION OF CONDOMINIUM PROPERTY

All that certain plot, piece or parcel of land, situate, lying and being in the County of Richmond, City and State of New York, bounded and described as follows:

Parcel I

BEGINNING at a point on the northwesterly side of Laconia Avenue, as adopted by the City of New York, distant 109.74 feet northeasterly from the corner formed by the intersection of the said northwesterly side of Laconia Avenue and the northeasterly side of Stobe Avenue; running

Thence North $39^{\circ} 18' 07''$ West 226.34 feet;
 Thence North $54^{\circ} 13' 57''$ West 79.50 feet to the southeasterly side of Meadow Place;
 Thence North $35^{\circ} 46' 03''$ East and along the said southeasterly side of Meadow Place 230 feet;
 Thence South $54^{\circ} 13' 57''$ East 116.65 feet;
 Thence South $20^{\circ} 53' 55''$ East 87.99 feet;
 Thence South $56^{\circ} 01' 04''$ East 100 feet to the said northwesterly side of Laconia Avenue;
 Thence along the said northwesterly side of Laconia Avenue, South $33^{\circ} 47' 32''$ West 243.55 feet to the point or place of beginning.

Parcel II

BEGINNING at a point on the northwesterly side of Laconia Avenue, as adopted by the City of New York, distant 353.29 feet northeasterly from the corner formed by the intersection of the said northwesterly side of Laconia Avenue and the northeasterly side of Stobe Avenue; running

Thence North $56^{\circ} 01' 04''$ West 100 feet;
 Thence North $20^{\circ} 53' 35''$ West 87.99 feet;
 Thence North $54^{\circ} 13' 57''$ West 116.65 feet to the southeasterly side of Meadow Place;
 Thence North $35^{\circ} 46' 03''$ East and along the said southeasterly side of Meadow Place, 50.11 feet to the southwesterly side of Filbert Avenue, as adopted by the City of New York;
 Thence South $56^{\circ} 01' 04''$ East and along the said southwesterly side of Filbert Avenue, 286.36 feet to the said northwesterly side of Laconia Avenue;
 Thence along the said northwesterly side of Laconia Avenue, South $33^{\circ} 47' 32''$ West 104 feet to the point or place of BEGINNING.

SCHEDULE B**DESCRIPTION OF THE BUILDINGS**

There are four two-story buildings, three buildings containing 16 residential Units, and one building containing 14 Units. There are no basements. The foundation of these buildings are wood piles, concrete pile caps and concrete grade beams, concrete slab and wood frame. The exterior walls are brick veneer and redwood vertical siding over wood stud frame. The roofs are covered with 3-in-1 235 pound roofing shingles over 15 pound felt paper. Chimneys are double wall metal flues. Finish walls and ceilings are taped sheetrock with primer and paint.

SCHEDULE C
UNIT DESIGNATIONS/TAX LOT NUMBERS/ROOMS/PERCENTAGE
INTERESTS IN COMMON ELEMENTS/APPROXIMATE SQUARE FOOT AREAS/
ACCESS TO COMMON ELEMENTS

<u>UNIT DESIGNATION</u>	<u>TAX LOT NO.</u>	<u>ROOMS/ BATHROOMS</u>	<u>APPROXIMATE AREA (SQUARE FEET)</u>	<u>PERCENTAGE OF UNDIVIDED INTEREST IN COMMON ELEMEN</u>
Building 1				
Studios:				
623(D) and (F); 629(B) and (F)		1/1	592	1.4
One BR:				
623(C) and (E) 629(A) and (E)		2/1	592	1.4
Two BR:				
623(A),(B),(G) and (H); 629(C),(D), (G) and (H)		4/1-1/2	996	1.84
Building 2				
Studios:				
40(B),(G), (J) and (P)		1/1	592	1.4
One BR:				
40(A),(F) (H) and (N)		2/1	592	1.4
Two BR:				
40(C),(D),(E), (K),(L) and (M)		4/1-1/2	996	1.84
Building 3				
Studios:				
10(C),(D),(F); 20(D) and (F)		1/1	592	1.4
One BR:				
10(E) and 20(C) and (E)		2/1	592	1.4
Two BR:				
10(A),(B),(G),(H); 20(A),(B),(G) and (H)		4/1-1/2	996	1.84
Building 4				
Studios:				
607(B) and (F); 615(D) and (F)		1/1	592	1.4
One BR:				
607(A) and (E) 615(C) and (E)		2/1	592	1.4
Two BR:				
607(C),(D),(G),(H); 615(A),(B),(G) and (H)		4/1-1/2	996	1.84

Access from Units to Common Elements: All first-floor Units and two-story Units have direct access to the common elements from the Unit door. All second floor Units have access from the Unit door to an exterior stairway, which stairway constitutes a limited common element.