SPECIAL RISKS*

Commercial Units

There will be a Store Unit (which includes a boat repair facility, a Gas Dock Unit, a Cove Office Unit, an Essex Office Unit (which includes a boat sales area), a Launching Unit and three (3) Floating Dock Units in the Condominium which are designated as Commercial Units. The Commercial Units may be used for any lawful purpose and such Units individually and collectively have certain rights appurtenant thereto which are summarized in "Description of the Property" and "Changes in Commercial Units and Certain Rights of Commercial Unit Owners." There is no guarantee that the Commercial Units will continue to be used for the uses to which they are presently devoted. Thus, for example, a purchaser should note that they may not always have a repair facility or gas dock available to them within the Condominium. However, there is presently a gas dock and a boat repair facility within the marina premises located immediately to the west of the Property. The Board of Managers will have no right to restrict or limit any uses of the Commercial Units which are permitted by law and applicable zoning ordinances. See "Description of the Property" and "Changes in Commercial Units and Certain Rights of Commercial Unit Owners".

One Development Lot for Zoning Purposes

The entire Condominium is deemed to be one development lot for zoning purposes. The Commercial Unit Owners will have the first call on the development rights appurtenant to the Property to the extent necessary to permit the improvements presently located within the Commercial Units to remain and to permit any improvements thereto or new contruction contemplated under the Declaration and any replacements thereof.

Managing Agent

The Sponsor will act as the Managing Agent of the Property under a Management Agreement which expires on the third anniversary of the Closing Date.

Adjoining Property and Right of Entry to the Property

The Sponsor and/or its designees shall have an easement (i) to erect an entrance from any parcel of land owned by any of

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* Capitalized terms used in this Plan will have the meanings set forth in the section of the "Introduction" entitled "Definitions" or elsewhere set forth in the Plan.

them to the Common Elements of the Condominium and of access to and from the Condominium by way of such entrance and (ii) over the Common Elements for the purpose of transporting boats to and from and within the Condominium including, without limitation, for the purpose of delivering such boats to the Launching Unit and the Store Unit for hauling or launching.

Hauling and Launching and Washing and Blocking of Boats

On the Closing Date the Condominium will enter into an agreement with the Store Unit Owner to provide hauling, launching, blocking and washing services at the Property until the second anniversary of the Closing Date for boats owned by Slip Unit Owners at certain rates which are fixed until the second anniversary of the Closing Date. Slip Unit Owners are not required to avail themselves of the hauling and launching services of the Store Unit Owner and may, if they so desire, haul and launch their boats at the municipal ramp which is located in the vicinity of the Property. The only hauling and launching site presently located at the Condominium is within the Store Unit, although the Launching Unit Owner has the right to construct a hauling and launching ramp within its Unit. There is no limitation on the rates for hauling and launching which the Launching Unit Owner may charge at any time or the rates for hauling, launching, blocking and washing which may be charged by the Store Unit Owner after the second anniversary of the Closing Date.

The Store Unit Owner and the Launching Unit Owner may refuse to haul or launch any boat except that until the second anniversary of the Closing Date, the Store Unit Owner may not refuse to haul, launch, block or wash a Slip Unit Owner's boat weighing less than 20 tons, provided such Unit Owner pays the applicable rates for such services. See "Changes in Commercial Units and Certain Rights of Commercial Unit Owners."

In order for a Slip Unit Owner to take advantage of his right to store his boat on the Land as described in the Plan he must wash and block his boat. A Slip Unit Owner may wash and block his own boat or take advantage of the services offered by or through the Condominium, so long as such services are available.

After the expiration of the agreement with the Store Unit Owner described above, the Condominium may (i) enter into a new agreement with the Store Unit Owner or hire another entity to perform such blocking and washing services at the Condominium for such rates as may be agreed to from time to time (ii) elect to perform such blocking and washing services on its own and establish its own rates for performing such services or (iii) elect not to offer such services. It should be noted that if the Condominium determined to provide the washing and blocking services at this time, an investment of approximately $100,000 in equipment would have to be made in order to perform the service.

Restrictions on Slip Unit Owners

There are certain restrictions on the use that may be made by a Slip Unit Owner of his Slip Unit including with regard to the rental of the Slip Unit and express prohibitions against erecting any improvements on his Slip Unit, docking what is commonly referred to as a "Houseboat" at the Slip Unit and making any boat repairs in his Slip Unit. The rights of Slip Unit Owners are subject to any riparian rights and easements of others over the Neguntatogue Creek and/or Great South Bay and the rights of the United States government, State of New York or other municipality (i) to erect or relocate its bulkhead lines in the Neguntatogue Creek and/or Great South Bay and (ii) to any portion of the Property lying below the high water mark of the Neguntatogue Creek and/or Great South Bay or any portion of the Property now or formerly under water, if any. See "Rights and Obligations of Unit Owners".

Unconditional Obligations to Purchase

Financing is not a condition to a purchaser's obligation to purchase pursuant to this Plan. If a purchaser does not close by reason of his failure to obtain financing, then he may lose his deposit.

Therefore, in order to reduce the risk of losing his deposit and the opportunity to purchase his Unit, it is incumbent upon a purchaser to arrange his financing before signing and making the deposit pursuant to his Purchase Agreement.

Condition of the Property

A purchaser is advised that the Property and the Units are being offered and sold in their "as is" condition on the Closing Date and there will be no obligation on the part of the Sponsor to make any repairs or improvements although Sponsor shall:

(a) maintain the Property until the Closing Date in no less than substantially the same condition and manner as on the date of presentation of the Plan (the "Presentation Date") except for reasonable wear and tear; and

(b) on or before the Closing Date or within a reasonable period of time thereafter:

(i) cure violations of record as of the Closing Date (other than violations caused by acts or omissions of tenants of the Property in the Units in which they occupy); and

(ii) eliminate all dangerous or hazardous conditions of which Sponsor has received notice on or before the Closing Date.

(c) make the improvements described in "Description of the Property and Improvements".

See "Sponsor's Statement of Property Condition".

Except for the Sponsor's obligations described above, any repairs or improvements to the Property will be the responsibility of a purchaser and/or the Condominium and will not be the responsibility of the Sponsor.

A purchaser should inspect the Property and his Unit as well as review the "Sponsor's Statement of Property Condition," and the "Description of Property Condition" set forth in Part II of the Plan.

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(b) on or before the Closing Date or within a reasonable period of time thereafter:

(i) cure violations of record as of the Closing Date (other than violations caused by acts or omissions of tenants of the Property in the Units in which they occupy); and

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INTRODUCTION

Purpose of the Plan

Anchorage Associates (the "Sponsor") presents this Offering Plan (the "Plan") for the condominium ownership of the premises known as 401 East Shore Road, Lindenhurst, New York (the "Property) under the provisions of the Condominium Act.

The purpose of this Plan is to set forth all of the material terms of the offer to establish the Property as a condominium and to sell 460 Slip Units therein.

The Plan is presented in two parts which together constitute the entire Plan. Part I sets forth a description of the material terms of the offer and Part II contains, among other things, a description of the Property and the basic documents necessary to create the condominium and effectuate the provisions of the Plan.

The Plan may be amended from time to time upon the filing of an amendment with the Department of Law of the State of New York (the "Department of Law"). See "General: Amendments to Plan."

The Sponsor and its Interest in the Property

The Sponsor is a New York partnership. See "Identity of Parties." Fee title to the Property is presently owned by the Sponsor and was acquired by Bargain and Sale Deed dated August 29, 1983.

Interest in the Property to be Submitted to Condominium Act

A condominium will be created and established by submitting fee title to the Property to the provisions of the Condominium Act (as hereinafter defined) in accordance with the Declaration and By-Laws set forth in Part II of the Plan. The Condominium will be known as The Anchorage Yacht Club Condominium and will be subject to the Condominium Act and all laws regulating condominiums.

The Declaration and By-Laws will be recorded and Floor Plans will be filed in the County Clerk's Office of Suffolk County prior to or concurrently with the closing of the sale of the first Unit pursuant to the Plan.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9B of the Real Property Law of the State of New York, as amended, commonly known and hereinafter referred to

as the "Condominium Act." The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording the Declaration in the County Clerk's Office of Suffolk County. From and after the date of recording the Declaration, Sponsor will be the owner of each of the Units until each is sold or conveyed.

Offer of Sale of Condominium Units

The Sponsor hereby offers for sale 460 Slip Units on the terms and conditions set forth in the Plan.

The prices of the Units are set forth in "Purchase Prices and Other Financial Details for Each Unit" (Schedule A"). These prices have been set by the Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency.

The Property is presently used as a marina with commercial boat dockage and light marina operations and contains, in addition to the Slip Units offered for sale under the Plan, the Commercial Units described below which are not offered for sale by the Sponsor under this Plan.

The Slip Units offered for sale under this Plan are comprised of portions of the Land along the banks of the waterways within the Condominium and the banks of the Neguntatogue Creek. The dimensions of the Slip Unit are approximately 10 feet by the linear footage of the water side of the Slip Unit. None of the Slip Units are comprised of land under water. The Slip Units may be divided into the following general types of Units:

(i) 56 Slip Units in the A Dock Section with water side linear footage ranging from 14 feet to 19 feet.

(ii) 52 Slip Units in the B Dock Section with water side linear footage ranging from 12.2 feet to 17.9 feet.

(iii) 57 Slip Units in the C Dock Section with water side linear footage ranging from 10.7 feet to 17.9 feet.

(iv) 64 Slip Units in the D Dock Section with water side linear footage ranging from 12.5 feet to 18.9 feet.

(v) 60 Slip Units in the F Dock Section with water side linear footage ranging from 12 feet to 16.9 feet.

(vi) 13 Slip Units in the H Dock Section with water side linear footage ranging from 11.1 feet to 13.5 feet.

(vii) 17 Slip Units in the E Dock Section with water side linear footage ranging from 9.4 feet to 12.8 feet.

(viii) 30 Slip Units in the M Dock Section with water side linear footage ranging from 8.7 feet to 18.9 feet.

(ix) 24 Slip Units in the S Dock Section with water side linear footage ranging from 15 feet to 26 feet.

(x) 87 Slip Units in the G Dock Section with water side linear footage ranging from 9.4 feet to 86.7 feet.

All of the Slip Units other than the Slip Units within G Dock, H Dock, E Dock and M Dock have separate electrical meters. The meters have been installed to aid the Board of Managers in determining the amount of electricity consumed within the Slip Unit.

Some of the Slip Units have finger docks located in the docking area thereto as indicated on Schedule A.

The Commercial Units are comprised of the following types of Units:

(i) a Store Unit which includes a boat repair facility;

(ii) a Gas Dock Unit;

(iii) a Cove Office Unit;

(iv) an Essex Office Unit which includes a boat sales area;

(v) a Launching Unit; and

(vi) three (3) Floating Dock Units.

The Sponsor presently contemplates retaining the Commercial Units on the Closing Date. However, this will not limit the Sponsor's right to dispose of any and all of such Commercial Units at any time.

There are outdoor parking and recreational facilities presently located at the Condominium which are described in "Description of the Property."

The Property is more fully described in "Sponsor's Statement of Property Condition" and "Description of Property Condition" included in Part II of the Plan which set forth a description of the physical condition of the Property. The Property and the Units are being offered and sold in their "as is" condition on the Closing Date and there will be no obligation on the part of the Sponsor or the Condominium to make any repairs or improvements except as expressly provided in "Sponsor's Statement of Property Condition." See "Special Risks."

Features of Condominium Ownership

The ownership of a Slip Unit is similar in many respects to the ownership of a parcel of ocean front property. Each Slip Unit Owner owns fee title to his Slip Unit and is entitled to the exclusive possession thereof.

Each Slip Unit Owner has the right to the terms and conditions set forth in the Declaration and summarized in "Rights and Obligations of Unit Owners":

(i) Exclusively to dock a boat on the water side of his Slip Unit in an area bounded and described in the Declaration;

(ii) To park one car in a location designated by the Board of Managers; however, the Board of Managers to the maximum extent feasible shall designate a location which is on the upland side of the Slip Unit;

(iii) To store a boat (not exceeding in size the docking capacity of his Slip Unit as described above) out of the water within the Condominium during the period September 15 through May 31 of each year in a location to be designated from time to time by the Board of Managers. This will not limit, however, the right of a Slip Unit Owner to remain with his boat docked within the docking area described above provided, however, that a Slip Unit Owner shall not have the right both to dock a boat within the docking area appurtenant to his Slip Unit and to store a boat out of the water as described above.

Each Slip Unit Owner also owns in common with other Unit Owners an undivided interest in the Common Elements known as his Common Interest. The Common Elements, as described in "Description of the Property" in Part I of the Plan and in the Declaration set forth in Part II of the Plan, include portions of the Land, the central and appurtenant installations for services such as power, the outdoor pool, two outdoor tennis courts, the snack bar kiosk, and the common bathroom facilities as more fully described in "Description of the Property" and in the Declaration.

Subject to certain conditions contained in the By-Laws, each Slip Unit Owner may mortgage his Unit with such lender and in such amount as he chooses (see "Procedure to Purchase"). There are no limitations or restrictions upon the right of a Commercial Unit Owner to mortgage his Commercial Unit. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units. Except as otherwise ex-

pressly provided in this Plan, Sponsor will not arrange institutional financing and will not act as agent for any lender with respect to the financing of Units. Commercial and savings banks as well as some savings and loan associations may make loans to help the purchasers finance the acquisition of their Units. Each institution has its own lending policies and credit requirements. The Sponsor makes no representation or warranty that institutional financing will be available to Unit Owners or as to the terms and conditions upon which financing might be available.

A Slip Unit Owner may not erect any improvements on his Slip Unit. A Unit Owner will be solely responsible for the cost of satisfying his own maintenance obligation with respect to his Unit.

The Sponsor will make application to divide the Property into separate tax lots for each Unit and its Common Interest, which will then be taxed as a separate tax lot for real estate tax purposes. Once a separate tax lot is established for a Unit a Unit Owner will then be responsible for the payment of the real estate taxes on his, but not any other, Unit and his Unit will not be affected by virtue of nonpayment of real estate taxes by any other Unit Owner. The amount of the tax assessed against any Unit will depend upon various factors affecting value, including but not limited to square footage, location, purchase price and other factors taken into consideration by the taxing authorities.

With certain exceptions, any sale or lease of a Slip Unit will be subject to a right by the Condominium to acquire or lease such Slip Unit or to produce a third party to acquire or lease such Slip Unit on the same terms as were offered to the Owner of such Slip Unit. A Commercial Unit Owner may sell or lease all or any portion of his Commercial Unit as if it were a separate commercial property without any restriction or limitation imposed pursuant to the Declaration or By-Laws. For a summary of such rights and obligations of a Unit Owner, see "Rights and Obligations of Unit Owners."

Operation of the Condominium will be vested in the Board as more particularly set forth in the By-Laws. The Board will determine the amount of Common Expenses. Common Expenses include without limitation the expenses of maintaining and operating the Common Elements and the other expenses set forth in Schedule B. Each Unit Owner will be required to pay a portion of the Common Expenses equal to the product of the percentage amount of his Common Interest multiplied by the amount of the Common Expenses, which will be levied as a Common Charge against his Unit. At least monthly, the Board will assess such Common Charges against each Unit Owner to meet Common Expenses. See "Management and Operation of the Condominium."

Each Unit Owner will be required to pay for the electricity and water consumed by the Unit together with the sewer rents attributable to the water consumed within such Unit as determined from time to time by the Board of Managers. As described above, certain of the Slip Units will have separate electric meters, which will aid the Board of Managers in determining the electricity consumed within the Unit.

Each of the Commercial Units may be subdivided into two or more commercial condominium Units in accordance with the provisions of the Declaration and of the By-Laws. No representation or warranty is made as to who the owner or tenants of any of the Commercial Units may be at any time or as to the uses to which any of the Commercial Units may be put at any time. A Commercial Unit may be used for any lawful purpose.

In the opinion of counsel to the Sponsor, under present income tax laws, a Slip Unit Owner, substantially like a homeowner, may deduct from his income for federal and New York State resident income tax purposes; the real estate taxes paid with respect to his Slip Unit and the interest paid on the mortgage, if any, on his Slip Unit (see "Attorneys' Income Tax Opinion"). The tax opinion does not deal with the tax consequences which may result from the ownership or leasing of the Slip Unit in the Unit Owner's trade or business or for purposes of investment or production of income.

The Condominium shall maintain fire insurance policies insuring the Property (but not including any boat, furniture, furnishings or other personal property in the Unit) covering the interests of the Condominium, the Board, all the Unit Owners and their mortgagees as their respective interests may appear, in an amount equal to at least eighty percent of the full replacement value of the improvements to the Property exclusive of excavation and foundations and deduction for depreciation. Each Unit Owner is responsible for insuring the contents of his Unit including boat, furniture, furnishings, or other personal property within the Unit or the Condominium. In addition, a Unit Owner shall obtain insurance covering his liability to others for personal injury or property damage occurring within or to his Unit or within the Condominium.

Special Offer to Present Slip Occupants
30-Day Exclusive Period and Occupant Credit

Except as otherwise provided in this Plan, an occupant of a Slip Unit (e.g., other than an occupant of a Floating Dock Unit or any of the other Commerial Units) under a written occupancy agreement with the Sponsor at the Property on the date the Plan shall have been accepted for filing by the Department of Law ("Tenant in Occupancy") shall have the exclusive right to purchase a Slip Unit specified by Sponsor within the Dock section

in which the Slip he then occupies under his written occupancy agreement is located, for a period of thirty (30) days from the Presentation Date the ("30-Day Exclusive Period") for the cash purchase price set forth in Schedule A less an amount equal to ten percent (10%) of such purchase price (such amount being hereinafter sometimes referred to as the "Occupant Credit"). Tenants in Occupancy who purchase after the expiration of the 30-Day Exclusive Period shall not be entitled to the Occupant Credit. During the 30-Day Exclusive Period, Sponsor shall neither increase the price to a Tenant in Occupancy of the Unit occupied by such Tenant in Occupancy nor accept a Purchase Agreement for such Unit from a purchaser other than such Tenant in Occupancy of such Unit, except subject to the rights of such Tenant in Occupancy.

If a purchaser presently occupies more than one Slip Unit, then such purchaser shall (i) have the exclusive right to purchase only up to two such Slip Units occupied by such purchaser on the terms and conditions described above and (ii) be entitled to an Occupant Credit with respect to only up to two of such Slip Units presently occupied and purchased by such purchaser on the terms and conditions described above.

Except as set forth below, a Tenant in Occupancy shall not have the exclusive right to purchase a vacant Unit or any other Unit not occupied by such Tenant. However, a Tenant in Occupancy may purchase any such Unit on a first come first serve basis on the terms and conditions set forth in the Plan applicable to purchasers who are not Tenants in Occupancy.

The lease or other occupancy agreement with a nonpurchasing occupant may not be renewed and such occupant may be evicted if this Plan is consummated in accordance with its terms.

Limited Right to Exchange Slip Units

A Tenant in Occupancy who purchases a Slip Unit within the 30-Day Exclusive Period shall have the non-exclusive right on a first come, first served basis to exchange such Slip Unit ("Present Unit") for a Slip Unit which has not been purchased by another Tenant in Occupancy within the 30-Day Exclusive Period or theretofore been exchanged with another as provided below ("Exchange Unit") on the terms and conditions described below (Exchange Opportunity").

Simultaneously with the execution and delivery of his Purchase Agreement, a Tenant in Occupancy desiring to exchange his Present Unit shall deliver a notice to the Sponsor specifying his desire to exchange his Present Unit for an Exchange Unit (such Tenant in Occupancy is hereinafter sometimes referred to as an "Exchange Tenant").

On or after the expiration of the 30-Day Exclusive Period, the Sponsor shall prepare a list ("Exchange List") of any Slip Unit not purchased during the 30-Day Exclusive Period. The Exchange List will be distributed to the Exchange Tenants. Each Exchange Tenant in the order in which his Purchase Agreement was received by the Sponsor shall have the option to exchange his Present Unit for an Exchange Unit by within ten (10) days after the date of mailing of the Exchange List to such Exchange Tenant, completing, executing and delivering to the Sponsor in triplicate a Purchase Agreement for such Exchange Unit together with any additional down payments which may be required under the Plan, on the same terms and conditions as if such Exchange Tenant had occupied the Exchange Unit and purchased such Exchange Unit within the 30-Day Exclusive Period except that the Agreement shall provide that it is conditioned upon the satisfaction of the following terms and conditions within 30 days after the Exchange Tenant exercises its option to exchange as provided herein:

(i) The entering into of an interim lease with such Exchange Tenant for the Exchange Unit at the then prevailing rent for the Exchange Unit; and

(ii) The surrender of the Present Unit and termination of the lease and the Purchase Agreement covering the Present Unit and delivery of possession thereof to the Sponsor vacant and broom clean in the condition "as is" as of the date of the Purchase Agreement covering the Present Unit.

If the purchase price of the Exchange Unit exceeds the purchase price of the Present Unit, then the Exchange Tenant, simultaneously with the delivery of the Purchase Agreement for the Exchange Unit, shall make such additional down payment to the Sponsor as may be required pursuant to the terms of this Plan. If the purchase price of the Exchange Unit is less than the purchase price of the Present Unit, then the Sponsor shall retain that amount which exceeds the required down payment as an additional deposit on the purchase price of the Exchange Unit. Promptly following Sponsor's receipt and acceptance of the executed Purchase Agreement covering the Exchange Unit as provided herein, one fully executed copy of said Agreement shall be sent to the Exchange Tenant or his attorney.

Upon execution and delivery of the Purchase Agreement for the Exchange Unit, within the period described above the Purchase Agreement for the Present Unit shall be deemed mutually rescinded and thereafter, neither party shall have any rights or obligations thereunder as against the other party. If the Sponsor fails to receive from an Exchange Tenant a Purchase Agreement for the Exchange Unit with the required down payment as provided above, then such Exchange Tenant shall no longer have an Exchange Opportunity and shall close pursuant to the Purchase Agreement for

said tenant's Present Unit as if said tenant had not exercised his option to exchange Units. Neither the Property, the Condominium, Board of Managers nor any of the Units shall be encumbered by the exchange rights described herein.

Failure of an Exchange Tenant to perform any of its obligations described above shall constitute a default under the Purchase Agreement for the Exchange Unit which default unless cured within ten (10) days after the date of mailing of written notice thereof shall entitle the Sponsor to cancel the Purchase Agreement for the Exchange Unit and retain as and for liquidated damages all payments made thereunder. In the event that the Purchase Agreement for the Exchange Unit is cancelled, the Sponsor shall have the right to sell the Unit as though the Purchase Agreement therefor had never been made and purchaser shall not have any further rights or obligations to the Sponsor, the Condominium, the Board of Managers or others purchasing such Unit.

The Exchange Opportunity shall only be available with respect to up to two (2) Present Units purchased by such Exchange Tenant.

Second Slip Unit Opportunity

After the expiration of the 30-Day Exclusive Period and the Exchange Opportunity period, the Sponsor shall deliver a list of all Slip Units not then covered by Purchase Agreements ("Second Slip Opportunity List") and shall deliver the Second Slip Opportunity List to all Tenants in Occupancy who have purchased only one Slip Unit during the 30-Day Exclusive Period as provided above. Each such Tenant in Occupancy shall have the non-exclusive right in the same order as their Purchase Agreement for their slip Unit was received by the Sponsor to purchase one (1) additional Slip Unit not theretofore purchased by another described in such Second Slip Opportunity List by within ten (10) days after the date of mailing of the Second Slip Opportunity List to such tenant completing and executing and delivering to the Sponsor in triplicate a Purchase Agreement for such additional Slip Unit together with any additional down payments which may be required under the Plan, all on the same terms and conditions as provided in the Plan, except that the cash purchase price applicable to such additional Unit shall be the cash purchase price set forth on Schedule A less an amount equal to five (5%) percent of such purchase price.

Guarantee of Budget

If the annual Actual Common Charges (as hereinafter defined) during the period ending on the second anniversary of the Closing Date ("Guarantee Period") exceeds twice the aggregate amount of the annual Common Charges set forth in Schedule B,then, subject to the terms, conditions and limitations set forth below,

the Sponsor shall pay to the Condominium an amount (the "Guarantee Amount") equal to such excess after the expiration of the Guarantee Period on the terms set forth below.

The term "Actual Common Charges" shall mean the expenses of operating the Property as determined in accordance with generally accepted accounting principles consistently applied on an accrual basis less any income earned by the Condominium but shall exclude unnecessary and unreasonable expenses, including, but not limited to, the following:

(i) All unusual repair items that would be considered capital improvements and all expenditures for capital replacements or improvements, whether or not so designated on the Condominium's books;

(ii) Any expenditure for equipment or other personal property or for painting, landscaping, or decorating the Property;

(iii) Any reserves established by the Condominium including, without limitation, reserve for contingencies and repairs or improvements or replacements;

(iv) Wages and related payroll charges and expenses (including, without limitation, workmen's compensation, payroll taxes, contributions to welfare and pension funds, if any, disability, unemployment insurance, vacation, etc.) for more than the number of the type of employees described in Schedule B;

(v) Payments under maintenance and service contracts not in existence on the date hereof unless such contracts (i) are in substitution for existing contracts which are hereinafter terminated for any reason and (ii) provide for payments not greater than payments under the contract substituted for and payments to contractors for services and work not covered by contracts referred to in Schedule B;

(vi) Any increase in insurance premiums due to different or additional insurance or increased policy coverage from that described in Schedule B unless the increase is required by the insurance carrier to satisfy co-insurance requirements;

(vii) Salaries or other compensation to officers or directors of the Condominium.

The Sponsor and its representatives shall be afforded a reasonable opportunity during and after the Guarantee Period to examine, audit and copy the Condominium's books and records to

verify all items of income and expense prior to payment of the Guarantee Amount to the Condominium. Upon the later of (i) 30 days following the expiration of the Guarantee Period and (ii) completion of its audit as provided above, the Sponsor will make payment of the Guarantee Amount due to the Condominium, if any.

The Sponsor's offer of guarantee of budget hereunder and any and all obligations of the Sponsor in connection therewith shall terminate in the event that the Sponsor ceases for any reason to be the managing agent of the Property prior the expiration of the Guarantee Period.

Definitions

"Board" means the Board of Managers of the Condominium.

"By-Laws" means the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan.

"Code" means the Internal Revenue Code of 1954, as amended.

"Closing Date" means the date of closing pursuant to the Plan unless another date is set forth in a Purchase Agreement covering a Unit.

"Commercial Unit" means the Store Unit, Gas Dock Unit, Cove Office Unit, Essex Office Unit, Launching Unit and three (3) Floating Dock Units in the Declaration, all of which are collectively referred to as "Commercial Units."

"Commercial Unit Owner" means the owner of a Commercial Unit.

"Common Elements" means the Land other than within a Unit, and all other facilities, apparatus and installations for the common use of the Units and Unit Owners as more fully described above and in the Declaration.

"Common Charges" means any charges assessed by the Board of Managers against any Unit Owner.

"Common Expenses" means all costs and expenses incurred or paid generally by the Board in connection with the operation of the Condominium which, pursuant to the Plan, the Declaration and By-Laws, are to be paid by the Unit Owners in proportion to their Common Interests, as summarized in "Management and Operation of the Condominium" and more fully described in the Declaration and the By-Laws.

"Common Interests" means the proportionate undivided interests expressed in numerical percentage in the Common Elements pertaining to each Unit as determined in accordance with the Declaration. The total of all Common Interest percentages pertaining to all Units equals 100%. Common Interest is the basis of determining, among other things, a Unit Owner's voting power, liability for a share of the Common Expenses and share of any distributions upon termination of the Condominium.

"Condominium" means The Anchorage Yacht Club Condominium.

"Condominium Act" means Article 9B of the Real Property Law of the State of New York as the same may be amended from time to time.

"Condominium Documents" means collectively this Plan, the Declaration and the By-Laws and the Rules and Regulations thereunder.

"Declaration" means the Declaration of Condominium, a copy of which is set forth in Part II of this Plan.

"Department of Law" means the Real Estate Financing Bureau, Department of Law, 2 World Trade Center, Room 48-61, New York, New York 10047.

"Exhibits" means collectively Exhibits A, B, C, and D which were submitted to the Department of Law in connection with the filing of this Plan with such Department.

"Insurance Trustee" means a New York State bank or trust company designated by the Board as insurance trustee pursuant to the provisions of the By-Laws.

"Interim Lease" means a lease covering a Unit which was vacant on the Presentation Date or became vacant thereafter.

"Land" means the parcel of land comprising the Condominium, more fully described in the Declaration.

"Managing Agent" means Anchorage Associates.

"Plan" means the Condominium Offering Plan for The Anchorage Yacht Club Condominium propounded by the Sponsor.

"Property" means collectively the Land and other property comprising the Condominium.

"Purchase Agreement" means the agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Purchaser" means a purchaser of a Unit pursuant to a Purchase Agreement.

"Rules and Regulations" means the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Slip Unit" means any Unit not designated as a Commercial Unit in the Declaration. All of such Units are collectively referred to as the "Residential Units."

"Slip Unit Owner" means the owner of a Slip Unit.

"Sponsor" means Anchorage Associates, a New York partnership.

"Unit," "Units" means any space designated as a Unit in the Declaration consisting generally of (i) either a specific Slip Unit (as shown on Schedule A) or a Commercial Unit and (ii) an appurtenant undivided interest in the Common Elements. All of such Units are collectively referred to as the "Units."

"Unit Owner," "Unit Owners" means any Slip Unit Owner or a Commercial Unit Owner. All of such Slip Unit Owners and Commercial Unit Owners are collectively referred to as "Unit Owners."

"Working Capital Fund" means the Working Capital Fund of the Condominium as more fully described in "Working Capital Fund."

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

Miscellaneous

The Plan contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits are available to prospective purchasers and their attorneys for inspection without charge and for copying at a reasonable charge, at the office of the Sponsor, during regular business hours.

The Plan is offered only to individuals who are 18 years of age or older and who reside in the State of New York, or entities with offices in the State of New York other than purchasers who intend to dock any vessel used, owned or occupied as a floating home as defined by Section 15-607 of the Town of Babylon Unified Code of Ordinances. Section 15-607 presently defines a floating home as a permanent dwelling unit, business office or source of any occupation or for any private or social

club of whatsoever nature including, but not limited to, a structure constructed upon a barge primarily immobile and out of navigation or which functions substantially as a land structure while moored or docked, whether such vessel is self-propelled or not.

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

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
A1*	14	.0019	$18,190	$458.87	$38.24	$116.09	$9.67
A2*	14	.0019	18,190	458.87	38.24	116.09	9.67
A3*	14	.0019	18,190	458.87	38.24	116.09	9.67
A4*	14	.0019	18,190	458.87	38.24	116.09	9.67
A5*	14	.0019	18,190	458.87	38.24	116.09	9.67
A6*	14	.0019	18,190	458.87	38.24	116.09	9.67
A7*	15	.0020	19,475	483.02	40.25	122.20	10.18
A8*	15	.0020	19,475	483.02	40.25	122.20	10.18
A9*	15	.0020	19,475	483.02	40.25	122.20	10.18
A10*	15	.0020	19,475	483.02	40.25	122.20	10.18
A11*	15	.0020	19,475	483.02	40.25	122.20	10.18
A12*	15	.0020	19,475	483.02	40.25	122.20	10.18
A13*	15	.0020	19,475	483.02	40.25	122.20	10.18
A14*	16	.0022	20,760	531.32	44.28	134.42	11.20
A15*	15	.0020	19,475	483.02	40.25	122.20	10.18
A16*	16	.0022	20,760	531.32	44.28	134.42	11.20
A17*	16	.0022	20,760	531.32	44.28	134.42	11.20
A18	15	.0020	19,275	483.02	40.25	122.20	10.18
A19	15	.0020	19,275	483.02	40.25	122.20	10.18
A20	15	.0020	19,275	483.02	40.25	122.20	10.18
A21	15	.0020	19,275	483.02	40.25	122.20	10.18
A22	16	.0022	20,560	531.32	44.28	134.42	11.20
A23	16	.0022	20,560	531.32	44.28	134.42	11.20

* Indicates a finger dock presently located at the Slip Unit.
** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
A24*	14	.0019	$18,190	$458.87	$38.24	$116.09	$9.67
A25*	14	.0019	18,190	458.87	38.24	116.09	9.67
A26	14	.0019	17,990	458.87	38.24	116.09	9.67
A27*	15	.0020	19,475	483.02	40.25	122.20	10.18
A28*	15	.0020	19,475	483.02	40.25	122.20	10.18
A29*	14	.0019	18,190	458.87	38.24	116.09	9.67
A30*	14	.0019	18,190	458.87	38.24	116.09	9.67
A31*	15	.0020	19,475	483.02	40.25	122.20	10.18
A32*	16	.0022	20,760	531.32	44.28	134.42	11.20
A33*	15	.0020	19,475	483.02	40.25	122.20	10.18
A34*	15	.0020	19,475	483.02	40.25	122.20	10.18
A35*	15	.0020	19,475	483.02	40.25	122.20	10.18
A36*	15	.0020	19,475	483.02	40.25	122.20	10.18
A37*	15	.0020	19,475	483.02	40.25	122.20	10.18
A38	15	.0020	19,275	483.02	40.25	122.20	10.18
A39	15	.0020	19,275	483.02	40.25	122.20	10.18
A40	15	.0020	19,275	483.02	40.25	122.20	10.18
A41	15	.0020	19,275	483.02	40.25	122.20	10.18
A42*	16	.0022	20,760	531.32	44.28	134.42	11.20
A43*	17	.0023	22,045	555.47	46.29	140.53	11.71
A44	15	.0020	19,275	483.02	40.25	122.20	10.18
A45	15	.0020	19,275	483.02	40.25	122.20	10.18
A46*	15	.0020	19,475	483.02	40.25	122.20	10.18

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
A47*	16	.0022	$20,760	$531.32	$44.28	$134.42	$11.20
A48*	17	.0023	22,045	555.47	46.29	140.53	11.71
A49*	15	.0020	19,475	483.02	40.25	122.20	10.18
A50*	14	.0019	18,190	458.87	38.24	116.09	9.67
A51*	14	.0019	18,190	458.87	38.24	116.09	9.67
A52*	15	.0020	18,190	483.02	40.25	122.20	10.18
A53*	15	.0020	19,475	483.02	40.25	122.20	10.18
A54*	15	.0020	19,475	483.02	40.25	122.20	10.18
A55*	15	.0020	19,475	483.02	40.25	122.20	10.18
A56	19	.0026	24,415	627.93	52.33	158.86	13.24
B1	14	.0020	17,990	483.02	40.25	122.20	10.18
B2	14	.0020	17,990	483.02	40.25	122.20	10.18
B3	14	.0020	17,990	483.02	40.25	122.20	10.18
B4*	14	.0020	18,190	483.02	40.25	122.20	10.18
B5*	14	.0020	18,190	483.02	40.25	122.20	10.18
B6	14	.0020	17,990	483.02	40.25	122.20	10.18
B7	14	.0020	17,990	483.02	40.25	122.20	10.18
B8*	14	.0020	18,190	483.02	40.25	122.20	10.18
B9*	14	.0020	18,190	483.02	40.25	122.20	10.18
B10	14	.0020	17,990	483.02	40.25	122.20	10.18
B11*	14	.0020	18,190	483.02	40.25	122.20	10.18
B12*	14	.0020	18,190	483.02	40.25	122.20	10.18

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
B13	14	.0020	$17,990	$483.02	$40.25	$122.20	$10.18
B14*	14	.0020	18,190	483.02	40.25	122.20	10.18
B15*	14	.0020	18,190	483.02	40.25	122.20	10.18
B16	14	.0020	17,990	483.02	40.25	122.20	10.18
B17	14	.0020	17,990	483.02	40.25	122.20	10.18
B18	15.4	.0021	19,789	507.17	42.26	128.31	10.69
B19	14.9	.0021	19,147	507.17	42.26	128.31	10.69
B20	14.5	.0020	18,633	483.02	40.25	122.20	10.18
B21	15	.0021	19,275	507.17	42.26	128.31	10.69
B22	13.8	.0019	17,733	458.87	38.24	116.09	9.67
B23	13.8	.0019	17,733	458.87	38.24	116.09	9.67
B24	14.4	.0020	18,504	483.02	40.25	122.20	10.18
B25*	13.9	.0020	18,062	483.02	40.25	122.20	10.18
B26	17.9	.0024	23,002	579.62	48.30	146.64	12.22
B27*	15	.0021	19,475	507.17	42.26	128.31	10.69
B28*	14.4	.0020	18,704	483.02	40.25	122.20	10.18
B29	17.1	.0023	21,974	555.47	46.29	140.53	11.71
B30	15.9	.0023	20,432	555.47	46.29	140.53	11.71
B31	14.6	.0021	18,761	507.17	42.26	128.31	10.69
B32	15.8	.0023	20,303	555.47	46.29	140.53	11.71
B33	13.8	.0019	17,733	458.87	38.24	116.09	9.67
B34	13.5	.0019	17,348	458.87	38.24	116.09	9.67
B35*	15	.0021	19,475	507.17	42.26	128.31	10.69

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
B36*	15	.0021	$19,475	$507.17	$42.26	$128.31	$10.69
B37	15	.0021	19,275	507.17	42.26	128.31	10.69
B38	15	.0021	19,275	507.17	42.26	128.31	10.69
B39	15	.0021	19,275	507.17	42.26	128.31	10.69
B40*	15.3	.0021	19,861	507.17	42.26	128.31	10.69
B41*	13.2	.0018	17,162	434.72	36.23	109.98	9.17
B42*	15.3	.0021	19,860	507.17	42.26	128.31	10.69
B43*	14.2	.0020	18,447	483.02	40.25	122.20	10.18
B44	14.8	.0021	19,018	507.17	42.26	128.31	10.69
B45	15	.0021	19,247	507.17	42.26	128.31	10.69
B46	13.3	.0018	17,090	434.72	36.23	109.98	9.17
B47	14.9	.0021	19,146	507.17	42.26	128.31	10.69
B48*	12.2	.0017	15,877	410.57	34.21	103.87	8.66
B49*	16.3	.0023	21,146	555.47	46.29	140.53	11.71
B50	15	.0021	19,275	507.17	42.26	128.31	10.69
B51	12.9	.0019	16,577	458.87	38.24	116.09	9.67
B52	17.9	.0025	23,002	603.78	50.32	152.75	12.73
C1	14	.0020	17,990	483.02	40.25	122.20	10.18
C2	14	.0020	17,990	483.02	40.25	122.20	10.18
C3	14	.0020	17,990	483.02	40.25	122.20	10.18
C4	14	.0020	17,990	483.02	40.25	122.20	10.18
C5	14	.0020	17,990	483.02	40.25	122.20	10.18

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
C6	13	.0018	$16,705	$434.72	$36.23	$109.98	$9.17
C7	13	.0018	16,705	434.72	36.23	109.98	9.17
C8	13	.0018	16,705	434.72	36.23	109.98	9.17
C9	13	.0018	16,705	434.72	36.23	109.98	9.17
C10*	13	.0018	16,905	434.72	36.23	109.98	9.17
C11*	13.6	.0019	17,676	458.87	38.24	116.09	9.67
C12*	16.8	.0023	21,788	555.47	46.29	140.53	11.71
C13*	15	.0021	19,475	507.17	42.26	128.31	10.69
C14*	15.5	.0022	20,118	531.32	44.28	134.42	11.20
C15*	17.7	.0024	22,945	579.62	48.30	146.64	12.22
C16*	13.8	.0019	17,933	458.87	38.24	116.09	9.67
C17*	12.3	.0017	16,006	410.57	34.21	103.87	8.66
C18*	13.6	.0019	17,676	458.87	38.24	116.09	9.67
C19*	13.7	.0019	17,805	458.87	38.24	116.09	9.67
C20*	14.5	.0020	18,833	483.02	40.25	122.20	10.18
C21*	13.9	.0019	18,062	458.87	38.24	116.09	9.67
C22*	15.8	.0022	20,503	531.32	44.28	134.42	11.20
C23*	15.9	.0023	20,632	555.47	46.29	140.53	11.71
C24*	14.9	.0021	19,347	507.17	42.26	128.31	10.69
C25*	10.7	.0015	13,950	362.27	30.19	91.65	7.64
C26	13.3	.0019	17,091	458.87	38.24	116.09	9.67
C27	13.1	.0018	16,834	434.72	36.23	109.98	9.17
C28*	16.7	.0023	21,660	555.47	46.29	140.53	11.71

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
C29*	14.9	.0021	$19,347	$507.17	$42.26	$128.31	$10.69
C30*	13.8	.0019	17,933	458.87	38.24	116.09	9.67
C31*	15.8	.0022	20,503	531.32	44.28	134.42	11.20
C32*	15.3	.0021	19,861	507.17	42.26	128.31	10.69
C33*	17.4	.0024	22,559	579.62	48.30	146.64	12.22
C34*	18	.0025	23,330	603.78	50.32	152.75	12.73
C35*	15.5	.0022	20,118	531.32	44.28	134.42	11.20
C36*	14.2	.0020	18,447	483.02	40.25	122.20	10.18
C37	14	.0020	17,990	483.02	40.25	122.20	10.18
C38*	12.9	.0018	16,777	434.72	36.23	109.98	9.17
C39*	11.3	.0016	14,721	386.42	32.20	97.76	8.15
C40*	15	.0021	19,475	507.17	42.26	128.31	10.69
C41*	15	.0021	19,475	507.17	42.26	128.31	10.69
C42*	15	.0021	19,475	507.17	42.26	128.31	10.69
C43*	15	.0021	19,475	507.17	42.26	128.31	10.69
C44*	15	.0021	19,475	507.17	42.26	128.31	10.69
C45*	15	.0021	19,475	507.17	42.26	128.31	10.69
C46*	16	.0023	20,760	555.47	46.29	140.53	11.71
C47*	16.9	.0023	21,917	555.47	46.29	140.53	11.71
C48	17.1	.0023	21,979	555.47	46.29	140.53	11.71
C49	15.8	.0022	20,303	531.32	44.28	134.42	11.20
C50	15	.0021	19,275	507.17	42.26	128.31	10.69
C51	14.9	.0021	19,147	507.17	42.26	128.31	10.69

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
C52	15.1	.0021	$19,404	$507.17	$42.26	$128.31	$10.69
C53	15.7	.0022	20,175	531.32	44.28	134.42	11.20
C54	15.9	.0022	20,432	531.32	44.28	134.42	11.20
C55	15	.0021	19,275	507.17	42.26	128.31	10.69
C56	17.9	.0025	23,002	603.78	50.32	152.75	12.73
C57	14	.0020	17,990	483.02	40.25	122.20	10.18
D1	15	.0021	20,250	507.17	42.26	128.31	10.69
D2*	15	.0021	20,450	507.17	42.26	128.31	10.69
D3*	15	.0021	20,450	507.17	42.26	128.31	10.69
D4	15	.0021	20,250	507.17	42.26	128.31	10.69
D5*	15	.0021	20,450	507.17	42.26	128.31	10.69
D6*	15	.0021	20,450	507.17	42.26	128.31	10.69
D7	15	.0021	20,250	507.17	42.26	128.31	10.69
D8	15	.0021	20,250	507.17	42.26	128.31	10.69
D9	15	.0021	20,250	507.17	42.26	128.31	10.69
D10	14	.0020	18,900	483.02	40.25	122.20	10.18
D11	14	.0020	18,900	483.02	40.25	122.20	10.18
D12	14	.0020	18,900	483.02	40.25	122.20	10.18
D13	14	.0020	18,900	483.02	40.25	122.20	10.18
D14*	14	.0020	19,100	483.02	40.25	122.20	10.18
D15*	14	.0020	19,100	483.02	40.25	122.20	10.18
D16*	14	.0020	19,100	483.02	40.25	122.20	10.18

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
D17*	14	.0020	$19,100	$483.02	$40.25	$122.20	$10.18
D18*	15.4	.0022	20,990	531.32	44.28	134.42	11.20
D19*	15.4	.0022	20,990	531.32	44.28	134.42	11.20
D20	12.7	.0018	17,145	434.72	36.23	109.98	9.17
D21*	13.8	.0019	18,830	458.87	38.24	116.09	9.67
D22*	14.6	.0020	19,910	483.02	40.25	122.20	10.18
D23*	14.9	.0021	20,315	507.17	42.26	128.31	10.69
D24*	14.2	.0020	19,370	483.02	40.25	122.20	10.18
D25*	15.8	.0022	21,530	531.32	44.28	134.42	11.20
D26*	16.2	.0023	22,070	555.47	46.29	140.53	11.71
D27	19.1	.0026	25,785	627.93	52.33	158.86	13.24
D28*	16.6	.0023	22,610	555.47	46.29	140.53	11.71
D29*	17.6	.0024	23,960	579.62	48.30	146.64	12.22
D30*	15.4	.0022	20,990	531.32	44.28	134.42	11.20
D31*	18.9	.0026	25,715	627.93	52.33	158.86	13.24
D32*	15.4	.0022	20,990	531.32	44.28	134.42	11.20
D33*	14.4	.0020	19,640	483.02	40.25	122.20	10.18
D34*	15.2	.0021	20,720	507.17	42.26	128.31	10.69
D35*	18.5	.0026	25,175	627.93	52.33	158.86	13.24
D36*	18.2	.0025	24,770	603.78	50.32	152.75	12.73
D37*	14.7	.0021	20,045	507.17	42.26	128.31	10.69
D38*	17.6	.0024	23,960	579.62	48.30	146.64	12.22
D39	14.5	.0020	19,575	483.02	40.25	122.20	10.18

* Indicates a finger dock presently located at the Slip Unit.
** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
D40*	14.4	.0020	$19,640	$483.02	$40.25	$122.20	$10.18
D41*	14.5	.0020	19,775	483.02	40.25	122.20	10.18
D42	13.8	.0019	18,630	458.87	38.24	116.09	9.67
D43	15.6	.0022	21,060	531.32	44.28	134.42	11.20
D44*	15.6	.0022	21,260	531.32	44.28	134.42	11.20
D45*	16.6	.0023	22,610	555.47	46.29	140.53	11.71
D46*	16.5	.0023	22,475	555.47	46.29	140.53	11.71
D47*	16.4	.0023	22,340	555.47	46.29	140.53	11.71
D48	12.5	.0017	16,875	410.57	34.21	103.87	8.66
D49	13.8	.0019	18,630	458.87	38.24	116.09	9.67
D50*	13.5	.0018	18,425	434.72	36.23	109.98	9.17
D51*	16.3	.0023	22,205	555.47	46.29	140.53	11.71
D52*	16.8	.0023	22,880	555.47	46.29	140.53	11.71
D53*	17.2	.0024	23,420	579.62	48.30	146.64	12.22
D54*	16.5	.0023	22,475	555.47	46.29	140.53	11.71
D55*	16.7	.0023	22,745	555.47	46.29	140.53	11.71
D56	14.4	.0020	19,440	483.02	40.25	122.20	10.18
D57	14.9	.0021	20,115	507.17	42.26	128.31	10.69
D58*	14.9	.0021	20,315	507.17	42.26	128.31	10.69
D59*	14.8	.0021	20,180	507.17	42.26	128.31	10.69
D60*	15.1	.0021	20,585	507.17	42.26	128.31	10.69
D61*	13.5	.0018	18,425	434.72	36.23	109.98	9.17
D62*	14	.0019	19,100	458.87	38.24	116.09	9.67
D63*	15.6	.0022	21,260	531.32	44.28	134.42	11.20
D64	17.6	.0024	23,760	579.62	48.30	146.64	12.22

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
E1*	10.3	.0014	$12,303	$338.11	$28.18	$ 85.54	$7.13
E2*	9.6	.0013	11,480	313.96	26.16	79.43	6.62
E3*	10	.0013	11,950	313.96	26.16	79.43	6.62
E4*	9.4	.0013	11,245	313.96	26.16	79.43	6.62
E5*	10	.0013	11,950	313.96	26.16	79.43	6.62
E6*	10.2	.0014	12,185	338.11	28.18	85.54	7.13
E7*	11	.0015	13,125	362.27	30.19	91.65	7.64
E8*	10.6	.0014	12,655	338.11	28.18	85.54	7.13
E9*	10.3	.0014	12,303	338.11	28.18	85.54	7.13
E10*	9.7	.0013	11,598	313.96	26.16	79.43	6.62
E11*	10.4	.0014	12,420	338.11	28.18	85.54	7.13
E12*	10.5	.0014	12,538	338.11	28.18	85.54	7.13
E13*	9.4	.0013	11,245	313.96	26.16	79.43	6.62
E14*	10.7	.0015	12,773	362.27	30.19	91.65	7.64
E15*	10.4	.0014	12,420	338.11	28.18	85.54	7.13
E16*	9.6	.0013	11,480	313.96	26.16	79.43	6.62
E17	12.8	.0018	15,040	434.72	36.23	109.98	9.17
F1*	12	.0017	15,020	410.57	34.21	103.87	8.66
F2*	12	.0017	15,020	410.57	34.21	103.87	8.66
F3*	12	.0017	15,020	410.57	34.21	103.87	8.66
F4*	12	.0017	15,020	410.57	34.21	103.87	8.66
F5*	12	.0017	15,020	410.57	34.21	103.87	8.66

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
F6*	12	.0017	$15,020	$410.57	$34.21	$103.87	$8.66
F7*	12	.0017	15,020	410.57	34.21	103.87	8.66
F8*	12	.0017	15,020	410.57	34.21	103.87	8.66
F9*	12	.0017	15,020	410.57	34.21	103.87	8.66
F10*	12	.0017	15,020	410.57	34.21	103.87	8.66
F11*	12	.0017	15,020	410.57	34.21	103.87	8.66
F12*	12	.0017	15,020	410.57	34.21	103.87	8.66
F13*	12	.0017	15,020	410.57	34.21	103.87	8.66
F14*	12	.0017	15,020	410.57	34.21	103.87	8.66
F15*	12	.0017	15,020	410.57	34.21	103.87	8.66
F16*	12	.0017	15,020	410.57	34.21	103.87	8.66
F17*	12	.0017	15,020	410.57	34.21	103.87	8.66
F18*	12	.0017	15,020	410.57	34.21	103.87	8.66
F19*	12	.0017	15,020	410.57	34.21	103.87	8.66
F20*	12	.0017	15,020	410.57	34.21	103.87	8.66
F21*	12	.0017	15,020	410.57	34.21	103.87	8.66
F22*	12	.0017	15,020	410.57	34.21	103.87	8.66
F23*	12	.0017	15,020	410.57	34.21	103.87	8.66
F24*	12	.0017	15,020	410.57	34.21	103.87	8.66
F25*	12	.0017	15,020	410.57	34.21	103.87	8.66
F26*	12	.0017	15,020	410.57	34.21	103.87	8.66
F27*	12	.0017	15,020	410.57	34.21	103.87	8.66
F28*	13	.0018	16,255	434.72	36.23	109.98	9.17

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
F29*	13	.0018	$16,255	$434.72	$36.23	$109.98	$9.17
F30*	13	.0018	16,255	434.72	36.23	109.98	9.17
F31*	13	.0018	16,255	434.72	36.23	109.98	9.17
F32*	13	.0018	16,255	434.72	36.23	109.98	9.17
F33*	13	.0018	16,255	434.72	36.23	109.98	9.17
F34*	13	.0018	16,255	434.72	36.23	109.98	9.17
F35*	13	.0018	16,255	434.72	36.23	109.98	9.17
F36*	13	.0018	16,255	434.72	36.23	109.98	9.17
F37*	13	.0018	16,255	434.72	36.23	109.98	9.17
F38*	13	.0018	16,255	434.72	36.23	109.98	9.17
F39*	13	.0018	16,255	434.72	36.23	109.98	9.17
F40*	13	.0018	16,255	434.72	36.23	109.98	9.17
F41*	13	.0018	16,255	434.72	36.23	109.98	9.17
F42*	13	.0018	16,255	434.72	36.23	109.98	9.17
F43*	13	.0018	16,255	434.72	36.23	109.98	9.17
F44*	13	.0018	16,255	434.72	36.23	109.98	9.17
F45*	13	.0018	16,255	434.72	36.23	109.98	9.17
F46*	13	.0018	16,255	434.72	36.23	109.98	9.17
F47*	13	.0018	16,255	434.72	36.23	109.98	9.17
F48*	13	.0018	16,255	434.72	36.23	109.98	9.17
F49*	14	.0020	17,490	483.02	40.25	122.20	10.18
F50*	14	.0020	17,490	483.02	40.25	122.20	10.18
F51*	14	.0020	17,490	483.02	40.25	122.20	10.18

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
F52*	14	.0020	$17,490	$483.02	$40.25	$122.20	$10.18
F53*	14	.0020	17,490	483.02	40.25	122.20	10.18
F54*	14	.0020	17,490	483.02	40.25	122.20	10.18
F55*	14	.0020	17,490	483.02	40.25	122.20	10.18
F56*	15	.0021	18,725	507.17	42.26	128.31	10.69
F57*	15	.0021	18,725	507.17	42.26	128.31	10.69
F58*	16	.0023	19,960	555.47	46.29	140.53	11.71
F59*	16	.0023	19,960	555.47	46.29	140.53	11.71
F60*	16.9	.0023	21,072	555.47	46.29	140.53	11.71
G1	13.6	.0019	14,960	458.87	38.24	116.09	9.67
G2*	10.3	.0014	11,530	338.11	28.18	85.54	7.13
G3*	10.9	.0015	12,190	362.27	30.19	91.65	7.64
G4*	11.5	.0016	12,850	386.42	32.20	97.76	8.15
G5*	10.6	.0014	11,860	338.11	28.18	85.54	7.13
G6*	10.8	.0015	12,080	362.27	30.19	91.65	7.64
G7*	10.9	.0015	12,190	362.27	30.19	91.65	7.64
G8*	11.1	.0015	12,410	362.27	30.19	91.65	7.64
G9*	10.5	.0014	11,750	338.11	28.18	85.54	7.13
G10*	10.6	.0014	11,860	338.11	28.18	85.54	7.13
G11*	11	.0015	12,300	362.27	30.19	91.65	7.64
G12*	11.1	.0015	12,410	362.27	30.19	91.65	7.64

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
G13*	10.6	.0015	$11,860	$362.27	$30.19	$ 91.65	$7.64
G14*	11.2	.0015	11,420	362.27	30.19	91.65	7.64
G15*	11.1	.0015	11,310	362.27	30.19	91.65	7.64
G16*	10.6	.0014	11,860	338.11	28.18	85.54	7.13
G17*	10.5	.0014	11,750	338.11	28.18	85.54	7.13
G18*	10.7	.0015	11,970	362.27	30.19	91.65	7.64
G19*	9.4	.0013	10,540	313.96	26.16	79.43	6.62
G20*	12.3	.0017	13,730	410.57	34.21	103.87	8.66
G21*	10.1	.0014	11,310	338.11	28.18	85.54	7.13
G22*	11	.0015	12,300	362.27	30.19	91.65	7.64
G23*	11.7	.0016	13,070	386.42	32.20	97.76	8.15
G24*	11.5	.0016	12,850	386.42	32.20	97.76	8.15
G25*	11.2	.0015	12,520	362.27	30.19	91.65	7.64
G26*	12	.0017	13,400	410.57	34.21	103.87	8.66
G27*	11.2	.0015	12,520	362.27	30.19	91.65	7.64
G28*	12.7	.0018	14,170	434.72	36.23	109.98	9.17
G29*	10.3	.0014	11,530	338.11	28.18	85.54	7.13
G30*	10.5	.0014	11,750	338.11	28.18	85.54	7.13
G31*	11	.0015	12,300	362.27	30.19	91.65	7.64
G32*	11	.0015	12,300	362.27	30.19	91.65	7.64
G33*	11.3	.0015	12,630	362.27	30.19	91.65	7.64
G34*	11.4	.0016	12,740	386.42	32.20	97.76	8.15
G35*	11.2	.0015	12,520	362.27	30.19	91.65	7.64

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
G36*	11.5	.0016	$12,850	$386.42	$32.20	$ 97.76	$8.15
G37*	11.8	.0016	13,180	386.42	32.20	97.76	8.15
G38*	12.4	.0017	13,840	410.57	34.21	103.87	8.66
G39*	13.1	.0018	14,610	434.72	36.23	109.98	9.17
G40*	14.4	.0020	16,040	483.02	40.25	122.20	10.18
G41*	12.4	.0017	13,840	410.57	34.21	103.87	8.66
G42*	11.8	.0016	13,180	386.42	32.20	97.76	8.15
G43*	11.9	.0016	13,290	386.42	32.20	97.76	8.15
G44*	12	.0017	13,400	410.57	34.21	103.87	8.66
G45*	12.3	.0017	13,730	410.57	34.21	103.87	8.66
G46*	11	.0015	12,300	362.27	30.19	91.65	7.64
G47*	9.9	.0013	10,890	313.96	26.16	79.43	6.62
G48*	11.9	.0016	13,290	386.42	32.20	97.76	8.15
G49*	11.3	.0015	12,630	362.27	30.19	91.65	7.64
G50*	10.3	.0014	11,530	338.11	28.18	85.54	7.13
G51*	10.2	.0014	11,420	338.11	28.18	85.54	7.13
G52*	10.6	.0014	11,860	338.11	28.18	85.54	7.13
G53*	10.7	.0015	11,970	362.27	30.19	91.65	7.64
G54*	10.4	.0014	11,640	338.11	28.18	85.54	7.13
G55*	10.7	.0015	11,970	362.27	30.19	91.65	7.64
G56*	11	.0015	12,300	362.27	30.19	91.65	7.64
G57*	10.7	.0015	11,970	362.27	30.19	91.65	7.64
G58*	12.4	.0017	13,840	410.57	34.21	103.87	8.66

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
G59*	10.5	.0014	$11,750	$338.11	$28.18	$ 85.54	$7.13
G60*	11.9	.0016	13,290	386.42	32.20	97.76	8.15
G61*	9.9	.0013	11,090	313.96	26.16	79.43	6.62
G62*	10.5	.0014	11,750	338.11	28.18	85.54	7.13
G63*	10.8	.0015	12,080	362.27	30.19	91.65	7.64
G64*	11.4	.0015	12,740	362.27	30.19	91.65	7.64
G65*	9.4	.0014	10,540	338.11	28.18	85.54	7.13
G66*	10.1	.0014	11,310	338.11	28.18	85.54	7.13
G67*	11.1	.0015	12,410	362.27	30.19	91.65	7.64
G68*	11	.0015	12,300	362.27	30.19	91.65	7.64
G69*	10.5	.0014	11,750	338.11	28.18	85.54	7.13
G70*	9.8	.0013	10,980	313.96	26.16	79.43	6.62
G71*	11	.0015	12,300	362.27	30.19	91.65	7.64
G72*	10.1	.0014	11,310	338.11	28.18	85.54	7.13
G73*	10.5	.0014	11,750	338.11	28.18	85.54	7.13
G74*	10.4	.0014	11,640	338.11	28.18	85.54	7.13
G75*	10.9	.0015	12,190	362.27	30.19	91.65	7.64
G76*	11.3	.0015	12,630	362.27	30.19	91.65	7.64
G77*	10.9	.0015	12,190	362.27	30.19	91.65	7.64
G78*	10.9	.0015	12,190	362.27	30.19	91.65	7.64
G79*	10.9	.0015	12,190	362.27	30.19	91.65	7.64
G80*	10.8	.0015	12,080	362.27	30.19	91.65	7.64
G81*	11.5	.0016	12,850	386.42	32.20	97.76	8.15

* Indicates a finger dock presently located at the Slip Unit.
** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
G82*	11.5	.0016	$12,850	$386.42	$32.20	$ 97.76	$8.15
G83*	10.8	.0015	12,080	362.27	30.19	91.65	7.64
G84*	10.7	.0015	11,970	362.27	30.19	91.65	7.64
G85*	11	.0015	12,300	362.27	30.19	91.65	7.64
G86	86.7	.0021	20,000	507.17	42.26	128.31	10.69
G87	86.7	.0021	20,000	507.17	42.26	128.31	10.69
H1*	12.4	.0017	14,770	410.57	34.21	103.87	8.66
H2*	11.9	.0016	14,183	386.42	32.20	97.76	8.15
H3*	11.8	.0016	14,065	386.42	32.20	97.76	8.15
H4*	13.4	.0019	15,945	458.87	38.24	116.09	9.67
H5*	12.5	.0017	14,888	410.57	34.21	103.87	8.66
H6*	12	.0017	14,300	410.57	34.21	103.87	8.66
H7*	11.1	.0015	13,243	362.27	30.19	91.65	7.64
H8*	12.9	.0018	15,358	434.72	36.23	109.98	9.17
H9*	11.1	.0015	13,243	362.27	30.19	91.65	7.64
H10*	11.2	.0015	13,360	362.27	30.19	91.65	7.64
H11*	12	.0017	14,300	410.57	34.21	103.87	8.66
H12*	11.9	.0016	14,183	386.42	32.20	97.76	8.15
H13*	13.5	.0019	16,063	458.87	38.24	116.09	9.67
M1*	10.8	.0015	12,890	362.27	30.19	91.65	7.64
M2*	11	.0015	13,125	362.27	30.19	91.65	7.64
M3*	10.6	.0014	12,655	338.11	28.18	85.54	7.13
M4*	11.1	.0015	13,243	362.27	30.19	91.65	7.64

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
M5*	11.2	.0015	$13,360	$362.27	$30.19	$ 91.65	$7.64
M6*	11.1	.0015	13,243	362.27	30.19	91.65	7.64
M7*	10.8	.0015	12,890	362.27	30.19	91.65	7.64
M8*	10.6	.0014	12,655	338.11	28.18	85.54	7.13
M9*	11.2	.0015	13,360	362.27	30.19	91.65	7.64
M10*	11	.0015	13,125	362.27	30.19	91.65	7.64
M11*	8.7	.0011	10,423	265.66	22.14	67.21	5.60
M12*	9.8	.0013	11,715	313.96	26.16	79.43	6.62
M13*	10.9	.0015	13,008	362.27	30.19	91.65	7.64
M14*	10.5	.0014	12,538	338.11	28.18	85.54	7.13
M15*	10.4	.0014	12,420	338.11	28.18	85.54	7.13
M16*	10.8	.0015	12,890	362.27	30.19	91.65	7.64
M17*	10.4	.0014	12,420	338.11	28.18	85.54	7.13
M18*	10.7	.0015	12,773	362.27	30.19	91.65	7.64
M19*	10.1	.0014	12,068	338.11	28.18	85.54	7.13
M20*	11.8	.0016	14,065	386.42	32.20	97.76	8.15
M21*	10	.0014	11,950	338.11	28.18	85.54	7.13
M22*	11.1	.0015	13,360	362.27	30.19	91.65	7.64
M23*	9.8	.0013	11,715	313.96	26.16	79.43	6.62
M24*	12.8	.0018	15,240	434.72	36.23	109.98	9.17
M25*	12.1	.0017	14,418	410.57	34.21	103.87	8.66
M26*	13.8	.0019	16,415	458.87	38.24	116.09	9.67
M27*	13.8	.0019	16,415	458.87	38.24	116.09	9.67

* Indicates a finger dock presently located at the Slip Unit.
** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
M28*	12.9	.0018	15,358	$434.72	$36.23	$109.98	$9.17
M29*	12.8	.0018	15,240	434.72	36.23	109.98	9.17
M30*	18.9	.0026	22,408	627.93	52.33	158.86	13.24
S1	16	.0022	20,000	531.32	44.28	134.42	11.20
S2	16	.0022	20,000	531.32	44.28	134.42	11.20
S3	16	.0022	20,000	531.32	44.28	134.42	11.20
S4	16	.0022	20,000	531.32	44.28	134.42	11.20
S5	15	.0020	18,750	483.02	40.25	122.20	10.18
S6	15	.0020	18,750	483.02	40.25	122.20	10.18
S7	15	.0020	18,750	483.02	40.25	122.20	10.18
S8	15	.0020	18,750	483.02	40.25	122.20	10.18
S9	15	.0020	18,750	483.02	40.25	122.20	10.18
S10	15	.0020	18,750	483.02	40.25	122.20	10.18
S11	15	.0020	18,750	483.02	40.25	122.20	10.18
S12	15	.0020	18,750	483.02	40.25	122.20	10.18
S13	15	.0020	18,750	483.02	40.25	122.20	10.18
S14	15	.0020	18,750	483.02	40.25	122.20	10.18
S15	18	.0025	22,500	603.78	50.32	152.75	12.73
S16	19	.0026	23,750	627.93	52.33	158.86	13.24
S17	19.5	.0027	24,375	652.08	54.34	164.97	13.75
S18	25.5	.0035	31,875	845.29	70.44	213.85	17.82
S19	17	.0023	21,250	555.47	46.29	140.53	11.71

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

SCHEDULE A

PURCHASE PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

For the Assumed First Year of Condominium Operation Beginning July 1, 1985.

Unit No.	Length of Waterside of Unit in Linear Feet (1)	Percentage Common Interest (2)	Cash Purchase Price of Units ** (3)	Estimated Annual Common Charges (4)	Estimated Monthly Common Charges (4)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Real Estate Taxes (5)
S20	18	.0025	$22,500	$603.78	$50.32	$152.75	$12.73
S21	25.5	.0035	31,875	845.29	70.44	213.85	17.82
S22	17	.0023	21,250	555.47	46.29	140.53	11.71
S23	17	.0023	21,250	555.47	46.29	140.53	11.71
S24	26	.0036	32,500	869.44	72.45	219.96	18.33
Commercial Units							
Floating Dock Unit J	113.2	.01431		3,456.01	288.00	874.34	72.86
Floating Dock Unit K	97.2	.01430		3,453.59	287.80	873.73	72.81
Floating Dock Unit L	99.7	.01430		3,453.59	287.80	873.73	72.81
Store Unit	61.63	.04125		9,962.29	830.19	2,520.38	210.03
Essex Office Unit	----	.01618		3,907.63	325.64	988.60	82.38
Cove Office Unit	----	.01348		3,255.55	271.30	823.63	68.64
Launching Unit	65.975	.00430		1,038.49	86.54	262.73	21.89
Gas Dock Unit	233	.01798		4,342.35	361.86	1,098.58	91.55
TOTAL		100%	$7,862,963	$241,510.25	$20,125.74	$61,100.01	$5,091.66

* Indicates a finger dock presently located at the Slip Unit.

** See "Changes in Prices and Units" for possible changes in these prices.

FOOTNOTES TO SCHEDULE A

1. The length of waterside of Unit is based on the Floor Plans, a copy of which is set forth in Part II of the Plan.

   Each Slip Unit should be inspected to determine its present layout and physical condition.

2. The percentage of Common Interest for each Unit has been determined by the Sponsor as provided in Section 339-i-1(v) of the Real Property Law based upon floor space, subject to the location of such space and the additional factors of relative value of such space to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the Unit.

3. A Tenant in Occupancy who purchases his Slip Unit prior to the expiration of the 30-Day Exclusive Period will be entitled to the Occupant Credit, Exchange Opportunity and Second Slip Unit Opportunity described in "Introduction-Special Offer to Present Slip Occupants."

   The Sponsor reserves the right to change the price of any Unit without prior notice or amendment to the Plan except that:

   (i) prior to the expiration of the 30-Day Exclusive Period, such prices shall not be increased to Tenants in Occupancy;

   (ii) a duly filed amendment to the Plan will be required for (a) an across the board price change affecting one or more lines of Units or Unit models, (b) a price change that is to be advertised, and (c) a price increase for an individual purchaser.

   The offering price of a Unit is negotiable and may be changed. Thus, the prices paid by purchasers for similar Units may be different without altering the Common Interest allocated to the Units or the Common Charges with respect thereto. See "Changes in Prices and Units."

   For a discussion of estimated closing costs which a purchaser may be required to pay in connection with his purchase under the Plan, see "Procedure to Purchase."

4. The estimated Common Charges are for the period July 1, 1985 through June 30, 1986 which period is assumed to be the first year of condominium operation. This period is used only for purposes of projection and illustration. Sponsor does not

warrant that condominium operation will commence on July 1, 1985. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Due to the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income and/or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that operating expenses, including fuel costs, utilities, maintenance and repairs, labor and other related expenses will increase in the future.

5. The figures shown for real estate taxes have been computed by allocating to each Unit its proportionate share of the real estate taxes estimated for the Property.

The estimates for real estate taxes for the Property are computed on the basis of (a) a projected 5% increase over the tax rate in effect for tax year 12/1/83 - 11/30/84 and (b) the assessed valuation of the Property in effect for tax year 12/1/83 - 11/30/84. The assessed valuations, tax rates and amount of real estate taxes payable for tax year 12/1/83 - 11/30/84 and the two preceding tax years are as follows:

Tax Year	Aggregate Assessed Valuation of the Various Tax Lots Comprising the Property	Tax Rate (per $100 A.V.)	Total Tax Paid Including Any Applicable Interest and Penalty
12/1/83-11/30/84	$89,110	65.28	$55,318.27
12/1/82-11/30/83	$89,110	61.56	$51,716.55
12/1/81-11/30/82	$89,110	55.49	$64,571.21

The tax rates shown above were derived by adding together the rates of each of the real estate taxes levied against the Property. For the tax year 12/1/83-11/30/84, the rates per $100 A.V. of the respective real estate taxes applicable to the Property were as follows: Town & Highway- 8.02; County & Highway- 4.26; Special District- 3.16; County Police- 9.36, and School- 40.48. When combined, these rates yield a total tax rate of 65.28.

Although the Property presently benefits from real estate tax exemption pursuant to the provisions of Section 485-b of the Real Property Tax Law, the real estate taxes have been

computed without provision for such tax exemption. It should be noted how the total tax paid as reported in the schedule set forth above represents the real estate taxes actually paid after applying the Section 485-b exemption.

Section 485-b provides that real property constructed, altered, installed or improved subsequent to July 1, 1976 for the purpose of commercial, business or industrial activity shall be exempt from taxation to the extent provided in Section 485-b. This exemption has not been employed for purposes of determining the real estate taxes shown for the Slip Units set forth in Schedule A because in apportioning the assessed valuation of the entire Property to the individual Units the assessor may or may not apportion this exemption among the Slip Units and may apply the exemption, if at all, only to the Units which were constructed, altered, installed or improved in accordance with the provisions of Section 485-b.

It should be noted that both the tax rate and the assessed valuation of the Property may be changed from time to time. Indeed, the value of the Property for real estate tax purposes may have changed since the last time the Property was assessed.

After filing and recording of the Declaration and a Deed for a Unit a separate tax lot is to be created for the Unit. After creation of the separate tax lot for the Unit the assessor apportions the assessed valuation of the Property to each of the newly created tax lots representing the Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property to a tax lot representing a Unit on the basis of the percentage of Common Interest appurtenant to the Unit. Moreover, there can be no assurance that there will not be an increase in the assessed valuation of a Unit or the Property as described above on or after such apportionment or for any reason.

In addition to real estate taxes and Common Charges, a Unit Owner will be responsible for the payment of the cost of (i) electricity for his Unit, (ii) repairs to his Unit, (iii) his own financing arrangements including payments of debt service on any mortgage of his Unit, and (iv) water charges and sewer rents as separately assessed against the Unit or as determined by the Board.

The real estate taxes described above paid by a Unit Owner with respect to his Unit and the interest paid by a Unit Owner under a mortgage of his Unit are both deductible by a Unit Owner for income tax purposes.

CHANGES IN PRICES AND UNITS

The Sponsor reserves the right to change the price of any Unit without prior notice or amendment to the Plan except that:

(i) prior to the expiration of the 30-Day Exclusive Period, such prices shall not be increased to Tenants in Occupancy;

(ii) a duly filed amendment to the Plan will be required for (a) an across the board price change affecting one or more lines of Units or Unit models; (b) a price change that is to be advertised, and (c) a price increase for an individual purchaser.

The offering price of a Unit is negotiable and may be changed.

In order to meet the possible varying demands for number and type of Units or to meet particular requirements of the prospective purchasers or for any other reasons, the Sponsor reserves the right at any time by amendment to the Plan and subject to the conditions set forth below to: (i) change the size, number and/or layout of Units, (ii) reapportion the percentage Common Interests shown in Schedule A, and/or (iii) change the size or quality of the public areas of the Property. Any reallocation of the percentage Common Interests among Units will vary the estimated Common Charges for such Units from the amounts set forth in Schedule A. After the Declaration is recorded, any of the changes discussed in subparagraphs (i) through (iii) above may only be made by duly recorded amendment to the Declaration and with the consent of any Unit Owners directly affected by any such change. As more particularly provided in the Declaration, Sponsor and its designees will have the right to so amend or cause the Board to so amend the Declaration and Floor Plans to the extent required in order to reflect changes made as provided above. In connection with any of the changes discussed in clauses (i) and (iii) above, Sponsor shall obtain the consents only of all governmental authorities having jurisdiction (if such approval is required by law).

No material change will be made in the size or quality of public areas of the Property unless purchasers who have executed and delivered to the Selling Agent Purchase Agreements and who are not then in default thereunder are given the right to rescind such Purchase Agreements by notice of rescission personally delivered or sent by certified or registered mail, return receipt requested, to Sponsor within fifteen (15) days after the date of presentation of an amendment disclosing such material change.

If a Purchase Agreement covering a Unit has been executed and delivered to the Selling Agent, then, provided that purchaser is not in default thereunder, no material change shall be made in the size, layout or percentage Common Interest of the Unit, unless the purchaser consents thereto.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
BEGINNING JULY 1, 1985

PROJECTED INCOME:

Annual Common Charges	$241,510	
Concession Income	2,250	(1)
TOTAL PROJECTED INCOME	$243,760	

PROJECTED EXPENSES:

Labor	$33,588	(2)
Heating	0	(3)
Utilities (electricity and gas)	18,947	(4)
Water charges and sewer rents	6,044	(5)
Repairs, maintenance and supplies	63,000	(6)
Service contracts	82,606	(7)
Insurance	12,315	(8)
Management fees	15,000	(9)
Legal and audit fees	3,000	(10)
Other	500	(11)
Contingency	8,760	(12)
TOTAL PROJECTED EXPENSES	$243,760	

FOOTNOTES TO SCHEDULE B

1. Concession Income is estimated on the basis of obtaining the same concession terms for the rental of the snack bar for the period covered by the budget as were in effect during the 1984 season. In 1984 the snack bar was rented to a concessionaire for the five month period May 1 through September 30 at a monthly rental of $450.

2. Labor expense is based upon the continuation of the existing staff complement of six (6) dock hands and one (1) lifeguard and includes estimates of the wages, payroll taxes and insurance payable with respect to each employee, as illustrated below. Three of the dock hands work full-time for approximately five months a year. The other three dock hands work full-time for approximately five months and part-time for approximately seven months of each year. The lifeguard is a full-time employee for approximately fourteen weeks a year. None of the employees are presently covered by a union contract. All of the employees' wages meet the state minimum wage laws.

Employee Classification	Current Wages Per Annum	Estimated Wages For the Period 1/1/85-12/30/86
Lifeguard	$3,000($180/week x 14 weeks)	$ 3,000
Dock hands (6)	$23,718 (3 dock hands, each: $134.00 per 40 hour week x 22 weeks, and 3 dock hands, each: $134.00 per 40 hour week x 22 weeks plus $67 per 20 hour week x 30 weeks)	$23,718

The total estimated wages for the budget year based on fifty-four (54) pay weeks, to account for holidays and vacation and sick days, are approximately $27,745.

Estimated payroll taxes, insurance and benefits, based on such estimated wages, are computed as follows:

TAX/INSURANCE/ BENEFITS	PERCENTAGE OF WAGES/ METHOD OF COMPUTATION	AMOUNT
F.I.C.A.	7% of wages	$1,942
State Unemployment Insurance	3.9% of first $7,000 of each employee's wages	807
Federal Unemployment Insurance	8% of first $7,000 of each employee's wages	1,655
Workmen's Compensation Insurance	4.43% of wages	1,229
Disability Insurance	Minimum of $30 per employee per quarter	210
TOTAL		$5,843

The methods of computation and amounts shown above are currently in effect with regard to the Property and may vary because of changes in the experience rating for the Property or for other reasons.

The sum of (i) estimated wages of $27,745 and (ii) estimated payroll taxes and insurance of $5,843, equals the amount shown in Schedule B for labor expense.

There can be no assurance that any of the present employees will continue to serve the Condominium.

3. The common areas of the Property use electric hot water for heat and the cost thereof is included in the budget estimate for "Utilities." See footnote 4 below.

4. This item includes the cost of electricity for the common areas at the Property as follows: outdoor overhead lighting along the roadways within the Property and at the front entrance to the Property; lighting and electric hot water heating of the common bathroom facilities located in the Essex Office Unit and Cove Office Unit; lighting of the outdoor pool and powering the filter system of the outdoor pool; lighting of the snack bar and powering of the refrigerators and freezers in the snack bar, and powering the bubble system.

Each Unit Owner will be responsible for the cost of electricity consumed within his Unit as determined from time to time by the Board of Managers and will be billed regularly for the cost of such electric consumption. The charges for electricity cosumption within a Unit are separate and apart from the cost of electrical consumption within the Common Areas of the Property which are included within the figure reported in this budget for "Utilities." Certain of the Slip Units will have separate electric meters, which will aid the Board in determining the electricity consumed within the Units.

The following approximate amounts of electricity were consumed at the Property (excluding the electricity consumed within the Slip Units within A, B, C, D, G, M and S Docks) during the fiscal years ended June 30, 1984, 1983 and 1982.

Fiscal Year Ended June 30th	Electricity (Approximate amount in Kilowatt Hours)	Cost
1984	579,943	$63,715.55
1983	553,923	54,644.24
1982	575,734	58,776.06

Only a portion of the electrical consumption described above is attributable to the common areas. Based on a physical inspection of the Property by Jomar Electric Co., Deer Park, New York, it has been determined that of the approximately $64,000 of electricity consumed during the fiscal year ended June 30, 1984, the following amounts fairly represent estimated costs of electricity consumed within the common areas at the Property.

Outdoor overhead lighting along the roadways within the Property and at the front entrance to the Property:	$8,619.00
Lighting and electric hot water heating of the common bathroom facilities located in the Essex Office Unit and Cove Office Unit:	700.00
Lighting of the outdoor pool and powering of the filter system of the outdoor pool:	750.00
Lighting of the snack bar and powering of the refrigerators and freezers in the snack bar:	1,000.00
Powering of the bubble system:	6,156.00
TOTAL:	$17,225.00

Since the electric rates are largely affected by increases in the price of fuel paid by the utility company, the budget estimate assumes that the Condominium will experience consumption attributable to the common areas of the Property during the period covered by Schedule B equal to the consumption thereof during the fiscal year ended June 30, 1984, as determined by Jomar Electric Co. but with a provision for a projected 10% increase in the rates charged by the utility company as of June 30, 1984.

It is impossible to determine the exact figure for electricity for the period covered by Schedule B. The figure shown is, as are all figures shown in this budget, no more than an estimate.

5. This item includes the cost of water services furnished to the common areas at the Property including the pool.

The Schedule set forth below reports the consumption and corresponding cost of water provided by the Suffolk County Water Authority for the last three calendar years. The figures shown below include the water consumed within Units even though under the Declaration Unit Owners are to be billed separately by the Condominium for any water consumed within a Unit.

Year	Approximate Consumption in 100 Cu. Ft.	Approximate Cost
1983	12,311	$5,204
1982	18,625	7,359
1981	8,479	2,924

The budget estimate is based on the average consumption for the last three calendar years with provision for an approximately 10% projected increase above the rate in effect for 1983.

6. The budget amount includes an estimate of the cost of general repairs to the Common Elements including painting thereof, supplies, maintenance, permits and telephone. The estimate is based on the cost of work performed during the 1983 calendar year in such categories, as reflected in the "Accountants' Certified Statement of Operation" incorporated in the Plan. The cost of repairs, maintenance and supplies will vary with, among other factors, the nature and scope of work performed during the period covered by Schedule B. No warranty can be made with respect to the work which will be required or otherwise desired by the Condominium in connection with the Property.

7. The budget amount is based on the annualized cost of providing items of service and maintenance in accordance with the service and maintenance contracts described below, with provision for an approximate 12% increase in the cost of the

security service currently provided by Jack Segazier and a .25% increase in the Suffolk County sales tax:

Name of Contractor	Nature of Service	Annual Cost (inc. tax)	Contract Expiration Date
Angel Carting Corp.	rubbage removal	$ 9,876.12	month-to-month
Jack Segazier	security service	40,000.00	week-to-week
Pool Man Inc.	pool maintenance	5,454.00	biannual service call
Control Data Corp.	service of computer printer	2,561.12	quarterly renewal
LMS Technical Services	service of computer	1,930.48	quarterly renewal
Dynacon Computer Inc.	leasing of computer	17,696.28	month-to-month

The computer services described above are required to be obtained by the condominium under the Management Agreement described below. See "Management Agreement, Contracts and Leases."

8. The budget estimate is not based upon the existing insurance coverage for the Property. The estimate is based upon the coverage described below suggested by Rhulen Agency, Inc., insurance brokers, with offices at 217 Broadway, Monticello, New York and the premium has been estimated by them. It is not possible to predict that the estimated premium stated herein will not escalate, although the projection is believed to be reasonable.

CATEGORY	COVERAGE AMOUNT LIMITS	PREMIUM
Package Policy:		$ 6,665
Special Multi-Peril "All Risk" Replacement Cost,	$ 196,000 ($250 deductible)	
Comprehensive general liability, bodily injury, personal injury and property damage including cost of legal defense	1,000,000	
Managing Agent's bond	50,000 ($250 deductible)	
Endorsements: Officers' and directors' liability, non-owned auto liability, broad form CGL		
Protection and indemnity policy, bodily injury and property damage re: boat ownership and operation	1,000,000	650
Excess umbrella liability	5,000,000	5,000

ACCOUNTANT'S CERTIFIED STATEMENT OF OPERATION

MAX ROTHENBERG & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

1 LINDEN PLACE, GREAT NECK, N. Y. 11021
(516) 482-3850
60 EAST 42ND STREET, NEW YORK, N. Y. 10165
(212) 687-2626

ACCOUNTANTS' REPORT

Anchorage Associates and Lindenhurst
Channel Marina, Inc.
401 East Shore Road
Lindenhurst, New York 11757

We have examined the schedule of expenses of Anchorage Associates and Lindenhurst Channel Marina, Inc. for the years ended December 31, 1983 and 1982 applicable to the prospective operations of The Anchorage Yacht Club Condominium. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the above mentioned schedule presents fairly the expenses of Anchorage Associates and Lindenhurst Channel Marina, Inc. applicable to the prospective operations of The Anchorage Yacht Club Condominium, for the years ended December 31, 1983 and 1982 on the basis specified in the accompanying note.

Max Rothenberg & Company

Great Neck, New York

August 21, 1984

ANCHORAGE ASSOCIATES AND LINDENHURST CHANNEL MARINA, INC.

SCHEDULE OF EXPENSES

FOR THE YEARS ENDED DECEMBER 31,

		1982	1983
Electric	(2)	$ 20,065	$ 19,788
Water	(3)	6,623	4,684
Payroll, payroll taxes and benefits:			
Maintenance	(1)	15,852	14,353
Recreational	(1)	2,834	4,953
Office	(4)	9,383	10,815
Sanitation and rubbish removal	(5)	8,969	10,202
Insurance	(6)	20,302	23,706
Real estate taxes	(7)	43,650	51,283
Security	(8)	34,623	35,236
Building and grounds maintenance	(1)	16,921	44,271
Professional fees	(1)	12,000	12,000
Recreational expenses	(1)	4,066	4,118
Supplies and small tools	(1)	1,731	2,125
Telephone	(4)	6,433	4,924
Data processing	(4)	6,458	8,606
Office supplies and expenses	(4)	2,478	3,546
Total		$212,388	$254,610

See Notes to Schedule of Expenses.

NOTES TO SCHEDULE OF EXPENSES

DECEMBER 31, 1983

The business activity of the entities being examined consisted of several segments, inclusive of the operations which will be performed b the prospective organization, the Anchorage Yacht Club Condominium. Therefore, it was necessary to allocate certain expenses based upon the portion which will be applicable to such entity, and the portion of those which will not. The schedule of expenses reported herein contains only those expenses which will be applicable to such projected operations, and the basis of allocation is as follows:

(1) 100% of expenses
(2) That proportion of expenses, as determined by an electrical contractor, of the total amount.
(3) Ratio based upon consumption by the respective segments of the business.
(4) Proportion of total expense, based upon time of usage applicable to the respective segments of the business. These specific changes will be eliminated, and will be included in management fees.
(5) Based upon estimated usage of sanitation services.
(6) Estimate by insurance broker of portion of insurance premiums expended.
(7) Engineer's ratio of respective portion of acreage occupied, applied to total taxes incurred.
(8) Ratio of time to be expended in safeguarding property of respective owners, applied to total costs.

ATTORNEY'S INCOME TAX OPINION

HERRICK, FEINSTEIN

2 PARK AVENUE

NEW YORK, N. Y. 10016

(212) 684-1400

CABLE: "FEESIMPLE"

TELEX: 522372

EDWARD M. ABRAMSON, P. C.
STANLEY DIAMOND, P. C.
HARVEY S. FEUERSTEIN, P. C.
LEONARD GRUNSTEIN, P. C.
MICHAEL HEITNER, P. C.
PAUL R. HERMAN, P. C.
HERBERT L. MENDELSON, P. C.
JAMES A. MOSS, P. C.
ROBERT K. RUSKIN, P. C.

ALAN A. HERMAN
RONALD J. LEVINE
SUSAN T. DWYER
MAXINE E. BALIS
STEPHEN B. MEISTER
CARL F. SCHWARTZ
NAOMI GORDON
DANIEL J. SLATZ
PETER C. KIRSCHENBAUM
FREDERIC C. WEISS
CHRISTOPHER J. SULLIVAN
MARK A. GOLDSMITH
LAURIE S. RUCKEL
EDWARD A. KAMINSKY

DON E. SECUNDA
COUNSEL

Board of Managers
The Anchorage Yacht Club
401 East Shore Road
Lindenhurst, New York

Re: Condominium Offering Plan for
The Anchorage Yacht Club Condominium ("Plan")

Gentlemen:

You have requested our opinion concerning (i) the availability of certain deductions for federal and New York State income tax purposes (but not for purposes of the New York City earnings tax on non-residents) to persons who purchase Slip Units for personal use ("Slip Unit Owners") under the Plan and (ii) the treatment for such income tax purposes of the Common Charges paid or borne by Slip Unit Owners.

In connection with rendering this opinion, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1954, as amended ("Code") and the New York State Tax Law ("State Tax Law"), the Regulations promulgated thereunder and such other material as we deem relevant. Except where otherwise indicated, the terms used in this opinion have the same meanings as in the Plan.

1. Deductibility of Mortgage Interest and Real Estate Taxes

A Slip Unit Owner will own his Slip Unit and its appurtenant interest in the Common Elements in fee simple, and each Slip Unit will be taxed as a separate tax lot for real estate tax purposes. Each Slip Unit Owner may mortgage his Slip Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. In our opinion, under Sections 163 and 164, respectively, of the Code, a Slip Unit Owner will, for federal income tax purposes, be entitled to a deduction for interest paid with respect to such mortgage indebtedness and for real estate taxes paid with respect to a Slip Unit during a taxable year. (Rev.Rul. 64-31, 1964-1 (Part I) Cum. Bull. 300). This is subject to the proviso that, under Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

It is also our opinion that a Slip Unit Owner will, for New York State income tax purposes, likewise be entitled to a deduction equivalent to that which is allowed for federal income tax purposes for such mortgage interest and real estate taxes paid or accrued during the taxable year. (Section 615 of the State Tax Law.)

The Tax Equity and Fiscal Responsibility Act of 1982 eliminated the "add-on" minimum tax and modified the "alternative minimum tax" under which a taxpayer may in effect be subject to an "alternative minimum tax" ("AMT") on his "alternative minimum taxable income" ("AMTI") in lieu of his regular income tax. For years beginning January 1, 1983 and thereafter, such AMT is equal to 20% of the amount by which the AMTI exceeds the "exemption amount". The "exemption amount" is $40,000 for individuals filing a joint return, $30,000 for nonmarried individuals and $20,000 for married individuals who file separate returns. Generally, AMTI is the taxpayer's adjusted gross income with certain additions and deductions. If certain deductions are not allowed in computing a taxpayer's AMTI, then if the AMTI would apply the AMT will increase to the extent those deductions are not allowed. Deductions with respect to real estate tax is not allowed in computing AMTI. Interest in connection with debts incurred to acquire, construct or substantially rehabilitate a principal dwelling used by the taxpayer or a member of his family, is interest which can be deducted in full in computing AMTI, and certain other interest is also deductible.

New York State imposes an "add-on" minimum tax based on certain federal tax preference items (See Sections 601-A and 622 of the State Tax Law).

II. Common Charges

Common Charges will be borne by Unit Owners and assessed and collected by the Board of Managers of the Condominium ("Board"). Under Code Section 528, added to the Code by the Tax Reform Act of 1976, the Board may be eligible to elect to be exempt from federal income tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. However, because of the mixed personal and commercial use to be made of the Condominium, it presently is not possible to determine whether the election under Section 528 will be available to the Board due to certain ambiguities in the language of Section 528 which are not clarified by the legislative history, rulings or regulations. Accordingly, while a Section 528 election may be contemplated, it is not possible at this time to express an opinion as to the Section's applicability.

If an election under Section 528 is not available or in effect for a taxable year, the tax status of the Board will be governed by the rules in effect prior to the enactment of Section 528, under which the tax status of the Board is uncertain.

Because the By-Laws provide that the Board will act as agent of the Unit Owners, the Board may take the position that it simply acts as agent for the Unit Owners and is not a separate taxable entity. In such a case, the Unit Owners would include in their gross income and be taxed on income derived by the Board, which may include interest or similar income which is earned from interim investments of the amounts which are assessed and collected from the Unit Owners, including income from any snack bar concession and other rental income.

However, the Internal Revenue Service may contend that, for purposes of those matters administered through the Board, such as assessment and expenditure of Common Charges, the Board constitutes an association separately taxable as a corporation. See Code Section 7701(a)(3); Treas. Reg. Sec. 301.7701-2. In such event, the Board may be deemed to be subject to federal corporate income tax on the Common Charges which is deemed to constitute gross income of the Board to the extent that the Common Charges (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred by the Board which would be deductible for federal income tax purposes. In such case, the Board may likewise be subject to the New York State Corporation Franchise Tax. See State Tax Commission Advisory Opinion 3/17/82 (TSB-A-82(4)C, Corp. Tax, 3/22/82).

Notwithstanding that the Board is treated as a separate taxable entity, published rulings indicate that Common Charges assessed by the Board should not constitute gross income of the Board to the extent that they are designated for use solely to make specified capital improvements and are maintained in a separate bank account, because either the Board is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (Rev.Rul. 75-370, 1975-2 Cum. Bull. 25) or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the Board (Rev. Rul. 75-371, 1975-2 Cum. Bull. 52; cf Concord Village, Inc., 65 T.C. 142 (1975)). However, if treated as contributions to capital, it should be noted that when such amounts (together with any other funds accumulated by the Board) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be subject to tax on his pro rata share of the amount expended to the extent of earnings of the Board.

In the event that the Board is required to pay any federal or New York State income taxes, and an additional assessment is made in order to meet such tax liability, the additional amount collected through such assessment may itself be subject to tax. See, Old Colony Trust Co. v. Commissioner, 279 U.S. 716 (1929); Rev. Rul. 74-75, 1974-1 Cum. Bull 19.

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

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

This opinion letter is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event shall we, the Sponsor, the Condominium, the Selling Agent or any other person be liable if the Condominium at any time ceases to meet the requirements of the federal tax law or the New York State tax law, if there are changes in the facts on which we relied in issuing this opinion, or if there are changes in the applicable statutes, regulations, decisional law or rulings on which we relied in issuing this opinion.

You have advised us of your intention to incorporate this opinion in the Plan and we hereby consent thereto.

Very truly yours,

/s/ Herrick, Feinstein

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location, Acreage and Zoning

The Land consists of approximately 32.663 acres of land and is bounded in part by the Neguntatogue Creek and the Great South Bay. The Property is zoned E-Business. This zoning permits operation of a marina.

For a metes and bounds description of the Land, see the Declaration in Part II of the Plan. The Property is designated as District 100, Section 228, Block 1 and Lot 1 and Section 227 Block 1 and Lots 19, 20 and 21 on the Tax Map of the Town of Babylon, County of Suffolk.

Description of Improvements

The Property is improved with a system of bulkhead slips which encompass the Slip Units offered for sale under this Plan and within the Common Elements a swimming pool, two tennis courts, a playground facility, a masonry one-story building (which houses the snack bar and a pump house for the pool), a wood frame building (which houses electrical panels for the marina and gate valves for the fresh water system) and paved parking areas.

The Slip Units offered for sale under this Plan are comprised of the following general types of units:

(i) 56 Slip Units in the A Dock Section with water side linear footage ranging from 14 feet to 19 feet.

(ii) 52 Slip Units in the B Dock Section with water side linear footage ranging from 12.2 feet to 17.9 feet.

(iii) 57 Slip Units in the C Dock Section with water side linear footage ranging from 10.7 feet to 17.9 feet.

(iv) 64 Slip Units in the D Dock Section with water side linear footage ranging from 12.5 feet to 18.9 feet.

(v) 60 Slip Units in the F Dock Section with water side linear footage ranging from 12 feet to 16.9 feet.

(vi) 13 Slip Units in the H Dock Section with water side linear footage ranging from 11.1 feet to 13.5 feet.

(vii) 17 Slip Units in the E Dock Section with water side linear footage ranging from 9.4 feet to 12.8 feet.

(viii) 30 Slip Units in the M Dock Section with water side linear footage ranging from 8.7 feet to 18.9 feet.

(ix) 24 Slip Units in the S Dock Section with water side linear footage ranging from 15 feet to 26 feet.

(x) 87 Slip Units in the G Dock Section with water side linear footage ranging from 9.4 feet to 86.7 feet.

All of the Slip Units other than the Slip Units within G Dock, H Dock, E Dock and M Dock have separate electrical meters. The meters have been installed to aid the Board of Managers in determining the amount of electricity consumed within the Slip Unit.

In addition to the Slip Units described above, there are a number of Commercial Units with improvements thereto described below.

(i) The Store Unit is improved by a steel and metal panel building and a one-story wood frame building. The Store Unit is presently used for offices for the store and repair facility, a parts and supply store, a repair facility and winter boat storage.

(ii) The Essex Office Unit is improved by a two-story lower level masonry, upper level wood frame, building. The Essex Office Unit building is presently used for office purposes and is leased to entities in the boat brokerage and documentation service business brokers' offices.

(iii) The Cove Office Unit is improved by a masonry one-story building. The Cove Office Unit is presently used for offices.

(iv) The Gas Dock Unit which may be improved by a building with a bathroom, a marine head pumping facility and a fuel storage and dispensing facility. Sponsor has obtained a permit for the construction of a fuel storage and dispensing facility within the Gas Dock Unit and presently expects that the construction of such facility will be completed on or before the Closing Date. When constructed, it is presently contemplated that the Gas Dock Unit may be used for the sale of fuel, bait, tackle, petroleum products, soft drinks and/or sundries.

(v) The Launching Unit, which may be improved by a boat launching ramp. The portion of the Land comprising

the Launching Unit is not presently improved with a launching ramp and it is not presently contemplated that a launching ramp will be constructed within the Launching Unit on or before the Closing Date.

(vi) The 3 Floating Dock Units are improved by a system of floating docks presently located within the docking area appurtenant to such Units respectively. At the present time, the aggregate boat docking capacity of the 3 Floating Dock Units is 72 boats.

The upland entrance to the Condominium is on East Shore Road.

The Condominium may also be entered on the water by way of the Neguntatogue Creek and the Great South Bay.

There are outdoor parking and recreational facilities presently located at the Condominium. See "Legal Description of Common Elements" below and "Description of Property Condition" in Part II of the Plan.

Description of Improvements to be Constructed by Sponsor

The Sponsor at its sole cost and expense will engage a contractor or contractors to perform the following work at the Property on or before the Closing Date or within a reasonable time thereafter although Sponsor presently estimates that such work will be completed on or before the Closing. However, a purchaser of a Slip Unit will not be required to close the purchase of such Slip Unit until the improvements to be made to the particular dock section in which such Slip Unit is located are completed.

Improvements to Slip Units in B Dock

All 52 Slip Units therein will each be equipped with the following package ("A-Package") of items:

1. Woodhead "Power Posts" for electrical power distribution produced by Woodhead Industries, Ltd., or equal;

2. Osaki electrical meters, or equal;

3. Cleats;

4. Water hook-ups; and

5. Telephone jacks.

In addition, Sponsor will cause the following work to be perfomed within B Dock:

1. 22 of the poles will be relocated.

2. The bulkhead will be reinforced to the extent such work has already not been performed ("Bulkhead Work"), and the cement pad within the Slip Units shall be removed and replaced to the extent such work has not already been performed ("Cement Pad Work").

Improvements to Slip Units in C Dock

All 57 Slip Units therein will receive the A-Package, Bulkhead Work and Cement Pad Work. In addition, 17 of the poles will be relocated.

Improvements to Slip Units in D Dock

All 64 Units therein will receive the A-Package, Bulkhead Work and Cement Pad Work.

Improvements to Slip Units in F Dock

Units 1 through 27 therein will be equipped with Woodhead "Mini-Centers" for electrical power distribution produced by Woodhead Industries, Ltd., or equal, and Osaki electrical meters, or equal. Slip Units 28 through 60 will each have a Woodhead "Power Post," or equal, with Osaki electrical meter, or equal. All 60 Slip Units therein will have new water hook-ups, telephone jacks and cleats and receive Bulkhead Work and Cement Pad Work.

Improvements to Slip Units in E Dock

Approximately 3 linear feet of bulkhead will be reinforced, the cement pad within the Slip Units will be repaired and/or replaced where required and all electrical receptacle covers will be replaced.

Improvements to Slip Units in G Dock

The cement pad within the Slip Units will be repaired and/or replaced where required and 13 electrical receptacle covers will be replaced where required.

Improvements to Slip Units in H Dock

14 linear feet of bulkhead will be reinforced and the missing electrical outlet covers will be replaced where required.

Improvements to Slip Units in M Dock

The cement pad within the Slip Units will be repaired and/or replaced where required. Three of the finger piers will be replaced and/or repaired where required and the missing electrical receptacle covers will be replaced.

Improvements to Slip Units in S Dock

Approximately 92 feet of the bulkhead will be repaired and/or reinforced where required. Slip Units 1 through 24 will receive the A-Package, and to the extent required, the cement pad within the Slip Units will be replaced after the installation of the electrical lines therein and the bulkhead will be repaired where required.

For a fuller description of the improvements to be made by the Sponsor, see "Description of Property Condition" in Part II of the Plan and the items described under "Cost of Improvements" therein.

Legal Description of Slip Unit

The Unit Owner will obtain fee title to the Unit. Each Slip Unit consists of the portion of the Land shown on the Floor Plans set forth in Part II of the Plan. The Slip Units are comprised of portions of the Land along the banks of the waterways within the Condominium and the banks of the Neguntatogue Creek. The dimensions of the Slip Unit are approximately 10 feet by the linear footage of the water side of the Slip Unit. None of the Slip Units are comprised of land under water. The dots shown within the waterways on the Floor Plans represent the approximate location of the poles presently located or to be installed in such waterways. For a detailed description of each Slip offered for sale under this Plan, see the Declaration in Part II of the Plan.

Each Slip Unit will consist of the dimensions indicated on the Floor Plans. Floor Plans will be filed in the Suffolk County Clerk's Office prior to the conveyance of title to the first Unit Pursuant to the Plan as hereinafter set forth. The Sponsor has caused the Floor Plans to be prepared by Teas, Barrett, Lanzisera & Frink, Surveyors by inspection, and believes the layouts and dimensions of the Units as shown therein to be accurate. The Sponsor will have no liability or responsibility to any purchaser, nor shall any purchaser be relieved from his agreement to purchase by reasons of any insubstantial inaccuracy or error in the Floor Plans.

Legal Description of Common Elements

The Common Elements of the Condominium consist of the entire Property other than the Units. A Unit Owner will have an undivided interest in all of the Common Elements. The Common

Elements may not be divided or partitioned except as provided in the Condominium Act.

The Common Elements generally consist of:

(i) Such portions of the Land as are not within a Unit, including, without limitation, the land under water within the boat basins.

(ii) All central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water, sewer, heat and incinerating, including all pipes, ducts, wires, cables and conduits used in connection therewith.

(iii) Outdoor pool.

(iv) Tennis Courts.

(v) All common equipment spaces.

(vi) The Snack Bar Kiosk.

(vii) All common bathroom facilities located other than within a Unit and the common bathroom facilities located within the Essex Office Unit and Cove Office Unit.

(viii) The electric hot water heating system and the bubble system including, without limitation, the compressors activating such system.

(ix) The bulkhead and poles (including the sheathing thereon, if any,) located within the boat basins at the Condominium. The poles are installed merely as a convenience to the Unit Owners and do not define the docking area within which a Unit Owner may dock a boat as provided in paragraph 4(a) above.

(x) All Units which may hereafter be acquired and held by the Board of Managers on behalf of all Unit Owners, but only while so held.

(xi) All other parts of the Property and all apparatus and installations existing on the Land for common use or necessary or convenient to the existence, maintenance or safety of the Property which are not specifically made part of a Unit by the terms of this Declaration.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use of all pipes, wires, conduits and public utility lines located in the Common Elements or located in other Units and servicing his Unit. Further, each Unit Owner will have an easement for the continuance of any encroachment by his Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Unit or any improvements to the Unit or repair or alteration of the Unit by the Board after damage by fire or other casualty or as a result of condemnation or eminent domain proceeding, or as a result of an alteration to the Common Elements or to a Commercial Unit or a Unit owned by the Sponsor or its designees, so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit Owner will be subject to these easements in favor of all other Units.

The Board, its agents and employees shall have a right of access to the Units and the Common Elements to inspect, maintain or repair the same or to prevent damage thereto.

The Commercial Unit Owners, Sponsor and its designees shall each have (i) an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purpose of advertising the sale of Units, the leasing of space in any Unit or advertising any of their services and/or facilities, (ii) the right to establish, grant and create easements for any additional electric transformer, amplifier, gas, cable, television, telephone, water, sewer or other utility lines and appurtenances in, under and through the Property including, without limitation, the Units, and (iii) the right to relocate any existing utility, sewer and drainage easement in any portion of the Property including, without limitation, Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit after construction thereof.

The Sponsor and/or its designees shall have an easement (i) to erect an entrance from any parcel of land owned by any of them to the Common Elements of the Condominium, and access to and from the Condominium by way of such entrance and (ii) over the Common Elements to and from and within the Condominium including, without limitation, from such entrance and for the purpose of delivering such boats to the Launching Unit and the Store Unit for hauling or launching.

For a fuller description of these easements, see the Declaration in Part II of the Plan.

Allocation of Common Interest

The Common Interest appurtenant to a Unit establishes the Unit Owner's percentage of ownership in the Common Elements and percentage of liability for the payment of Common Expenses. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A. The Common Interest of each Unit in the Common Elements has been determined by the Sponsor based upon floor space, subject to the location of such space and the additional factors of relative value of such space to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for the exclusive or shared use, and the overall dimensions of the particular Unit.

SURROUNDING AREA AND FACILITIES

Zoning of Adjoining Lots on Block

The Property is located in an area which permits marina uses on the parcel of land adjoining the Property along the Great South Bay and generally permits residential uses in the immediate vicinity of the Property and commercial and residential uses in the area of the Property.

Medical Educational and Religious Facilities

The nearest major medical facility containing emergency rooms is Brunswich Hospital in Amityville, New York. There are private physicians and dentists who maintain offices in the neighborhood surrounding the Property.

The Property is located within the Lindenhurst Union Free School District #4.

There are houses of worship of most major denominations and faiths located near the Property.

Municipal Services, Recreation and Shopping Facilities

Water service is provided to the Property by the Suffolk County Water Authority and electric service is provided by the Long Island Lighting Company.

Fire service is provided by the Village of Lindenhurst and police service is provided by Suffolk County. Snow removal services for the streets and road maintenance are provided by the Town of Babylon. However, the Condominium is charged with snow removal on the sidewalks and obtaining its own private sanitation

services. The cost of such snow removal on sidewalks and private sanitation services will be included in the Common Expenses.

There is access to the Property along the public highway by way of automobile or by way of the private busing system which presently serves the area and stops in the Village of Lindenhurst. The Long Island Rail Road also presently serves the area and maintains a station in the Village of Lindenhurst.

There is an abundance of retail shopping malls in the area.

PROCEDURE TO PURCHASE

Execution of Purchase Agreement, Deposit and Trust Provisions

A person desiring to purchase a Unit in the Property will be required to execute in triplicate a Purchase Agreement (a copy of which is set forth in Part II of the Plan) and deliver the same to the Sponsor together with a check equal to (i) $1,000 in the case of Tenants in Occupancy and (ii) 10% of the purchase price in the case of nontenants, drawn to the order of "Anchorage Associates Special Account."

All moneys received by Sponsor under this Plan will be held in trust pursuant to the provisions of Section 352-e(2)(b) and 352-h of the General Business Law and will be deposited in escrow in a segregated special checking and/or savings account entitled "Anchorage Associates Special Account" maintained at the National Westminster Bank, branch located at either 350 Fifth Avenue, New York, New York or 506 West Montaulk Highway, West Babylon, New York ("Special Account"). Such money will not be released from escrow prior to the Closing Date in connection with the consummation of the Plan for any reason other than (i) cancellation of a Purchase Agreement due to purchaser's default, (ii) rescission of Purchase Agreement by a purchaser, or (iii) abandonment of the Plan. The signature of Herrick, Feinstein, the attorneys for Sponsor, is required for the withdrawal of any funds from the Special Account. Sponsor shall have the right but not the obligation to deposit any moneys received in an interest earning account and to purchase treasury bills or certificates of deposit and/or United States government security backed repurchase agreements through the Special Account, and interest will accrue thereon only to the extent earned from the time such moneys are deposited or from the time an interest-earning instrument is purchased, as the case may be, and only for so long as such moneys are held in an interest earning account or instrument, as the case may be. The Sponsor shall retain any interest earned on moneys received under this Plan except that if this Plan is abandoned or a purchaser rescinds his Purchase Agreement when, as and if

permitted under this Plan, then the payments made by such purchaser shall be refunded to him, together with interest earned thereon, if any, within thirty (30) days after the date of such abandonment or rescission.

Balance of Purchase Price

The balance of the purchase price under a Purchase Agreement shall be payable by certified or official bank check drawn to the order of "Anchorage Associates Special Account" and delivered to the Sponsor after the Plan has been declared effective as follows: (a) upon written demand therefor, which demand shall specify a date for payment not less than fifteen (15) days after the service of the demand or (b) if the Sponsor has been furnished, within the period in which payment of the balance of the purchase price must be made pursuant to the aforesaid demand, with a copy of a written commitment from a bank, trust company or other lending institution to finance a portion of the purchase price of a Unit, as well as copies of all documents which the lender will require the Sponsor and/or the Condominium to execute, then that portion of the purchase price for the Unit to be financed as provided in such commitment may be paid on the Closing Date. If the demand requires that payment be made on a date in advance of the Closing Date pursuant to the Plan, then the Closing Date shall be scheduled for a date no later than thirty (30) days from the date upon which the balance of the purchase price must be paid pursuant to the demand. Sponsor shall give purchasers written notice of the Closing Date at least thirty (30) days in advance thereof. In connection with the purchase of a Slip Unit, each purchaser, upon five days' notice, shall be required to attend a pre-closing of the purchase of his Unit at which time such purchaser shall be required to sign the power of attorney set forth in Part II of the Plan and other closing documents and may be required to pay certain of the closing costs and closing adjustments required under the Plan. Failure to attend a pre-closing and execute and deliver documents and make the payments described above shall constitute a default by purchaser under his Purchase Agreement. In addition, Sponsor may require that the purchaser pre-close with any lender making a loan in connection with his acquisition of the Unit.

No Financing Condition

A Purchaser's obligation to purchase is not conditioned upon obtaining financing. In the event that he fails to pay the balance of the purchase price when due because he has been unable to obtain such financing, he will nonetheless be deemed to have defaulted under his Purchase Agreement. See "Special Risks" and the summary of the rights of Sponsor upon a default by purchaser set forth below. A purchaser should also note that neither the Sponsor nor the Condominium will be required to sign financing

documents which do not conform to the provisions of the Plan, including without limitation the provisions of the Declaration and By-Laws set forth in Part II of the Plan. Therefore, a purchaser seeking financing should confirm with his prospective lender that the loan documents will conform to the provisions of this Plan.

Default by Purchaser

If a purchaser defaults in making any payments due under the Purchase Agreement or defaults in any of its other obligations under the Purchase Agreement, including the obligation to sign and return to the Sponsor the duplicate original Power of Attorney in the form set forth in Part II of the Plan and pre-close, which default is not cured within thirty (30) days after written notice thereof, then the Sponsor at its option may cancel the Purchase Agreement by written notice to purchaser and retain as and for liquidated damages all payments made thereunder (but not exceeding the sum of 10% of the purchase price thereunder plus all costs for any special work ordered by purchaser) together with interest earned thereon, if any. Cancellation of a Purchase Agreement will permit the Sponsor to sell the Unit to others as though the Purchase Agreement had never been made and purchaser shall not have any further rights against or obligations to the Sponsor, the Condominium or others purchasing such Unit.

Prerequisites to Closing of Title

The closing of title to each Unit shall take place only after or concurrently with the following events:

1. The Plan being declared effective by Sponsor.

2. The recording or filing, as required by law, of the Declaration and By-Laws, Floor Plans and engineers and tax authority certification required by Section 339-p of the Condominium Act.

3. The release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages (including a consolidated mortgage in the principal amount of $3,200,000 which matures on October 1, 1988 and is held by the Central Federal Savings F.S.B.), except any mortgage requested by the purchaser at the time of closing.

4. If requested by purchaser, L.T.I.C. Assoc., Inc., as agent for Lawyers Title Insurance Corporation or such other title insurance company as may be selected by the Sponsor, which is a member of the New York Board of Title Underwriters and is licensed to do business in New York State, will agree to insure, upon payment of the premium for such insurance (see estimate of cost described below in "Procedure to Purchase: Estimated Closing Costs and Adjustments"), (i) that the purchaser has good and

marketable fee title in the Unit, free and clear of all liens and encumbrances except those set forth in the Plan, and subject to the provisions of the Declaration and By-Laws and any mortgage executed by the purchaser; (ii) that the Condominium was validly formed pursuant to Article 9B of the Real Property Law. While the purchaser will be free to select a title company of his choice, the Sponsor's obligation to deliver good and marketable title to the Unit will be deemed satisfied if L.T.I.C. Assoc., Inc., as agent for Lawyers Title Insurance Corporation is prepared to insure such title.

5. Written notice of the Closing Date is given to the purchaser of the Unit as provided above.

6. Delivery to purchaser, purchaser's attorney or purchaser's title company of a bargain and sale deed with covenant against grantor's acts covering the Unit.

Title to the Unit may be subject to the following:

(a) Any state of facts shown on the survey dated January 24, 1972, and redated March 31, 1973, and prepared by Harold R. Bausch and any additional state of facts which a subsequent accurate survey made on the Closing Date would show provided the same (except as set forth below) does not render title unmarketable;

(b) Zoning regulations, ordinances, building restrictions and regulations of the Village of Lindenhurst, Town of Babylon, County of Suffolk and State of New York;

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

(d) Encroachments of any improvements to the Property, if any, upon any street or highway on any other property.

(e) The following covenants, restrictions and easements:

(i) Covenants and restrictions in Liber 4813, page 69 and Liber 4598, page 399 which provide in part that toilet facilities must be maintained on the Land and no boat toilets may be used at any time while boats are berthed or moored at the Property, that the construction of buildings or structures of any kind upon portions of the Property shall require the written approval of the Town Planning Board of the Town of Babylon, and

that boat repairs, sales or storage are prohibited on certain portions of the Property.

(ii) Drainage Easement recorded in Liber 5278, page 275 and Liber 5278, page 278;

(iii) Boundary Line Agreement recorded in Liber 8014, page 449;

(iv) Drainage Easement recorded in Liber 8014 at page 461;

(v) Declaration of Covenants and Restrictions to be recorded which provides in part that slips at the Condominium may not be sold for the specific use of mooring a floating home as defined by Section 15-607 of the Town of Babylon Unified Code of Ordinances;

(vi) Covenants and restrictions against certain non-marina uses and building restrictions set forth in Liber 3576, page 592 and Liber 2840 page 499 and Deed 2322 at page 458 which include, among other things, a restriction against making boat sales on certain portions of the Property;

(vii) Any other covenants, restrictions and easements provided that such covenants, restrictions and easements do not prohibit the existence and present use of the existing structures;

(f) Rights, if any, to maintain vaults under the sidewalks;

(g) The lien of any unpaid federal or state income estate, inheritance or transfer taxes, New York State franchise taxes or general corporation taxes, provided Sponsor, on the closing Date, makes such deposit or guaranty as might be reasonably required by L.T.I.C. Assoc., Inc., as agent for Lawyers Title Insurance Corporation (or such other title insurance company which insures purchaser's title to the Unit) in order to issue a policy of title insurance insuring against the collection thereof out of the Unit;

(h) The lien of any real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment thereof is made as hereinafter provided in the Plan;

(i) Service, labor, concessionaire and maintenance agreements contemplated under this Plan;

(j) Any leases, tenancies and occupancies;

(k) Sewer, water, drainage, electric, plumbing, heating, gas, telephone and other utility easements and consents, if any granted hereafter, including the right to maintain and operate lines, wires, cables, pipes, conduits, poles and distribution boxes in, over, under and upon the Condominium;

(l) All of the terms, covenants and conditions of the Declaration and By-Laws as they are subsequently filed or recorded and the Plan and any amendments thereto;

(m) All easements set forth in the By-Laws and Declaration as they are subsequently recorded, in the Plan and Purchase Agreement including:

(1) Easements in favor of the other Unit Owners to use the pipes, wires, conduits and public utility lines located in the Common Elements or in the Unit itself servicing such other Units and easements of necessity in favor of the other Units or the common Elements;

(2) Easements in favor of the Board, its agents, contractors and employees to have a right of access to the Units and to the Common Elements to inspect, maintain or repair or to make repairs to the Unit to prevent damage to the Common Elements or any other Units;

(3) Easements for the continuance of encroachments on the Unit and on the Common Elements by other Units or portions of the Common Elements, now existing or hereafter occurring by reason of the settling or shifting of the Units or any improvements to the Units, or by reason of the repair and/or restoration by the Board of the Units or the other Units or the Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements, a Commercial Unit or a Unit owned by Sponsor or its designees, so that any such encroachments may remain as long as the Units stand, and

(4) Easements in favor of the Sponsor and/or its designees for access to the Property from any adjoining parcel of land as summarized in the Plan.

(n) Any riparian rights and easements of others over the Neguntatogue Creek and/or Great South Bay and the rights of the United States government, State of New York or other municipality (i) to erect or relocate its bulkhead lines in the Neguntatogue Creek and/or Great South Bay and (ii) if any, to any portion of the Property lying below the high water mark of the Neguntatogue Creek and/or Great South Bay or any portion of the Property now or formerly under water.

(o) Any encumbrance as to which L.T.I.C. Assoc., Inc., as agent for Lawyers Title Insurance Corporation (or such other title insurance company which insures purchaser's title to the Unit) would be willing, in a fee policy issued by it to the purchaser, to insure the purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien;

(p) Any other encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes;

(q) The printed exceptions set forth in L.T.I.C Assoc., Inc., as agent for Lawyers Title Insurance Corporation Certificate of Title No. S-21985, as follow:

(1) Defects and encumbrances arising or becoming a lien after the Closing Date.

(2) Consequences of the exercise and enforcement or attempted enforcement of any governmental war or police powers over the Property.

(3) Any laws, regulations or ordinances (including, but not limited to zoning, building and environmental protection) as to the use, occupancy, subdivision or improvement of the Property adopted or imposed by any governmental body, or the effect of any noncompliance with or any violation thereof.

(4) Judgments against the Condominium or estates, interest, defects, objections, liens or encumbrances created, suffered, assumed or agreed to by or with the privity of the condominium.

(5) Title to any property beyond the lines of the Property or title to areas within or rights or easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement other than ordinary rights of access and egress belonging to abutting owners.

5. Execution and delivery by purchaser of the Power of Attorney, the form of which is set forth in Part II of the Plan.

6. Execution and delivery by Sponsor of the Slip Unit Deed, the form of which is set forth in Part II of the Plan.

7. Delivery of the insurance certificate for the insurance required under the by-laws.

Estimated Closing Costs and Adjustments Between Sponsor and a Purchaser of a Unit

The estimated closing costs and expenses to be borne by each purchaser are as follows:

1. Fee title insurance, if ordered, by the purchaser. The fee will vary depending on the purchase price of the Unit. If ordered from L.T.I.C. Assoc., Inc., as agent for Lawyers Title Insurance Corporation the premium for (a) fee title insurance, if a mortgage title insurance policy is not simultaneously issued is presently $168.00 for the first $9,000 of fee insurance plus $5.42 for each $1,000 of additional fee insurance up to $50,000; (b) mortgage title insurance, if a fee title insurance policy is not simultaneously issued is presently $140 for the first $9,000 of mortgage title insurance plus $4.52 for each $1,000 of additional mortgage title insurance up to $50,000; and (c) fee insurance if a mortgage title insurance policy is simultaneously issued is $217 for the first $9,000 of fee and mortgage title insurance plus an amount for each $1,000 of additional fee and/or mortgage title insurance which will vary depending on the amount each type of insurance ordered. Thus, assuming a $15,000 purchase price and a $10,000 mortgage, the premium for fee title insurance and mortgage title insurance in the respective amounts at present rates is $256.

2. Fee for recording the deed covering the Unit and the power of attorney in favor of the Board of approximately $24, the New York State transfer tax of $.55 per $500 (or fractional portion thereof) of the purchase price. WHILE THE NEW YORK STATE TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SELLER IN SINGLE-FAMILY HOME TRANSACTIONS, THE BURDEN OF PAYING THOSE TAXES MAY BE MODIFIED BY CONTRACT. AS IS COMMON IN MANY OTHER CONDOMINIUM DEVELOPMENTS IN NEW YORK STATE, THE SPONSOR'S PURCHASE AGREEMENT PROVIDES THAT THE PURCHASER OF A UNIT WILL BE REQUIRED TO PAY THESE TRANSFER TAXES AT THE CLOSING. A purchaser of a Unit priced at $15,000 would pay approximately $84 for recording fees and transfer taxes.

3. If the purchaser obtains a first mortgage loan from a lending institution he will customarily pay at the closing of title the following additional costs: (i) mortgage recording tax

in the amount of 3/4 of 1% of the mortgage up to $10,000 and 1% of the amount of the mortgage over $10,000; (ii) the premium for the mortgage title insurance policy discussed above; (iii) mortgage recording fees of approximately $28; (iv) the lending institution's attorneys' fees pertaining to the mortgage; (v) the lending institution's appraiser's fees; and (vi) origination or other fees. In addition, he may be required by the lending institution to deposit monthly with the lending institution a reserve for the payment of real estate taxes commencing with the date of closing of title to the Unit. the amount of the deposit will be a multiple of the estimated monthly real estate taxes and will vary in accordance with the date of closing of title to a particular Unit. The Sponsor makes no representation as to what additional closing costs may be charged by a particular lender.

To the extent that the purchaser is entitled to any credit against the mortgage recording tax by reason of the satisfaction by sponsor of any mortgage against the Property, the purchaser shall pay to sponsor at the closing the amount of any credit.

4. Each Unit Owner shall contribute a sum equal to one month of Common Charges for the Unit as set forth in Schedule A, as initial working capital for the Condominium.

5. At the closing, adjustments will be made between Sponsor and each purchaser with respect to (a) if a Unit has been separately assessed for real estate tax purposes, then, real estate taxes and assessments, if any, on the basis of the period for which assessed, (b) if a Unit has not been separately assessed for real estate tax purposes, then, the product of real estate taxes and assessments for the Property on the basis of the period for which assessed multiplied by the percentage amount of the common Interest of the Unit as shown in Schedule A (c) Common Charges for the month in which title closes (d) accrued rent and any other charges pursuant to the lease, if any, covering the purchaser's Unit and (e) water charges and sewer rents if separately assessed. In the event that a Unit has not been separately assessed at the time of closing of title for the then current fiscal tax period, the apportionment of real estate taxes shall be based on the assessment of the Property and the common Interest appurtenant to such Unit. In such event, and until separate tax bills are issued with respect to each Unit, the Unit Owner shall pay his proportionate share of real estate taxes with respect to the Unit to the Board and the Board shall thereafter pay such taxes to the appropriate taxing authority.

6. Each purchaser will be responsible for the fees and expenses of his own attorney if he chooses to retain one.

7. If, a credit check is required by Sponsor for the purchaser, then such purchaser will be responsible for the costs and expenses of such credit check which are estimated to be approximately $50.

From and after the closing of title to his Unit, the purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments, water charges and sewer rents (if separately assessed against the Unit) and all other expenses with respect to his Unit whether or not he has taken possession of his Unit.

The mortgage and fee title policy premiums, the recording taxes and charges and the transfer tax rates set for the above are those in effect as of the date of this Plan. Each purchaser shall be required to pay the title policy premiums, recording taxes and charges and transfer taxes in effect as of the date of the closing of title to his Unit.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be items described above. If any other items are to be apportioned at closing, the Sponsor will advise the purchaser in writing of those items at least ten (10) days before the closing.

Benefit of More Favorable Terms

If, prior to the expiration of any exclusive period which begins prior to the Closing Date and during which Tenants in Occupancy may exclusively purchase their Slip Unit, the Plan is amended to offer more favorable terms and conditions to Tenants in Occupancy, then, a Tenant in Occupancy who executed and delivered a Purchase Agreement prior to the date of service of such amendment shall have the right to elect to purchase his Unit terms and conditions set forth in such amendment and upon such election his Purchase Agreement shall be amended accordingly.

Cooling Off Period and Sponsor's Acceptance or Rejection of a Purchase Agreement

Unless a purchaser has been afforded at least three (3) business days to review the Plan and all filed amendments thereto prior to execution and delivering his Purchase Agreement, such purchaser may cancel his Purchase Agreement within a period of seven (7) days after delivery thereof to the Sponsor by either personally delivering or mailing by certified or registered mail return receipt requested, a written notice of rescission to the Sponsor prior to the expiration of said seven (7) day period. If a purchaser rescinds his Purchase Agreement as provided above, then the Sponsor shall refund all monies deposited by him, together with interest earned thereon, if any, within ten (10)

days after the expiration of the aforesaid seven (7) day period. If a purchaser does not deliver or mail a rescission notice to Sponsor within the seven (7) day period, the Purchase Agreement will become binding upon the purchaser upon the expiration of said period.

Within twenty (20) days after the purchaser delivers to the Selling Agent three copies of his Purchase Agreement executed by him together with the required deposit, the Sponsor shall either (i) accept such Purchase Agreement and return one fully executed counterpart to the purchaser (or purchaser's attorney) or (ii) reject such Purchase Agreement by notice thereof personally delivered or mailed by certified or registered mail, return receipt requested, to the purchaser together with a refund of any deposit previously made by the purchaser under his Purchase Agreement. If the Sponsor takes no action within said twenty (20) day period, then the Purchase Agreement shall be deemed accepted.

As a condition to acceptance of the Purchase Agreement, Sponsor may require that purchaser execute and deliver an application setting forth certain financial and other information required by the Sponsor and in addition, Sponsor may require at purchaser's sole cost and expense a credit check of purchaser.

Unit Sold in "As Is" Condition

A Unit shall be in its "as is" condition on the date of closing of title thereto without any obligation by sponsor to make any repairs or improvements except as set for the in "Sponsor's Statement of Property Condition". See "Special Risks".

Obligation Possession of Units;
Obligations of Purchasers of Occupied Units

A purchaser of a Slip Unit of which he is not in possession will at the option of such purchaser either obtain the Unit vacant on the Closing Date or obtain the Unit subject to any lease for the Unit then in effect and any renewal of the term thereof, and all rights of the existing tenant.

If a purchaser elects to obtain the Unit subject to any lease of the Unit and a tenant or other person occupying a Unit does not voluntarily remove from the Unit on the date that the lease for the Unit (as the same may be renewed) expires, then a purchaser, in order to gain occupancy of the Unit, may be required (at his own expense) to institute a summary dispossess proceeding in court. No representation or warranty is made as to the length of time which may elapse before actual possession of any such Unit may be obtained.

If a Unit is purchased by someone other than the tenant thereof, and such purchaser elects to obtain the Unit subject to

any lease for the Unit, then on the closing date pursuant to the Purchase Agreement for the purchase of such Unit, the tenant of the Unit will become the purchaser's tenant and the purchaser will become his landlord. As an owner of the occupied Unit, the purchaser will be required to pay to the Condominium, the Common Charges for such Unit, the real estates and any other costs and expenses of the Unit whether such Common Charges real estates and any other cost and expenses of the Unit are greater or less than the rent received from such tenant. The purchaser also will be responsible for the due performance of all the obligations of the landlord under the lease with the tenant, including, but not limited to, obligations to maintain and repair the Unit.

Any person interested in purchasing a Unit occupied by another is urged to examine any lease pertaining to the Unit, verifying not only the expiration date of the lease, or any renewal thereof, but also the rent currently payable for the Unit and the obligations of the landlord thereunder.

No Right of Assignment by Purchaser

A purchaser may not assign his Purchase Agreement without first obtaining the written consent of the Sponsor.

Conflicts between Plan and Purchase Agreement

A complete copy of the Purchase Agreement is included in Part II of the Plan. If any provision of the Purchase Agreement is in conflict with any provision of the Plan, then such conflict shall be resolved in favor of the Plan. The Plan and the Purchase Agreement may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law. The Purchase Agreement to be executed by Tenants in Occupancy who purchase during the 30-Day Exclusive Period may not be modified except by duly filed amendment to the Plan.

INDIVIDUAL FINANCING ARRANGEMENTS

The Sponsor has obtained a bulk end loan commitment from Central Federal Savings F.S.B. with offices at 249 East Park Avenue, Long Beach, New York ("Bank") pursuant to which the Bank has agreed to provide financing to purchasers in connection with the purchase of Slip Units at the Property. However, the aggregate amount of the financing offered with respect to the Property shall not exceed $3,000,000. The Bank's commitment expires on July 1, 1985 and is conditioned upon the sale of at least 161 of the Slip Units offered for sale pursuant to the Plan.

The terms and conditions upon which the Bank will consider making such loans to qualified purchasers include the following:

(a) Financing will only be available for up to 75% of the lesser of (i) the purchase prices of the Units as shown in Exhibit A hereto and (ii) the appraised value of the Unit as determined by the Bank subject to the credit approval of the purchaser.

(b) The term of the mortgage at the option of the borrower shall be either:

(i) ten (10) years, in which event the mortage loan is to be repaid in constant monthly installments of principal and interest in amounts sufficient to pay the interest due on the loan and fully repay the loan over the term thereof.

(ii) five (5) years, in which event the mortgage loan is to be repaid in costant monthy installments of principal and interest in amounts sufficient to pay the interest due or the loan and repay the principal over a term of 15 years, until the end of the five (5) year term of the loan, when the then outstanding principal balance with accrued interest shall be due and payable.

(c) The rate of interest charged on the loan will be one (1) point over the weekly auction rate applicable under 60 day mandatory delivery program of the Federal Home Loan Mortgage Corporation for residential 1 to 4 family homes ("FHLM Rate") at the time the commitment for the loan is issued by the Bank to the Purchaser (adjusted upward to the nearest 1/8%) plus a 4 point commitment and origination fee. Each commitment will be in effect for only sixty (60) days after issuance. The FHLM Rate in effect on October 3, 1984 is 13.64% and therefore if a commitment were issued on October 3, 1984, the mortgage loan interest rate would be 14.75% plus a 4 point commitment and origination fee . No assurance is or can be made that such rate will be in effect on the Closing Date.

(d) Each loan shall be evidenced by a promissory note secured by a first mortgage on the borrower's Unit and appurtenant common interest, and shall constitute a first mortgage thereon.

(e) In addition to the fees outlined above, the borrower will be responsible to pay any of the Bank's legal fees in connection with closing of the loan which are estimated to be approximately $350, premiums for mortgage title insurance, survey expenses, mortgage recording tax, recording fees and any appraisal fees and any other usual and customary closing costs in connection with a condominium mortgage.

For purposes of the foregoing financing arrangements the Bank will utilize such documents in form and substance as shall be satisfactory to the Bank's counsel. These documents for the most part include a note, a mortgage, truth in lending forms, a credit application and a form UCC-1 financing statement. The mortgage documents shall contain an escrow provision for the monthly payment of accrued annual taxes, water and sewer rents and assessments, if any, so that there will be sufficient moneys on deposit in an escrow account to secure payment of each such item one (1) month before the due date of such item.

Copies of these documents are available at the Bank.

Purchasers desiring this financing should make application at the Bank. Commitments will only be made to an individual purchaser upon submission of a completed application, other required documentation and qualification of the purchaser in accordance with the respective standards set forth above. All decisions with respect to acceptance or rejection of loan applications will be made solely by the Bank and the Sponsor shall not have any liability or responsibility if the application is denied. If a commitment is issued to a purchaser it will be in the form of a separate commitment which will not be valid unless accepted by purchaser who shall comply with the conditions contained therein.

The availability of financing to purchasers by the Bank does not in any way constitute an approval by the Bank or a representation by the Bank as to the merits of this offering or the accuracy of any statement or material set forth in the Plan nor constitute the Bank a partner or co-venturer of the Sponsor or of the Board of Managers.

Purchasers shall have the right to obtain financing from any other lending institution of their choice. No representation, however, is made with respect to the cost or availability of financing from any source other than the Bank as herein specifically set forth.

Failure of a purchaser to obtain financing will not relieve a purchaser from his obligations under his Purchase Agreement. If a purchaser does not close by reason of his failure

to obtain financing, he may lose his deposit. Therefore, in order to reduce the risk of losing his deposit and the opportunity to purchase the Unit, it is incumbent upon a purchaser to have his financing available before signing and making deposit pursuant to his Purchase Agreement.

The Sponsor has made no commitment and can make no commitment to furnish any financing to any purchaser.

The Sponsor has made no statement and can make no statement as to the ability or inability of the purchaser to obtain any financing.

Effective Date

The Sponsor's offer to sell Units pursuant to the Plan is contingent upon the Plan being declared effective and compliance with the relevant conditions and time periods described in the Plan. The following provisions shall determine whether, when and how the Plan will be declared effective:

1. The Sponsor may at its option declare the Plan effective if within eighteen (18) months after the Filing Date, Purchase Agreements have been executed and delivered as provided in this Plan covering at least 15% in number of the Slip Units offered for sale under this Plan.

In computing the required 15%, a Unit purchased by a purchaser who is the Sponsor or a principal of the Sponsor or is related to the Sponsor or any principal of the Sponsor by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner, shall not be counted towards the 15% minimum unless such purchaser (other than the Sponsor or a principal of the Sponsor) is a bona fide purchaser.

2. Sponsor must declare the Plan effective when Purchase Agreements have been executed and accepted for the sale of at least 80% of the Units offered for sale under the Plan, provided that no purchaser is in default under his Purchase Agreement and the conditions set forth in paragraph 1 above have been met.

3. If the Plan has not been declared effective, it may be abandoned by Sponsor at any time before the conditions set forth in paragraph 2 above have been met.

4. The Plan will be declared effective by written notice mailed or personally delivered to all Tenants in Occupancy and purchasers and an appropriate amendment to the Plan will be submitted to the Department of Law for filing within five (5) days thereafter. The closing of title to the first Unit pursuant to the Plan shall not be consummated until such amendment is accepted for filing.

5. Once the Plan has been declared effective, it may not be abandoned by Sponsor except for (i) defect(s) in title which cannot be cured without litigation or cannot be cured for less than $40,000 in the aggregate; (ii) hazardous or dangerous conditions, or violations which cannot be cured for less than $40,000 in the aggregate; (iii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than by condemnation or eminent domain.

6. The Plan will be deemed abandoned, void and of no effect if not declared effective within a period of eighteen (18) months after the Filing Date unless such period is extended.

In the event that the Plan is abandoned, all moneys paid by purchasers under Purchase Agreements which were not previously cancelled in accordance with the provisions of the Plan shall be refunded to them, together with interest earned thereon, if any, within thirty (30) days after the date of abandonment and Sponsor shall promptly file a notice of abandonment on Form CD-3 or such other form as the Department of Law may require which will disclose the reasons for abandonment and account for the disposition of all moneys received by the Sponsor pursuant to the Plan.

Closing Date

After the Plan has been declared effective, the sale of Units to purchasers hereunder will close at a place and on a date (herein sometimes called the "Closing Date") to be fixed by the Sponsor, which shall be not less than thirty (30) days nor more than one hundred eighty (180) days after the date when the Plan was declared effective, unless the closing is adjourned, provided that on or before the Closing Dte there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan.

WORKING CAPITAL FUND, CLOSING ADJUSTMENTS AND CERTAIN OBLIGATIONS OF SPONSOR AND THE CONDOMINIUM

Working Capital Fund

On the Closing Date, the Sponsor will contribute to the Condominium the amount of $25,000 out of the cash proceeds of this offering as a working capital fund ("Working Capital Fund").The Working Capital Fund may be used by the Condominium for working capital and for other purposes as determined by the Board. The $25,000 will be increased if the net closing adjustments referred to below are in favor of the Condominium and reduced, but not below $5,000, if the net closing adjustments are in favor of the Sponsor. The closing adjustments referred to below include, among other things, prepaid or accrued items which are part of the Condominium's budget. If the closing adjustments are in favor of the Sponsor and to such an extent that payment thereof will reduce the Working Capital Fund to below $5,000 on the Closing Date, then payment of such amount as shall enable the Condominium to retain $5,000 on the Closing Date shall be deferred and paid to the Sponsor, without interest, in twelve (12) equal monthly installments commencing one month after the Closing Date, in accordance with a promissory note or notes of the Condominium to be delivered to Sponsor on the date of closing of title to the first Unit pursuant to the Plan.

So long as a majority of the members of the Board are the Sponsor's representatives, the Sponsor's representatives shall not use the Working Capital Fund to reduce the Common Charges projected in Schedule A.

No funds have been set aside as a reserve fund for capital expenditures.

No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

Neither the Department of Law nor any other government agency has passed on the adequacy of the Working Capital Fund.

Expenses of Offering

The Sponsor will pay all the expenses of this offering, including the closing costs of the Sponsor and the Condominium in connection with this Plan. For the most part, these costs include legal and other professional fees, filing fees, recording fees, selling commissions, advertising and reproduction costs.

Closing Adjustments Between Sponsor and Condominium

The Sponsor will be responsible for all the required operating expenses of the Property accruing prior to the date of the closing of title to the first Unit pursuant to the Plan. The Condominium shall be required to pay all operating expenses of the Property accruing on or after the date of the closing of title to the first Unit pursuant to the Plan.

The following items shall be apportioned between the Sponsor and the Condominium as of the date preceding the date of the closing of title to the first Unit pursuant to the Plan: (a) water charges, sewer rents and vault taxes (unless separately assessed to Units) based on the fiscal year therefor or, if there be water meters on the Property, the Sponsor shall furnish readings to a date not more than thirty (30) days prior to the date of the closing of title to the first Unit pursuant to the Plan and the unfixed water charges and the unfixed sewer rents, if any, based thereon for the interim shall be apportioned on the basis of such last reading; (b) deposits, fees, charges or payments in connection with all permits, licenses, utilities, service and maintenance agreements; (c) the cost of fuel on hand as estimated by Sponsor's supplier and any other supplies on hand; (d) insurance premiums for transferable policies; (e) employees' wages (vacation and severance pay, pension and welfare benefits) and any other payments or obligations relative to employees; (f) charges for electricity for the Common Elements and gas; (g) operating expenses and any other prepaid items. In addition, Sponsor shall pay all installments for assessments due prior to the date of closing of title to the first Unit pursuant to the Plan and the Condominium shall pay all such installments due after such date.

The Sponsor shall be responsible for the Common Charges payable with respect to Units owned by Sponsor or its designees so long as it or its designees continue to own such Units.

Sponsor represents that its financial resources are sufficient to meet its obligations described above. However, no bond or other security has been furnished by Sponsor and the Sponsor's ability to perform will depend solely upon its financial condition if and when called upon to perform.

Leases of Vacant Units by Sponsor

The Sponsor reserves the right to rent or lease vacant Units (including any Units which become vacant after the Presentation Date) to purchasers and non-purchasers. The lease ("Interim Lease") will be for such rent and other terms as may be mutually agreed upon. No portion of the rent paid under such Interim Lease will be credited toward the purchase price of the Unit.

The Interim Lease shall be prepared on a form of lease presently in use at the Property which will be available for inspection at the office of the Sponsor. The term of each such Interim Lease shall expire on the earliest to occur of (i) the Closing Date unless the tenant under the Interim Lease of the Unit is the purchaser of the Unit (ii) the date of closing under the tenant's Purchase Agreement, if the tenant under the interim Lease of the Unit is the purchaser of the Unit (iii) the date fixed in the Interim Lease for the expiration of the term (iv) the date upon which the Interim Lease is terminated at the option of the Sponsor by reason of a default by tenant under the Interim Lease or a casualty or condemnation affecting the Unit or (v) the date upon which the Interim Lease is terminated by tenant, as provided below. Except as provided below, the tenant shall be required to vacate the Unit within thirty (30) days after the date of termination of the Interim Lease.

If the tenant under an Interim Lease described herein has entered into a Purchase Agreement under the Plan and if this Plan is abandoned by Sponsor, then tenant may, at its option, terminate the Interim Lease at any time thereafter as of the last day of any month during the term of the lease, on not less than thirty (30) days' prior written notice personally delivered or mailed by certified mail return receipt requested to Sponsor. The tenant shall be required to deliver to Sponsor possession of the Unit on the date of termination of the Interim Lease vacant and in broom clean condition.

If a tenant under an interim lease has entered into a Purchase Agreement under the Plan and the tenant exercises any right to rescind the Purchase Agreement as provided in the Plan, then, as a condition of such rescission, the tenant's interim lease shall be terminated and the tenant shall deliver possession of the unit to Sponsor, vacant and in broom-clean condition.

It shall be a default under the Interim Lease if the tenant fails to comply with all of his obligations under his Purchase Agreement or the Interim Lease. Any default under the Interim Lease will permit the Sponsor, upon thirty (30) days' written notice to tenant, to cancel the Purchase Agreement (unless tenant has cured such default within thirty (30) days after the date of mailing of such notice) in addition to exercising any rights which Sponsor may have under the Interim Lease. If Sponsor cancels the Purchase Agreement, the Sponsor may retain any moneys paid thereunder (but not exceeding the sum of 10% of the purchase price thereunder plus all costs for any special work ordered by purchaser) together with interest earned thereon, if any, without prejudice to any other rights or remedies at law or in equity or under the lease or tenancy, which Sponsor, the Condominium or any other party may have by reason of such default.

It should be noted that tenants of Units will not be able to claim the income tax deductions described in the Plan until, and only for the period beginning on, the date of closing pursuant to the purchaser's Purchase Agreement (which may only occur on or after the Closing Date) provided that all the conditions set forth in "Attorney's Income Tax Opinion" have been met.

Risk of Loss and Assumption

The risk of loss or damage to the Property by fire or other casualty, until the date of closing of title to the first Unit pursuant to the Plan, is assumed by Sponsor, but without any obligation or liability upon Sponsor to repair or replace same. Sponsor, however, at Sponsor's sole option may elect to abandon the Plan (see "Effective Date") or to repair or replace such loss or damage. If Sponsor elects to repair or replace such loss or damage, then, at Sponsor's option, it shall be entitled to reasonable adjournments of the closing.

The Condominium shall assume the performance of all obligations (including payment obligations) of Sponsor, if any, accruing on or after the date of the closing of title to the first Unit pursuant to the Plan, under the labor, service, maintenance and concessionaire agreements in effect on such date and shall indemnify and hold the Sponsor harmless from and against any and all claims, liabilities, costs and expenses arising out of or with respect to such agreements or with respect to the Property and accruing on or after such date.

Certain of Sponsor's Obligations With Regard to Improvements to be Constructed by Sponsor

In making the improvements set forth in "Description of Property and Improvements -- Description of Improvements to be Constructed by Sponsor," Sponsor shall have the right to substitute equipment or materials and make modifications of layout or design provided, however, that Sponsor may not (i) substitute equipment or materials of lesser quality or design or (ii) change the size or location of such improvements or Common Elements, if such changes affect the percentages of Common Interest or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect, unless all affected Unit Owners consent in writing to such change and all affected contract vendees are given the right to rescind and receive the return of his deposit under his Purchase Agreement.

A new or amended certificate of occupancy is not required for any of the improvements described in "Description of Improvements to be Constructed by Sponsor," nor is this Offering

Plan subject to the provisions of General Business Law Section 352-ee. Sponsor does not warrant the materials or workmanship of any of such improvements.

Sponsor shall pay for the construction of the improvements described in "Description of Improvements to be Constructed by Sponsor" and shall cause all mechanic's liens with respect to any such construction to be promptly discharged or bonded.

Indemnity of Condominium by Sponsor

The Sponsor shall indemnify and hold the Condominium harmless from any costs, expense, claim, suit or proceeding with respect to the Property arising out of Sponsor's acts or negligence.

Survival of Sponsor's Obligations

Any of Sponsor's obligations under the Plan which are to be performed subsequent to the Closing Date shall survive the delivery of the deed to a Unit affected by such obligation.

"As Built" Plans

To the extent available, Sponsor shall deliver to the Condominium a set of as-built plans for the improvements to be constructed by Sponsor as described in the Plan.

No Bond or Other Security to Secure Sponsor's Obligations

No bond or other security has been furnished to secure Sponsor's obligations under this Plan including Sponsor's obligations to construct the improvements described in the Plan.

Sponsor's Obligations for Unsold Units

So long as Sponsor retains title to any Units at the Condominium, Sponsor shall pay all Common Charges and special assessments with respect to such Units.

Insurance Described in Schedule B

Sponsor shall cause the Condominium to obtain and have in effect as of the Closing Date, the insurance described in Schedule B.

Sponsor's Right of Access to Complete Construction of Improvements

Sponsor shall have the right to enter upon the Common Elements of the Condominium and any Unit for the purpose of

completing construction of the improvements to be made by Sponsor as described in the Plan. In exercising this right, Sponsor shall to the maximum extent feasible not unreasonably interfere with the Unit Owner's use of his Unit and shall promptly repair any damage caused by Sponsor to the Unit by reason of Sponsor's entry thereon.

Effect of Dissolution and Liquidation of Sponsor

Since Sponsor is a general partnership comprised of individuals, the dissolution and liquidation of Sponsor will have no effect on the liability of the partners for the obligations of the partnership.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Certain Rights of Slip Unit Owners

Each Slip Unit Owner has the right on the terms and conditions set forth in the Declaration:

(i) Exclusively to dock a boat on the water side of his Slip Unit in an area bounded and described in the Declaration;

(ii) To park one car in a location designated by the Board of Managers; however, the Board of Managers to the maximum extent feasible shall designate a location which is on the upland side of the Slip Unit;

(iii) To store a boat (not exceeding in size the docking capacity of his Slip Unit as described above) out of the water during the period September 15 through May 31 of each year in a location to be designated from time to time by the Board of Managers, provided that such boat is blocked and washed and provided further that a boat is not also docked in the docking area appurtenant to the Slip Unit during such period. In connection with its right to store a boat, a Slip Unit Owner shall have the right to transport his boat over the Common Elements for storage in accordance with the provisions described above provided that such Slip Unit Owner complies with the Rules and Regulations established by the Condominium from time to time

with regard to transporting a boat within the Condominium including but not limited to requirements of insurance and manner of transportation so as not to unreasonably interfere with the use and operation of the Condominium.

There are no special additional payments required to be made to the Condominium in connection with a Slip Unit Owner's exercise of his right to store a boat on the Land as described above, except that a Slip Unit Owner will be responsible for his cost of hauling, launching, washing and blocking his boat.

The rights of a Slip Unit Owner described above are subject to certain restrictions described below and in the Declaration, any riparian rights and easements of others over the Neguntatogue Creek and/or Great South Bay and the rights of the United States government, State of New York or other municipality (i) to erect or relocate its bulkhead lines in the Neguntatogue Creek and/or Great South Bay and (ii) if any, to any portion of the Property lying below the high water mark of the Neguntatogue Creek and/or Great South Bay or any portion of the Property now or formerly under water.

Restrictions on Slip Units

A Slip Unit Owner shall not

(i) erect any improvements on his Slip Unit;

(ii) rent out his Slip Unit for a period less than one (1) month without the consent of the Board and any such rental agreement must include all the Slip Unit Owner's rights under Section 4(a) of the Declaration including, but not limited to, the right to store a boat out of the water and to park one (1) car as provided therein, and the right to use the Common Elements, including the pool and tennis courts;

(iii) use any boat toilet facilities at any time while boats are berthed or moored in the Condominium;

(iv) make any boat repairs in his Slip Unit or anywhere else within the Condominium;

(v) make any sales of boats or build or store any boats on his Unit;

(vi) dock any vessel used, owned or occupied as a floating home defined by Section 15-607 of the Town of Babylon Unified Code of Ordinances or sell or lease his slip Unit for such purpose. Section 15-607 presently defines a floating home as a vessel used, owned or occupied as a permanent dwelling unit, business office or source of any occupation or for any private or social club of whatsoever nature including, but not limited to, a structure constructed upon a barge primarily immobile and out of navigation or which functions substantially as a land structure while moored or docked, whether such vessel is self propelled or not.

A Slip Unit Owner must carry liability insurance naming the Condominium and Board of Managers as additional insured, covering, the acts of Slip Unit Owner, his lessees, guests or other visitors within the Condominium and their boats and/or automobiles and such other insurance as may be reasonably specified from time to time by the Board of Managers.

Hauling, Launching, Washing and Blocking of Boats

Only the Store Unit Owner presently has facilities for the hauling and launching of boats from and washing and blocking of boats at the Property. Set forth below are the rates in effect until the second anniversary of the Closing Date for hauling, launching, washing and blocking applicable to a Slip Unit Owner who desires that the Store Unit Owner perform these services with respect to his boat. A Slip Unit Owner is not required to use the Store Unit to perform these services and may at any time haul and launch his boat at the public ramp or at another location outside of the Property and block and wash his own boat. After the second anniversary of the Closing Date the Store Unit Owner may raise the rates for hauling, launching, blocking and/or washing services from time to time in its sole discretion and such rates are not subject to any restrictions and/or may determine to suspend or discontinue such services.

If the Launching Unit Owner constructs a boat launching ramp within the Launching Unit, then the rates charged by the Launching Unit Owner for hauling and launching of boats are to be determined by the Launching Unit Owner in his sole discretion and are not subject to any restrictions. Whether or not a Slip Unit Owner hauls or launches his boat in or outside of the Property, in order to take advantage of the Slip Unit Owner's right to store his boat out of the water on the Property he must block and wash his boat.

For the convenience of the Slip Unit Owners, the Condominium shall, on or before the Closing Date, enter into an agreement with the Store Unit Owner for the provision of hauling, launching, blocking and washing services to Slip Unit Owners until the second anniversary of the Closing Date. The rates for Slip Unit Owners and for washing, blocking, hauling and launching of boats owned by Slip Unit Owners until the second anniversary of the Closing Date shall be as follows.

Rates for Hauling and Launching

Length of Boat in Feet	Price per Foot
0 to 23	$2.50
24 - 29	2.75
30 - 36	3.15
37 - 40	3.50
41 and up	3.75

Rates for Hauling, Launching and Blocking

Length of Boat in Feet	Price per Foot
0 - 29	$3.50
30 - 36	4.00
37 - 40	4.50
41 and up	4.95

Washing the Bottom of Boat for Blocking

$1.00 per foot

Towing a Boat from the Water to the Store Unit

$50.00 per tow

After the expiration of the agreement described above, there will be no restriction on the rates which may be charged by the Store Unit Owner for hauling, launching, washing or blocking of boats.

Sales and Leases of Units

Any Slip Unit Owner may sell or lease his Slip Unit provided he first gives the Board notice of his intention to sell or lease such Slip Unit and an opportunity to purchase or lease such Slip Unit, as the case may be, at the same price or rental and on the same terms as are offered in good faith by a prospective purchaser or lessee, as the case may be, as more specifically provided in the By-Laws. If the Board does not elect to purchase or lease the Slip Unit, as the case may be, within five business days after receipt of the Slip Unit Owner's notice of intention to sell or lease described above, then the Slip Unit Owner will have a period of ninety days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in the notice. In the event that such written agreement is not executed by the Slip Unit Owner within the ninety day period or the sale or lease, as the case may be, is not consummated on or before the intended closing date or commencement date of the term of the lease, as the case may be, provided in the notice, then the Slip Unit Owner will be required to again first offer the Slip Unit to the Board as described above. The Board may not exercise its option to purchase or lease any Slip Unit without prior approval of a majority in Common Interest of the Unit Owners.

The sale and lease restrictions described above shall not apply to any Unit which is (i) owned by (a) Sponsor or its designee, (b) the Board or (c) a mortgagee or his nominee who has acquired title to any Unit at a foreclosure sale of his mortgage or by deed in lieu thereof delivered in a bona fide transaction, provided, however, that a succeeding Slip Unit Owner shall be bound by and his Slip Unit subject to the sale and lease restrictions described above; (ii) a Commercial Unit; (iii) transferred by the Unit Owner thereof to his spouse, adult children, parent, adult siblings or to any affiliate of the Unit Owner (as defined in the By-Laws); or (iv) transferred by a Slip Unit Owner by gift, devise, will or intestacy, provided, however, that each succeeding Slip Unit Owner shall be bound by and his Slip Unit subject to the sale and lease restrictions described above.

Notwithstanding the foregoing, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than any mortgages) are paid and satisfied at or prior to closing.

A conveyance of a Unit by a Unit Owner must include the undivided interest in the Common Elements appurtenant to the Unit.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his Unit provided that the Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage. The By-Laws provide certain rights to the Sponsor or its designees, a savings and loan association, saving bank, commercial bank, pension fund, insurance company or other institutional lender as a holder of a mortgage ("Permitted Mortgage") against a Unit.

Common Charges- Determination and Assessment

The Board determines the amount of Common Expenses. Common Expenses include, without limitation, the expenses of maintaining and operating the Common Elements and the other expenses set forth in Schedule B. In the discretion of the board, the Common Expenses may also include reserves, working capital and other sums necessary to carry on the affairs of a condominium.

The Common Expenses set forth in Schedule B do not include maintenance, repairs or decoration of any of the Units or portions thereof, payments required pursuant to the terms of Unit Owner's mortgages and real estate taxes covering the individual Units. Until the Units are separately assessed, all real estate taxes with respect to the Property will be treated as a Common Expense.

The Board may commence to assess Common Charges upon the closing of title to the first Unit pursuant to the Plan or at any subsequent date as in its sole discretion it may determine. The estimated Common charges projected for the assumed first year of condominium operation which will be collected monthly by the Board (based on the Common Expenses as estimated in Schedule B) are set forth on Schedule A. However, additional services which the Unit Owners may desire or other factors can increase these charges. Each Unit Owner will be required to pay a portion of the Common Expenses equal to the product of the percentage amount of his Common Interest multiplied by the amount of the Common Expense which shall be levied as a Common Charge against his Unit.

At least annually the Board will prepare and furnish to the Unit Owners a budget for Common Expenses. At least monthly,

on the first day of each month, the Board will assess in advance Common Charges against each Unit Owner to meet Common Expenses. Until the Board otherwise determines, the Common Charges will be placed in an account in the name of the Board at The National Westminster Bank, in the state of New York.

Liens for the Non-Payment of Common Charges

Under the Real Property Law of the State of New York the Board shall have a lien against each Unit for its unpaid Common Charges prior to all other liens except liens for the payment of taxes and all sums unpaid on a Permitted Mortgage. The lien shall continue in force even after resale of a Unit, except that in accordance with the Declaration, the Board shall release the lien and right to collect prior unpaid Common Charges against any purchasers of a Unit where the purchase arises out of a foreclosure of a Permitted Mortgage. The Board may foreclose the lien in the same manner as a mortgage on real property and in so doing shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Unit Owner for the payment of Common Charges thereafter assessed against his Unit shall terminate upon a sale, transfer or conveyance of the Unit in accordance with the provisions of the Declaration and By-Laws. Further, any Unit Owner may convey his Unit to the Board or its nominee on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and the By-Laws. In that case, he shall be exempt from any Common Charges thereafter assessed, but not relieved of his obligation to pay his mortgage. A Unit Owner may not exempt himself from liability for his Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. Upon a resale, the purchaser of a Unit shall be liable for the payment of unpaid Common charges assessed against the Unit prior to the acquisition of the Unit by the purchaser, except that a holder of a Permitted Mortgage who acquires title to the Unit or a purchaser at a foreclosure sale of a Permitted Mortgage shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to the Unit by the holder of the Permitted Mortgage or a purchaser at a foreclosure sale of a Permitted Mortgage. In that case and in any event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges where the proceeds of the foreclosure sale of a Permitted Mortgage are not sufficient for the payment of such unpaid Common Charges, the Board may charge the unpaid balance to all Unit Owners as a Common Expense.

Use of Units

Slip Units shall be used solely for docking of pleasure boats as is permitted by law, except that if Slip Units G1 and/or G2 are owned by any of the Commercial Unit Owners or Sponsor and/or its designees, then such Slip Units G1 and/or G2 may be used for hauling and launching of boats.

Further restrictions on the use of Slip Units are set forth in the By-Laws and in the Rules and Regulations, a copy of which is annexed to the Declaration set forth in Part II of the Plan.

Each of the Commercial Units may be used for any lawful purpose. No income derived from such use will constitute income to the Board, to the Condominium or to Unit Owners.

Repairs to and Maintenance of Slip Units and Common Elements

Generally, all maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Slip Unit (other than to the Common Elements within the Unit) will be made by the Condominium, at such Unit Owner's sole cost and expense, (b) in or to the Common Elements will be made by the Board and the cost and expense thereof will constitute a Common Expense and (c) in or to any Commercial Unit (other than to the Common Elements within the Unit) will be made by the owner of such Commercial Unit, at such Commercial Unit Owner's sole cost and expense subject to the restrictions set forth in the By-Laws.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition. In the event that any Unit Owner fails to keep his Unit in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default (see "Rights of Access"). No Slip Unit Owner may make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Board but, as more fully set forth in the Declaration, this provision does not apply to Sponsor, its designee or any Commercial Unit Owner. Except as otherwise permitted in the Declaration or By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board.

Generally, all alterations, additions, or improvements in or to the Common Elements will be made by the Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense.

Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the Board will have a right of access to any Unit for the purposes, among others, of making inspections, of, or removing violations of governmental laws or regulations against, any part of the Property, curing defaults under the Declaration and By-Laws and the Rules and Regulations thereunder, or correcting any conditions originating in any Unit and threatening

another Unit or any Common Element. A Commercial Unit Owner shall also have a right to access to each Unit, the Common Elements or elsewhere on the Property in order to inspect, maintain, repair, replace or alter his Commercial Unit or the Common Elements as provided in the Declaration and the By-Laws.

Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Declaration and the By-Laws and the Rules and Regulations thereunder. Failure to comply is grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the Rules and Regulations thereunder will be recorded with the Declaration in the Suffolk County Clerk's Office.

CHANGES IN COMMERCIAL UNITS AND CERTAIN RIGHTS OF COMMERCIAL UNIT OWNERS

Changes in Commercial Units

Except to the extent prohibited by law, and subject to certain restrictions set forth in the Declaration including compliance with all applicable laws and governmental regulations, if any, a Commercial Unit Owner will have the right, without the vote or consent of the Board or the other Unit Owners to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, of any type or nature whatsoever, in, to, and upon the (i) Commercial Unit; (ii) any utilities servicing the Unit whether located within any Unit or the Common Elements; (b) change any size of the Commercial Units by combining Units or by subdividing the Units into any desired number of commercial condominium units (or by combining any units resulting from such subdivision); (c) designate a commercial limited Common Element as part of a newly created condominium unit or designate part of the Commercial Unit as a newly created commercial limited Common Elements; (d) reapportion among the newly created commercial condominium units resulting from any subdivision (or combination) their appurtenant Common Interests; and (e) obtain a or amend the certificate of occupancy of any building located on his Unit.

Store Unit

Subject to the rights of the Gas Dock Unit Owner, the Store Unit Owner has the exclusive right (i) to operate a retail store for the sale of marine equipment and boating supplies including items of food or drink, petroleum products, ice, beer, alcoholic beverages, bait, tackle or other sundries, except that

the Condominium or its concessionaire may sell items of food and non-alcoholic beverages at the snack bar building located within the Common Elements and (2) to operate a boat repair and installation business which may service the Unit Owners and/or the general public.

The Store Unit Owner shall also have the right (i) to block and/or wash boats on the Land and, to haul boats from or launch boats into the water at the Condominium whether such boats are owned by Unit Owners, their tenants or the general public and (ii) to operate a travel lift anywhere within the Condominium for the purposes of hauling boats from and launching boats into the water at the Condominium.

Although under the two-year agreement with the Condominium for the provision of hauling, launching, blocking and washing services at the Condominium described above the Store Unit Owner is required to maintain and operate the blocking, washing, hauling and launching facilities and services at the Condominium, the Store Unit Owner will not be required to make investments inconsistent with an opportunity to make a fair profit on the operation thereof nor will the Store Unit owner have any personal liability for any such obligation, the sole right of the Condominium being against the Store Unit. After the expiration of the two-year agreement with the Condominium referred to above, the Store Unit Owner will have no further obligation to maintain and operate the blocking, washing, hauling and launching facilities and services described above.

The Store Unit Owner will have the right to store boats throughout the Store Unit premises and to erect dry rack storage buildings on such Unit.

The Store Unit Owner will also have the right to erect a paint and repair shop of up to 20,000 square feet on the Store Unit premises.

Right of Essex Office Unit

The Essex Office Unit Owner shall have the right to store and offer for sale boats on the Essex Office Unit premises.

Gas Dock Unit

Subject to the rights of the Store Unit Owner, the Gas Dock Unit Owner shall have the right to erect and maintain a gas dock facility and store and sell to the Unit Owners and to the general public gasoline, bait, tackle, soft drinks and other sundries except that the Condominium may sell items of food and non-alcoholic beverages at the snack bar building located within the Common Elements. The Gas Dock Unit Owner shall also have the

right to operate a bilge and marine head pumping service at the Condominium for the Unit Owners and general public.

Floating Dock Units

Each Floating Dock Unit Owner has the right on the terms and conditions set forth in the Declaration:

(i) To maintain the floating dock system presently located on the water side of each Floating Dock Unit and to erect and maintain new or replacement floating docks to accommodate any number of boats and exclusively to dock such boats on the water side of his Floating Dock Unit in an area bounded and described in the Declaration;

(ii) To park one car for each boat docked within the Floating Dock Unit in a location designated by the Board of Managers; however, the Board of Managers to the maximum extent feasible shall designate a location which is on the upland side of the Unit;

(iii) To store each of the boats docked within the Floating Dock Unit (not exceeding in the aggregate in size the docking capacity of the Unit as described above) out of the water during the period September 15 through May 31 of each year in a location to be designated from time to time by the Board of Managers, provided that the boat is blocked and washed and provided further that during such period a boat is not also docked in the location within the docking area appurtenant to the Unit of the boat to be stored.

Launching Unit

The Launching Unit Owner shall have the right to haul boats from and launch boats in to the water at the Condominium whether such boats are owned by Unit Owners, their tenants or the general public. The Launching Unit Owner shall also have the right to erect a boat launching and/or hauling ramp at the Launching Unit.

Commercial Units

The Commercial Unit Owners shall each have the right to transport boats, whether such boats are owned by Unit Owners or the general public, over the Common Elements to, from and within the Condominium and within their Unit and to the extent not prohibited by law, to store and offer for sale boats within their Unit.

MANAGEMENT AND OPERATION OF THE CONDOMINIUM AND SUMMARY OF CERTAIN PROVISIONS OF THE BY-LAWS

Summarized below are certain provisions of the By-Laws, including certain of the provisions related to governance of the Condominium. A Purchaser should review the Declaration, By-Laws, and Rules and Regulations in detail and a copy thereof is set forth in Part II of the Plan.

The Board

The affairs of the Condominium shall be governed by the Board which shall be comprised of representatives of the Unit Owners. The present members of the Board have been designated by the Sponsor and will resign in favor of new members of the Board to be elected at a meeting of Unit Owners to be held within forty-five (45) days after the date of closing of title to the first Unit pursuant to the Plan. A meeting of the newly elected Board shall be scheduled immediately following the meeting of Unit Owners.

Unit Owners

At each Unit Owner's meeting, each Unit Owner will be entitled to cast one (1) vote at all meetings of the Unit Owners for each one-ten thousandth (1/10,000) of one (1%) percent of the Common Interest applicable to his or its Unit except as provided below.

When voting for members of the Board of Managers, the Commercial Unit Owners shall be entitled to elect one member of the Board of Managers and the remaining Unit Owners shall be entitled to elect four members of the Board of Managers. Each Unit Owner shall for the purpose of electing members of the Board, and for such purpose only, be entitled to cast as many votes as shall equal the number of votes which he would be entitled to cast, absent this sentence, multiplied by the number of members of the Board to be elected, and he may cast all such votes for a single member or may distribute them among the members to be voted for as such Unit Owner sees fit.

The vote of a Majority in Common Interest of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except as provided above with respect to the election of the members of the Board of Managers and as otherwise provided in the Declaration or the By-Laws.

Control by Sponsor

The Sponsor and its designees: (i) shall not be entitled to elect a majority of the members of the Board (a) in

the event that such holders own less than 50% of the Units in the Condominium, or (b) in any event after the second anniversary of the Closing Date, and (ii) may not exercise a veto over expenditures conforming to the budget set forth in Schedule B of the Plan or over expenditures required to comply with applicable laws or regulations, remedy any notice of violation or terminate any work order by an insurer. Upon the earlier to occur of the events stated in clause (i) (a) or (i) (b) above, so many serving members of the Board elected by the Sponsor or its designees as shall reduce the number of such members to less than a majority of the Board shall resign.

Officers

The principal officers of the Condominium shall be a Commodore/President, Vice Commodore/Vice President, Duty Officer/ Secretary, and Purser/Treasurer, all of whom shall be elected by the Board. The Board may appoint additional officers. None of the officers of the Condominium shall receive any compensation for acting as an officer of the Condominium.

Insurance

The Board is required to obtain and maintain, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Property (but excluding fixtures, furniture, furnishings or other personal property within a Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit owners and their mortgagees, as their respective interests may appear, in an amount equal to at least 80% of the full replacement value of the improvements to the Property other than the buildings erected on the Commercial Units (exclusive of foundation and footings), with deduction for depreciation; (b) rent insurance in an amount equal to Common Charges for six months; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all officers, members of the Board and employees of the Condominium, and of the Managing Agent or agents who handle funds of the Condominium; (i) errors and omissions coverage for members of the Board and officers; and (j) such other insurance as the Board may determine.

The amount of fire insurance and all risk extended coverage to be maintained until the first meeting of the Board following the first annual meeting of the Unit Owners shall be in at least the sum set forth in "Footnotes to Schedule B".

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to all of the insured, including all Unit Owners and their mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and their mortgagees at least ten days prior to the expiration of the then current policies. Each such policy shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to the mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board and the Insurance Trustee hereinafter set forth.

The Board shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as such Board may from time to time determine, covering liability claims arising out of the Property. The Board shall review such limits at least once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least in the amount and coverages set forth in "Footnotes to Schedule B". Any insurance maintained by the Board may provide for such deductible amounts as such Board determines.

The premiums for all insurance referred to above shall be a Common Expense unless the Board determines to otherwise equitably apportion the cost of insurance among the Unit Owners as provided in the By-Laws.

Each Unit Owner may carry other insurance for his own benefit, provided that all such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by such Unit Owner.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Property (other than any buildings erected on any of the Commercial Units) or any part thereof is damaged or destroyed by fire or other casualty, the Board will, except as set forth below, arrange for the prompt repair and restoration thereof (but excluding fixtures, furniture, furnishings or other personal property within a Unit). If the insurance proceeds are insufficient to cover the cost of repairs or restorations, then such cost shall constitute a Common Expense. Any

surplus insurance proceeds shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds, such amounts as may be necessary to reduce unpaid liens on his Unit, in the order of priority of such liens.

If three-fourths or more of the Property (other than buildings erected on any of the Commercial Units) is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration thereof, then such Property will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds, such amounts as may be necessary to discharge all unpaid liens on his Unit in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Board shall be payable as hereinabove provided in the event of a loss amounting to $250,000 or less. In the event that such proceeds are in excess of $250,000 such proceeds shall be payable to the Insurance Trustee pursuant to the provisions of the By-Laws. National Westminster Bank, in the State of New York, shall be the Insurance Trustee unless or until replaced by a bank or trust company in the State of New York designated by the Board. The fees and expenses of the Insurance Trustee shall be paid by the Board and shall constitute a Common Expense. The insurance trustee shall hold all such proceeds in accordance with Section 254(4) of the New York Real Property Law.

Units Acquired By the Board

All Units acquired or leased by the Board or their designees, shall be held by such Board, or its designee, on behalf of all Unit Owners and the rent or purchase price, closing costs and adjustments payable in connection therewith shall constitute a Common Expense. No Units held by the Board shall carry any voting rights.

Liability of Board and Unit Owners

Every contract made by the Board or by any managing agent thereof shall state that (a) it is made only as agent for all Unit Owners and such Board members or managing agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect

to such contract to the Board shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owners bears to the aggregate Common Interests of all Unit Owners, and (ii) to the extent permitted by law or as otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his Unit and its appurtenant Common Interest. Board members shall have no liability to Unit Owners except that to the extent permitted by applicable law, a Board member shall be liable only for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify the Board members against any liability or claim except those arising out of his own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

Amendments to Condominium Documents

Generally, subject to certain exceptions including, among others, exceptions concerning Sponsor, its designees, or a Commercial Unit Owner, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of not less than 80% in number and in Common Interest of all Unit Owners.

It is possible that amendments, modifications, additions or deletions of or to the Declaration, the By-Laws and the Rules and Regulations, may be necessary, appropriate or desirable in connection with the operation of a Commercial Unit, the subdivision of a Commercial Unit into individual commercial condominium units, the subdivision or combination of Units owned by the Sponsor or its designees and/or the offering for sale or lease of all or any portion of a Commercial Unit or of Units owned by the Sponsor or its designees and in connection therewith the Sponsor, its designees or a Commercial Unit Owner, as the case may be, may subject to compliance with all applicable laws and governmental regulations, if any, cause the Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted in accordance with the provisions of the Declaration and By-Laws.

Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the 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 to do so of at least 80% in number and in Common Interest of all Unit Owners and all of the holders of mortgages affecting any

of the Units. Sponsor or its designee will not vote for such withdrawal unless at least 80% in Common Interest of all other Unit Owners elect to withdraw, at which time Sponsor or its designee may choose to vote either in favor of or against withdrawal from condominium ownership, as if sees fit. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lien or as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit, in the order of such priority of such liens.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners within four months after the end of each fiscal year.

Except for the first meeting of Unit Owners after the closing date, there is no notice required for annual meetings. Instead the By-Laws provide that the annual meeting is to be held on the second Tuesday of November each year, unless such day shall be a holiday, in which event the meeting shall be held on the next succeeding business day.

At the annual meetings, unit owners are to elect members of the Board of Managers to fill vacancies or to succeed retiring members of the Board of Managers as provided in the By-Laws and may also transact such other business of the Condominium as may properly come before the meeting.

PURCHASERS FOR INVESTMENT OR RESALE

A purchaser of three (3) or more Units which Units are not intended for occupancy by such purchaser or by persons related by blood, marriage or adoption to such purchaser ("Investor") must provide to a prospective purchaser, at no cost to the purchaser, at least three (3) business days before entering into an agreement for the purchase of any Unit held by the Investor ("a Purchase Agreement") copies of the following documents:

(i) the most recent financial statement of the Condominium, if any;

(ii) any notices from the Condominium concerning changes in Common Charges, potential assessments, planned major capital improvements to the Property, if any;

(iii) pleadings in pending lawsuits or proceedings, the outcome of which may materially affect the offering of the Unit, the Investor's capacity to perform all of its obligations under the Purchase Agreement or the rights of an existing tenant of the unit, if any;

(iv) if the Unit is occupied, then the tenant's lease; and

(v) notices of uncured violations of record in the Unit that are the responsibility of the Investor to cure as Unit Owner, if any.

An Investor must register as a broker-dealer pursuant to Section 359-e of the General Business Law and shall comply with the trust fund provisions of Sections 352-h and 352-e-2-b of the General Business Law.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Summarized below are the terms of the management agreement and all of the contracts and leases made or to be made by the Sponsor as of the date of closing of title of the first Unit pursuant to the Plan, which will bind the Condominium on or after such date and which are not disclosed elsewhere in this Plan.

1. Management Agreement

On or before the date of closing of title to the first Unit pursuant to the Plan, the Condominium will enter into an agreement with Sponsor to act as Managing Agent of the Property for a period of three (3) years from the date of closing of title to the first Unit pursuant to the Plan. For its services, the Managing Agent will receive annual compensation of $15,000 payable in equal monthly installments. The Managing Agent will also be entitled to additional fees for certain special services performed by it (see Footnote 9 to Schedule B).

Although the Sponsor has not previously managed any properties, the principals of the Sponsor have been generally involved in managing properites for a period of at least five (5) years and are currently involved in the management of a high-rise residential condominium at 2625 Park Avenue, Bridgeport, Connecticut. Except for the Property, none of the principals of Sponsor have previously been involved in the management of a marina.

The Management Agreement will not be assignable by either party and may be cancelled by either party for the other

party's default of any substantial obligation thereunder after thirty (30) days' prior written notice (unless the default is cured within said thirty (30) day period).

The services to be rendered to the Condominium by the Managing Agent will include (a) billing and collecting Common Charges, rent and other charges; (b) supervising, hiring and discharging employees; (c) supervision services for alterations, improvements, repairs and maintenance; (d) maintaining the Condominium books; (f) verifying and paying bills received for services, work and supplies, (g) maintaining payroll records and filing withholding tax statements for Property employees; (h) furnishing monthly statements of receipts and disbursements; (i) preparing and submitting annually to the Board an operating budget of the anticipated income and expenses for the ensuing year; (j) sending notices, preparing agendas and attending meetings of the Board and Unit Owners and keeping minutes thereof; and (k) generally doing all things reasonably deemed necessary or desirable by the Board for the proper management of the Property.

The Managing Agent will not prepare the condominium annual certified financial statements. Such statement will be prepared by an independent certified public accountant employed by the Condominium at its own cost and expense.

The Condominium will reimburse the Managing Agent on demand for any sums advanced by the Agent for the Condominium's account in payment of any obligation or necessary expense connected with the maintenance or operation of the Property or otherwise. The Condominium will indemnify and hold the Managing Agent harmless from and against any liability, damages, claims, costs and expenses (including reasonable attorneys' fees) arising out of any (i) injury to any person or property in, about or in connection with the Property, from any cause whatsoever, unless such injury is caused by the Managing Agent's own negligence or failure to comply with its obligations under the Agreement and (ii) acts properly performed by the Managing Agent pursuant to the Management Agreement or the instructions of the Board.

The Managing Agent will be bonded at all times during the term of the Management Agreement under a fidelity bond in favor of the Condominium in the amount of at least $50,000 for each loss. The cost of the bond will be borne by the Condominium.

The Management Agreement requires that the Condominium obtain at the Condominium's sole cost and expense the computer services described below to aid the Managing Agent in the performance of its duties under the Management Agreement.

2. Rubbage Removal Contract

The Sponsor has a contract with Angel Carting Corp., with offices at c/o P.O. Box U, Merrick, New York 11566, with a

month to month term at a current monthly cost of $845.12, including sales tax.

3. Security-Service Contract

The Sponsor has a security-service contract with Jack Segazier of 52 Dover Street, Lindenhurst, New York, with a week to week term at a current weekly cost of approximately $769.23.

4. Pool Maintenance Contract

The Sponsor has a contract with Pool Man Inc., with offices at 57 Jerusalem Avenue, Hicksville, New York 11801, for the maintenance of the pool at the Property. The contract is renewable with each of the biannual maintenance calls. The current cost per maintenance call is $2726.60, including sales tax.

5. Computer Leasing Contract

The Sponsor has a contract with Dynacon Computer Inc., with offices at 33 Grayon Drive, Dix Hills, New York 11746, for the leasing of the computer located at the Property, with a month to month term at a current monthly cost of $1,474.69, including sales tax.

6. Computer Service Contract

The Sponsor has a contract with LMS Technical Services, with offices at 21 Grand Avenue, Farmingdale, New York, 11735, for the servicing of the computer located at the Property, with a quarterly renewal term at a current cost per quarter of $482.62.

7. Computer Maintenance Contract

The Sponsor has a contract with Control Data Corp., with offices at 8100-34th Avenue South, P.O. Box O, Minneapolis, Minnesota 55440, for the maintenance of the computer printer, with a quarterly renewal term at a current cost per quarter of $640.28, including sales tax.

The Sponsor reserves the right, prior to the date of closing of title to the first Unit pursuant to the Plan to (a) extend, modify or replace any of the leases or contracts summarized above, and (b) make other or additional leases and/or labor, maintenance, service or concession contracts, all of such leases or contracts to be on such terms and conditions as the Sponsor deems desirable; provided, however, that (i) if the term of any new lease or contract, or the term of any of the leases or contracts summarized above is extended for a period which, exceeds two (2) years (or three (3) years in the case of any union

contract) or (ii) the rent under any such new or modified lease materially decreases the amounts of income projected in Schedule B., or (iii) if the cost of any such new or modified lease or contract materially increases the cost for any item shown in Schedule B, then the Sponsor will disclose such term, decrease or increase, as the case may be, in a duly filed amendment to the Plan.

IDENTITY OF PARTIES

Sponsor

The Sponsor is a New York partnership, and maintains offices at the Property.

Stephen Sloan, Jonathan Rosen, and Stanley Diamond are the general partners of Sponsor. They are owners, managers and developers of real estate projects and have no prior experience in conversion of property to condominium ownership although they each have been principals of the Sponsor of cooperative offering plans for the following New York properties all of which have been closed.

1. Both Stephen Sloan and Stanley Diamond are principals of the sponsor of the Cooperative Offering Plan for the premises known as 425 East 79th Street, New York, New York.

2. Stephen Sloan is a principal of the sponsor of the Cooperative Offering Plan for the premises known as 315 West 232nd Street, Bronx, New York.

3. Jonathan Rosen is a principal of the sponsor of the Cooperative Offering Plan for the premises known as 25 West 13th Street, New York, New York.

4. Stanley Diamond is a principal of the Sponsor of the Cooperative Offering Plans for the premises known as 425 West End Avenue, New York, New York, 16 Hudson Street, New York, New York, 1430 43rd Street, Brooklyn, New York and 1520 42nd Street, Brooklyn, New York.

Both Messrs. Diamond and Rosen are presently involved as directors and/or officers of Edmos Corp. a corporation whose shares are publicly held. The corporation is presently being reorganized pursuant to Chapter XI of the Bankruptcy Act and their involvement with Edmos occurred subsequent to the filing of the corporation's Chapter XI petition. Messrs. Diamond and Rosen together with other associates are presently attempting to reorganize the corporation.

Mr. Diamond was also a principal of DKB Enterprises, Inc. and his activities with DKB generally involved the "working out" of distressed real estate loans for banks and other real estate lenders. In April of 1975 DKB Enterprises, Inc. was merged into Landall Corporation, a public real estate development company which was in great financial distress. The purpose of the merger was to utilize DKB's expertise in restructuring Landall financially and in connection therewith Landall filed a petition for protection under Chapter XI of the Bankruptcy Act in July of 1975. Thereafter a settlement with creditors was made and a plan of arrangement was confirmed by the Bankruptcy Court. In 1977 when Mr. Diamond's two year employment contract with DKB Enterprises Inc. expired he resigned all positions with DKB and resumed the practice of law.

Jonathan Rosen was also a director of RAI Inc., a public corporation which was once on the American stock exchange and went bankrupt in 1977. Mr. Rosen's involvement with RAI resulted from his family's minority stockholder interest in RAI. Mr. Rosen was also a director of Bemberg Industries U.S.A., in which his family owned a minority stockholder interest and Plaza Mills, which was controlled by his family. Bemberg made an assignment for the benefit of creditors and is no longer in business. Plaza Mills made an assignment for the benefit of creditors in connection with the RAI bankruptcy because it had guaranteed certain of RAI loans and is also no longer in business. Mr. Rosen did not personally control any of the foregoing companies, nor was he active in the day to day management of such companies.

Attorneys for Sponsor

The Sponsor is represented by Herrick, Feinstein, with offices at 2 Park Avenue, New York, New York 10016, in all matters relating to the Plan, including the preparation of the Plan.

Engineer

Lawrence H. Furman, Sponsor's architect, with offices at 175 Great Neck Road, Great Neck, New York, is a licensed architect in the State of New York.

SPONSOR'S PROFIT

The Sponsor acquired the Property on August 29, 1983. The Sponsor expects to make a profit from the sale of Units in the Condominium. The exact profit to be realized by the Sponsor upon the sale of the Units is not currently ascertainable because of such variable factors as: (a) future market conditions and the market prices obtainable for said Units; (b) the duration of the

selling period; (c) losses sustained and which may be sustained in the future by reason of the obligations of the Sponsor with respect to Units; (d) the expenses incurred in connection with the original acquisition of the Property and the continued maintenance and operation of the Property including interest or other fees, costs and expenses under any mortgages affecting the property; (e) the costs incurred in connection with the presentation of the Plan; (f) the costs incurred in connection with the sale of Units; and (g) the costs of the closing of title with the Condominium. However, it is presently estimated that the aggregate of the foregoing costs and expenses, and a reserve for contingencies is approximately four million eight hundred thousand dollars and that, assuming all the Units offered for sale under the Plan are sold at the prices set forth in Schedule A , the Sponsor's profit after provision for income taxes would be approximately one million five hundred thousand dollars.

DOCUMENTS ON FILE AND RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

In accordance with Section 352-e(9) of the General Business Law, the Sponsor shall keep on file at its offices copies of the Plan, all documents referred to in the Plan and all Exhibits. These documents shall be available for inspection without charge and copying at a reasonable charge for a period of six (6) years from the Closing Date. A set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority as conforming to the official tax lot number for each such Unit, will be filed in the Suffolk County Clerk's Office when the Declaration is recorded, and an additional set will be furnished to the Board.

The Declaration and the By-Laws will be recorded and the Floor Plans will be filed in the Suffolk County Clerk's Office prior to or concurrently with the closing of title to the first Unit under the Plan. The recording of all deeds conveying individual Units and all mortgages covering individual Units will also be in the Suffolk County Clerk's Office.

GENERAL

Pending Litigation

There are no lawsuits or other proceedings now pending, or any judgments outstanding, against the Sponsor or the Condominium or any other person or persons, the outcome of which may materially affect this offering, the property, the rights of

existing tenants, the purchasers of Units, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium, or the operation thereof except as described below.

An action has been commenced by Joseph Trager, on his own behalf and as administrator of the estate of Kyle Trager, and Joseph Osborn against Lindenhurst Channel Marina, Inc., Stephen Sloan Realty Corp., First Downstream Service Corp., Anchorage Associates, Robin Beeber, Evan Beeber, Ira Beeber, James DiPietto and Pat McAteer arising from a boating accident that occurred at the Anchorage Marina in August 1983. This action arose before Stephen Sloan Realty Corp. and Anchorage Associates acquired title to the Marina. They are represented in this action by the firm of Herrick, Feinstein.

Amendments to Plan

The Sponsor reserves the right, from time to time prior to the Closing Date, without obtaining the consent of purchasers or others, to revise the terms and conditions on which the Units offered hereby are to be sold, including changes affecting the rights, obligations and liabilities of purchasers, Unit Owners, the Sponsor and the Condominium. All substantive or material revisions will be contained in a duly filed amendment to this Plan. If an amendment materially adversely affects the rights, obligations or liabilities of then existing purchasers, or substantially and materially reduces the undertakings or obligations of the Sponsor, purchasers will be given the right to rescind their Purchase Agreements by notice personally delivered or sent by certified mail to the Sponsor within fifteen (15) days after the date of service of the amendment and the Sponsor shall refund any payments made by such purchaser pursuant to his Purchase Agreement with interest earned thereon, if any, within thirty (30) days after receipt of such notice of rescission. However, such rescission, as to purchasers who first became tenants of the Property under interim leases, shall be conditioned upon the cancellation of any lease and surrender of possession of their Units.

Amendments will be served on (i) one Tenant in Occupancy per Unit, (ii) purchasers who have executed and delivered Purchase Agreements and are not in default thereunder, (iii) Unit Owners, and (iv) any other person entitled to service pursuant to local law or regulation (collectively "offerees").

No Prior Offering

The Property has not been the subject of any prior Condominium offerings. As of the Presentation Date, neither the Sponsor, the Selling Agent, nor any representative or agent thereof, has raised funds or made any preliminary offering to or binding agreement with prospective purchasers with respect to Units at the Property.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor and its agents will not discriminate against any person on any basis prohibited by applicable civil rights laws in the sale of the Units offered by the Plan.

Interest On Deposits

The Sponsor agrees to pay such interest on deposits as a court may consider just and proper as part of an order granted pursuant to Section 354 of the General Business Law.

This Plan As Fair Summary

This Plan contains a fair summary of the material provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents. The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies of the form of Purchase Agreement, Declaration and By-Laws are contained in Part II hereof.

No person has been authorized to make any representation which is not contained herein. Information, data or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally.

The documents and reports contained in Part II of this Plan are an integral part of the Plan and should be considered carefully by prospective purchasers. Merely reviewing the summaries of documents set forth in Part I of the Plan is no substitute for a careful review of the actual documents, some of which are set forth in Part II of the Plan and other of which are available for inspection by all prospective purchasers at the office of the Selling Agent. Therefore, prospective purchasers and their attorneys and other financial advisors should read the entire Plan which consists of Part I and Part II of the Plan and should review all documents in connection with the Plan.

SPONSOR'S STATEMENT OF PROPERTY CONDITION

The "Description of Property Condition" set forth in Part II of the Plan, prepared by Lawrence H. Furman, with offices at 175 Great Neck Road, Great Neck, New York, is adopted as Sponsor's Description of Property Condition and Sponsor has no knowledge of any material defects or need for major repairs to the Property, except as set forth in the Description of Property Condition.

The Property is offered in its "as is" condition as of the Closing Date, subject to:

(a) the Sponsor's obligation to maintain the Property until the Closing Date in substantially the same condition and manner as on the Presentation Date except for reasonable wear and tear; and

(b) Sponsor's obligation on or before the Closing Date or within a reasonable period of time thereafter:

(i) to cure all violations of record as of the Closing Date (except violations caused by acts or omissions of tenants at the Property in their own Units); and

(ii) eliminate all dangerous or hazardous conditions of which Sponsor has received notice on or before the Closing Date.

(c) Sponsor shall make the improvements described in "Description of the Property and Improvements".

The number of Units covered by this offering, and present uses thereof in accordance with the Plan, is the same as is indicated in the Certificate of Occupancy covering the Property. There are no property interests that are offered under this Plan which are not provided for in the Certificate of Occupancy.

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PART II

PURCHASE AGREEMENT

(to be executed in triplicate)

Purchaser _____

Slip Unit _____

Purchase Price _____

Down Payment Herewith _____

(Tenants- $1,000)
(Non-tenants- 10% of Purchase Price)

Balance $ _____

INFORMATION FOR NON-TENANT PURCHASER(S)

Existing Lease Expires _____
or (Month, date and year)
Monthly Tenancy

Rent Under Existing Lease or Tenancy $_____per month

☐ Purchaser hereby elects to obtain the Slip Unit subject to the lease or tenancy described above and to any renewal of the term thereof and all rights of the existing tenant.

PURCHASE AGREEMENT

(to be executed in triplicate)

AGREEMENT, made as of , 198 , between ANCHORAGE ASSOCIATES, a New York partnership formed under the laws of the State of New York, having an office at 401 East Shore Road, Lindenhurst, New York ("Seller"), and having an address at

("Purchaser").

WITNESSETH:

1. The Plan. Purchaser acknowledges that he has, before signing this Purchase Agreement, received and read a copy of the Condominium Offering Plan for The Anchorage Yacht Club Condominium sponsored by Seller and all amendments thereto, if any, filed with the Department of Law of the State of New York prior to the date hereof (hereinafter collectively referred to as the "Plan"). The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

2. Definitions. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. The Unit. Seller agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") designated as Unit No.____ in the Declaration, together with an undivided ____% interest in the Common Elements appurtenant thereto, upon and subject to the terms and conditions set forth herein.

4. Purchase Price. Herewith is Purchaser's check to the order of The Anchorage Associates Special Account for the amount of the above-stated Down Payment. Purchaser agrees that the balance of the Purchase Price shall be delivered to the Sponsor and paid by personal certified or official bank check drawn on or by a New York State bank which is a member of the New York Clearing House Association, as follows: (a) upon written demand therefor, which demand shall not be made until on or after the date the Plan is declared effective and shall specify a date for payment not less than fifteen (15) days after the date of service of the demand, and/or (b) if the Seller has been furnished, on or prior to the date on which the balance of the Purchase Price is due, with a copy of a written commitment from a bank, a trust company or other lending institution ("Lender") to finance portion of the Purchase Price as well as copies of all documents

which the Lender will require the Seller and/or the Condominium to execute, then that portion of the Purchase Price to be financed as provided in such commitment may be paid on the Closing Date (as hereinafter defined).

5. Closing of Title.

5.1 The closing of title hereunder shall occur at the offices of Seller's attorneys or at such other place as Seller shall designate and at a time and on a date ("Closing Date") not earlier than thirty (30) days nor more than one hundred eighty (180) days after the Plan has been declared effective, unless the Closing Date is adjourned by Seller, provided that on or before the Closing Date there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan. The Closing Date shall be scheduled for a date not later than thirty (30) days' advance notice of the Closing Date.

5.2 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Seller on which the deed to the Unit is delivered to Purchaser or any adjourned date fixed by Seller pursuant to subsection 5.1 hereof.

6. Delivery of the Deed and Power of Attorney to the Board of Managers

6.1 On the Closing Date, upon receipt by Seller of all payments and documents required hereunder, Seller shall deliver to Purchaser a unit deed in substantially the form set forth in Part II of the Plan, conveying the unit and an undivided interest in the Common Elements to Purchaser as provided in the Plan, subject to the exceptions referred to in the Declaration, By-Laws, Plan and Exhibits. The deed shall be executed and acknowledged by Seller, in form for recording. Purchaser shall pay all New York State real property transfer taxes, recording and other fees in connection with this transaction and the recording of the deed. Seller and Purchaser shall duly execute and swear to any transfer tax return and any other form then required by law, all of which shall be prepared by Seller.

6.2 Except as provided in paragraph 6.4 below, on the Closing Date and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Board of Managers prepared by Seller and substantially in the form set forth in Part II of the Plan. Purchaser shall pay all recording or other fees in connection with the recording of the power of attorney. Purchaser shall also deliver a certificate of insurance for the insurance required under the By-Laws.

6.3 The deed and power of attorney to Board of Managers shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Seller's attorney) for recording in the Suffolk County Clerk's Office. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Board of Managers.

6.4 Purchaser agrees that upon five (5) days' notice Purchaser will attend a pre-closing of the purchase of his Unit at a time and place to be designated by the Sponsor. At that time the Purchaser shall (i) execute and deliver the power of attorney, a copy of which is set forth in Part II of the Plan and other closing documents, (ii) pay any net adjustments in favor of Sponsor and Purchaser's closing costs (iii) deliver a certificate of insurance for the insurance required under the By-Laws and (iv) make any deposits (including the deposit with the Condominium described in the Plan). Purchaser also agrees, upon request of the Sponsor, to pre-close with any prospective lender who Purchaser contemplates will make a loan to Purchaser in connection with his acquisition of his Unit, in advance of the Closing Date, so that Purchaser's attendance shall not be required at the closing under the Plan.

7. Marketable Title. On the Closing Date, Seller shall convey to Purchaser good and marketable title in fee simple to the Unit, free and clear of all encumbrances other than those set forth in the Plan. Any encumbrance shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or Purchaser's title insurance company, together with the required recording or filing fee or (b) Purchaser's title insurance company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. Closing Adjustments.

8.1 The following adjustments shall be made as of the Closing Date with respect to the Unit:

(a) If the Unit is separately assessed as of the Closing Date, then, real estate taxes and assessments (if any) on the basis of the period for which assessed;

(b) If the Unit is not separately assessed as of the Closing Date, then the product of real estate taxes and assessments (if any) on the basis of the period for which assessed multiplied by the percentage amount of common interest appurtenant to the Unit;

(c) Common Charges for the month in which title closes;

(d) accrued rent and any other charges pursuant to the lease, if any, covering the Unit; and

(e) water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

8.2 In the event that closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title.

9. Closing Costs. Purchaser shall pay closing costs as specified in the Plan.

10. Down Payment to be held in Trust. All moneys received hereunder shall be held in trust in accordance with the provisions of Sections 352-h and 352-e-2-b of the New York General Business Law and will be deposited in escrow in a segregated special checking and/or savings account entitled "Anchorage Associates Special Account" maintained at the National Westminster Bank, branch located at either 350 Fifth Avenue, New York, New York or 506 West Montaulk Highway, West Babylon, New York ("Special Account"). Such moneys shall not be released from escrow prior to the Closing Date in connection with the consummation of the Plan for any reason other than (i) cancellation of a Purchase Agreement due to Purchaser's default, (ii) Purchaser's rescission of this Purchase Agreement as, when and if such rescission is permitted under the Plan or (iii) abandonment of the Plan. The signature of Herrick, Feinstein, attorney for Seller, shall be required for the withdrawal of any funds from the Special Account. The Seller shall have the right but not the obligation to deposit any moneys received in an interest earning account and to purchase treasury bills, certificates of deposit and/or United States government security backed repurchase agreements through the Special Account and interest will accrue thereon only to the extent earned from the time such moneys are deposited in an interest earning account or from the time as interest earning instrument is purchased, as the case may be, and only for so long as such moneys are held in an interest earning account or instrument, as the case may be. The Seller shall retain any interest earned on moneys received hereunder or under the Plan, except that if this Plan is abandoned or Purchaser rescinds this Agreement when, as and if permitted under the Plan, then all moneys paid by Purchaser hereunder shall be refunded to him together with interest earned thereon, if any, within thirty (30) days after the date of such abandonment or rescission.

11. Binding Effect of Declaration, By-Laws and Rules and Regulations. Purchaser hereby accepts and approves the Plan including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein and agrees to abide and be bound by the terms and conditions thereof.

12. Agreement Subject to Mortgage. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with any schedule of payments or accelerated by virtue or the right of the lender to make advances before they become due in accordance with the schedule of payments. Seller shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of his other obligations hereunder or be the basis of any claim against, or liability of, Seller, provided that any such mortgage is subordinated to the Declaration or the Unit is released from, or not subject to, the lien of such mortgage.

13. Default by Purchaser.

13.1 If Purchaser shall fail to pay any installment of the Purchase Price when due, as herein provided, fails to preclose as provided in section 6.4 hereof, execute the power of attorney as herein provided or default in the performance of any of his other obligations hereunder then the Seller may elect to cancel this Agreement by giving notice to Purchaser and at the expiration of thirty (30) days after the date of giving of notice (unless Purchaser shall have theretofore paid the installment in full or cured such default, as the case may be) said notice shall be effective and this Agreement shall be deemed cancelled and the amounts theretofore paid hereunder (but not exceeding the sum of 10% of the Purchase Price plus all costs for any special work ordered by Purchaser) together with interest thereon, if any, shall be paid over to the Seller as and for liquidated damages. In the event this Agreement is cancelled as provided above, the

Seller shall have the right to sell the Unit to others as though this Agreement had never been made and neither party shall have any further rights, obligations or liability to or against the other or the Condominium under this Agreement and the Plan.

13.2 If Purchaser is a tenant in occupancy at the Property pursuant to an Interim Lease for the Unit, and Purchaser shall default in such lease or tenancy obligation, then Seller may elect to terminate the Interim Lease and the Seller may elect to cancel this Agreement by giving notice to Purchaser and at the expiration of thirty (30) days after the date of giving of notice (unless Purchaser shall have theretofore cured such default) said notice shall be effective and Seller shall have the option to terminate the Interim Lease and this Agreement shall be deemed cancelled and the Seller may retain any moneys paid hereunder (but not exceeding the sum of 10% of the Purchase Price plus all costs for any special work ordered by the Purchaser) together with interest earned thereon, if any, without prejudice to any other rights or remedies at law or in equity or under the Interim Lease or tenancy which Seller may have by reason of such default; and upon such cancellation Purchaser shall have no further right to purchase the Unit pursuant hereto. The right is reserved to the Seller to apply any rent security against rent arrearage or other default and in addition to sue any tenant to the extent such rent security is insufficient.

14. Agreement Subject to Plan Being Declared Effective. The performance by Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned at any time prior to its becoming effective as provided in the Plan. If the Plan is abandoned or does not become effective or if after being declared effective the Plan shall not be consummated for any reason, then this Agreement shall be deemed cancelled and the Plan terminated. Within thirty (30) days thereafter Purchaser shall receive a refund in full of all moneys paid by him hereunder with interest earned thereon, if any (except as provided in Paragraph 13 hereof), and, upon such refund neither party shall have any further rights, obligations, or liability to or against the other or the Condominium under this Agreement and the Plan.

15. Seller's Inability to Convey Marketable Title. If Seller is unable to deliver marketable title to the Unit to Purchaser subject to the exceptions set forth in the Plan in accordance with the provisions of this Agreement and the Plan, Seller shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Seller elects to attempt to cure such inability then it shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete such cure. However, Seller may notify Purchaser at any time

of its refusal to cure or to continue to cure, as the case may be, such inability and if Purchaser is not in default hereunder, Purchaser shall have the option to (a) take title to the Unit subject to such in ability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Seller for damages or otherwise) or (b) terminate this Agreement and this shall be the sole right of Purchaser if Seller does not cure such inability. If Purchaser so elects to terminate this Agreement, Seller shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other under this Agreement and the Plan. The foregoing option must be exercised by notice of Purchaser in writing to Seller within ten (10) days after the giving of Seller's notice of refusal to cure such inability. If Purchaser fails to give such notice to Seller within said ten (10) day period, it shall be conclusively deemed that Purchaser has elected to acquire title to the Unit subject to such inability as aforesaid.

16. Fixtures, Appliances and Personal Property. Only those appliances, fixtures, furnishings and items of personal property which are described in the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement.

17. Acceptance of Condition of Property. Purchaser represents that he has inspected the Unit and the Common Elements prior to executing this Agreement. The signing of this Agreement shall constitute Purchaser's acceptance of the Unit and the Common Elements in the condition "as is" at the Closing Date. However, Purchaser's acceptance shall not limit any obligation of the Seller under the Plan which survives the Closing Date.

18. Damage to the Unit. If between the date of this Agreement and the Closing Date, the Unit is damaged by fire or other casualty, the following shall apply:

18.1 The risk of loss to the Unit by fire or other casualty until the earlier of (a) the Closing Date or (b) possession of the Unit by Purchaser, is assumed by Seller, but without any obligation of or liability by Seller to repair or restore the Unit. If Seller elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Seller shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong

entirely to Seller and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Seller. The provisions of the preceding sentence shall survive the closing of title.

18.2 In the event Seller notifies Purchaser that it does not elect to repair or restore the Unit or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed terminated, and provided Purchaser is not then in default under this Agreement, Seller shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party shall have any further rights, obligations or liability to or against the other hereunder and under the Plan.

19. No Representations. Purchaser acknowledges and represents that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representation, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, or otherwise, including, but not limited to, any relating to the description or physical condition of the Property or the Unit, or the size or the dimensions of the Unit or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Seller except as herein or in the Plan specifically set forth. No oral representation or statements shall be considered a part of this Agreement.

20. Broker. Purchaser represents to Seller that Purchaser has not dealt with any broker in connection with this transaction. Purchaser agrees that should any claim be made against Seller for commissions by any broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Seller free and harmless from and against any and all liabilities, claims, demands, causes of action and expenses (including but not limited to reasonable attorneys' fees and disbursements) in connection therewith. The provisions of this Article 20 shall survive the closing of title.

21. Agreement May Not Be Assigned. Purchaser shall not have the right to assign this Agreement without the prior written consent of Seller.

22. No discriminatory inducement. Purchaser certifies that he has agreed in good faith to purchase the Unit for his own use and not as an accommodation to Seller and with no repurchase agreement or other discriminatory inducement.

23. Agreement subject to Tenant's Right of First Refusal. In the event Purchaser is not the tenant of the Unit and if the tenant exercises any right granted under the Plan, then this Agreement shall be deemed cancelled on the earlier to occur of (i) the actual closing date under the Purchase Agreement executed by the tenant or (ii) six (6) months from the date tenant executed the Purchase Agreement (the earlier of said dates is herein referred to as the "Cancellation Date"). Seller shall refund to Purchaser within fifteen (15) days from the Cancellation Date all moneys paid by Purchaser hereunder together with interest earned thereon, if any. Upon such repayment, neither party shall have any further rights, obligations or liability to or against the other hereunder and under the Plan.

24. Right to Rescind. Unless Purchaser has been afforded at least three (3) business days to review the Plan and all amendments thereto prior to executing and delivering his Purchase Agreement such Purchaser may rescind this Agreement for a period of seven (7) days after the date first above written by giving notice of rescission to the Seller or the Selling Agent prior to the expiration of said seven (7) day period. In the event Purchaser exercises the option to rescind this Agreement, all monies paid by Purchaser hereunder, together with interest earned thereon, if any, shall be refunded to Purchaser within ten (10) days after the expiration of the aforesaid seven (7) day period. If Purchaser does not give a rescission notice to Seller or Selling Agent within the aforesaid seven (7) day period, this Agreement will become binding upon the expiration of said period.

25. Binding Effect. The Purchaser acknowledges that this Agreement will not be binding on the Seller until a fully executed counterpart hereof has been furnished to Purchaser or Purchaser's attorneys. Within twenty (20) days after delivery to the Seller or Selling Agent of three (3) counterparts of this Agreement executed by Purchaser together with the above-stated Down Payment, the Seller shall either (a) accept this Agreement and return one fully executed counterpart thereof to Purchaser or Purchaser's attorneys, or (b) reject this Agreement by giving notice thereof to Purchaser together with a refund of the above-stated Down Payment together with interest thereon, if any. In the event Seller takes no action within said twenty (20) day period, this Agreement shall be deemed accepted.

26. Benefit of More Favorable Terms. If Purchaser is a Tenant in Occupancy and prior to the expiration of any exclusive period which begins prior to the Closing Date and during which Tenants in Occupancy may exclusively purchase their Slip Unit the

Sponsor amends the Plan to offer more favorable terms to Tenants in Occupancy, then, a Tenant in Occupancy who executed and delivered a Purchase Agreement prior to the date of service of such amendment, shall have the right to elect to benefit from the terms and conditions set forth in such amendment by giving notice to such effect to the Seller within fifteen (15) days after the date of service of such amendment. Upon such election his Purchase Agreement shall be deemed amended in accordance with the terms and conditions of such amendment.

27. Rights and Obligations of Purchaser of Occupied Unit. Purchaser acknowledges and agrees that if the Unit is occupied by a person other than himself, and Purchaser elects to take subject to such occupancy as provided above, then Purchaser shall: (i) accept title to the Unit, subject to the then tenant's lease and/or occupancy and rights under the Plan; (ii) be required to obtain possession at Purchaser's own expense if the tenant in occupancy does not remove from the Unit when his lease expires or is terminated or his right of occupancy ends; and (iii) assume the rights and obligations of the landlord under the lease with, or tenancy of, the tenant, including but not limited to the right to collect rent (whether the same be greater or less than the Common Charges and without limitation the obligation to repair and maintain the Unit).

28. Working Capital Fund Contribution. On the Closing Date, Purchaser shall pay to the Board of Managers a sum equal to one month of Common Charges as initial working capital for the Condominium, as provided in the Plan.

29. Notices. Any notice, request or other communication hereunder or under the Plan shall be in writing and personally delivered or mailed by registered or certified mail to Purchaser at the address given at the beginning of this Agreement, and to Seller at the address given at the beginning of this Agreement, with a copy to Herrick, Feinstein, 2 Park Avenue, New York, New York, or to such other ad dress as either party may hereafter designate to the other in writing. Notices shall be deemed given when personally delivered or mailed.

30. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

31. Survival of Seller's and Purchaser's Obligations. All of the obligations of Seller under this Agreement shall be deemed satisfied upon delivery of the deed to the Unit and no obligations of Seller shall survive delivery of the deed except as otherwise expressly provided in this Agreement or the Plan. All the representations and obligations of Purchaser under this Agreement shall survive delivery of the deed.

32. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. In addition, as a condition to acceptance of this Agreement, the Sponsor at its option may (i) request that the Purchaser execute an application to purchase which shall set forth certain financial and other information required by the Sponsor from time to time and (ii) require a credit check of the Purchaser at Purchaser's sole cost and expense.

33. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

34. Strict Compliance. Any failure by Seller to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Seller, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

35. Governing Law. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

36. Waiver of Jury. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

37. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreement between the parties and constitutes the entire agreement between them. Purchaser acknowledges that the Plan may be amended by Seller from time to time as provided in the Plan and that this Agreement may be amended by Seller to conform to the provisions

of any such amendment, subject however to any rights which Purchaser may have provided in the Plan.

38. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise states, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

39. 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 of any provision hereof.

40. Successors and Assigns. The provisions of this Agreement shall bind Purchaser and his heirs, legal representatives, successors and assigns and enure to the benefit of Purchaser's heirs, legal representatives and permitted assigns and shall bind and enure to the benefit of Seller and its successors and assigns.

41. No Oral Changes. This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES OR IN AN AMENDMENT TO THE PLAN AS PROVIDED IN SECTION 37 ABOVE.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

ANCHORAGE ASSOCIATES

By: _____

Purchaser(s)

_____

_____

Purchaser(s) Address:

_____

_____

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DESCRIPTION OF PROPERTY CONDITION

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JOSEPH J. FURMAN
LAWRENCE H. FURMAN
A PROFESSIONAL CORPORATION

ARCHITECTS

175 GREAT NECK ROAD, GREAT NECK, N. Y. 11021
TELEPHONE (516) 487-8933

30 August 1984

Anchorage Yacht Club
401 East Shore Road
Lindenhurst, NY 11757

Re: Proposed Dockominium
Anchorage Marina

Gentlemen:

The following is submitted in reply to your request for a report to establish the condition of existing construction at the above site.

The scope of work includes a description of the existing conditions and an investigation as to the adequacy of the existing facilities as well as proposed new construction.

There is at this time no urgent need to eliminate any hazardous conditions.

The report is a result of my independent findings in determining compliance with generally accepted practices which usually govern the design and construction of such waterfront structures.

I trust that you will find this document serves the desired objectives.

Yours very truly,

Lawrence H. Furman

Joseph W. Cooke

LHF/JWC:mag
Enc.

REGISTERED ARCHITECT
LAWRENCE H. FURMAN
5390

LICENSED PROFESSIONAL ENGINEER
JOSEPH W. COOKE
LIC. NO. 40462
STATE OF NEW YORK

REPORT OF IMPROVEMENTS

1. Marina Site

Location of the marina is presently described as being on East Shore Road, Lindenhurst, Town of Babylon, Suffolk County, New York.

Marina fronts on Neguntatogue Creek and Great South Bay.

Located at coordinates 73°21'15" W longitude, 40°40'16"N latitude, the site occupies 32.663 acres and has approximately 1,631 linear feet of water frontage on the Great South Bay and 535 linear feet of water frontage on the Neguntatogue Creek.

The upland area has terrain features typical of that of saltwater coastal areas but being different in that it is not subject to wave erosion or littoral drift. Soil is mostly sand and gravel. The upland elevation is an average of 5'-0" above mean sea level.

Adequate drainage for storm water runoff exists both in soil percolation and surface runoff to natural waterways except for an area adjoining an existing school to the east where storm water is deposited by the higher elevation and slope of the adjoining property.

Underwater areas range from 3'-0" to 10'-0" below mean sea level and appear to be comprised of 1 to 2 ft. of silt on sand. The flow of the Great South Bay and Neguntatogue Creek provides a constant flow of water in the marina area.

Tides range ±0.9 ft. There has been no appreciable change in the underwater elevation or the shore line in the last 20 years.

The present facilities are served by the Long Island Lighting Company and the Suffolk County Water Authority.

The Dredging, Maintenance and Swimming Pool operation permits are presently in the possession of the owners (Anchorage Associates).

The property is zoned E Business.

Present zoning permits operation of a marina and related activities.

The existing facilities on the site are utilized as a marina with related activities and support services. They consist of the following:

A Dock
B Dock
C Dock
D Dock
E Dock
F Dock
G Dock
H Dock
J Dock
K Dock
L Dock
M Dock
S Dock

Accessory Building A	Playground
Accessory Building B	Bulkheading
Accessory Building C	Docking piers and finger piers
Accessory Building D	Electric Service to buildings and docks
Accessory Building E	Water service to buildings and docks
Accessory Building F	Boat lifts and dry dock storage
Gas Dock	Paved areas
Swimming pool	Bubble system
Tennis courts	

2. Description of Facilities

A. General Description

All parking lot and drive areas are asphalt paving and are in good condition except as noted. S dock and gas dock area is paved with loose gravel. Grounds are lit at night by 36 low sodium vapor lamps. The property is separated from adjacent properties by fences.

1. Separating A,E,M & G docks from the school property is an old cyclone fence. Some parts are old and rusted although standing in one piece, other parts are relatively new.

2. Separating the A dock area and adjacent residences are a variety of wood fences and some planting (all in good condition).

3. Separating A dock area and the new gas dock and S dock is a new 6 ft. high cyclone fence.

There is a bubble system throughout the entire marina serviced by one compressor and 12 blowers.

There are two boat lifts. One is manufactured by TAMI and is a 20 ton lift. The other is manufactured by KLECO and is a 30 ton lift.

B. Dock A

Slips	Width
13	13 ft.
32	14 ft.
8	15 ft.
2	16 ft.
1	18 ft.

56 Slips
16 are Double Piling Slips
40 are Single Piling Slips

The first set of pilings are located 25 ft. from the dock and the second set are 10 ft. from the first set. There are 22 finger piers all in good condition that run from the dock to the first set of pilings. Each is 2 ft. wide for the first 18 ft. and then tapers down to 15" at the piling. The construction is two 2 x 10's that run from joist hangers fastened to the bulkhead cap to the first piling. It is fastened to the piling with 20d nails

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(or spikes). The boards are 2 x 6's nailed to the 2 x 10's with approximately a 1" space between them. (All fastenings seem to be in good shape.)

The bulkheads are in very good condition. They are constructed of 2 x 10 planks fastened by a 2" x 6" bulkhead cap tied back with 3/4" tie rods to deadmen buried in the parking lot.

Docks are constructed of poured concrete on sand and are in good condition.

Water lines are 2" pvc with a 1" pvc "T" connection for every two slips providing each slip with one spigot for water.

Every two slips share a Woodhead power post. The post is set on a 1'-9" x 1'-3" x 3" high concrete pad which was poured on the dock surface. The power post is set back 8 ft. from the edge of the parking lot, which keeps it approximately 1'-6" to 2'-6" from the water's edge.

Each power post contains two pairs of Hubbell outlets. Each outlet has its own circuit breaker. Each pair of outlets has one electric Osaki meter. In addition there are two telephone receptacles and an extra conduit for future use.

The adjacent parking lot and drive is blacktop and in good condition. There are three low sodium vapor lamps to light up this dock area.

Typical Slips

The slips are between 10 ft and 18 ft wide. Each slip has the following:

1. Dock area (10 ft. deep x slip width).

2. Parking in front of the slip. (20 ft. x slip width.)

3. Two 125v 30a Hubbell outlets (each with separate circuit breakers and an electric meter).

4. One telephone jack.

5. One fresh water spigot.

6. Pilings (one set for slips 10 ft. - 15 ft. wide and two sets for slips 15 ft - 18 ft. wide).

7. Two galvanized iron cleats (bolted into the concrete dock).

"B" DOCK EXISTING CONDITIONS

54 Slips
51 Single Piling
3 Double Piling
8 Finger Piers: All in fair to good condition.

Dock Sizes:

	8'-8"		9'-8"		10'-0"
	10'-7"		11'-0"	2@	11'-3"
	11'-5"		11'-6"	3@	11'-9"
2@	12'-0"		12'-2"		12'-3"
2@	12'-4"		12'-7"		12'-8"
	12'-9"		12'-10"		12'-11"
2@	13'-0"		13'-2"		13'-3"
2@	13'-4"		13'-5"		13'-6"
	13'-7"	2@	13'-8"	2@	13'-9"
	13'-10"	4@	14'-0"		14'-3"
2@	14'-4"	2@	14'-6"		15'-5"
	15'-6"	4@	16'-0"		16'-2"

Bulkhead: Generally in good condition. 86 in 763 running feet of bulkhead to be repaired. There are no cleats. There are 3 x 3 posts used to tie lines.

Docks: Generally in good condition. 1,120 in 7,500 sq.ft. of dock to be replaced. At the intersection of C dock and B dock is an "L" shaped dock extension. This is in good condition.

Water: Fresh water runs in 2¼" black pvc above the bulkhead. There are 42 spigots for 55 slips. Some spigots are designated for one slip while others serve two.

Electric: Lines run in galvanized steel conduit above the bulkhead. The service on the dock presently is 125v 30a. However, 220v 50a can easily be accommodated. There is at least one Hubbell outlet for each slip. There are six power posts that have two pairs of Hubbell outlets. There is also telephone service on this dock. Presently, it is used by 11 slips and the lines run outside of the steel conduit. The power posts are mounted on 3 x 3's which are fastened into the face of the bulkhead.

Drive: The drive behind this dock is blacktop paving and is in good condition. There is a 2,930 sq.ft. area near C dock to be repaired. (Old gas dock 2,430 sq.ft.)

Lighting: There are three low sodium vapor lamps that light this parking area

Additional Comments: At the intersection of B dock and C dock is the old gas dock which has since been relocated. The existing tanks have been cut open and filled with sand. There is an area of bulkhead between A dock and B dock which is now occupied by a floating dock with several small speed boats tied up to it. It has a line of five 9 ft. wide slips which to the best of my knowledge will be removed. The bulkhead is in good condition and there is a 5 ft. concrete walk which is also in good condition. Directly behind the concrete walk are some low conifers which mask this area from the drive. There is access to one Hubbell 125v 30a outlet and one water spigot in this area.

"B" COST OF IMPROVEMENTS

Repair bulkhead 86 lin. ft. x $50/lin.ft.	$ 4,300.00
Repair concrete dock 13.8 yds. x $65/yd.	900.00
Move 22 pilings @$125 per piling	2,750.00
New Woodhead power posts	
w/Osaki meters 26 posts x $730/meter	18,980.00
New asphalt 2,530 sq.ft. x $2.70/sq.ft.	6,831.00
Elec. hookup; water, cleats, etc. $841 per slip x 52	43,732.00
Sub-Total	77,493.00
+ 15% Contingency	11,623.95
TOTAL	$89,116.95

"C" DOCK EXISTING CONDITIONS

63 Slips
Includes: 2 Lift Slips (14' & 16'-2")
Lift Shed Slip (22'-0")
1 Service Slip (11'-6")

55 Single Piling
8 Double Piling
21 Finger Piers

Dock Sizes:

3@	9'-0"		12'-3"		15'-0"
	9'-11"		12'-4"		15'-3"
	10'-0"		12'-6"	2@	15'-5"
	10'-1"		13'-0"		15'-6"
3@	10'-3"	2@	13'-2"	2@	15'-8"
2@	10'-4"	3@	13'-3"		16'-0"
	10'-6"		13'-4"	2@	16'-2"
	10'-7"		13'-5"		16'-3"
	10'-8"		13'-6"		16'-8"
	11'-1"		13'-11"	2@	17'-3"
	11'-6"	3@	14'-0"		18'-0"
	11'-9"	3@	14'-3"		22'-0"
	11'-11"		14'-4"		
2@	12'-0"	2@	14'-5"		
3@	12'-2"		14'-8"		

Bulkhead: Generally in good condition. 26 of 865 running feet of bulkhead to be repaired.

Docks: Generally in good condition. 16.5 yds. to be replaced.

Water: Fresh water runs in 2¼" black pvc above the bulkhead. There are 42 spigots for 55 slips. Some spigots are designated for one slip while others serve two.

Electric: Lines run in galvanized steel conduit above the bulkhead. The service on the dock presently is 125v 30a. However, 220v 50a can easily be accommodated. There are 36 power posts mounted on 3 x 3's available for 63 slips. Of the 36, (9 have one receptacle, 23 have two receptacles, 3 have three receptacles and 1 has four). Telephone is presently available and presently used by seven slips.

Drive: The drive and parking lot behind the C dock is blacktop paving and is in generally good condition. 4,860 sq.ft of asphalt near F dock needs to be patched or replaced.

Lighting: This area is lit by four low sodium vapor lamps.

"C" COST OF IMPROVEMENTS

Repair bulkhead 26 lin.ft. x $50/ft.	$ 1,300.00
Repair concrete dock 16 yds. x $65/yd.	1,040.00
Move 17 pilings @$125 per piling	2,125.00
New Woodhead power post	
w/Osaki meters 29 meters x $730/meter	21,170.00
New asphalt 4,860 sq.ft. x $2.70/sq.ft.	13,122.00
Elec. hookup, water, cleats, etc $841/slip x 57 slips	47,937.00
Sub-Total	86,694.00
+ 15% Contengency	13,004.10
TOTAL	$99,698.10

Repair bulkhead between C dock and D dock 6 lin. ft. x $50/lin. ft.	300.00

"D" DOCK EXISTING CONDITIONS

66 Slips
42 Single Piling
24 Double Piling
23 Finger Piers: Generally in good condition.

Dock Sizes:

	11'-2"		13'-4"		15'-4"
	11'-5"		13'-7"	3@	15'-6"
2@	11'-6"		13'-8"		15'-8"
	11'-10"	2@	13'-9"		15'-9"
2@	11'-11"	6@	13'-10"		15'-10"
5@	12'-0"		14'-1"		16'-0"
	12'-1"		14'-3"		16'-6"
	12'-2"		14'-4"		16'-10"
	12'-3"		14'-5"		17'-6"
2@	12'-4"		14'-6"	2@	18'-0"
3@	12'-10"	2@	14'-7"		18'-2"
	12'-11"		14'-8"		18'-3"
5@	13'-0"		14'-10"		23'-0"
	13'-1"	2@	15'-0"		

Bulkhead: Appears to be generally in very good condition. 8 in 980 running feet of bulkhead to be repaired.

Docks: Appears to be in generally very good condition.
11 yards of concrete dock to be repaired.

Water: Runs in 2¼" lines above bulkhead. There is one spigot for each boat slip.

Electric: There are 36 power posts (19 have two receptacles, 9 have three receptacles and 8 have four receptacles). The service is presently 125v 30a but 220v 50a service is available. There is telephone service and presently it is utilized by 21 slips.

Drive: Adjacent drive and parking area seems to be in good condition. However, there are 700 sq.ft. to be repaired.

Lighting: There are four low sodium vapor lamps to light this area at night.

"D" COST OF IMPROVEMENTS

Repair bulkhead 86lin.ft. x $50/ft.	$ 4,300.00
Repair concrete dock 13.8 yds. x $65/yd	897.00
Move Pilings 22 pilings x $125	2,750.00
New Woodhead power posts	
w/Osaki meters 26 meters x $730/meter	18,980.00
New asphalt 100 sq.ft. x $2.70/sq.ft.	270.00
Elec. hookup, water, cleats, etc. $841/slip x 62	52,142.00
Sub-Total	79,339.00
+15% Contengency	11,900.85
TOTAL	$91,239.85

"E" DOCK EXISTING CONDITIONS

17 Slips
17 Single Pilings
0 Double Pilings
8 Finger Piers: Generally in fair condition.

Dock Sizes:

2@	9'-5"	3@	10'-5"
2@	9'-7"		10'-6"
	9'-10"		10'-7"
2@	10'-0"		10'-8"
	10'-2"		11'-1"
	10'-3"		12'-10"

Bulkhead: Generally in good condition. 3 in 175 running feet of bulkhead need to be repaired.

Docks: Generally in fair condition. 2 yds. of concrete needs to be replaced at the west end of this dock.

Water: Runs above the bulkhead in 2½" black pvc lines providing one spigot for every two slips.

Electric: Runs in galvanized steel conduit above the bulkhead and provides 125v 30a power to this dock. There are 9 power posts mounted on 3 x 3's fastened to the bulkhead. 8 posts have one pair of Hubbell outlets and one post has only one outlet. There are three Hubbell outlets missing covers on this dock.

Drive: The drive behind this dock is in very good condition.

Lighting: There are two low sodium vapor lamps to light this area.

"E" COST OF IMPROVEMENTS

Repair bulkhead 3 lin.ft. x $50/ft.	$150.00
Repair dock 2 yds. x $65/yd.	130.00
Replace covers 3 covers x $15/cover	45.00
TOTAL	$315.00

"F" DOCK EXISTING CONDITIONS

65 Slips
62 Single Pilings
3 Double Pilings
23 Finger Piers: Generally in good condition.

Dock Sizes:

	9'-3"		10'-7"		11'-9"
2@	9'-4"		10'-8"		11'-10"
2@	9'-6"		10'-9"		12'-1"
3@	9'-8"	2@	10'-10"		12'-2"
	9'-9'	3@	10'-11"		12'-3"
	9'-10"		11'-0"		12'-4"
3@	10'-0"	6@	11'-1"	2@	12'-5"
3@	10'-1"	2@	11'-2"		12'-6"
2@	10'-2"	2@	11'-3"		12'-7"
	10'-3"	2@	11'-5"		13'-0"
3@	10-4"		11'-6"		13'-2"
	10'-5"	2@	11'-7"		19'-0"
3@	10-'6"		11'-8"		26'-6"

Bulkhead: Generally in good condition.

Docks: Concrete is generally in good condition. 12 yds concrete to be repaired.

Water: Runs in 2½" lines above existing bulkhead providing one spigot for each boat slip.

Electric: Lines run in galvanized steel conduit above bulkhead and provide 125v 30a power for this dock. For slips 1 through 28-one pair of duplex receptacles. For slips 29 through 65-one pair of Hubbell outlets. There is one Hubbell outlet which is missing a cover. At this time there is no telephone service to this dock. Existing power outlets are mounted on 3 x 3's which are fastened to the bulkhead.

Drive: Existing asphalt drive is in fair condition. There are 845 sq.ft. to be repaired.

Lighting: This area is lit at night by six low sodium vapor lamps.

"F" COST OF IMPROVEMENTS

Repair concrete dock 12 yds x $65		$ 780.00
Repair asphalt 845 sq.ft. x $2.70		2,281.50
New Woodhead power posts	14 mini posts @$325 ea.	4,550.00
w/Osaki meters	17 reg. posts @$730 ea.	12,410.00
Move 53 pilings @$125 per piling		6,625.00
Replace cover for Hubbell outlet $15 ea.		15.00
Elec. hookup, water, cleats, etc. $841/slip x 60		50,460.00
	Sub-Total	77,121.50
	+15% Contingency	11,568.23
	TOTAL	$88,689.73

"G" DOCK EXISTING CONDITIONS

85 Slips
85 Single Pilings
0 Double Pilings
42 Finger Piers

Dock Sizes:

2@	9'-6"	6@	10'-8"	3@	11'-11"
	9'-10"	4@	10'-10"	2@	12'-1"
2@	9'-11"	6@	10'-11"	2@	12'-3"
3@	10'-1"	9@	11'-0"	3@	12'-5"
	10'-2"	3@	11'-3"		12'-8"
3@	10'-5"	2@	11'-5"		13'-1"
6@	10'-6"	5@	11'-6"		13'-7"
5@	10'-7"		11'-8"		14'-5"
		2@	11'-10"		

Bulkhead: Generally in good condition.

Docks: Generally in fair condition. 45 yds. of concrete to be replaced.

Water: Runs in 2½" lines above the existing bulkhead providing one spigot for each slips.

Electric: Lines run in galvanized steel conduit above the bulkhead providing 125v 30a service. There are 20 power posts that have one pair of Hubbell outlets. One post that has one Hubbell outlet and one 3 pronged outlet. 8 posts have one pair of 3 pronged outlets. 14 posts have 1 pair of duplex outlets. Ten 3 pronged outlets, two duplex outlet covers and one Hubbell outlet cover is missing. Power posts are mounted on 3 x 3's attached to the bulkhead.

Drive: The drive behind this dock is in good condition. There are 100 sq.ft. of asphalt to be repaired.

Lighting: This area of the marina is lit by five low sodium vapor lamps.

"G" COST OF IMPROVEMENTS

Concrete dock to be replaced 45 yds. x $65/yd		$2,925.00
Asphalt to be replaced 100sq.ft. x $2.70/sq.ft.		270.00
Cost of outlet covers	12 outlet covers @$10 ea.	120.00
	1 Hubbell outlet cover @$15 ea.	15.00
	Sub-Total	3,330.00
	+ 15% Contingency	499.50
	TOTAL	$3,829.50

"H" DOCK EXISTING CONDITIONS

13 Slips
13 Single Piling
0 Double Piling
7 Finger Piers: All generally in good condition.

Dock Sizes:

2@	11'-1"	12'-5"
	11'-2"	12'-6"
	11'-10"	12'-11"
2@	11'-11"	13'-5"
2@	12'-0"	13'-6"

Bulkhead: Appears to be in generally good condition. 14 in 160 running feet of bulkhead to be replaced.

Docks: Appear to be generally in good condition.

Water: Runs in 2½" black pvc lines above the bulkhead providing one spigot for each slip.

Electric: Runs in galvanized steel conduit above the bulkhead providing this dock with 125v 30a electric power. There are seven power posts that have one pair of Hubbell outlets each. The post is a 3 x 3 fastened to the face of the bulkhead. There is an outlet cover missing on this dock.

Drive: The drive behind this dock appears to be in good condition. There are 500 sq.ft. of asphalt to be replaced at the south end of this dock.

Lighting: This area is lit by one low sodium vapor lamp located at the intersection of H dock and E dock.

"H" COST OF IMPROVEMENTS

Replace 14 ft. of bulkhead @$50/ft.	$700.00
Repair asphalt 500 sq.ft. x $2.70/ft	1,350.00
Replace outlet cover $15 ea.	15.00
Sub-Total	2,065.00
+ 15% Contingency	309.75
TOTAL	$2,374.75

"J", "K" & "L" DOCKS EXISTING CONDITIONS

24 Slips each

Dock Sizes: All slips are between 8 ft. and 11 ft. wide

Bulkhead: Generally in good condition.

Docks: All docks are floating with finger piers between and are in good condition. The concrete walk between these docks is in good condition. There are 10 yds. of concrete to be replaced.

Water: Runs in 1" pvc lines on the floating dock providing one spigot for every two slips.

Electric: Each floating dock has access to two duplex outlets. There are three outlet covers missing at K dock.

Drive: In good condition. There is a 500 sq.ft. area of asphalt to be replaced at the north end of the concrete walk.

Lighting: This area is lit by two low sodium vapor lamps.

Dock Construction: These docks are 5 ft. wide floating docks which have 24 slips each. Each slip is defined by a finger pier on each side which extends 20 ft. out. The finger piers are 30" wide and the dock itself is joined to the bulkhead with a 3 ft. wide ramp made out of similar construction to the floating dock. The floating dock, itself, is essentially a box which sets on floats. The top is similar construction to that of a regular dock. 2 x 10 joists run the length of the dock with 2 x 6 boards are nailed to the top forming the dock surface. The finger floating docks which extend out are just the reverse. There are three 2 x 10's with a 2 x 10 that runs diagonally across as bracing and boards on top run the entire length. These docks have one water spigot for every other slip and the only power that is here are two duplex 125v 30a outlets. All of the floating docks seem to be in good condition and water lines appear to be good.

"J", "K" & "L" COST OF IMPROVEMENTS

Concrete dock 10yds x $65	$ 650.00
Asphalt 500 yds x $2.70	1,350.00
Replace 3 outlet covers $10 ea.	30.00
Sub-Total	2,030.00
+ 15% Contingency	304.50
TOTAL	$2,334.50

"M" DOCK EXISTING CONDITIONS

30 Slips
29 Single Piling
1 Double Piling
15 Finger Piers: All in fair condition. Two finger piers have loose pilings. One finger pier has to be braced in the center.

Dock Sizes:

	8'-9"	2@	11'-1"
	9'-2"		
	9'-10"	3@	11'-2"
	10'-0"		11'-10"
3@	10'-5"		12'-2"
	10'-6"		12'-10"
2@	10'-7"	2@	12'-11"
	10'-9"		13'-2"
3@	10'-10"		13'-10"
3@	11'-0"		18'-11"

Bulkhead: Generally in good condition.

Docks: All generally in good condition. There is an area of 4 yds. to be replaced.

Water: Runs in 2½" black pvc lines above the bulkhead providing the first 10 slips with one spigot each and one spigot for every two slips on the remainder.

Electric: Runs in galvanized steel conduit above the bulkhead providing this dock with 125v 30a power. There are 16 power posts. 15 posts have two pairs of duplex outlets and one has one pair of duplex outlets and one Hubbell outlet. There are four duplex outlet covers missing. The posts are 3 x 3's fastened to the bulkhead.

Drive: The drive behind this dock area is generally in good condition. There is a 60 sq.ft area to be repaired.

Lighting: This area is lit be three low sodium vapor lamps.

"M" COST OF IMPROVEMENTS

Repair dock area 4 yds x $65/yd	$260.00
Repair finger piers 3 piers x $125	375.00
Repair asphalt 60 sq.ft. x $2.70/sq.ft.	162.00
Replace outlet covers 4 covers x $10	40.00
TOTAL	$837.00

"S" DOCK EXISTING CONDITIONS

Presently used by 12 live-a-board barges.

Bulkhead: Generally in fair condition. 92 in 625 running feet of bulkhead to be repaired.

Docks: Generally in adequate conditions. 9 yds. of concrete to be replaced.

Water: Fresh water runs in 2¼" pvc lines above the bulkhead providing at least one spigot for each barge.

Electric: Lines run in galvanized steel conduit above the bulkhead providing 125v 30a service to the barges. There are 12 power posts in this dock. There are 11 pairs of Hubbell outlets and one has a single Hubbell outlet. One power post also has one duplex outlet. Presently, there is telephone service to this dock and it is used by the barges.

Drive: The drive at this dock is loose gravel and is generally in fair condition. There are some areas at the bulkheads that need more fill and gravel.

"S" COST OF IMPROVEMENTS

Repair bulkhead 92ft. x $50/ft.	$ 4,600.00
Repair concrete 8.6 yds. x $65	557.72
Refill w/gravel 48 yds x $8/yd.	384.00
12 new Woodheads @$730 per	8,760.00
Move pilings 25 pilings @$125 per	3,125.00
Elec. hookup, water and cleats, etc. 24 x $841/slip	19,536.00
Sub-Total	36,962.72
+ 15% Contingency	5,544.41
TOTAL	$42,507.13

ACCESSORY BUILDINGS

BUILDING A

Size: 100' x 120' plus 60' x 40' appendage and a 2.54 acre yard
Construction: Steel and metal panel
Use: Administrative offices, parts and supply store, winter boat storage
Location: See survey: within Store Unit.

BUILDING B

Size: 26' x 52' in a 30' x 60' area
Construction: Two story - Lower level-masonry, Upper level-wood frame.
Use: Lower level-Two public bathrooms, boat brokers' offices and boat documentation services.
Upper level- Leased to Essex Properties.
Location: Intersection of B dock and C dock. Within Essex Office Unit.

Public bathrooms retained by Condominium Association.

BUILDING C

Size: 41'-4" x 16'-6"
Construction: Masonry one story
Use: Snack bar and pump house for the pool
Location: Next to pool, tennis courts and playground.
Retained by Condominium Association, includes all landscaping.

BUILDING D

Size: 20' x 40'
Construction: Masonry one story
Use: Leased to Cove Yachts ltd, and two public bathrooms
Location: Intersection of F dock and D dock. Within the Cove Office Unit.

Public bathrooms retained by Condominium Association.

BUILDING E (Lift Shed)

Size: 15'-6" x 40'-6"
Construction: One story wood frame
Use: Tool storage and houses compressor for bubble system
Location: Adjacent to lift slips on C dock. Within the Store Unit.

BUILDING F

Size: 13'-3" x 8'-3"
Construction: Wood frame
Use: Houses electrical panels for the marina, gate valves for the fresh water system and new sprinkler system for landscaping at the entrance, pool and playground.
Location: A dock
Retained by Condominium Association

SWIMMING POOL

60' x 30' ±. The deep end is 8 ft. and the shallow end is 3 ft.
The pool as well as all pumps, hoses and accessories for the pool are all in good condition. At least a 6 ft. tall cyclone fence all around.
Retained by Condominium Association.

2 TENNIS COURTS

Recently resurfaced and in very good condition
New nets
10 ft. cyclone fence all around
Retained by Condominium Association.

PLAYGROUND

15' x 60'
Has various slides, jungle gym, sandbox, new mats, etc. all in good condition.
The slide is in fair condition.
6 ft. cyclone fence all around.
Retained by Condominium Association.

NEW GAS DOCK

90' x 90'
Construction 2 x planks
Navy Wall: 6x6 whaler, 6x4 bottom whaler with 12" diameter piling outside tied back with 3/4" tie rods to deadmen in the parking lot.
Equipment: Two 8,000 gallon gasoline tanks
One 6,000 gallon diesel fuel tank
Two single hose diesel dispensers
Four double hose gasoline dispensers
Gas dock also has two water spigots and 125v 30a electric service.
All construction is in very good condition.
Location: Adjacent to A dock, separated by a 6 ft. high cyclone fence.
Within the Gas Dock Unit

ADDITIONAL AREA

20' x 80' area adjacent to the snack bar (as shown on survey).
Area is a part of Essex Office Unit.

LANDSCAPING

Landscaping includes work done at the entrance, the entrance circle around the pool area and near building F. All landscaping has a one year guarantee. Retained by Condominium Association.

BRIDGE TO FLOATING DOCK

FLOATING DOCK
(K DOCK)

TYPICAL BULKHEAD PROBLEMS

ACCESSORY BUILDING A

ESSEX BUILDING BUILDING B

COVE YACHTS LTD. BUILDING

LIFT SHED

TYPICAL FINGER PIER

WOODHEAD POWER POST

TYPICAL BOAT SLIP

SCALE: ⅛" = 1'-0"

TYPICAL FINGER PIER

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

NEW NAVY WALL @ GAS DOCK

SCALE: 1/2" = 1'-0"

N
"G"
DOCK (SEE SHEET No 4)
EXISTING
CANAL
BUILDING 'D'
"L" DOCK
"F"
DOCK
"K" DOCK
"J" DOCK
BUILDING 'E'
BUILDING 'A'
DOCK
CANAL
"E" DOCK (SEE SHEET No 3)
"M" DOCK (SEE SHEET No 3)
"B"
"A"
EXISTING
HARDING
AVE.
POOL, TENNIS COURTS & PLAYGROUND
BUILDING 'C'
20' x 80'
DOCK
"C"
BUILDING 'B'
EXISTING
CANAL
BUILDING 'E'
DOCK (SEE SHEET No 2)
"D"
GREAT
SOUTH
BAY
GENERAL LINE OF MEAN HIGH WATER AS OF JULY 12, 1889
0 20 40 80 160 FT.
EAST SHORE ROAD
"S" (SEE SHEET 6) DOCK
GAS DOCK
NEGUNTATOGUE CREEK

DOCK (SEE SHEET No 4)
EXISTING
CANAL
DOCK
"G"
"L"
"F"
"K"
"J"
"E"
"B"
"A"
"C"
"D"
"M"
"H"
EXISTING
CANAL
DOCK
HARDING
AVE.
EAST SHORE ROAD
NEGUNTATOGUE CREEK
GREAT
SOUTH
BAY
GENERAL LINE OF MEAN HIGH WATER AS OF JULY 17, 1883
0 20 40 80 160 FT.
2
linear feet of bulkhead to be replaced

DOCK (SEE SHEET No 4)
EXISTING
CANAL
DOCK
HARDING
AVE.
EAST SHORE ROAD
NEGUNTATOGUE CREEK
GREAT
SOUTH
BAY
0 20 40 80 160 FT.
10 yards of concrete dock to be replaced

DOCK (SEE SHEET No 4)
EXISTING
CANAL
525
75
75
60
45
"L" DOCK
"K" DOCK
"J" DOCK
"F"
"E" DOCK (SEE SHEET No 3)
"H" DOCK (SEE SHEET No 3)
"B"
"A"
EXISTING
HARDING
AVE.
DOCK
2430 "C"
CANAL
EXISTING
DOCK
CANAL
DOCK
SOUTH
GREAT
BAY
"D"
DOCK (SEE SHEET No 2)
EAST SHORE ROAD
~450 yds. of fill.
"S"
DOCK (SEE SHEET 8)
NEGUNTATOGUE CREEK
0 20 40 80 160 FT.
Square footage of asphalt to be replaced.

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DECLARATION
ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP
OF THE PREMISES
KNOWN AS AND BY THE STREET NUMBER
401 EAST SHORE ROAD
LINDENHURST, NEW YORK

Pursuant to Article 9-B
of the Real Property Law of the State of New York

Name THE ANCHORAGE YACHT CLUB CONDOMINIUM

Declarant Anchorage Associates
230 Park Avenue
New York, New York 10169

Date of Declaration ,198

The land affected by the within instrument lies in District 100, Section 228, Block 1 and Lot 1 and Section 227, Block 1 and Lots 19, 20 and 21 on the Tax Map of the Town of Babylon, County of Suffolk

HERRICK, FEINSTEIN
Attorneys for Declarant
2 Park Avenue
New York, New York 10016

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DECLARATION OF THE ANCHORAGE YACHT CLUB CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

ANCHORAGE ASSOCIATES, a New York Partnership having an office at 230 Park Avenue, New York, New York (herein referred to as the "Declarant"), does hereby declare as follows:

1. Submission of the Property.

The Declarant hereby submits the Land (hereinafter defined) and all other property, real, personal or mixed, intended for use in connection therewith (collectively the "Property") to the provisions of Article 9B of the Real Property Law of the State of New York (the "Condominium Act"), and pursuant thereto does hereby establish a condominium to be known as "The Anchorage Yacht Club Condominium" (sometimes herein referred to as the "Condominium").

2. The Land.

The Property consists in part of all that certain tract, plot, piece and parcel of land situate, lying and being in the Town of Babylon, County of Suffolk, and State of New York, more particularly described in Schedule A annexed hereto and made a part hereof, together with all easements, rights, privileges and hereditaments appurtenant thereto (collectively sometimes herein referred to as the "Land"). The Land is owned by the Declarant in fee simple.

3. The Units.

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each unit of the Condominium necessary for the proper identification thereof: unit designation, tax lot number, approximate area, Common Elements (hereinafter defined) to which the unit has immediate access and percentage interest of each unit in the Common Elements (sometimes herein referred to as the "Common Interest"). The location of each unit is shown on the site plans of the Land certified by Teas, Barrett, Lanzisera & Frink, Surveyors and intended to be filed in the Suffolk County Clerk's Office contemporaneously with the recording of the Declaration (herein referred to as the "Floor Plans").

As shown on the Floor Plans, the Condominium consists in part of (i) a repair facility, boat hauling slips and store unit comprised of a portion of the Land and the improvements thereon

(hereinafter sometimes referred to as the "Store Unit"); (ii) a gas dock unit comprised of a portion of the Land and improvements thereon (hereinafter sometimes referred to as the "Gas Dock Unit"); (iii) three (3) floating dock units, each comprised of a portion of the Land (hereinafter sometimes collectively referred to as the "Floating Dock Units" and individually referred to as a Floating Dock Unit" and identified as "Floating Dock Unit-J" "Floating Dock Unit-K" and "Floating Dock Unit-L" respectively on the Floor Plans); (iv) an office unit comprised of two (2) separate portions of the Land and the improvements thereon (hereinafter sometimes referred to as the "Essex Office Unit"); (v) an office unit comprised of the Land and the improvements thereon (hereinafter sometimes referred to as the "Cove Office Unit"); (vi) a boat launching unit comprised of a portion of the Land (hereinafter sometimes referred to as the "Launching Unit") and (vii) 460 slip condominium units each comprised of a portion of the Land (hereinafter sometimes collectively referred to as the "Slip Units" and individually referred to as a "Slip Unit.")

The Store Unit, Gas Dock Unit, Floating Dock Units, Essex Office Unit, Launching Unit and Cove Office Unit are sometimes collectively referred to as the "Commercial Units" and individually referred to as a "Commercial Unit." The Commercial Units and the Slip Units are sometimes collectively referred to as the "Units" and individually referred to as a "Unit".

The owners of the Store Unit, the Gas Dock Unit, a Floating Dock Unit, the Essex Office Unit, the Launching Unit and the Cove Office Unit are hereinafter sometimes respectively referred to as the Store Unit Owner, Gas Dock Unit Owner, Floating Dock Unit Owner, Essex Office Unit Owner, Launching Unit Owner and Cove Office Unit Owner. The owners of the Commercial Units are sometimes collectively referred to as the "Commercial Unit Owners" and individually referred to as a "Commercial Unit Owner." The owners of the Slip Units are sometimes collectively referred to as "Slip Unit Owners" and individually referred to as a "Slip Unit Owner." The Slip Unit Owners and the Commercial Unit Owners, are sometimes collectively referred to as the "Unit Owners" and individually referred to as a "Unit Owner."

The Units are identified by the numerical or other designations shown on Schedule B annexed hereto and made a part hereof and consist of the area within the boundaries of such Units set forth on the Floor Plans.

Each of the Units is subject to such encroachments as are described in Section 10 of this Declaration.

4. Certain Appurtenances to Units and Restrictions

(a) Certain Appurtenances to Slip Units

Each Slip Unit Owner, subject to the other provisions of this Declaration and the By-Laws, shall have the right:

(i) Exclusively to dock a boat on the water side of the Slip Unit in an area bounded as follows:

(1) By the water side of the Slip Unit;

(2) By two parallel lines extending from the water side of the Slip Unit the applicable number of feet set forth in paragraph (iv) below each of which parallel lines is perpendicular to an opposite end of the water side of the Slip Unit; and;

(3) By a line parallel to the water side of the Slip Unit of equal length to the water side of the Slip Unit which intersects the parallel lines described in subparagraph (2) above at a distance of the applicable number of feet set forth in paragraph (iv) below from the water side of the Slip Unit.

(ii) To park one car in a location designated by the Board of Managers. However, the Board of Managers, to the maximum extent feasible, shall designate a location which is on the upland side of the Slip Unit.

(iii) To store a boat (not exceeding in size the docking capacity of his Slip Unit as described in subparagraph (i) above) out of the water during the period September 15 through May 31 of each year in a location to be designated from time to time by the Board of Managers, provided that such boat is blocked and washed, and provided further that a boat is not also docked in the docking area appurtenant to the Slip Unit during such period. A Slip Unit Owner shall have the right to transport his boat over the Common Elements for storage in accordance with the provisions of this subparagraph (iii) provided that such Slip Unit Owner complies with the rules and regulations established by the Condominium from time to time with regard to transporting a boat within the Condominium including but not limited to requirements of insurance and manner of transportation so as not to unreasonably interfere with use and operation of the Condominium.

(iv) For purposes of subparagraph (i) above, the following measurements shall be used to determine the docking area of a Slip Unit:

Slip Unit within the Section (except as otherwise expressly provided below) Identitified in this Declaration as	Number of Feet
A- Dock	50 ft.
B- Dock	50 ft.
C- Dock	60 ft.
D- Dock	60 ft.
E- Dock	30 ft.
F- Dock	40 ft.
G- Dock (except Slip Units G-86 and G-87)	40 ft.
H- Dock	30 ft.
M- Dock	30 ft.
S- Dock	60 ft.
Slip Units G-86 and G-87	20 ft.

(b) Certain Appurtenances to Gas Dock Unit.

The Gas Dock Unit Owner shall have the exclusive right to dock boats on the water side of the Gas Dock Unit in an area bounded as follows·

(i) By the water side of the Gas Dock Unit.

(ii) By two parallel lines extending from the water side of the Gas Dock Unit sixty (60) feet, each of which parallel lines is perpendicular to an opposite end of the water side of the Gas Dock Unit; and

(iii) By a line parallel to the water side of the Gas Dock Unit of equal length to the water side of the Gas Dock Unit which intersects the parallel lines described in subparagraph (ii) above at a distance of sixty (60) feet from the water side of the Gas Dock Unit.

Subject to the rights of the Store Unit Owner, the Gas Dock Unit Owner shall have the exclusive right to erect and maintain a gas dock facility (including, without limitation, the right to maintain the existing gas dock facility on such Unit and to replace, reconstruct, expand or otherwise improve the same and/or to construct a new gas dock facility on such Unit) and store and sell to the Unit Owners and to the general public gasoline, bait, tackle, soft drinks and other sundries except that the Condominium or its concessionaire may sell items of food and non-alcoholic beverages at the snack bar building located within the Common Elements.

(c) Certain Appurtenances to the Store Unit.

The Store Unit Owner shall have the exclusive right to dock boats on the water side of such Unit within the area bounded as described below and subject to the rights of the Launching Unit Owner, the exclusive right to haul and launch boats at the Condominium including, without limitation to haul boats from the area described below onto the Land, and launch boats into such area from the Land.

(i) By the water side of the Store Unit;

(ii) By two parallel lines extending from the water side of the Store Unit fifty (50) feet, each of which parallel lines is perpendicular to an opposite end of the water side of the Store Unit; and

(iii) By a line parallel to the water side of the Store Unit of equal length to the water side of the Store Unit which intersects the parallel lines described in subparagraph (ii) above at a distance of fifty (50) feet from the water side of the Store Unit.

Subject to the rights of the Gas Dock Unit Owner, the Store Unit Owner shall also have the exclusive right (1) to operate a retail store for the sale to Unit Owners and to the general public of marine equipment and boating supplies of every kind and nature, including items of food or drink, petroleum products, ice, beer, alcoholic beverages, bait, tackle or other sundries except that the Condominium or its concessionaire may sell items of food and non-alcoholic beverages at the snack bar building located within the Common Elements, and (2) to operate a boat repair and installation business which may service the Unit Owners and/or the general public and perform any and all types of repairs, maintenance or installation of new equipment on boats.

The Store Unit Owner shall also have the right (i) to block and/or wash boats on the Land and/or to haul boats from or launch boats into the water at the Condominium, whether such boats are owned by Slip Owners, their tenants or members of the general public, and (ii) to operate a travel lift anywhere within the Condominium for the purpose of hauling boats from and launching boats into the water at the Condominium anywhere within the Condominium, except that the Store Unit Owner shall not haul a boat from or launch a boat into the water in the docking area appurtenant to a Slip Unit as described in paragraph 4(a)(i) above without the consent of the owner of such Slip Unit. The rates charged by such Store Unit Owner for the services or facilities described above shall be determined by such Store Unit Owner in its sole discretion. The Store Unit Owner may refuse to haul, launch, block or wash any boat in its sole discretion.

The Store Unit Owner shall have the right to store boats throughout the Store Unit premises and to erect dry rack storage buildings on the Store Unit premises.

The Store Unit Owner shall also have the right to erect a paint and repair shop of up to 20,000 square feet on the Store Unit premises.

(d) Provision of Space for Storage on Unimproved Land within the Store Unit. If the Condominium is unable to satisfy its obligations to Unit owners to store boats as provided in Section 4(a)(iii) above within the Common Elements, then, upon request of the Condominium, the Store Unit Owner shall provide spaces for the storage of boats owned by Slip Unit Owners in the Condominium during the period September 15 through May 31 of each year of up to the number of boats described below in locations on the unimproved Land within the Store Unit to be designated by the Store Unit Owner.

Number of Boats	Dimensions in feet of up to: Length	Width
40	30	16
30	36	16
15	48	16

(e) Certain Appurtenances to the Floating Dock Units. Each of the Floating Dock Unit Owners shall have the exclusive right to maintain the floating dock system presently located on the water side of each such Floating Dock Units and to erect and maintain new or replacement floating docks to accommodate any number of boats in an area bounded as follows:

(i) By the water side of the Floating Dock Unit;

(ii) By two parallel lines extending from the water side of the Floating Dock Unit one hundred twenty (120) feet, each of which parallel lines is perpendicular to an opposite end of the water side of the Floating Dock Unit; and

(iii) By a line parallel to the water side of the Floating Dock Unit of equal length to the water side of the Floating Dock Unit which intersects the parallel lines described in subparagraph (ii) above at a distance of one hundred twenty (120) feet from the water side of the Floating Dock Unit.

Each Floating Dock Unit Owner shall also have the right:

(i) To park one car for each boat docked within the Floating Dock Unit in a location designated by the Board of Managers; however, the Board of Managers to the maximum extent feasible shall designate a location which is on the upland side of the Unit;

(ii) To store each of the boats docked within the Floating Dock Unit (not exceeding in the aggregate in size the docking capacity of the Unit as described above) out of the water during the period September 15 through May 31 of each year in a location to be designated from time to time by the Board of Managers, provided that the boat is blocked and washed and provided further that during such period a boat is not also docked in the location within the docking area appurtenant to the Unit of the boat to be stored.

(f) Certain Appurtenances to the Launching Unit. The Launching Unit Owner shall have the exclusive right to dock boats on the water side of such Unit within the area bounded as described below and the right to haul boats from the area described below onto the Land, and launch boats into such area from the Land.

(i) By the water side of the Launching Unit;

(ii) By two parallel lines extending from the water side of the Launching Unit fifty (50) feet, each of which parallel lines is perpendicular to an opposite end of the water side of the Launching Unit; and

(iii) By a line parallel to the water side of the Launching Unit of equal length to the water side of the Launching Unit which intersects the parallel lines described in subparagraph (ii) above at a distance of fifty (50) feet from the water side of the Launching Unit.

The Launching Unit Owner shall also have the right to erect a boat launching and/or hauling ramp at the Launching Unit.

The rates charged by such Launching Unit Owner for hauling and launching of boats shall be determined by such Launching Unit Owner in its sole discretion.

The Launching Unit Owner may refuse to haul or launch any boat in its sole discretion.

(g) Right of Essex Office Unit. The Essex Office Unit Owner shall have the right to store and offer for sale boats on the Essex Office Unit premises.

(h) Restriction on Slip Units. A Slip Unit Owner shall not:

(i) Erect any improvements on his Slip Unit;

(ii) Rent out his Slip Unit for a period less than one (1) month without the consent of the Board of Managers

and any rental agreement for a Slip Unit shall include all of such Slip Unit Owner's rights under paragraph 4(a) above, including, but not limited to, the right to store a boat out of the water and to park one car as provided therein and the right to use the Common Elements, including the pool and tennis courts;

(iii) Use any boat toilet facilities at any time while boats are berthed or moored in the Condominium;

(iv) Make any boat repairs in his Slip Unit or otherwise within the Condominium except at the Store Unit;

(v) Make any sales of boats or build or store any boats on his Unit;

(vi) Dock any vessel used, owned or occupied as a floating home as defined by Section 15-607 of the Town of Babylon Unified Code of Ordinances or sell or lease his Slip Unit for such purpose.

(i) Certain Rights of Commercial Unit Owners. The Commercial Unit Owners shall each have the right to maintain any improvements presently located on their Units and, subject to compliance with law, to replace, reconstruct, expand or otherwise improve such Units and/or the improvements presently located on such Units.

The Commercial Unit Owners shall also each have the right (i) to transport boats whether such boats are owned by Unit Owners or their tenants or members of the general public over the Common Elements and to and from and within the Condominium or their Units and (ii) to store and offer for sale boats within their Units to the extent not prohibited by law.

5. Common Elements

The Common Elements of the Condominium ("Common Elements") shall consist of all parts of the property other than the Units. The Common Elements shall include, without limitation, even if within the dimensions of a Unit, the following:

(a) Such portions of the Land as are not within a Unit, including, without limitation, the land under water within the boat basins.

(b) All central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water, sewer, heat and incinerating, including all pipes, ducts, wires, cables and conduits used in connection therewith.

(c) Outdoor pool

(d) Tennis courts

(e) All common equipment spaces.

(f) The Snack Bar Kiosk

(g) All common bathroom facilities located other than within a Unit and the common bathroom facilities located within the Essex Office Unit and Cove Office Unit.

(h) The electric hot water heating system and the bubble system including, without limitation, the compressors activating such system.

(i) The bulkhead and poles (including the sheathing thereon, if any) located within the boat basins at the Condominium. The poles are installed merely as a convenience to the Unit Owners and do not define the docking area within which a Unit Owner may dock a boat as provided in paragraph 4(a) above.

(j) All Units which may hereafter be acquired and held by the Board of Managers on behalf of all Unit Owners, but only while so held.

(k) All other parts of the Property and all apparatus and installations existing on the Land for common use or necessary or convenient to the existence, maintenance or safety of the Property which are not specifically made part of a Unit by the terms or this Declaration.

6. Determination of Common Interest in the Common Elements.

The Common Interest of each Unit is set forth in Schedule B and has been determined by the Declarant based upon such floor space, subject to the location of such space and additional factors or relative value of such space to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the Unit.

7. Use of the Land and Units

The Land is presently used as a marina with commercial boat dockage and light marina operations.

Except as otherwise provided below, the Slip Units may be used solely for docking of pleasure boats as is permitted by law. However, this shall not limit the right of a Slip Unit

Owner to occasionally charter out the use of his boat to others. In addition, if Slip Units G-1 and/or G-2 are owned by any of the Commercial Unit Owners or Sponsor and/or its designees, then such Slip Units G-1 and/or G-2 may be used for hauling and/or launching of boats.

The Commercial Units may be used for any lawful purpose.

No Unit Owner other than the Store Unit Owner and the Launching Unit Owner shall have the right to haul and/or launch boats at the Condominium. This will not limit the right of the Condominium after the second anniversary of the date of delivery of the deed to the first Unit at the Condominium from providing hauling and launching services at the Condominium and/or entering into agreements with any other entities for provision of such services and facilities.

8. Person to Receive Service.

Until the first meeting of the Unit Owners the Declarant is designated to receive service of process in any action which may be brought against the Condominium. Thereafter, the President of the Condominium owning a Unit or having a place of business at the Property is hereby designated to receive service of process in any action which may be brought against the Condominium.

9. Right of a Commercial Unit Owner, the Declarant or its Designees to Combine, Subdivide or Realign Units.

Notwithstanding any other provision of the Declaration or By-Laws (hereinafter defined), a Commercial Unit Owner, the Declarant or any of any it designees, as the case may be, shall have the right, without the consent of any of the other Unit Owners, or the Board of Managers or the mortgagee of any Unit, from time to time, to (a) make alterations (including demolition), replacements, additions or improvements (including, without limitation, constructing buildings on such Units), whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to, and upon his Unit or any part thereof and the utilities servicing the Units whether located in any Unit or the Common Elements; (b) change his Unit or any part thereof by subdividing the same into any desired number of condominium units (or by combining any units resulting from such subdivision); (c) create and designate a limited Common Element for the exclusive use of the newly created condominium units ("Limited Common Element"); (d) convert space or constituents of his Unit into a newly designated Limited Common Element or convert and designate a Limited Common Element as a part of the Unit; (f) combine Units; and (g) obtain a or amend the certificate of occupancy of any building located on his Unit.

However, by reason of the foregoing, the Common Interest of the other Units shall not be enlarged unless the Board of Managers consents thereto (except that Limited Common Elements may be created for the exclusive use of any or all of the aforesaid subdivided (or combined) condominium units as provided above, in which event the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided (or combined) condominium units. A Commercial Unit Owner, the Declarant, or any of its designees, as the case may be, shall have the right to reflect such changes in a duly recorded amendment to the Declaration (or the obligation to do so in case clause (c) immediately above applies) or the By-Laws, and may further amend the Declaration and By-Laws to provide for the conduct of the affairs of the Unit as subdivided in any manner which does not increase the obligations or decrease the rights of any of the other Unit Owners under the Declaration or the By-Laws, which amendment and the recordings thereof shall not require the consent of the Board of Managers and/or other Unit Owners. In making any additions, alterations, or improvements pursuant to this Section 9, a Commercial Unit Owner, the Declarant or its designees, as the case may be, shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conduct in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Board of Managers and the other Unit Owners harmless from any liability arising therefrom.

The consent of the Board of Managers and/or other Unit Owners shall not be required for the exercise of the rights and powers set forth in this section, Section 4 or any other section of this Declaration or the By-Laws by any of the Commercial Unit Owners, Declarant or any of its designees, as the case may be. Neither the provision of this Section 9 or any of the provisions of this Declaration or By-Laws affecting a Commercial Unit Owner, Declarant or any of its designees, nor any of the other rights and powers of a Commercial Unit Owner or the Declarant or any of its designees under this Declaration or the By-Laws, including without limitation the authority of a Commercial Unit Owner, or the Declarant, or any of its designees to record an amendment of the Declaration or By-Laws pursuant to this Declaration, may be modified or deleted by amendment of the Declaration or By-Laws or otherwise. The signatures of the other Unit Owners and/or Board of Managers shall not be required in connection with any amendment to the Declaration or By-Laws permitted above or to any application or other document required in connection with (i) any such amendment by any administrative agencies asserting jurisdiction thereover, including without limitation any application or documents required by any governmental authorities in connection with reapportionment of the separate tax assessments for the newly created condominium units or otherwise or (ii) with respect

to any exercise by a Commercial Unit Owner of its rights under this Section 9 and/or Section 4 of this Declaration. Nonetheless, the other Unit Owners and the Board of Managers shall execute any such documents or applications necessary or convenient in order to effectuate the provisions of this Section 9 and/or of Section 4 of this Declaration and they hereby grant to a Commercial Unit Owner, the Declarant, or any of its designees, as the case may be, an irrevocable power of attorney coupled with an interest to execute, deliver and/or record an amendment to this Declaration and any and all documents and applications required to implement the provisions of this Section 9 and/or Section 4 of this Declaration, and any such execution, delivery and/or recording of any amendment, documents and/or applications, shall not require the consent of the Board of Managers and/or other Unit Owners.

10. Encroachments.

If any portion of the Common Elements presently encroaches upon any Unit or if any Unit presently encroaches upon any other Unit or upon any portion of the Common Elements or if as a result of the manner in which any improvements to a Commercial Unit were constructed or as a result of settling or shifting of any such improvements or as a result of alteration or refurbishing of the Common Elements, a Commercial Unit, or a Unit owned by the Declarant, or any of its designees, such encroachment shall occur, then a valid easement for encroachment and for the maintenance of the same so long as such improvements shall exist. In the event that any improvements to a Commercial Unit or any Common Element shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, then and in such event encroachments of parts of the Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements due to such rebuilding shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist so long as such improvements shall exist.

11. Certain Easements and Right of Entry.

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

the Common Elements contained therein or elsewhere in the Property subject to any restrictions on such right as may from time to time be provided in the By-Laws.

The Commercial Unit Owners, Declarant and its designees shall each have an easement without the necessity of obtaining the consent of the Board of Managers and/or Unit Owners to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit or advertising any of their services and/or facilities.

A Commercial Unit Owner, the Declarant and its designees and the Board of Managers shall each have the right without the necessity of obtaining the consent of the Board of Managers and/or other Unit Owners to establish, grant and create easements for any additional electric, transformer, amplifier, gas, cable television, telephone, water, sewer or other utility lines and appurtenances in, under and through the Property including, without limitation, the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property including, without limitation, the Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit after construction thereof.

The Declarant and its designees each shall have without the necessity of obtaining the consent of the Board of Managers and/or Unit Owners an easement (i) to erect an entrance from any parcel of land owned by any of them to the Common Elements of the Condominium and access to and from the Condominium by way of such entrance and (ii) over the Common Elements for the purpose of transporting boats to and from and within the Condominium including, without limitation, from such entrance and for the purpose of delivering such boats to the Launching Unit and the Store Unit for hauling or launching.

12. 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 (a) acquire title to any Unit which a Unit Owner decides to surrender, in the name of the Board of Managers or its designees, corporate or otherwise, on behalf of all Unit Owners, (b) convey, sell, lease, mortgage, or otherwise deal with (but not to cast the votes appurtenant to) any Units acquired by the Board of Managers, (c) execute, acknowledge and deliver (i) any declaration or other instrument which the Board of Managers or a Unit Owner deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any governmental

authority, applicable to the maintenance, demolition, construction, alteration, repair, improvement or restoration of a Unit or the Common Elements or combination or subdivision of a Unit permitted hereunder or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting a Unit or the Common Elements as may be required or permitted under this Declaration.

13. Acquisition of Units By Board of Managers.

In the event that a Unit Owner shall surrender his 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 designees 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 asset of the Condominium (hereinafter collectively referred to as the "Appurtenant Interest") pursuant to the provisions of the Real Property Law of the State of New York, then and in such event, title to any such Unit together with the Appurtenant Interest shall be held by the Board of Managers or its designees, corporate or otherwise, on behalf of all Unit Owners in proportion to their respective Common Interests.

14. By-Laws and Persons Subject to Declaration and By-Laws.

Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the Condominium. The By-Laws (including the Rules and Regulations thereunder) as they may be amended from time to time are referred to in this Declaration as "By-Laws." All capitalized terms in this Declaration which are not defined herein shall have the meanings given to those terms in the By-Laws.

All present and future Unit Owners, tenants, visitors and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and the By-Laws, as the same may be amended from time to time. Acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration and By-Laws, as the same may be amended from time to time, are accepted and ratified by such Unit 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 persons having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed, conveyance or occupancy thereof. However, the provisions of this Declaration and the By-Laws, as the same may be amended from time to time, are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public.

15. Covenant of Further Assurances.

Any party which is subject to the terms of the Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board of Managers, or otherwise, shall execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other may reasonably request to effectuate the provisions of this Declaration or the By-Laws or of any transaction contemplated by this Declaration or the By-Laws or to confirm or perfect any right to be created or transferred pursuant to this Declaration or the By-Laws or pursuant to any such transaction.

If any Unit Owner or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or the By-Laws, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board of Managers or other party.

If any Unit Owner, the Board of Managers or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument or fails or refuses, within ten (10) days after request therefor, to take any action which such Unit Owner, the Board of Managers, or other party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or By-Laws at the request of a Commercial Unit Owner, the Declarant or its designees, as the case may be, then such Commercial Unit Owner, the Declarant or its designees, as the case may be, is hereby authorized as attorney-in-fact for such Unit Owner, the Board of Managers or other party, coupled with an instrument, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owners, the Board of Managers or other party.

16. Amendment of Declaration.

Except as otherwise provided in the By-Laws and this Declaration with respect to Commercial Unit Owners, the Declarant or its designees, this Declaration may be amended (i) by vote of not less than 80% in number and in Common Interest of all Unit Owners cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, provided, however, that any such amendments shall not be effective unless the

holders of mortgages of all of the Units, if any, shall have consented thereto in writing (which consent may not be unreasonably withheld or delayed) and (iii) as otherwise expressly provided in this Declaration and provided further that if a Commercial Unit Owner, the Declarant or its designees, as the case may be, shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendments shall not (i) decrease the rights of the Commercial Unit Owners, Declarant or its designees or (ii) increase of the obligations of such Commercial Unit Owners, Declarant or its designees unless such increase in obligations shall affect all Unit Owners proportionately. Notwithstanding anything to the contrary contained herein, no provision of this Declaration relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment except as expressly provided in Section 9 of this Declaration. Any such amendment shall be executed by the Board of Managers as attorneys-in-fact for the Unit Owners, coupled with an interest, and the Board of Managers is hereby authorized by the Unit Owners so as to act as their attorney-in-fact. No amendment shall be effective until recorded in the Office of the Suffolk County Clerk.

17. Termination of Condominium.

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent of the mortgages of the Units, if any. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to any action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all 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 from out of his share of such net proceeds, all liens on this Unit, in the order of priority of such liens.

18. Invalidity.

The invalidity of any provisions of this Declaration or any portion thereof 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.

19. 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.

20. 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 nor the intent of any provision hereof.

21. Certain References.

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural and vice versa whenever the context so requires.

The terms "herein","hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and are not to the particular provision in which the terms are used.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed as of this day of , 198

ANCHORAGE ASSOCIATES

By_____
Stephen Sloan,
Partner

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

On the day of , 198 , before me personally came Stephen Sloan, to me known and known to me to be a partner in Anchorage Associates, a partnership, and known to me to be the person described in and who executed the foregoing instrument in the partnership name, and said Stephen Sloan duly acknowledged that he executed the foregoing instrument for and on behalf of said partnership.

_____

Notary Public

SCHEDULE A

Description of Land

ALL that certain plot, piece or parcel of land situate lying and being in Lindenhurst, Town of Babylon, County of Suffolk and State of New York being bounded and described as follows:

BEGINNING at a point on the Westerly side of land being acquired by Union Free School District Number 4, said point being 200 feet Southerly measured along said land being acquired by Union Free School District Number 4, from the Southerly side of Harding Avenue and from said point of beginning;

RUNNING THENCE South 66 degrees 58 minutes 17 seconds West parallel to said Southerly side of Harding Avenue and 200 feet distant Southerly therefrom, 665 feet more or less to the westerly side of Shore Road;

RUNNING THENCE South 1 degree 56 minutes 10 seconds East along said Westerly side of Shore Road and the Southerly extension thereof 100 feet to a point;

RUNNING THENCE South 19 degrees 33 minutes 50 seconds West 370 feet more or less to the shore line of Neguntatogue Creek or Great South Bay;

RUNNING THENCE Southerly along said shore line 1253 feet more or less to land now or formerly of Young and Saloman;

RUNNING THENCE Northeasterly along last mentioned land 1300 feet more or less to the said above mentioned land being acquired by Union Free School District Number 4;

RUNNING THENCE North 23 degree 01 minute 43 seconds west along the last mentioned land, 326.73 feet to the point or place of BEGINNING; and

ALL that certain plot, piece or parcel of land, situate, lying and being in the Town of Babylon, County of Suffolk and State of New York known and designated as Lindenhurst Tax Map 122-293 formerly part of Lindenhurst Tax Map 122-293 more particularly bounded and described as follows:

North by Union Free School District Number 4,
East by land now or formerly of Albert Glass,
South by Great South Bay;
West by Gehrlein; and

ALL that certain plot, piece or parcel of land situate, lying and being in the Town of Babylon, County of Suffolk and State of New York being bounded and described as follows:

Said premises being located on the South side of Harding Avenue,

BEGINNING at a point located in the following two courses and distances:

BEGINNING at a point formed by the intersection of the Easterly side of Shore Road and the Southerly side of Harding Avenue;

RUNNING THENCE along the Southerly side of Harding Avenue, North 88 degrees 3 minutes 50 seconds East, 109.31 feet to a point;

RUNNING THENCE again along the Southerly side of Harding Avenue North 66 degrees 58 minutes 17 seconds East a distance of approximately 390.69 feet;

SAID Point being the point or place of beginning.

RUNNING THENCE South 23 degrees 1 minute 43 seconds East a distance of 100 feet;

RUNNING THENCE South 66 degrees 58 minutes 17 seconds West a distance of 439.24 feet to a point;

RUNNING THENCE South 1 degree 56 minutes 10 seconds East a distance of approximately 69.23 feet to the Northerly side of an existing road;

RUNNING THENCE South 66 degrees 58 minutes 17 seconds East along the Northerly side of said road a distance of 665 feet more or less to a point located on the Westerly line of land heretofore conveyed to the Union Free School District;

RUNNING THENCE North 23 degrees 1 minute 43 seconds West along the Westerly side of land heretofore conveyed to Union Free School District a distance of 200 feet to the Southerly side of Harding Avenue;

RUNNING THENCE along the Southerly side of Harding Avenue East approximately 25 feet to the point or place of BEGINNING; and

ALL that certain plot, piece or parcel of land situate, lying and being at Lindenhurst, Town of Babylon, County of Suffolk and State of New York and described as follows:

BEGINNING at a point on the Westerly side of Shore Road where lots 24 and 25 intersects the westerly side of Shore Road, said point is located 360 feet South of the first mentioned course;

RUNNING THENCE along the Westerly side of proposed extension of Shore Road South 1 degree 56 minutes 10 seconds East, 100 feet and;

THENCE in a general Northwesterly direction along the shore line of Neguntatogue Creek a distance of approximately 457 feet where said shore line meets an existing bulkhead on premises presently owned by Charles Drago;

RUNNING THENCE along said Southerly side of Drago property South 88 degrees 3 minutes 50 seconds West a distance of 110 feet to the point or place of BEGINNING.

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
A1		140	14	.0019	BB/R
A2		140	14	.0019	BB/R
A3		140	14	.0019	BB/R
A4		140	14	.0019	BB/R
A5		140	14	.0019	BB/R
A6		140	14	.0019	BB/R
A7		150	15	.0020	BB/R
A8		150	15	.0020	BB/R
A9		150	15	.0020	BB/R
A10		150	15	.0020	BB/R
A11		150	15	.0020	BB/R
A12		150	15	.0020	BB/R
A13		150	15	.0020	BB/R
A14		160	16	.0022	BB/R
A15		150	15	.0020	BB/R
A16		160	16	.0022	BB/R
A17		160	16	.0022	BB/R
A18		150	15	.0020	BB/R
A19		150	15	.0020	BB/R
A20		150	15	.0020	BB/R
A21		150	15	.0020	BB/R
A22		160	16	.0022	BB/Sidewalk
A23		160	16	.0022	BB/R

"BB" = Boat Basin
"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
A24		140	14	.0019	BB/R
A25		140	14	.0019	BB/R
A26		140	14	.0019	BB/R
A27		150	15	.0020	BB/R
A28		150	15	.0020	BB/R
A29		140	14	.0019	BB/R
A30		140	14	.0019	BB/R
A31		150	15	.0020	BB/R
A32		160	16	.0022	BB/R
A33		150	15	.0020	BB/R
A34		150	15	.0020	BB/R
A35		150	15	.0020	BB/R
A36		150	15	.0020	BB/R
A37		150	15	.0020	BB/R
A38		150	15	.0020	BB/R
A39		150	15	.0020	BB/R
A40		150	15	.0020	BB/R
A41		150	15	.0020	BB/R
A42		160	16	.0022	BB/R
A43		170	17	.0023	BB/R
A44		150	15	.0020	BB/R
A45		150	15	.0020	BB/R
A46		150	15	.0020	BB/R

"BB" = Boat Basin
"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
A47		160	16	.0022	BB/R
A48		170	17	.0023	BB/R
A49		150	15	.0020	BB/R
A50		140	14	.0019	BB/R
A51		140	14	.0019	BB/R
A52		150	15	.0020	BB/R
A53		150	15	.0020	BB/R
A54		150	15	.0020	BB/R
A55		150	15	.0020	BB/R
A56		190	19	.0026	BB/R
B1		140	14	.0020	BB/Sidewalk
B2		140	14	.0020	BB/R
B3		140	14	.0020	BB/R
B4		140	14	.0020	BB/R
B5		140	14	.0020	BB/R
B6		140	14	.0020	BB/R
B7		140	14	.0020	BB/R
B8		140	14	.0020	BB/R
B9		140	14	.0020	BB/R
B10		140	14	.0020	BB/R
B11		140	14	.0020	BB/R
B12		140	14	.0020	BB/R

"BB" = Boat Basin
"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
B13		140	14	.0020	BB/R
B14		140	14	.0020	BB/R
B15		140	14	.0020	BB/R
B16		140	14	.0020	BB/R
B17		140	14	.0020	BB/R
B18		154	15.4	.0021	BB/R
B19		149	14.9	.0021	BB/R
B20		145	14.5	.0020	BB/R
B21		150	15	.0021	BB/R
B22		138	13.8	.0019	BB/R
B23		138	13.8	.0019	BB/R
B24		144	14.4	.0020	BB/R
B25		139	13.9	.0020	BB/R
B26		179	17.9	.0024	BB/R
B27		150	15	.0021	BB/R
B28		144	14.4	.0020	BB/R
B29		171	17.1	.0023	BB/R
B30		159	15.9	.0023	BB/R
B31		146	14.6	.0021	BB/R
B32		158	15.8	.0023	BB/R
B33		138	13.8	.0019	BB/R
B34		135	13.5	.0019	BB/R
B35		150	15	.0021	BB/R

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"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
B36		150	15	.0021	BB/R
B37		150	15	.0021	BB/R
B38		150	15	.0021	BB/R
B39		150	15	.0021	BB/R
B40		153	15.3	.0021	BB/R
B41		132	13.2	.0018	BB/R
B42		153	15.3	.0021	BB/R
B43		142	14.2	.0020	BB/R
B44		148	14.8	.0021	BB/R
B45		150	15	.0021	BB/R
B46		133	13.3	.0018	BB/R
B47		149	14.9	.0021	BB/R
B48		122	12.2	.0017	BB/R
B49		163	16.3	.0023	BB/R
B50		150	15	.0021	BB/R
B51		129	12.9	.0019	BB/R
B52		179	17.9	.0025	BB/R
C1		140	14	.0020	BB
C2		140	14	.0020	BB
C3		140	14	.0020	BB
C4		140	14	.0020	BB
C5		140	14	.0020	BB

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"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
C6		130	13	.0018	BB
C7		130	13	.0018	BB/R
C8		130	13	.0018	BB/R
C9		130	13	.0018	BB/R
C10		130	13	.0018	BB/R
C11		136	13.6	.0019	BB/R
C12		168	16.8	.0023	BB/R
C13		150	15	.0021	BB/R
C14		155	15.5	.0022	BB/R
C15		177	17.7	.0024	BB/R
C16		138	13.8	.0019	BB/R
C17		123	12.3	.0017	BB/R
C18		136	13.6	.0019	BB/R
C19		137	13.7	.0019	BB/R
C20		145	14.5	.0020	BB/R
C21		139	13.9	.0019	BB/R
C22		158	15.8	.0022	BB/R
C23		159	15.9	.0023	BB/R
C24		149	14.9	.0021	BB/R
C25		107	10.7	.0015	BB/R
C26		133	13.3	.0019	BB/R
C27		131	13.1	.0018	BB/R
C28		167	16.7	.0023	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
C29		149	14.9	.0021	BB/R
C30		138	13.8	.0019	BB/R
C31		158	15.8	.0022	BB/R
C32		153	15.3	.0021	BB/R
C33		174	17.4	.0024	BB/R
C34		180	18	.0025	BB/R
C35		155	15.5	.0022	BB/R
C36		142	14.2	.0020	BB/R
C37		140	14	.0020	BB/R
C38		129	12.9	.0018	BB/R
C39		113	11.3	.0016	BB/R
C40		150	15	.0021	BB/R
C41		150	15	.0021	BB/R
C42		150	15	.0021	BB/R
C43		150	15	.0021	BB/R
C44		150	15	.0021	BB/R
C45		150	15	.0021	BB/R
C46		160	16	.0023	BB/R
C47		169	16.9	.0023	BB/R
C48		171	17.1	.0023	BB/R
C49		158	15.8	.0022	BB/R
C50		150	15	.0021	BB/R
C51		149	14.9	.0021	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
C52		151	15.1	.0021	BB/R
C53		157	15.7	.0022	BB/R
C54		159	15.9	.0022	BB/R
C55		150	15	.0021	BB/R
C56		179	17.9	.0025	BB/R
C57		140	14	.0020	BB/R
D1		150	15.	.0021	BB/R
D2		150	15	.0021	BB/R
D3		150	15	.0021	BB/R
D4		150	15	.0021	BB/R
D5		150	15	.0021	BB/R
D6		150	15	.0021	BB/R
D7		150	15	.0021	BB/R
D8		150	15	.0021	BB/R
D9		150	15	.0021	BB/R
D10		140	14	.0020	BB/R
D11		140	14	.0020	BB/R
D12		140	14	.0020	BB/R
D13		140	14	.0020	BB/R
D14		140	14	.0020	BB/R
D15		140	14	.0020	BB/R
D16		140	14	.0020	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
D17		140	14	.0020	BB/R
D18		154	15.4	.0022	BB/R
D19		154	15.4	.0022	BB/R
D20		127	12.7	.0018	BB/R
D21		138	13.8	.0019	BB/R
D22		145	14.5	.0020	BB/R
D23		149	14.9	.0021	BB/R
D24		146	14.6	.0020	BB/R
D25		158	15.8	.0022	BB/R
D26		162	16.2	.0023	BB/R
D27		191	19.1	.0026	BB/R
D28		166	16.6	.0023	BB/R
D29		176	17.6	.0024	BB/R
D30		154	15.4	.0022	BB/R
D31		189	18.9	.0026	BB/R
D32		154	15.4	.0022	BB/R
D33		144	14.4	.0020	BB/R
D34		152	15.2	.0021	BB/R
D35		185	18.5	.0026	BB/R
D36		182	18.2	.0025	BB/R
D37		147	14.7	.0021	BB/R
D38		176	17.6	.0024	BB/R
D39		145	14.5	.0020	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
D40		144	14.4	.0020	BB/R
D41		145	14.5	.0020	BB/R
B42		138	13.8	.0019	BB/R
D43		156	15.6	.0022	BB/R
D44		156	15.6	.0022	BB/R
D45		166	16.6	.0023	BB/R
D46		165	16.5	.0023	BB/R
D47		164	16.4	.0023	BB/R
D48		125	12.5	.0017	BB/R
D49		138	13.8	.0019	BB/R
D50		135	13.5	.0018	BB/R
D51		163	16.3	.0023	BB/R
D52		168	16.8	.0023	BB/R
D53		172	17.2	.0024	BB/R
D54		165	16.5	.0023	BB/R
D55		167	16.7	.0023	BB/R
D56		144	14.4	.0020	BB/R
D57		149	14.9	.0021	BB/R
D58		149	14.9	.0021	BB/R
D59		148	14.8	.0021	BB/R
D60		151	15.1	.0021	BB/R
D61		135	13.5	.0018	BB/R
D62		140	14	.0019	BB/R
D63		156	15.6	.0022	BB/R
D64		176	17.6	.0024	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
E1		103	10.3	.0014	BB/R
E2		96	9.6	.0013	BB/R
E3		100	10	.0013	BB/R
E4		94	9.4	.0013	BB/R
E5		100	10	.0013	BB/R
E6		102	10.2	.0014	BB/R
E7		110	11.0	.0015	BB/R
E8		106	10.6	.0014	BB/R
E9		103	10.3	.0014	BB/R
E10		97	9.7	.0013	BB/R
E11		104	10.4	.0014	BB/R
E12		105	10.5	.0014	BB/R
E13		94	9.4	.0013	BB/R
E14		107	10.7	.0015	BB/R
E15		104	10.4	.0014	BB/R
E16		96	9.6	.0013	BB/R
E17		128	12.8	.0018	BB/R
F1		120	12	.0017	BB/R
F2		120	12	.0017	BB/R
F3		120	12	.0017	BB/R
F4		120	12	.0017	BB/R
F5		120	12	.0017	BB/R

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"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
F6		120	12	.0017	BB/R
F7		120	12	.0017	BB/R
F8		120	12	.0017	BB/R
F9		120	12	.0017	BB/R
F10		120	12	.0017	BB/R
F11		120	12	.0017	BB/R
F12		120	12	.0017	BB/R
F13		120	12	.0017	BB/R
F14		120	12	.0017	BB/R
F15		120	12	.0017	BB/R
F16		120	12	.0017	BB/R
F17		120	12	.0017	BB/R
F18		120	12	.0017	BB/R
F19		120	12	.0017	BB/R
F20		120	12	.0017	BB/R
F21		120	12	.0017	BB/R
F22		120	12	.0017	BB/R
F23		120	12	.0017	BB/R
F24		120	12	.0017	BB/R
F25		120	12	.0017	BB/R
F26		120	12	.0017	BB/R
F27		120	12	.0017	BB/R
F28		130	13	.0018	BB/R

"BB" = Boat Basin
"R" = Roadway

SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
F29		130	13	.0018	BB/R
F30		130	13	.0018	BB/R
F31		130	13	.0018	BB/R
F32		130	13	.0018	BB/R
F33		130	13	.0018	BB/R
F34		130	13	.0018	BB/R
F35		130	13	.0018	BB/R
F36		130	13	.0018	BB/R
F37		130	13	.0018	BB/R
F38		130	13	.0018	BB/R
F39		130	13	.0018	BB/R
F40		130	13	.0018	BB/R
F41		130	13	.0018	BB/R
F42		130	13	.0018	BB/R
F43		130	13	.0018	BB/R
F44		130	13	.0018	BB/R
F45		130	13	.0018	BB/R
F46		130	13	.0018	BB/R
F47		130	13	.0018	BB/R
F48		130	13	.0018	BB/R
F49		140	14	.0020	BB/R
F50		140	14	.0020	BB/R
F51		140	14	.0020	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
F52		140	14	.0020	BB/R
F53		140	14	.0020	BB/R
F54		140	14	.0020	BB/R
F55		140	14	.0020	BB/R
F56		150	15	.0021	BB/R
F57		150	15	.0021	BB/R
F58		160	16	.0023	BB/R
F59		160	16	.0023	BB/R
F60		169	16.9	.0023	BB/R
G1		136	13.6	.0019	BB/R
G2		103	10.3	.0014	BB/R
G3		109	10.9	.0015	BB/R
G4		115	11.5	.0016	BB/R
G5		106	10.6	.0014	BB/R
G6		108	10.8	.0015	BB/R
G7		109	10.9	.0015	BB/R
G8		111	11.1	.0015	BB/R
G9		105	10.5	.0014	BB/R
G10		106	10.6	.0014	BB/R
G11		110	11	.0015	BB/R
G12		111	11.1	.0015	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
G13		176	17.6	.0015	BB/R
G14		112	11.2	.0015	BB/R
G15		111	11.1	.0015	BB/R
G16		106	10.6	.0014	BB/R
G17		105	10.5	.0014	BB/R
G18		107	10.7	.0015	BB/R
G19		94	9.4	.0013	BB/R
G20		123	12.3	.0017	BB/R
G21		101	10.1	.0014	BB/R
G22		110	11	.0015	BB/R
G23		117	11.7	.0016	BB/R
G24		115	11.5	.0016	BB/R
G25		112	11.2	.0015	BB/R
G26		120	12	.0017	BB/R
G27		112	11.2	.0015	BB/R
G28		127	12.7	.0018	BB/R
G29		103	10.3	.0014	BB/R
G30		105	10.5	.0014	BB/R
G31		110	11	.0015	BB/R
G32		110	11	.0015	BB/R
G33		113	11.3	.0015	BB/R
G34		114	11.4	.0016	BB/R
G35		112	11.2	.0015	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
G36		115	11.5	.0016	BB/R
G37		118	11.8	.0016	BB/R
G38		124	12.4	.0017	BB/R
G39		131	13.1	.0018	BB/R
G40		144	14.4	.0020	BB/R
G41		124	12.4	.0017	BB/R
G42		118	11.8	.0016	BB/R
G43		119	11.9	.0016	BB/R
G44		120	12.0	.0017	BB/R
G45		123	12.3	.0017	BB/R
G46		110	11	.0015	BB/R
G47		99	9.9	.0013	BB/R
G48		119	11.9	.0016	BB/R
G49		113	11.3	.0015	BB/R
G50		103	10.3	.0014	BB/R
G51		102	10.2	.0014	BB/R
G52		106	10.6	.0014	BB/R
G53		107	10.7	.0015	BB/R
G54		104	10.4	.0014	BB/R
G55		107	10.7	.0015	BB/R
G56		110	11	.0015	BB/R
G57		107	10.7	.0015	BB/R
G58		124	12.4	.0017	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
G59		105	10.5	.0014	BB/R
G60		119	11.9	.0016	BB/R
G61		99	9.9	.0013	BB/R
G62		105	10.5	.0014	BB/R
G63		108	10.8	.0015	BB/R
G64		114	11.4	.0015	BB/R
G65		94	9.4	.0014	BB/R
G66		101	10.1	.0014	BB/R
G67		111	11.1	.0015	BB/R
G68		110	11	.0015	BB/R
G69		105	10.5	.0014	BB/R
G70		98	9.8	.0013	BB/R
G71		110	11	.0015	BB/R
G72		101	10.1	.0014	BB/R
G73		105	10.5	.0014	BB/R
G74		104	10.4	.0014	BB/R
G75		109	10.9	.0015	BB/R
G76		113	11.3	.0015	BB/R
G77		109	10.9	.0015	BB/R
G78		109	10.9	.0015	BB/R
G79		109	10.9	.0015	BB/R
G80		108	10.8	.0015	BB/R
G81		115	11.5	.0016	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
G82		115	11.5	.0016	BB/R
G83		108	10.8	.0015	BB/R
G84		107	10.7	.0015	BB/R
G85		110	11	.0015	BB/R
G86		867	86.7	.0021	BB/R
G87		867	86.7	.0021	BB/R
H1		124	12.4	.0017	BB/R
H2		119	11.9	.0016	BB/R
H3		118	11.8	.0016	BB/R
H4		134	13.4	.0019	BB/R
H5		125	12.5	.0017	BB/R
H6		120	12	.0017	BB/R
H7		111	11.1	.0015	BB/R
H8		129	12.9	.0018	BB/R
H9		111	11.1	.0015	BB/R
H10		112	11.2	.0015	BB/R
H11		120	12	.0017	BB/R
H12		119	11.9	.0016	BB/R
H13		135	13.5	.0019	BB/R
M1		108	10.8	.0015	BB/R
M2		110	11	.0015	BB/R
M3		106	10.6	.0014	BB/R
M4		111	11.1	.0015	BB/R

"BB" = Boat Basin
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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
M5		112	11.2	.0015	BB/R
M6		111	11.1	.0015	BB/R
M7		108	10.8	.0015	BB/R
M8		106	10.6	.0014	BB/R
M9		112	11.2	.0015	BB/R
M10		110	11	.0015	BB/R
M11		87	8.7	.0011	BB/R
M12		98	9.8	.0013	BB/R
M13		109	10.9	.0015	BB/R
M14		105	10.5	.0014	BB/R
M15		109	10.9	.0014	BB/R
M16		108	10.8	.0015	BB/R
M17		104	10.4	.0014	BB/R
M18		107	10.7	.0015	BB/R
M19		101	10.1	.0014	BB/R
M20		118	11.8	.0016	BB/R
M21		100	10	.0014	BB/R
M22		111	11.1	.0015	BB/R
M23		98	9.8	.0013	BB/R
M24		128	12.8	.0018	BB/R
M25		121	12.1	.0017	BB/R
M26		138	13.8	.0019	BB/R
M27		138	13.8	.0019	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
M28		129	12.9	.0018	BB/R
M29		128	12.8	.0018	BB/R
M30		189	18.9	.0026	BB/R
S1		160	16	.0022	BB/R
S2		160	16	.0022	BB/R
S3		160	16	.0022	BB/R
S4		160	16	.0022	BB/R
S5		150	15	.0020	BB/R
S6		150	15	.0020	BB/R
S7		150	15	.0020	BB/R
S8		150	15	.0020	BB/R
S9		150	15	.0020	BB/R
S10		150	15	.0020	BB/R
S11		150	15	.0020	BB/R
S12		150	15	.0020	BB/R
S13		150	15	.0020	BB/R
S14		150	15	.0020	BB/R
S15		180	18	.0025	BB/R
S16		190	19	.0026	BB/R
S17		195	19.5	.0027	BB/R
S18		255	25.5	.0035	BB/R
S19		170	17	.0023	BB/R

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SCHEDULE B

Unit Designation	Tax Lot No.	Approximate Square Footage of Unit	Approximate Length of Waterside of Unit	Common Interest	Portion of the Common Elements to Which Each Unit Has Immediate Access
S20		180	18	.0025	BB/R
S21		255	25.5	.0035	BB/R
S22		170	17	.0023	BB/R
S23		170	17	.0023	BB/R
S24		260	26	.0036	BB/R
Commercial Units					
Floating Dock Unit J		1,167.40	113.2	.01431	
Floating Dock Unit K		971.38	97.2	.01430	
Floating Dock Unit L		997.52	99.7	.01430	
Store Unit		110,668.53	61.63	.04125	
Essex Office Unit		3,200	----	.01618	
Cove Office Unit		5,924.16	----	.01348	
Gas Dock Unit		8,315.60	233	.01798	
Launching Unit		771.01	65.975	.00430	

"BB" = Boat Basin
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SCHEDULE C

BY-LAWS
OF
THE ANCHORAGE YACHT CLUB CONDOMINIUM

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BY-LAWS

of

THE ANCHORAGE YACHT CLUB CONDOMINIUM

Article I

General

Section 1. Purpose and Definition of Terms. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of The Anchorage Yacht Club Condominium, as well as certain obligations of the Unit Owners therein. All terms used in these By-Laws which are capitalized and are not defined herein shall have the meaning ascribed to such terms in the Declaration of which these By-Laws are a part (such Declaration as amended from time to time being herein referred to as the "Declaration").

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 3. Application. All present and future Unit Owner, mortgagees, lessees and occupants of Units and their employees or guests, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws and the Declaration.

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

Section 4. Principal Office. The principal office of the Condominium and of the Board of Managers (as hereinafter defined) shall be located at 401 East Shore Road, Lindenhurst, New York, or at such other place within the County of Suffolk reasonably convenient thereto, as may be designated from time to time by the Board of Managers.

Article II

Board of Managers

Section 1. Number and Term of Office. As more particularly set forth in these By-Laws and the Declaration, the affairs of

the Condominium shall be governed by a board of managers of the Condominium (the "Board of Managers"). The Board of Managers shall be composed of five (5) members. Until the first meeting of the Unit Owner, the members of the Board of Managers shall consist of five (5) persons appointed by the Declarant. Each member of the Board of Managers shall serve for a term of one (1) year or until their respective successors shall have been duly elected, except as provided in Section 17 of this Article II and Section 1 of Article III. Each member may be re-elected any number of times.

Section 2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and maintenance, repair, improvement and alteration of (i) the Common Elements and (ii) the Slip Units on behalf of their respective Slip Unit Owners.

(b) Determination of the Common Charges (as hereinafter defined).

(c) Collection of the Common Charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adoption of an amendment and addition to the Rules and Regulations.

(f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Accepting the conveyance of Units surrendered by Unit Owners to the Board of Managers, or purchasing Units at a foreclosure sale pursuant to Section 7 of Article V, in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(h) Selling, leasing, mortgaging, or otherwise dealing with Units acquired by the Board of Manager or its designee, corporate or otherwise, on behalf of all Unit Owner, but not casting the votes appurtenant to such Units.

(i) Organizing corporations to act as designees of the

Board of Managers in acquiring title to Units on behalf of all Unit Owners.

(j) Obtaining insurance for the Property, including the Units, pursuant to the provisions of Article V, Section 2 hereof, and adjusting and settling any insurance claims thereunder (including executing and delivering releases in connection therewith).

(k) Making of repairs, restorations, additions and improvements to or alterations of the Common Elements or any part thereof, damaged or destroyed by fire or other casualty, or necessitated as a result of condemnation or eminent domain proceedings.

(l) Enforcing obligations of Unit Owners, including, without limitation, levying reasonable fines against Unit Owners for violation of the Rules and Regulations.

(m) Leasing of the snack bar and granting of licenses of Common Elements.

(n) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, maintenance and alteration of, or the making of repairs, replacements, restorations or additions to the Common Element, provided that (i) the consent of two-thirds (2/3) in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $50,000 in any one fiscal year, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Board of Managers pursuant to the authority contained in this subparagraph (n) is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as his Common Interest in the Common Elements bears to the Common Interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

(o) Executing, acknowledging and delivering of any declaration or other instrument affecting the Property (i) which the Board of Managers deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any governmental authorities applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, permitted hereunder or under the Declaration or (ii) upon request of a

Unit Owner.

(p) Preparing, executing and recording on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest (i) amendments of the Declaration and/or these By-Laws, whenever requested by a Commercial Unit Owner, Declarant or any of its designees, as provided in the Declaration, or (ii) a restatement of the Declaration and/or By-Law whenever in the judgment of the Board of Managers it is advisable to consolidate and restate all amendments theretofore made to the Declaration and/or By-Laws.

(q) Granting utilities or other easements as may, from time to time, be required for the benefit of the Condominium and Unit Owners and controlling power shut-offs and other interruptions of the normal functioning of the Condominium, to facilitate renovations of particular Units and/or of the Common Elements. In making determinations in this area, the Board will make all reasonable efforts to disrupt the business operations of the Unit Owners as little as possible under the circumstances then prevailing.

(r) Investing any excess funds in savings accounts, treasury bills, certificates of deposit or other such money market instruments and funds with invest in any such instruments.

(s) Acting as an agent of each Unit Owner who has given his written authorization to complain or apply to the local and county real estate tax assessment agency board of review by filing a signal complaint on behalf of all such Unit Owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements, and legal fees paid or incurred in connection with any such complaint or application.

Section 3. Managing Agent and Manager. The Board of Managers may employ for the Condominium a managing agent and/or a manager, at a compensation rate established by the Board of Managers, provided that if such rate is greater than five (5%) percent of the gross receipts of the Condominium during any fiscal year of the Condominium from time to time, then such greater rate shall be comparable to standard rates for similar properties in the vicinity of the Condominium, to perform such duties and services as the Board of Managers shall authorize, including but not limited to the duties listed in subdivisions (a), (c), (d), (j) and (k) of Section 2 of this Article II. However, in no event may the Board of Managers delegate to the

manager or managing agent, the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (l), (m), (n), (o), (p), (q), (r) and (s) of Section 2 of this Article II. The Board of Managers may retain such attorneys, accountants and other professionals as it deems advisable in exercising any of the powers enumerated in Section 2 of this Article II.

Section 4. Removal. Any member of the Board of Managers may be removed with or without cause by a Majority in Common Interest of the Unit Owners electing any such member pursuant to the provisions of Section 8 of Article III, except that if any member of the Board of Managers was elected by the Commercial Unit Owners or Declarant or its designees he may not be removed for other than cause except by the written consent of the Commercial Unit Owners or Declarant or its designees, as the case may be. If any member of the Board of Managers elected by the Commercial Unit Owners or Declarant or its designees is removed whether or not for cause, then the vacancy shall be filled as provided in Section 5 hereof. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

Section 5. Vacancies. Vacancies in the Board of Managers caused by any reason other than as provided in Section 17 of this Article II or in Section 1 of Article III, shall (i) in the case of the members of the Board of Managers elected by the Commercial Unit Owners or Declarant and/or its designees be filled by the written consent of the Commercial Unit Owners or Declarant and/or its designees, as the case may be, having appurtenant to their Units a majority of the common interest appurtenant to all of the Commercial Units or Units owned by the Declarant and its designees, as the case may be, and (ii) in the case of any other members of the Board of Managers be filled by vote of a majority of the remaining members of the Board of Managers at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Managers, until a successor shall be elected at the next annual meeting of the Unit Owners or at a special meeting held for that purpose.

Section 6. First Meeting of Board of Managers. The first meeting of the Board of Managers shall be held immediately following the first meeting of the Unit Owners and no notice shall be necessary to the newly elected members of the Board of Managers legally to constitute such meeting, provided that a majority of the members of the Board of Managers shall be present at such first meeting.

Section 7. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the

Board of Managers but at least four (4) such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers by personal delivery, mail or telegram at least five (5) business days prior to the day named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Managers may be called by the President by giving five (5) business days' prior notice to each member of the Board of Managers by personal delivery, mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) member of the Board of Managers.

Section 9. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum of Board of Managers. At all meetings of the Board of Managers a majority of the members thereof shall constitute a quorum for the transaction of business.

Section 11. Decision of the Board of Managers. The votes of a majority of the members of the Board of Managers present at the meeting at which a quorum is present shall constitute the decision of the Board of Managers.

Section 12. Adjournment of Meeting. If at any meeting of the Board of Managers, the members present shall be less than a quorum, a majority of those present may adjourn the meeting from time to time. At the next meeting at which a quorum is present following such adjourned meeting, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Fidelity Bonds. The Board of Managers may obtain fidelity bonds concerning any or all officers and employees of the Condominium funds, and the premium on such funds shall constitute a Common Expense (as hereinafter defined).

Section 14. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 15. Liability of Board of Managers. To the extent permitted by applicable law, no member of the Board of Managers or the managing agent or manager shall have any personal liability with respect to any contract, act or omission of the Board of Managers or any managing agent or manager in connection with the affairs or operations of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board of Managers or by any managing agent or manager thereof shall state that it is made by such Board of Managers, managing agent or manager as agent for all Unit Owners, that such members of the Board of Managers or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and, unless expressly stated to the contrary in such contract (as determined by the Board of Managers in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his Unit so that such Unit One shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Condominium on whose behalf the contract or agreement is made. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise except for their own individual willfull misconduct or bad faith. The Unit Owners, including those who are members of the Board of Managers, to the extent provided below, shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of law or the Declaration or these By-Laws. Each Unit Owner's liability to indemnify the members of the Board of Managers, as provided above, shall be limited to an amount which is in the same proportion to the total contractual liability as the Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium except as Unit Owners. It is understood that the Board of Managers, which may consist of principals and/or of employees of the Declarant, may

contract with Declarant and affiliated corporations and entities without incurring any liability for self-dealing, provided that the terms of such contract including the compensation paid in respect thereof shall be on no less favorable terms than then competitive terms.

Section 16. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an executive committee to consist of one or more members of the Board of Managers with at least one of the members of such executive committee being the member of the Board of Managers elected by the Commercial Unit Owners. Such executive committee shall have and may exercise all the powers of the Board of Managers in the management of the business affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law.

Section 17. Control by Declarant. The Declarant and its designees: (i) shall not be entitled to elect a majority of the members of the Board (a) in the event that such holders own less than 50% of the Units in the Condominium, or (b) in any event after the second anniversary of the Closing Date, and (ii) may not exercise a veto over expenditures conforming to the budget set forth in Schedule B of the Plan (hereinafter defined) or over expenditures required to comply with applicable laws or regulations, remedy any notice of violation or terminate any work order by an insurer. Upon the earlier to occur of the events stated in clause (i)(a) or (i)(b) above, so many serving members of the Board elected by the Declarant or its designees as shall reduce the number of such members to less than a majority of the Board shall resign and such vacancies shall be filled in accordance with the provisions of Section 5(ii) above.

Article III

Unit Owners

Section 1. Annual Meetings. Within forty-five (45) days after the date the Declarant conveys title to the first Unit pursuant to the Condominium Offering Plan proposed by the Declarant for the Property (the "Plan"), the first meeting of Unit Owners shall be held. At such meeting the incumbent Board of Managers shall resign and a new Board shall be elected by the Unit Owners as provided in the By-Laws. Thereafter, annual meetings shall be held on the second (2nd) Tuesday of November of each succeeding year unless such day shall be a holiday in which event the meeting shall be held on the next succeeding business day. At such meetings the Unit Owners shall elect members of the Board of Managers to fill vacancies or to succeed retiring

members of the Board of Managers as provided in Article II of these By-Laws and shall also transact such other business of the Condominium as may properly come before the meeting.

Section 2. Place of Meeting. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than twenty-five (25%) percent in Common Interest of all the Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. If the President fails so to call such special meeting any Unit Owner may so call such meeting by notice meeting the requirements of Section 4 hereof (except that such notice need not be given by the Secretary).

Section 4. Notice of Meeting. It shall be the duty of the Secretary to give a notice to each Unit Owner of record of each annual or special meeting stating the purpose thereof and the time and place where it is to be held. Such notice shall be personally delivered or mailed to the Unit Owner at the address of such Unit Owner at the Property or such other address as such Unit Owner shall have designated by notice in writing delivered to the Secretary at least ten (10) days prior to the giving of such notice of meeting by the Secretary. The giving of a notice in the manner provided in these By-Laws shall be considered notice properly served.

Section 5. Quorum of Unit Owners. The presence in person or by proxy of Unit Owners owning in the aggregate more than fifty (50%) percent of the Common Interests of all Unit Owners (as modified by the provisions of Section 11 of this Article III) shall constitute a quorum at all meetings of the Unit Owners.

Section 6. Adjournment of Meetings. If any meetings of Unit Owners cannot be held because a quorum is not present, a majority in Common Interest of the Unit Owners present either in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

Section 7. Order of Business. The order of business at all annual meetings of the Unit Owners shall be as follows:

(a) Roll call.

(b) Proof of notice of meeting.

(c) Reading of minutes of preceding meeting.

(d) Reports of officers.

(e) Report of Board of Managers.

(f) Report of committees.

(g) Report of Managing Agent.

(h) Election of inspectors of election.

(i) Election of members of the Board of Managers.

(j) Unfinished business.

(k) New business.

The order of business of all special meetings of the Unit Owners shall conform to the foregoing to the extent practicable.

Section 8. Voting. The Unit Owner of each Unit or a person designated by such Unit Owner to act as proxy on his behalf and who need not be a Unit Owner shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating. Each Unit Owner including the Declarant shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each one-ten thousandth (1/10,000th) of one (1%) percent of the Common Interest applicable to his or its Unit except as provided below. A fiduciary shall cast the votes appurtenant to any Unit owned in a fiduciary capacity.

When voting for members of the Board of Managers, the voting shall be by ballot and each ballot shall state, among other things, the name of the Unit Owner voting and the Common Interest appurtenant to this Unit and in addition the name of the proxy if such ballot is cast by a proxy. The Commercial Unit Owners shall be entitled to elect one member of the Board of Managers and the remaining Unit Owners shall be entitled to elect four members of the Board of Managers, and for such purpose only, be entitled to cast as many votes as shall equal the number of votes which he would be entitled to cast, absent this sentence, multiplied by the number of members of the Board of Managers to be elected, and he may cast all such votes for a single member or may distribute them among the members to be voted for as such Unit Owner sees fit. All elections of members of the Board of Managers shall be

determined by a plurality vote and shall be balloted all at the same time.

Section 9. Decisions of Unit Owners. The vote of a Majority in Common Interest of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except as otherwise provided in the Declaration or these By-Laws.

Section 10. Majority in Common Interest of Unit Owners. As used in these By-Laws the term "Majority in Common Interest of Unit Owners" shall mean those Unit Owners having more than fifty (50%) percent of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of Unit Owners determined in accordance with the provisions of Sections 8 and 11 of this Article III.

Section 11. Exclusion from Computation of Common Interests. For purposes of Section 5, 8, 9 and 10 of this Article III, the Common Interest of a Unit shall be excluded from any computation of the Common Interests of all Unit Owners, Unit Owners present at a meeting, or the total authorized votes of all Unit Owners.

Article IV

Officers

Section 1. Designation. The principal officers of the Condominium shall be the Commodore/President, the Vice Commodore/Vice President, the Duty Officer/Secretary and the Purser/Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Purser/Assistant Treasurer, an Assistant Duty Officer/Assistant Secretary and such other officer as in its judgment may be necessary. The Commodore/President, but no other officer, need be a member of the Board of Managers. Any single person may hold any combination of offices except that the office of Commodore/President and Vice Commodore/Vice President shall be held by different persons.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at its annual meetings except upon removal as provided below.

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

Section 4. Commodore/President. The Commodore/President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and the Board of Managers. He shall have all of the general powers and duties which are incident to the office of Commodore/President, including but not limited to the power to appoint committees from amongst the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium. The Commodore/President shall be a member of the Board of Managers.

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

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

Section 7. Purser/Treasurer. The Purser/Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of Purser/Treasurer.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as an officer of the Condominium.

Article V

Operation of the Property

Section 1. Determination of Common Expenses and Fixing of Common Charges to Meet Common Expenses. Except as otherwise provided in the Declaration and these By-Laws, the term "Common Expense" shall mean all (i) costs and expenses paid or incurred by the Condominium in connection with repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements (including without limitation accounting, legal, architectural, engineering or other professional or service fees); (ii) other items provided for in the Declaration or these By-Laws to be Common Expenses; and (iii) such reserves as the Board of Managers may determine to be reasonably necessary for general operating costs and expenses, for working capital and for replacement of Common Elements. The Board of Managers shall from time to time, but at least annually, prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners pro rata in accordance with the respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), Common Charges to meet Common Expenses. The Board of Managers shall promptly advise all Unit Owners, in writing, of the amount of the Common Charges payable by each of them as determined by the Board of Managers, as aforesaid, and shall furnish to all Unit Owners copies of each budget on which such Common Charges are based.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the insurance set forth below and the premiums for such insurance shall be a Common Expense except as otherwise provided in the Rules and Regulations: (1) fire insurance with all risks extended coverage, vandalism and malicious mischief endorsements, insuring the Property (including all Units but excluding machinery, fixtures, furniture, furnishings or other personal property supplied or installed by Unit Owners and buildings erected on the Commercial Units), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to at least 80% of the full replacement value of the improvements to the property other than buildings erected on the Commercial Units (exclusive of foundations and footings), without deduction for depreciation, and each of such policies of insurance shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject,

however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; (2) workmen's compensation insurance; (3) public liability coverage; (4) fidelity bond for managing agent; (5) errors and omissions insurance; and (6) such other insurance as the Board of Managers may determine. To the extent not specified above, all such insurance shall be in such amount as the Board of Managers shall from time to time determine to be reasonable. All of such policies shall provide that adjustment of loss shall be made by the Board of Managers and all policies of physical damage insurance shall provide the the proceeds thereof if $250,000 or less shall be paid to the Board of Managers, and if in excess of $250,000 shall be paid to the Insurance Trustee. The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the Condominium.

All policies of physical damage insurance shall contain, if obtainable, waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a casualty insurance company or otherwise of the full replacement value of the Building (exclusive of foundations), including all of the Units and all of the Common Elements therein, without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be obtained pursuant to this Section.

The public liability insurance coverage required to be obtained by the Board of Managers as set forth above shall cover, to the extent possible, liability claims arising out of the Property, in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, if any, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Manager shall review such limits at least once each year.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Property as a result of fire or other casualty (unless 75% or more of the Property is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not, within

sixty (60) days from the date of such damage or destruction, duly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Property (including the Units but excluding boats, cars or other personal property of a Unit Owner located at the Property or the buildings erected on the Commerical Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense, and the Board of Managers may assess the Unit Owners for such deficit as part of the Common Charges. In the event the insurance proceeds exceed the cost of repair or restoration, such excess shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among the Unit Owners in proportion to their respective Common Interests after first paying to the Permitted Mortgagees of the Unit and any other holders of liens against the Unit (including the Board of Managers) out of the share of each Unit Owner, the amount of any unpaid liens on his Unit, in the order of their priority.

If 75% or more of the Property is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not within sixty (60) days from the date of such damage or destruction, duly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all of the Unit Owners in proportion to their respective Common Interests, after first paying to the Permitted Mortgagees of the Unit and any other holders of liens against the Unit (including the Board of Managers) or of the share of each Unit Owner, the amount of any unpaid liens on his Unit, in the order of priority of such liens.

Section 4. Common Charges and Payment of Common Charges. The term "Common Charges" shall mean any charge assessed by the Board of Managers against any Unit Owner. A Unit Owner shall be obligated to pay the Common Charges assessed by the Board of Managers against such Unit Owner at such time or times as the Board of Managers shall determine. Unless otherwise determined by the Board of Managers, the Common Charges assessed by the Board of Managers to meet Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year.

Section 5. Collection of Common Charges. The Board of Managers shall assess Common Charges against the Unit Owners from

time to time, but at least annually, and shall take prompt action to collect any Common Charges due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.

Section 6. Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of any Common Charges within ten (10) days of its due date (although nothing herein shall be deemed to extend the period within which such Common Charges are to be paid), such Unit Owner shall be obligated to pay (a) a late charge at the rate of $.02 per dollar per month or any part thereof for all such overdue Common Charges, from the due date of such Common Charges until paid, and (b) all costs and expenses, including, without limitation, reasonable attorneys' fees paid or incurred by the Board of Managers and/or another Unit Owner, in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the Condominium Act, in the manner provided in Section-aa thereof, or in any other manner permitted by law. All such late charges and costs and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. In addition, the Board of Managers shall have the right to levy against Unit Owners such just and appropriate fines as it deems advisable for noncompliance with any of the provisions of the Declaration, these By-Laws or the Rules and Regulations. All such fines shall be added to and shall constitute Common Charges payable by such Unit Owner.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought to foreclose a lien on a Unit for unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficiency.

No Unit Owner shall be liable for the payment of any part of the Common Charges against his Unit accruing subsequent to a sale or other conveyance by him or such Unit, together with its Appurtenant Common Interest, provided that no violation of any provision of the Declaration or these By-Laws then exists with respect to such Unit. Any Unit Owner may, by conveying his Unit and its Appurtenant Interest to the Board of Managers, or its designee,

corporate or otherwise, exempt himself from the liability for Common Charges accruing after such conveyance, subject to the terms and conditions of these By-Laws, provided that at the time of such conveyance (a) such Unit is free and clear of liens and encumbrances other than a first mortgage and the statutory lien for Common Charges and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except as hereinafter provided. A purchaser of a Unit at a foreclosure sale pursuant to a Permitted Mortgage against such Unit shall not be liable, and such Unit shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, the Owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

Section 8. Statement of Common Charges. The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 9. Maintenance and Repairs. Each Unit Owner shall be responsible for the maintenance his Unit in good order and condition, ordinary wear and tear excepted on the terms and conditions provided below. All maintenance of and repairs to any Slip Unit (other than maintenance of and repairs to any Common Elements contained in the Slip Unit), whether structural or nonstructural, ordinary or extraordinary, shall be performed by the Condominium on behalf and at the sole cost and expenses of the Slip Unit Owner of such Slip Unit, and any such costs and expenses incurred by the Condominium shall be assessed as a Common Charge against such Slip Unit. All maintenance of and repairs to any Commercial Unit (other than maintenance of and repairs to the Common Elements contained in such Commercial Unit), whether structural or nonstructural, ordinary or extraordinary, shall be performed by the Commercial Unit Owner of such Commercial Unit, at such Commercial Unit Owner's sole cost and expense. All repairs and replacements shall be of a quality or class equal to the original work or construction. Each Unit Owner shall give the Board of Managers prompt notice of any defect, or need for repairs or maintenance requiring action by the Condominium hereunder after actual notice thereof to such Unit Owner. Each Unit Owner shall perform such construction, construction, alterations or improvements to its Unit and the Common Elements as from time to time shall be necessary to render its occupancy of such Unit lawful.

All maintenance of and repairs to the Common Elements shall

be performed by the Board of Managers and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except as otherwise provided in these By-Laws. In performing such maintenance or making such repairs, the Board of Managers or its designee shall make all reasonable efforts to minimize any interference with the Unit Owners' use and enjoyment of and business conducted in their Units.

In the event that any maintenance of or repairs to the Property or any part thereof are necessitated by the negligence of (a) any Unit Owner, his tenants or visitors or occupants of the Unit, the entire cost thereof shall be borne by such Unit Owner and shall be assessed by the Board of Managers against such Unit Owner as a Common Charge or (b) the Board of Managers, the entire cost thereof shall be borne by the Condominium.

Section 10. Performance of Unit Owners' Obligations and Injunctive Relief. In the event that any Unit Owner defaults in any of his obligations under the Declaration, these By-Laws or the Rules and Regulations other than the obligation to pay Common Charges, then in such event the Board of Managers may send to such Unit Owner a notice specifying the default. If within thirty (30) business days after the service of such notice upon the Unit Owner, such Unit Owner fails to cure such default or, in the case of a default not reasonably susceptible to cure within such period, fails to commence to cure such default within such thirty (30) days period and thereafter prosecute such cure to completion with due diligence, the Board of Managers or its designee may enter the Unit and cure such default. All sums expended and all costs and expenses incurred in connection with the curing of such default together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law) shall be added to and shall constitute a Common Charge against such Unit Owner.

Section 11. Additions, Alterations or Improvements by the Board of Managers. Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements costing in excess of $100,000 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by in excess of 75% in Common Interest of all the Unit Owners and their mortgagees. Any additions, alterations or improvements to the Common Elements costing in the aggregate $100,000 or less in any fiscal year may be made by the Board of Managers without the approval of the Unit Owners provided same are reasonably necessary to the operations of the Property as a first class marina. The cost and expense of any addition, alteration or improvement to the Common Elements shall, except as otherwise provided in the Declaration and these By-Laws including without limitation the Rules and Regulations thereunder, constitute part of the Common Expenses.

In making such additions, alterations and improvements, the Board of Managers or its designee shall make all reasonable efforts to minimize any interference with the Unit Owners' use and enjoyment of and any business conducted in his Unit.

Section 12. Additions, Alterations or Improvements by Unit Owners. Except with respect to a Commercial Unit Owner or the Declarant or its designees as permitted in this Declaration no Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or make structural changes to any of the Common Elements, or excavate or otherwise alter Common Elements.

Section 13. Right of Access. A Unit Owner shall give access to his Unit to the manager and/or the managing agent and/or any other person(s) authorized by the Board of Managers, the manager or the managing agent, for the purpose of (i) making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, (ii) performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere on the Property, (iii) correcting any condition which violates the provisions of any mortgage covering another Unit, or (iv) making repairs or performing maintenance, in the case of a Slip Unit provided that except as provided below, the requests for entry are made at least one (1) day in advance. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business in or use of the Unit. In case of an emergency, such right of access shall be immediate, without advance notice whether the Unit Owner is present at the time or not. The foregoing shall not be deemed as prohibiting a Unit Owner from having a representative present when such access is given to the Board of Managers.

Section 14. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Unit and Common Elements (such rules and regulations as amended from time to time are sometimes herein referred to as the "Rules and Regulations"). Except as provided in the Declaration, the Board of Managers may from time to time amend such Rules and Regulations in such manner as shall be reasonably necessary for the proper operation of the Building, except that a Majority in Common Interest of the Unit Owners may overrule the Board of Managers with respect to any such amendment. Copies of such Rules and Regulations as amended shall be furnished by the Board of Managers to each Unit Owner not less than thirty (30) days prior to the effective date thereof.

Section 15. Real Estate Taxes. Until the Units are separately assessed for real estate tax purposes, the Board of

Managers shall promptly pay all real estate taxes levied with respect to the Property as a Common Expense.

Section 16. Water Charges and Sewer Rents and Electricity. Water for the Property shall be supplied by the Suffolk County Water Authority. Electricity for the Units and the Common Elements shall be supplied by the public utility company serving the area. The Board of Managers shall arrange that water usage and electrical usage at the Property shall be separately submetered and/or surveyed from time to time. The Board of Managers shall assess and regularly bill as a Common Charge against the Unit the actual charges billed to Landlord for all electricity consumed by such Unit and water charges and sewer rents attributable to water consumed by such Unit. The Board of Managers, in making its determination apportioning the electrical usage and water consumption at the Property among the Units and the Common Elements, shall make a just and equitable division of all charges billed to the Condominium for electrical and water and sewer service, taking into account the factors employed by the public utility or Town, as the case may be, serving the Property in determining such charges, such as the number of units of electricity or water, as the case may be, consumed, the level of demand for electricity or water, as the case may be, the time of day and/or season of usage and all other such factors. Upon request by a Unit Owner in writing, the Board of Managers shall furnish such Unit Owner with a copy of any electrical or water survey prepared for the Condominium for a period of up to two (2) years prior to the date of such request and access to all records of any electrical or water submeters measuring consumption at the Property for such two (2) year period, and to all bills for such electrical and water consumption for such two (2) year period, at reasonable times during business hours of the Condominium and on reasonable notice. A Unit Owner making a request as provided above, shall be allowed to make copies of such records and bills at such Unit Owner's expense.

No Unit Owner shall ever exceed the capacity of feeders, risers or wiring installations at the Property and shall not use any electrical equipment which in the reasonable opinion of the Board of Managers will overload such feeders, risers or installations.

No Unit Owner shall ever exceed the capacity of the water and sewer system at the Property and shall not use any equipment which in the reasonable opinion of the Board of Managers will overload such water and sewer system.

The Board of Managers may install submeters to measure electrical and water consumption at the Premises and the cost of installing and maintaining the same, as well as of any electrical or water consumption survey, shall be a Common Expense.

The Board of Managers shall furnish a statement to each Unit Owner from time to time of all sums due and owing by such Unit Owner as Common Charges assessed against his Unit for electrical and water usage attributable to such Unit.

Electric and water service to Slip Units may be discontinued by the Condominium during the period November 1 through April 15 of each year.

Section 17. Utilities Serving the Common Elements. The costs and expense of water and sewer, electricity and gas serving or benefiting the Common Elements shall be a Common Expense. If such costs are not separately metered, then the Board of Managers shall determine what portion of the bill rendered which includes such costs is attributable to the Common Elements and is a Common Expense.

Section 18. Interruption in Utilities. The Board of Managers shall have the right to interrupt all utilities for the purposes of dealing with accidents, strikes and repairs, alterations, improvements, and the like. The Board of Managers shall have no liability to any Unit Owner for any such interruption. However, the Board of Managers shall make all reasonable efforts to minimize the extent of such interference.

Article VI

Selling, Leasing and Mortgaging of Units

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. The mortgage lien of any mortgagee of a Unit shall be subordinate to the terms and provisions of the Declaration, By-Laws and Rules and Regulations, including, without limitation, the provisions of Section 9 of the Declaration, any such mortgage that fails to provide for such subordination shall nonetheless be deemed to provide for such subordination. Although no further instrument shall be required to effectuate such subordination, each mortgagee of a Unit, by accepting such mortgage, agrees to execute and deliver any instruments and documents requested to be executed and delivered by the Board of Managers in connection with the confirmation of such subordination, and, in the event such mortgagee fails to execute and deliver any such instruments or documents, its acceptance of such mortgage shall be deemed to constitute its appointment of the Board of Managers as its true and lawful attorney in fact in its name, place and stead to execute and

deliver any such instruments and documents, such power being coupled with an interest. A Unit Owner who satisfies a mortgage covering his Unit shall also notify the Board of Managers thereof and shall file a conformed copy of the satisfaction of mortgage with the Board of Managers. The Board of Managers shall maintain the information received pursuant to this Section 1 in a book entitled "Mortgages of Units."

Section 2. Notice of Default and Unpaid Common Charges. Whenever so requested in writing by the mortgagee of a Unit, the Board of Managers shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws, which default may to the Board's knowledge then exist. The Board of Managers, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to each holder of a mortgage covering such Unit whose name and address shall have theretofore been furnished to the Board of Managers.

Section 3. Performance by Mortgagees. The Board of Managers shall accept payment of any sum or performance of any obligation by any mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations with the same force and effect as though paid or performed by such Unit Owner.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Section 5. Selling and Leasing. No Slip Unit Owner other than the Declarant or its designees may sell or lease his Residential Unit except by complying with the following provisions:

Any Slip Unit Owner who receives a bona fide offer to (a) purchase his Slip Unit together with its Appurtenant Interest or (b) lease his Slip Unit (such offer to purchase or lease a Slip Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Slip Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice by certified or registered mail to the Board of Managers of the receipt of such Outside offer. Said notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or the

intended occupancy date in the event of a lease) and such other information as the Board of Managers may reasonably require. The giving of such notice to the Board of Managers shall constitute an offer by such Unit Owner to sell his Slip Unit to the Board of Managers, or its designee, on behalf of all other Unit Owners, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Slip Unit Owner who has received such Outside Offer, to the Board of Managers on behalf of all Unit Owners, that such Slip Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Managers may reasonably request. Not later than five (5) business days after receipt of such notice together with such further information as may have been requested, the Board of Managers may elect, by sending written notice to such Offeree Unit Owner before the expiration of said five (5) business day period, by certified or registered mail, to purchase such Slip Unit together with its Appurtenant Interest or to lease such Slip Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Slip Unit Owners, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

In the event that the Board of Managers shall timely elect to purchase such Slip Unit together with its Appurtenant Interest or to lease such Slip Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Board of Managers, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of Managers of its election to accept the aforesaid offer, the Board of Managers shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article VI) including, but not limited to, payment of a down payment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be and such closing of title or the commencement of the term of the lease shall be on the date set forth in the notice to the Board of Managers referred to in this Section 5 of Article VI as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Slip Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board of Managers may purchase the Slip Unit and assume to take title to the Slip Unit subject to said existing mortgage or mortgages, as the case may be. At the closing,

the Offeree Unit Owner, if such Slip Unit together with its Appurtenant Interest is to be sold, shall convey the same to the Board of Managers or its designee, corporate or otherwise, on behalf of all other Slip Unit Owners, by deed in the form required by Section 339-0 of the Real Property Law of the State of New York with all tax and/or documentary stamps affixed at the expense of such Slip Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board of Managers, or its designee, corporate or otherwise, as of the closing date. In the event such Slip Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board of Managers, or its designee, a lease between the Offeree Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Slip Unit, for the rental and term contained in such Outside Offer.

In the event that the Board of Managers, or its designee shall fail to accept such offer within five (5) business days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional ninety (90) days to accept the outside Offer by executing and delivering a contract or lease, as the case may be. In the event that the Offeree Unit Owner shall not, within such ninety (90) day period, accept in writing the Outside Offer or if the Offeree Unit Owner shall accept the Outside Offer within such ninety (90) day period but such sale or lease, as the case may be, shall not be consummated on or before the intended closing date or commencement date of the term of the lease, as the case may be, which is set forth in the notice to the Board of Managers referred to in this Section 5 of Article VI, then, should such Offeree Unit Owner thereafter elect to sell such Slip Unit together with its Appurtenant Interest or to lease such Slip Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 5 of Article VI.

Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of any Outside Offer to lease a Slip Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board of Managers, that the tenant

shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Managers and that the Board of Managers shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by tenant in the performance of its obligation under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

Any lease executed by the Board of Managers as tenant shall provide that the Board of Managers may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Slip Unit in violation of this Section 5 of Article VI shall be voidable at the election of the Board of Managers and if the Board of Managers shall so elect, the Slip Unit Owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Slip Unit Owner as the purported landlord. Said Slip Unit Owner shall reimburse the Board of Managers for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

Section 6. Consent of Unit Owners to Purchase or Lease of Slip Units by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Slip Unit without the prior approval of a Majority in Common Interest of Unit Owners. However, the Board of Managers shall have the right to release or waive such option without the prior approval of a Majority in Common Interest of Unit Owners.

Section 7. No Severance of Ownership. No Unit Owner shall Execute any deed, mortgager or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interest shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 7 of

Article VI shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

Section 8. Financing of Purchase of Slip Units by Board of Managers. The purchase of any Slip Unit by the Board of Managers or its designee on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board of Managers. If the funds in such accounts are insufficient to effectuate any such purchase, the Board of Managers may levy an assessment against each Unit Owner, in proportion to his respective Common Interest, as a Common Charge, and/or the Board of Managers may, in its discretion, finance the acquisition of such Slip Unit, provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Slip Unit to be purchased together with its appurtenant Common Interest.

Section 9. Exceptions. The provision of Section 5 of Article VI shall not apply with respect to any Commercial Unit, or any commercial units created by subdivision or combination of any such commercial units, from time to time, or any part thereof or any lease, sale or conveyance of any Slip Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his spouse, adult children, parents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof; (b) Declarant or any of its designees; (c) the Board of Managers; or (d) a mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Slip Unit Owner shall be bound by, and his Slip Unit subject to, the provision of this Article VI. The term "affiliate" means an individual who or entity which owns more than 50% of the legal or beneficial interest in such Unit Owner, or any entity in which such Unit Owner owns more than a 50% interest, legal or beneficial.

Section 10. Gifts and Devises, etc. Any Slip Unit Owner shall be free to convey or transfer his Slip Unit by gift, or may devise his Slip Unit by will or have his Slip Unit pass by intestacy, without restriction, provided, however, that each succeeding Slip Unit Owner shall be bound by, and his Slip Unit subject to, the provisions of this Article VI.

Section 11. Waiver or Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit.

Section 12. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges theretofore assessed by said Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit, other than any mortgages.

Section 13. Mortgage of Units. Each Unit Owner shall have the right to mortgage his Unit without restriction. However, the Unit Owner shall comply with the provisions of Section 1 of this Article VI.

Section 14. Permitted Mortgage. The term "Permitted Mortgage" shall mean a mortgage held by Declarant or its designees, a bank, trust company, insurance company, savings and loan association, union pension funds, or agency of the City or State of New York or the United States Government or other similar institutional lenders. The term "Permitted Mortgagee" shall mean a holder of a Permitted Mortgage.

Article VII

Eminent Domain

Section 1. Condemnation. In the event of taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers if such award amounts to $100,000 or less, and to the Insurance Trustee if such award amounts to more than $100,000. If 75% or more in Common Interest of all Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall arrange for the repair and restoration of such Common Elements, and the Board of Managers, or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. If the net proceeds of any such award are insufficient to cover the cost of any repairs or restorations, the deficit will be a Common Expense. In the event that 75% or more in Common Interest of all Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, or in the event that there are excess proceeds remaining after such repair or restoration, then in such event the Board of Managers, or the Insurance Trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of these By-Laws.

In the event of a partial taking by condemnation or by eminent domain which results in a disproportionate taking of the space of each Unit so that one Unit is left with proportionately less space compared to the other Unit than was the case prior to such taking, then the Common Interests of the Unit Owners shall be equitably adjusted by the Board of Managers.

Section 2. Awards for Trade Fixtures and Relocation Allowances. Where all or a part of the Condominium is taken in condemnation or by eminent domain, each Unit Owner shall have the exclusive right to claim all of the award made for trade fixtures installed by such Unit Owner, and any relocation, moving expense or other allowance of a similar nature designed to facilitate relocation of a displaced business concern.

Article VIII

Records

Section 1. Records and Audits. The Board of Managers or the managing agents shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against each Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be rendered by the Board of Managers to all Unit Owners and to all mortgagees of Units who have requested the same, within four (4) months after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as a Common Expense.

Article IX

Miscellaneous

Section 1. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Managers c/o the managing agent, or if there be no managing agent, to the office of the Board of Managers or to such other address as the Board of

Managers may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the Property or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given or served when sent as provided above as of the date of mailing, except notices of change of address which shall be deemed to have been given when received.

Section 2. Severability. If any provision of these By-Laws is invalid or unenforceable against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

Section 3. 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 these By-Laws, or the intent of any provision hereof.

Section 4. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation or provision contained in these By-Laws including without limitation the Rules and Regulations 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 thereof which may occur.

Section 6. Title to Units. Title to Units may be taken in the name of an individual, the names of two or more persons as tenants in common, joint tenants or tenants by the entireties, in the name of a corporation, partnership, association, trustee or other legal entity, or any combination of any of the foregoing.

Section 7. Successors and Assigns. The rights and/or obligations of the Unit Owners as set forth in these By-Laws and the Declaration shall inure to the benefit of and be binding upon the Board of Managers and the Unit Owners and their successors and assigns.

Section 8. Insurance Trustee. The Insurance Trustee shall be a bank or trust company in the State of New York, designated by the Board of Managers and having a capital surplus and undivided profits of $500,000,000 or more. In the event the

Insurance Trustee resigns or is replaced by the Board of Managers, the Board of Managers shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in the State of New York having a capital surplus and undivided profits of $500,000,000 or more. The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the New York Real Property Law.

Article X

Amendments to By-Laws

Section 1. Amendments to By-Laws. Except as provided in the Declaration and below, these By-Laws may be amended by the vote of not less than 80% in number and in Common Interest of all Unit Owners, at a meeting of the Unit Owners duly held for such purpose, but only with the written approval of their mortgagees, provided, however, that if a Commercial Unit Owner, Declarant or its designees shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or operation of the Property and provided further that such amendment shall not (i) decrease the rights of the Commercial Unit Owners, Declarant or its designees or (ii) increase the obligations of the Commercial Unit Owners, Declarant or its designees unless such increase in obligations shall affect all Unit Owners proportionately. Notwithstanding anything to the contrary contained herein, no provision of these By-Laws (including without limitation the Rules and Regulations) relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment, except as provided in Section 9 of the Declaration.

Article XI

Conflicts

Section 1. Conflicts. These By-Laws (including without limitation the Rules and Regulations) are intended to comply with the requirements of Article 9-B of the Real Property Law of the State of New York and all other applicable laws. In case any of these By-Laws or any provision of the Rules and Regulations shall conflict with the provisions of said statute, the Declaration or any other applicable law, the provisions of said statute, the Declaration or such other applicable law, as the case may be, shall control.

SCHEDULE A OF THE BY-LAWS

RULES AND REGULATIONS OF THE CONDOMINIUM

1. Each Unit Owner shall keep his Unit and any boat docked in a Slip Unit in a good state of preservation and cleanliness. Each Unit Owner shall place his refuse in containers in such manner and at such times and places as the Board of Managers or its agent may direct. In the event the Board of Managers finds vermin, insects or other pests in any Unit or a boat docked therein, it may take such measures as it deems necessary to control or exterminate same, and charge the cost thereof as a Common Charge to the owner of the infested Unit.

2. The Common Elements shall not be obstructed or encumbered by refuse or otherwise, or used for any purpose other than ingress or egress to and from the Units and delivering shipping of merchandise and the like to and from the Units except as provided in the Declaration and as follows:

Unit Owners shall be permitted to have dock boxes of a size and type and with mountings approved by the Board of Managers in locations to be approved by the Board of Managers within the Common Element adjacent to the upland side of the Unit. The Board of Managers shall not be responsible for the dock boxes or the contents thereof. The Unit Owners shall be responsible to keep their dock boxes maintained in good repair at all times.

3. The Board of Managers may adopt from time to time such rules and regulations as it shall deem appropriate regarding the use of the common tennis courts and pools at the Property and for the transportation by Slip Unit Owners of boats to and from and within the Condominium.

4. Supplies, goods and packages of every kind are to be delivered in such manner as the Board of Managers or its agent may reasonably prescribe and the said Board is not responsible for loss of or damage to any such property or any other personal property of a Unit Owner (including but not limited to picnic tables, television sets, radios and radar equipment), including loss or damage that may occur through the carelessness or negligence of the employees of the Condominium.

5. Unit Owners shall not cause or permit any disturbing noises or objectionable odors to be produced upon or to emanate from their Units. Without limiting the foregoing, the Unit Owner, his tenant, guests or other occupants shall use discretion in operating engines, generators, power tools (and other equip-

ment), radios, television sets, phonographs, loudspeakers, musical instruments or other noise-producing apparatus or other equipment so as to keep noise at a minimum at all times, and not to operate any of the foregoing devices between the hours of 11:00 P.M. and 9:00 A.M. except for operating boat engines for the purpose of ingress or egress to and from a Unit. The use of power tools outside of a boat docked within a Slip Unit is strictly prohibited at all times for all Slip Units.

6. Unit Owners other than the Store Unit Owner and Gas Dock Unit Owner shall not fuel their boats within their Units nor permit or keep in their Unit or transport within the Condominium any inflammable, combustible or explosive material, chemical or substance, except for fuel within the fuel tanks of boats docked at the Condominium.

7. Water closets and other water apparatus on the Property shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish bags or other articles be thrown into same. Any damage resulting from misuse of any water closets or other apparatus by a Unit Owner, his tenant, guests or other occupants and the cost of repair shall be assessed as a Common Charge against such Unit. Slip Unit Owners shall maintain the marine heads, if any, located on their boats in compliance with law.

8. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any Slip Unit Owner except Declarant or its designees on any part of the Property or any boat docked therein without the prior written consent of the Board of Managers, which consent shall not be unreasonably withheld or delayed.

9. No awnings, radio or television aerials or other projections shall be attached to any Slip Unit or any boat docked therein without the prior written consent of the Board of Managers which consent shall not be unreasonably withheld or delayed.

10. The Board of Managers shall adopt such Rules and Regulations as it shall deem appropriate from time to time regarding use by guests of a Slip Unit (except a Slip Unit owned by Declarant or its designees) and the Common Elements.

11. No animal of any kind shall be kept or harbored on the Property without a leash and accompanied by its owner. Without limiting the foregoing, Unit Owners permitting animals on the Property shall be responsible to immediately cleanup and properly dispose of their animals waste.

12. No vehicle belonging to a Slip Unit Owner or to a tenant or visitor or other occupant shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from any other Unit or Common Elements by any vehicle of any kind whatsoever nor shall any car be repaired at the Condominium. Derelict or wrecked automobiles may be removed by the Board of Managers and the cost of such removal or any other charges incurred in connection with such derelict or wrecked automobiles shall be assessed as a Common Charge against the Slip Unit Owner who either owns such vehicle or whose tenant or visitor or other occupant owns such vehicle.

13. Use of the docking area appurtenant to a Slip Unit shall be subject to any riparian rights and easements of others over the Neguntatogue Creek and/or Great South bay and the rights of the United States government, State of New York or other municipality (i) to erect or relocate its bulkhead lines in the Neguntatogue Creek and/or Great South Bay and (ii) if any, to any portion of the Property lying below the high water mark of the Neguntatogue Creek and/or Great South Bay or any portion of the Property now or formerly under water.

14. The Board of Managers may continue to maintain and replace the poles presently located within the docking area of a Unit, provided that to the maximum extent feasible when replacing such poles the Board of Managers shall locate their poles at the periphery of the docking area, more or less.

15. The Board of Managers or its designee shall have the right of access to any Unit or boat docked therein for the purpose of making inspections, repairs, replacements or improvements or to fulfill any of its obligations or exercise any of its rights or to remedy certain conditions that would result in damage to other portions of the Property as provided in the By-Laws or the Declaration.

16. Except as provided in Section 9 of the Declaration, no Unit Owner shall (i) do or permit any act or thing to be done in or to his Unit which will invalidate or be in conflict with any public liability, fire, casualty or other policy of insurance at any time carried by the Board of Managers with respect to the Property or which shall or might subject the Condominium, the Board of Managers or any other Unit Owner to any liability or responsibility to any person or for property damages, (ii) keep anything in his Unit except as now or hereafter permitted by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction and then only in such manner and such quantities so as not to increase the rate for fire insurance applicable to the Property or (iii) permit a Unit to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of the Declaration.

Any costs, expenses, fines, penalties or damages which shall be imposed upon the Board of Managers by reason of Unit Owner's default hereunder, including without limitation any increases in the premium charged for insurance carried by the Board of Managers shall be assessed as a Common Charge against the Unit Owner. In any action or proceeding relating to the foregoing, a schedule or "makeup" of rate for the Property issued by the New York Fire Insurance Exchange or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate then applicable to the Property. Each Unit Owner may carry other insurance for his own benefit, provided that all such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by such Unit Owner.

17. No Unit Owner shall place a load upon any floor of his Unit exceeding the floor load per square foot area which it was designed to carry and which is allowed by law. The Board of Managers shall have the right to prescribe the weight and position of any and all equipment stored by a Slip Unit Owner in his Slip Unit. Such installation shall be placed and maintained by each Slip Unit Owner at his sole cost and expense in settings sufficient, in the judgment of the Board of Managers, to absorb and prevent vibration, noise and annoyance. No waste shall be committed in the Common Elements.

18. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either wilfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants.

19. No sweepings, rubbish, fish cleaning or other refuse or other articles shall be thrown from any boat located at the Property and all refuse, garbage or other substances shall be deposited in receptacles designated by the Board of Managers from time to time.

20. The Property shall be deemed to be one zoning lot and the development rights available with respect to the Property from time to time shall be made available by the Condominium to the Commercial Unit Owners so that the present improvements to such Commercial Units and/or any improvements constructed by the Store Unit Owner to the Unit as contemplated by the Declaration and any replacements thereof from time to time shall be in compliance with law, and the Condominium shall not construct any improvements which would cause any of such improvements to the Commercial Units or replacement thereof to be other than legally feasible.

21. No Unit Owner shall alter, impair or otherwise affect the Common Elements without the prior written consent of the Board of Managers, except as expressly permitted herein or by the Declaration or the By-Laws.

22. Each Unit Owner shall:

(a) Obtain and keep in full force and effect any governmental license or permit required for the proper and lawful conduct of any business carried on in its Unit, and shall submit same for inspection by the Board of Managers;

(b) Keep the sidewalks and entrances in front of their respective Units clean.

(c) Each Slip Unit Owner shall maintain liability insurance naming the Condomium and Board of Managers as additional insurers with insurance companies licensed to do business in the State of New York covering the Slip Unit Owner, his Slip Unit and his boat and the acts of Slip Unit Owner, his lessees, guests or other visitors within the Condominium, and their boats and/or automobiles in amounts and in form specified from time to time by the Board of Managers and such other insurance as may be reasonably specified from time to time by the Board of Managers. The Slip Unit Owner shall furnish the Board of Managers with a certificate of insurance showing such liability coverage in full force and effect upon acquiring the Slip Unit and within ten (10) days prior to each date of expiration of the then current policies for such insurance coverage from time to time.

(d) A Slip Unit Owner and any lessee, guests or other visitors of the Slip Unit Owner must register in writing immediately upon entry to the Condominium in such manner as shall be specified from time to time by the Board of Managers.

23. Any amounts assessed against a Unit as Common Charges which are in addition to the regular monthly installments of Common Charges due and payable as provided in the By-Laws shall be paid to the Board of Managers upon demand or if not demanded then with the next monthly installment of Common Charges due and payable as provided in the By-Laws.

24. No servant or employee of the Board of Managers shall be sent out of the Property by any Unit Owner at any time for any purpose.

25. Complaints regarding services or operation of the Property shall be made in writing to the Board of Managers or managing agent.

26. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Managers, except where a consent or approval may not be unreasonably withheld as herein elsewhere provided, in which event, such consent may be added to, amended or repealed as set forth above provided such addition, amendment or repeal is not unreasonably made.

27. A Unit Owner may apply to the Board of Managers for a temporary waiver of one or more of the foregoing Rules. Such temporary waiver may be granted by the Board of Managers, for good cause shown, if, in the Board's judgment, such temporary waiver will not interfere with the purposes for which the Condominium was formed.

28. The fiscal year of the Condominium shall begin on the first day of January in each year or on such other date as the Board of Managers shall establish from time to time.

29. If any key or keys are entrusted by a Unit Owner or his tenant, visitors or other occupant to an employee of the Board of Managers whether for such Unit Owner's boat, automobile trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, tenant, visitor or other occupant, and the Board of Managers and the Condominium shall not be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

30. A Slip Unit Owner shall not paint or otherwise change or decorate the appearance of his Slip Unit without obtaining permission from the Board of Managers.

31. Automobiles or other vehicles belonging to a Unit Owner, his tenants, guests or other occupants shall be parked in such manner as to comply with parking rules and regulations as from time to time established by the Board of Managers.

32. No air conditioning device shall be installed on a boat docked within a Slip Unit without the prior written approval of the Board of Managers as to the type, location and manner of installation of such device.

33. The use of polypropylene or an insufficient or worn mooring line is strictly forbidden and Unit Owners shall replace all such lines with suitable mooring lines. Children under the

age of 12 are absolutely prohibited from the Property unless accompanied by a parent or adult guardian.

34. Swimming, diving, fishing, crabbing and other similar pursuits are prohibited anywhere along the Slip Units and fishing from boats within a Slip Unit is prohibited.

35. No engines are to run in gear while the boat is moored or tied within a Slip Unit.

36. No charter, open boat or boats for hire for commercial or business use are to be operated or to be maintained from a Slip Unit except as otherwise expressly provided in the Declaration.

37. No discharge of any kind shall be made from a boat at the Condominium including without limitation emptying of waste from a marine head, except if performed by the Gas Dock Unit Owner as a part of the bilge and marine head pumping service which such Gas Dock Unit Owner may provide at the Condominium for Unit Owners and the general public.

38. Laundry shall not be hung within a Unit or a boat docked within the Unit.

39. The applicable rules of the road and navigation laws shall be applicable to all vessels while within the Condominium and entering or leaving the Condominium.

40. In connection with the exercise by a Slip Unit owner or Floating Dock Unit owner of his right to store a boat on the Land as provided in the Declaration the washing of the boat shall mean at least a thorough cleaning of the exterior bottom of the boat to be stored and the blocking of a boat shall mean the placement of the boat to be stored on blocks of a design and with a capacity approved by the Condominium.

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SLIP UNIT DEED

THIS INDENTURE, made the day of , 198 between ANCHORAGE ASSOCIATES, a New York partnership, having an office at 230 Park Avenue, New York, New York, Borough of Manhattan, City, County and State of New York, "Grantor," and , residing at State of New York, "Grantee."

WITNESSETH:

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

The Unit known as the No. Unit in the condominium known as The Anchorage Yacht Club Condominium ("Condominium") covering the parcel of land known as and by the street number 401 East Shore Road in the Town of Lindenhurst, County of Suffolk and State of New York, and designated and described as the No. Unit in the Declaration establishing a plan for condominium ownership of said parcel of land (hereinafter called the "Property"), made by the Grantor under Article 9B of the Real Property Law of the State of New York, dated , 198 , and recorded in the Suffolk County Clerk's Office on the day of , 198 , in Reel , Page (hereinafter called the "Declaration"), and designated as Tax Lot No. in Block Section of District 100 on the Tax Map of the Town of Babylon, County of Suffolk, and on the site plan of the Property (hereinafter called the "Floor Plans"), certified by Teas, Barrett, Lanzisera and Frink on the day of , 198 , and filed in the Suffolk County Clerk's Office on the day of , 198 , as Condominium Unit No. (hereinafter called the "Unit"). The Property is described as follows:

ALL that certain plot, piece or parcel of land situate lying and being in Lindenhurst, Town of Babylon, County of Suffolk and State of New York being bounded and described as follows:

BEGINNING at a point on the Westerly side of land being acquired by Union Free School District Number 4, said point being 200 feet Southerly measured along said land being acquired by Union Free School District Number 4, from the Southerly side of Harding Avenue and from said point of beginning;

RUNNING THENCE South 66 degrees 58 minutes 17 seconds West parallel to said Southerly side of Harding Avenue and 200 feet distant Southerly therefrom, 665 feet more or less to the westerly side of Shore Road;

RUNNING THENCE South 1 degree 56 minutes 10 seconds East along said Westerly side of Shore Road and the Southerly extension thereof 100 feet to a point;

RUNNING THENCE South 19 degrees 33 minutes 50 seconds West 370 feet more or less to the shore line of Neguntatogue Creek or Great South Bay;

RUNNING THENCE Southerly along said shore line 1253 feet more or less to land now or formerly of Young and Saloman;

RUNNING THENCE Northeasterly along last mentioned land 1300 feet more or less to the said above mentioned land being acquired by Union Free School District Number 4;

RUNNING THENCE North 23 degrees 01 minute 43 seconds West along the last mentioned land, 326.73 feet to the point or place of BEGINNING;

and

ALL that certain plot, piece or parcel of land, situate, lying and being in the Town of Babylon, County of Suffolk and State of New York known and designated as Lindenhurst Tax Map 122-293 formerly part of Lindenhurst Tax Map 122-293 more particularly bounded and described as follows:

North by Union Free School District Number 4,
East by land now or formerly of Albert Glass,
South by Great South Bay;
West by Gehrlein;

and

ALL that certain plot, piece or parcel of land situate, lying and being in the Town of Babylon, County of Suffolk and State of New York being bounded and described as follows:

Said premises being located on the South side of Harding Avenue,

BEGINNING at a point located in the following two courses and distances:

BEGINNING at a point formed by the intersection of the Easterly side of Shore Road and the Southerly side of Harding Avenue;

RUNNING THENCE along the Southerly side of Harding Avenue, North 88 degrees 3 minutes 50 seconds East, 109.31 feet to a point;

RUNNING THENCE again along the Southerly side of Harding Avenue North 66 degrees 58 minutes 17 seconds East a distance of approximately 390.69 feet;

SAID Point being the point or place of beginning.

RUNNING THENCE South 23 degrees 1 minute 43 seconds East a distance of 100 feet;

RUNNING THENCE South 66 degrees 58 minutes 17 seconds West a distance of 439.24 feet to a point;

RUNNING THENCE South 1 degree 56 minutes 10 seconds East a distance of approximately 69.23 feet to the Northerly side of an existing road;

RUNNING THENCE South 66 degrees 58 minutes 17 seconds East along the Northerly side of said road a distance of 665 feet more or less to a point located on the Westerly line of land heretofore conveyed to the Union Free School District;

RUNNING THENCE North 23 degrees 1 minute 43 seconds West along the Westerly side of land heretofore conveyed to Union Free School District a distance of 200 feet to the southerly side of Harding Avenue;

RUNNING THENCE along the Southerly side of Harding Avenue East approximately 25 feet to the point or place of BEGINNING;

and

ALL that certain plot, piece or parcel of land situate, lying and being at Lindenhurst, Town of Babylon, County of Suffolk and State of New York and described as follows:

BEGINNING at a point on the Westerly side of Shore Road where lots 24 and 25 intersects the westerly side of Shore Road, said point is located 360 feet South of the first mentioned course;

RUNNING THENCE along the westerly side of proposed extension of Shore Road South 1 degree 56 minutes 10 seconds East, 100 feet and;

THENCE in a general Northwesterly direction along the shore line of Neguntatogue Creek a distance of approximately 457 feet where said shore line meets an existing bulkhead on premises presently owned by Charles Drago;

RUNNING THENCE along said Southerly side of Drago property South 88 degrees 3 minutes 50 seconds West a distance of 110 feet to the point or place of BEGINNING.

TOGETHER with % interest in the Common Elements;

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

TOGETHER with and SUBJECT to all easements of support and of necessity in favor of the Common Elements for the continuance of all encroachments of such adjoining unit(s) or Common Elements in the Unit, now existing as a result of the manner in which any improvements to a Commercial Unit or the Common Elements were constructed or which may come into existence hereafter as a result of settling or shifting of any such improvements, or as a result of repair or restoration of any such improvements or of any adjoining unit or of the Common Elements, after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements, so that any such encroachments may remain so long as any such improvements shall exist;

SUBJECT also to an easement in favor of the other unit(s) to use, maintain, alter, repair and replace, the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other unit(s);

SUBJECT to the provisions of the Declaration and of the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) 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 Suffolk County Clerk's Office, which provisions, together with amendments thereto, shall constitute covenants running with the land and shall bind any and all persons having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

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

Grantee by accepting delivery of this deed covenants and agrees to be bound by and to comply with the provisions of the Declaration and the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) 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 Suffolk County Clerk's Office.

The Slip Unit shall be used solely for docking of pleasure boats as is permitted by law except that if Slip Units G-1 and/or G-2 are owned by any of the Commercial Unit Owners or Sponsor and/or its designees, then such Slip Units G-1 and/or G-2 may be used for hauling and launching of boats.

Grantee by accepting delivery of this deed covenants and agrees that it shall not (i) erect any improvements on the Slip Unit, (ii) rent out the Slip Unit for a period less than one (1) year, (iii) use any boat toilet facilities at any time while boats are berthed or moored in the Condominium, (iv) make any boat repairs, (v) make any sales of boats or build or store any boats on his Unit, (vi) dock any vessel used, owned or occupied as a floating home as defined in Section 15-607 of the Town of Babylon Unified Code of Ordinances or sell or lease his Slip Unit for such purpose. The covenants and restrictions set forth in this Slip Unit Deed and in the Declaration and By-Laws shall be the obligation of the Grantee and his heirs, successors and assigns.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, 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 and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purpose.

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

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

WITNESS

GRANTOR:

ANCHORAGE ASSOCIATES

_____

By_____
Partner

STATE OF NEW YORK)
COUNTY OF) ss.:

On the day of , 198 , before me personally came , to me known to be the person who executed the foregoing instrument, and who, being duly sworn by me, did depose and say that he is a member of the firm of ANCHORAGE ASSOCIATES, a partnership, and that he executed the foregoing instrument in the firm name, and that he had authority to sign the same, and he acknowledged to me that he executed the same as the act and deed of said firm for the uses and purposes therein mentioned.

_____
Notary Public

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as and by the street number 401 East Shore Road, Lindenhurst, New York ("Condominium") under Article 9-B of the Real Property Law of the State of New York, dated , 198 , and recorded in the Suffolk County Clerk's office on , 198 , in Reel , page , or (b) in the By-Laws of The Anchorage Yacht Club Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned , residing at , the contract vendee/owner of the Slip Unit known as Unit No. (the "Unit") in the Condominium, said Unit being designated and described as Unit No. in the Declaration and also designated as Tax Lot in Block , Section , of District 100 of the Tax Map of the Town of Babylon, County of Suffolk and on the Floor Plans, does hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Board of Managers or in the name of their designees (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by the Unit Owners, to acquire or lease any Slip Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by a Majority in Common Interest of the Unit Owners, (b) to acquire any Slip Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer under (a) above) at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any Slip Unit so acquired by them, or to sublease any Slip Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to authorize the Board of Managers to acquire any Unit together with Appurtenant Interest, if a Unit Owner elects to surrender the same

pursuant to the By-Laws, (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting a Unit which the Board of Managers deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any governmental authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of a Unit or any improvements thereto (b) any amendment to the Declaration, declaration or other instrument which may be required by a Commercial Unit Owner, Declarant or its designees or (c) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting a Unit or the Common Elements which the Board of Managers deems necessary or appropriate.

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

The Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the day of , 198 .

_____

[SEAL]

_____

STATE OF NEW YORK)
COUNTY OF) ss.:

On this day of 19 before me personally came , to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same.

Notary Public

STATE OF NEW YORK)
COUNTY OF) ss.:

On this day of 19 before me personally came , to me known, who being by me duly sworn, did depose and say that he resides at , that he is the of , the corporation described in, and which executed, the foregoing instrument; and that he signed h name thereto by order of the board of directors of said corporation.

Notary Public

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LOCATION MAP
AND
PLOT PLAN

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Location Map

SCALE: 1" = 2000'

Plot Plan of Property
Which Also Shows Location of Commercial Units

FLOOR PLANS OF SLIP UNITS

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1. The term "existing canal" refers to the existing waterways located within the Property.

2. The Slip Units are designated by a letter identifying the section in which a particular Slip Unit is located and a number representing the individual Slip Unit. Each of the Slip Units is comprised of a portion of the Land with dimensions of approximately 10 feet by the linear footage of the water side of such Slip Unit.

3. The dots in the waterway represent the approximate locations of poles presently located or to be located within the waterway for the purpose of approximately defining the docking area of a Slip Unit.

"B" DOCK (SEE SHEET NO. 2)
"C"
DOCK
"C"
DOCK
EXISTING
CANAL
"D"
DOCK
"D"
DOCK
N
Tone, Barrett, Lanzhorn & Frisch
ANCHORAGE MARINA
THE
ANCHORAGE YACHT CLUB
CONDOMINIUM
LINDENHURST
SHEET 3 OF 8

Tone, Barrett, Lanzisera & Frick

ANCHORAGE MARINA

THE
ANCHORAGE YACHT CLUB
CONDOMINIUM

LINDENHURST
TOWN OF BABYLON SUFFOLK CO NY

SHEET 4 OF 6

Tone, Barrett, Lauzisero & Frink
Consulting Engineers & Land Surveyors

ANCHORAGE MARINA

THE
ANCHORAGE YACHT CLUB
CONDOMINIUM

LINDENHURST

TOWN OF BABYLON

JOB No. 1-1-330 SCALE 1" = 20' DATE APR. 1984

SHEET 5 OF 6

Tesc. Barrett, Lauchera & Frisch

ANCHORAGE MARINA
THE
ANCHORAGE YACHT CLUB
CONDOMINIUM
LINDENHURST
TOWN OF BABYLON SUFFOLK CO. N.Y.

SHEET 6 OF 6

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

New York State Department of Law
Two World Trade Center
New York, New York 10047

Att: Real Estate Financing Bureau

Re: The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York.

We are the sponsor and the principals* of sponsor of the offering to convert this property to a condominium.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the New York Condominium Act, the regulations promulgated by the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for making this certification. We jointly and severally certify that the offering plan does, and that all documents submitted hereafter by us with amend or supplement the offering plan will:

(1) set forth the detailed terms of the transaction and be complete, current and accurate;

(2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(3) not omit any material fact;

(4) not contain any untrue statement of a material fact;

---

* "Principals" means all individual sponsors; all general partners of sponsors that are partnerships; all officers, directors and shareholders of a corporate sponsor that are actively involved in the planning and consummation of the offering; and all other individuals who both own an interest in or control sponsor and actively participate in the planning and consummation of the offering, regardless of the form of organization of sponsor.

(5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(7) not contain any representation or statement which is false, where we (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) did not have knowledge concerning the representation or statement made.

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

Sworn to before me this
2nd day of October , 1984

Raina L. Perlmutter

NOTARY PUBLIC
Raina L. Perlmutter
Notary Public
State of New York
No. 4788648
Qualified in Nassau County
Commission Expires
March 30,1985

ANCHORAGE ASSOCIATES

BY _____

STEPHEN SLOAN, PARTNER

SPONSOR'S PRINCIPALS:

_____

STEPHEN SLOAN

Sworn to before me this
5th day of October, 1984

Leonard Grunstein

NOTARY PUBLIC
Leonard Grunstein
Notary Public, State of New York
No. 43-4631053
Qualified in Richmond County
Commission Expires March 30, 1986

_____

JONATHAN ROSEN

Stanley Diamond

STANLEY DIAMOND

CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT PURSUANT TO SECTION 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED.

New York State Department of Law
Two World Trade Center
New York, New York 10047

Att: Real Estate Financing Bureau, Room, 48-61

Re: The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York

The undersigned, an architect registered in New York State certify as follows:

The sponsor of the offering plan to convert the captioned property to a condominium retained our firm to prepare a report disclosing the condition of the property (the "Report"). We visually inspected the property on July 27, 1984, August 3, 8 and 9, 1984, and prepared the Report dated August 30, 1984, a copy of which is intended to be incorporated into the offering plan so that tenants and prospective purchasers may rely on the Report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General, in Part 20, insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernable from a visual inspection of the property. This Certification is made for the benefit of all persons to whom this offer is made. We certify that, the Report and all documents prepared by us based on our visual inspection:

(1) set forth in narrative form the physical condition of the entire property and are current and accurate as of the date of inspection;

(2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

(3) do not omit any material fact;

(4) do not contain any untrue statement of a material fact;

(5) do not contain any fraud, deception, concealment or suppression;

(6) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(7) do not contain any representation or statement which is false, where we: (i) knew the truth; (ii) with reasonable effort could hae known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

JOSEPH J. FURMAN LAWRENCE H. FURMAN
A PROFESSIONAL CORPORATION

BY: _____
LAWRENCE H. FURMAN

Sworn to before me
this 9th day of October , 1984

_____
NOTARY PUBLIC
Oswald Goldschmidt
Notary Public, State of New York
No. 1488405
Qualified in Nassau County
Commission Expires March 30,1985

CERTIFICATION BY EXPERT AS TO ADEQUACY OF PROJECTED INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

The New York State
Department of Law
Two World Trade Center
New York, New York 10047

Attention: Real Estate
Financing Bureau

Re: The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York

Dear Sir:

The undersigned certifies as follows:

The Sponsor of the Condominium Offering Plan for the captioned condominium retained our firm to review Schedule B of the Plan containing projections of receipts and expenses for the first year of condominium operation.

We understand that We are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to Schedule B.

We have investigated the facts set forth in Schedule B, and the facts underlying them with due diligence in order to form a basis for this certification.

We certify that the projections in Schedule B appear reasonable and adequate based on present prices adjusted to reflect continuing inflation and present levels of consumption for comparable units similarly situated.

We certify that this certification and all documents prepared by us hereafter that concern Schedule B do:

(1) set forth in detail the terms of the transaction as it relates to Schedule B and is complete, current, and accurate;

(2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(3) not omit any material fact;

(4) not contain any untrue statement of a material fact;

(5) do not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

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

We further certify that the undersigned has been engaged in the management and operation of the Stratford Marina, a marina comparable to the captioned property in Stratford, Connecticut since 1977; it is not owned or controlled and has no beneficial interest in the Sponsor except as described below and its compensation for reviewing Schedule B and this certification is not contingent upon consummation of the Plan or on the profitability or price of the offering.

David Olsen, a principle of undersigned, is a partner of Stephen Sloan, a principal of the Sponsor, in an entity presently considering the development of an office/hotel complex on the Stratford Marina property operated by the undersigned.

We understand that this certification in intended to be incorporated in the Plan so that prospective purchasers may rely on it.

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

STRATFORD MARINA, INC.

BY: David E. Olsen, Pres.
DAVID OLSEN, Pres.

Sworn to before me this
10 day of October , 1984

Victoria Barnett
NOTARY PUBLIC
Victoria Barnett
Notary Public, State of New York
No. 4709157
Qualified in New York County
Commission Expires March 30,1986

First Amendment

to

Condominium Offering Plan

for the Slip Units of

The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York 11757

Dated January 2, 1985

First Amendment Dated: March 8, 1985

This First Amendment dated March 8, 1985 discloses that the Condominium Offering Plan dated January 2, 1985 was declared effective in accordance with its terms. It should be read in conjunction with said Offering Plan, as amended.

This First Amendment dated March 8, 1985 discloses that the Condominium Offering Plan dated January 2, 1985 (the "Plan") was declared effective in accordance with its terms. The provisions of this First Amendment are as follows:

1. Plan Declared Effective by Notice. The Plan was declared effective in accordance with its terms as of March 6, 1985 ("Effective Date"), by notice dated March 4, 1985 mailed to all purchasers. A copy of said notice is annexed hereto as Exhibit A.

2. Acceptance of Purchase Agreements for More than 15% of the Slip Units Offered for Sale Pursuant to the Plan. There are 460 Slip Units being offered for sale under the Plan. As of this date, Sponsor has accepted Purchase Agreements for 193 of these Slip Units (approximately 41.9% of the Slip Units offered for sale).

An affidavit by Sponsor which sets forth information regarding the identity of the purchasers is annexed hereto and made a part hereof as Exhibit B.

3. Anticipated Closing Date. Sponsor anticipates that the Closing Date of the first Unit pursuant to the Plan will be on or about April 8, 1985.

4. Sponsor Financing. The Sponsor hereby offers to purchasers financing of a portion of the applicable purchase price of the Slip Unit they are purchasing on the terms

and conditions outlined below. Sponsor may itself furnish such financing or cause a bank or other lender to furnish such financing from time to time. The Sponsor reserves the right to withdraw this offer of financing at any time, without prior notice.

The terms and conditions upon which such financing is offered include the following:

(a) Financing will only be available for up to 75% of the purchase price of the Slip Unit as shown in the applicable Purchase Agreement, subject, however, to the creditworthiness of the purchaser.

(b) The term of the mortgage shall be ten (10) years. The mortgage loan is to be repaid in constant monthly installments of principal and interest in amounts sufficient to pay the interest due on the loan and fully repay the loan over the term thereof.

(c) The rate of interest charged on the loan will be 14½% per annum.

(d) Each loan shall be evidenced by a promissory note secured by a first mortgage on the borrower's Slip Unit and appurtenant common interest, and shall constitute a first mortgage thereon.

(e) In addition to the fees outlined above, the borrower will be responsible to pay legal fees of Sponsor or any other lender providing financing (which are estimated to be about $350), an application and processing fee of $135, premiums for mortgage title insurance, survey expenses, mortgage recording tax, recording fees and any appraisal fees and any other usual and customary closing costs in connection with a condominium mort-

gage. In addition, purchasers who executed Purchase Agreements after the date hereof will be required to pay an origination and commitment fee equal to 1% of the amount of their mortgage loan.

For purposes of the foregoing financing arrangements, the Sponsor or any other lender providing financing pursuant to the provisions of this Amendment will utilize such documents in form and substance as shall be satisfactory to Sponsor's counsel. These documents for the most part include a note, a mortgage, truth in lending forms and a form UCC-1 financing statement. The mortgage documents shall contain an escrow provision for the monthly payment of accrued annual taxes, water and sewer rents and assessments, if any, so that there will be sufficient moneys on deposit in an escrow account to secure payment of each such item one (1) month before the due date of such item.

Copies of these documents will be available at the Sponsor's office.

Purchasers who desire the financing offered hereunder must notify the Sponsor thereof in writing at the time that they execute their Purchase Agreements, except that purchasers who have executed Purchase Agreements prior to the date hereof shall have a period of fifteen (15) days after the date of this Amendment so to notify the Sponsor. In order to take advantage of the financing offer, within three

(3) days after a purchaser gives the notice that he desires the financing described above, he must complete, execute and deliver to Sponsor an application for such financing in the form provided by Sponsor from time to time, together with the application fee described above. If a purchaser does not comply with the foregoing procedures, then he shall not be entitled to take advantage of the financing offer set forth above.

Purchasers should note that the Sponsor may dispose of any purchase money loans provided by the Sponsor pursuant to this Amendment. In connection therewith, purchasers shall be required to execute estoppel letters and such other documents that may be necessary or convenient in order to effectuate a transfer by the Sponsor of such loans.

Purchasers shall have the right to obtain financing from any lending institution of their choice. No representation, however, is made with respect to the cost or availability of financing from any source other than the Sponsor as herein specifically set forth.

5. Increased Transfer Tax. The New York State Deed Transfer Tax has been increased. Therefore, the Deed Transfer Tax payable by each purchaser in connection with the purchase of his Slip Unit will be $2.00 for each $500.00 or any fraction thereof of gross consideration. For example,

a Slip Unit being purchased for $15,000.00 will require the payment of a $60.00 Deed Transfer Tax.

6. Increase in Purchase Price. The cash purchase price of all units purchased after the date hereof is hereby increased to 10% over the prices set forth in Schedule A of the Plan.

7. Consolidated Legal Description. In connection with the submission of the Declaration and By-Laws for recording with the County Clerk's office, it was deemed expedient to prepare a consolidated description of each of the parcels forming the Property. Annexed hereto as Exhibit C is the consolidated legal description of the Property, which will replace the legal description of the Property attached (a) as Schedule A to the Declaration and (b) to the form of Slip Unit Deed, in Part II of the Plan.

8. Distribution of First Amendment. A copy of this First Amendment shall be distributed to each purchaser under the Plan and each Tenant in Occupancy.

9. Plan as Amended by this First Amendment is Incorporated Herein by Reference. The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan shall be deemed amended to reflect the

provisions contained herein.

10. Reservation of Right to Amend Plan. The Sponsor reserves the right to further amend the Plan at any time but not to amend this Plan to an eviction plan.

11. Definition of Terms. All of the terms used in this First Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

12. No Other Material Changes. There have been no material changes in the Plan except as set forth herein.

Dated: New York, New York
March 8, 1985

ANCHORAGE ASSOCIATES,
Sponsor

EXHIBIT A

Anchorage Associates
401 East Shore Road
Lindenhurst, New York 11757

February 26, 1985

Re: The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York (the "Condominium")

Dear Tenant or Purchaser:

We are pleased to advise you that the Condominium Offering Plan for the Slip Units of The Anchorage Yacht Club Condominium (the "Plan") is declared effective as of the date hereof.

Sponsor has received Purchase Agreements for the purchase of more than 15% of the Slip Units in the Condominium.

The Closing Date under the Plan has been scheduled for April 1, 1985.

Under the Plan a purchaser of a Slip Unit will not be required to close the purchase of such Slip Unit until the improvements, if any, to be made to the particular dock section in which such Slip Unit is located are completed. Therefore, as of the date hereof, only the A Dock, H Dock, G Dock, E Dock and M Dock sections may be required to close under the Plan. Although the Sponsor anticipates that some or all of the work to the remaining Dock sections will be completed on or before the Closing Date or within a reasonable time thereafter, there can be no assurance that such work will be completed by the Closing Date. Therefore, Sponsor is presently demanding only that purchasers of Slip Units in A Dock, H Dock, G Dock, E Dock and M Dock pay the balance of the purchase price for their Unit as provided in the Plan and as summarized below. Purchasers of Slip Units in the other Dock sections will be notified in advance of when their individual closings are scheduled. However, even if you are not presently required to pay the balance of the purchase price for your Unit, a pre-closing has been scheduled for you at which time you will be signing various closing documents as described below. Therefore, please continue to read the portion of the letter entitled "Pre-Closings."

Demand for Balance of Purchase Price

Pursuant to the Plan, each purchaser of a Slip Unit in A Dock, H Dock, G Dock, E Dock and M Dock is hereby notified that the balance of the purchase price for his or her Slip Unit (in the amount shown below) must be paid on or before 5:00 P.M. on March 15, 1985.

Payment of the balance of the purchase price must be made by certified check or official bank check or cashier's check drawn to the order of "Anchorage Associates Special Account" delivered to the Sponsor at its offices located at the Condominium.

However, if you have obtained a commitment for a bank loan, and furnish the Sponsor with a copy of such commitment on or before 5:00 P.M. on March 15, 1985, then only the amount by which the balance of the purchase price to be paid by your bank will be due on the Closing Date. For example, if the total price of your Slip Unit is $15,000 and you made a down payment of $1,000, the $14,000 balance is due on March 15, 1985. However, to continue the example, if you were to furnish the Sponsor with a $10,000 bank loan commitment on or before March 15, 1985, then you would owe only $4,000 on March 15, 1985.

The bank's check should be drawn to the order of "Anchorage Associates Special Account" and should be delivered to the Sponsor on the Closing Date at the offices of Herrick, Feinstein, 21st Floor, 2 Park Avenue, New York, New York 10016.

Pre-Closings

To facilitate the closing of the sale of the Slip Units and to minimize inconvenience to purchasers, each purchaser must attend a pre-closing of his Slip Unit at the Sponsor's office. At the pre-closing, a representative of the Sponsor will require you to sign a power of attorney, Real Property Transferee Questionnaire Tax Form and other closing documents. Your pre-closing has been scheduled for the time and date set forth below. If this appointment is inconvenient, please contact the Sponsor at (516) 226-2766 to arrange another apppointment at a mutually convenient time.

At the pre-closing, any summer dockage paid by a purchaser who is a Tenant in Occupancy will be adjusted as

of the Closing Date. The amount of such adjustment, if any, due to a purchaser will be repaid to the purchaser after the closing of his purchase of his Slip Unit.

You are strongly urged to bring your attorney to the pre-closing.

If you are obtaining bank financing you should contact your bank as soon as possible to arrange to pre-close your loan well in advance of the scheduled closing date. Please also request that the bank contact the Sponsor to coordinate the loan closing with the closing of the purchase of your Slip Unit under the Plan.

LTIC Associates, Inc. as agents for Lawyers Title Insurance Corporation is available to provide title to insurance and mortgage title insurance in accordance with the provisions of the Plan. In order to facilitate the closing of the sale of units as expeditiously as possible, it is strongly recommended that all purchasers employ LTIC Associates Inc. to provide title insurance and mortgage title insurance in connection with their acquisition of their Slip Units.

The pre-closing process requires a certain amount of patience and cooperation on all sides. To be prepared, bring a pen and a number of checks and a willingness to endure the process. We wish you the very best of luck with the Slip Unit you are acquiring.

Sincerely yours,

ANCHORAGE ASSOCIATES,
Sponsor

SLIP UNIT NUMBER: _____

BALANCE OF PURCHASE PRICE: $_____

YOUR APPOINTMENT AT THE OFFICES OF SPONSOR, 401 EAST SHORE ROAD, LINDENHURST, NEW YORK HAS BEEN SCHEDULED FOR:

_____ at _____A.M./P.M.

EXHIBIT B

AFFIDAVIT RE: DECLARING PLAN EFFECTIVE

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

STANLEY DIAMOND, being duly sworn, deposes and says:

1. I am a general partner of Anchorage Associates, the Sponsor of a Condominium Offering Plan for the Slip Units of The Anchorage Yacht Club Condominium, 401 East Shore Road, Lindenhurst, New York ("Premises"), as amended by the First Amendment to which this affidavit is attached as an exhibit ("Plan").

2. The Plan was accepted for filing by the Department of Law of the State of New York on January 2, 1985 ("Filing Date"). The Plan was presented on or about January 12, 1985.

3. On March 6, 1985 ("Effective Date"), a notice declaring the Plan effective in accordance with its terms as of March 4, 1985 was mailed to all purchasers and Tenants in Occupancy under the Plan.

4. Each of the purchasers counted for purposes of declaring the Plan effective is a bona fide purchaser who has duly executed a Purchase Agreement for a Slip Unit and has paid the required down payment as provided in the Plan. None of the purchasers is purchasing as an accommodation to, or for the account or benefit of, the Sponsor.

5. Annexed hereto is a schedule of purchasers of Slip Units that were counted towards satisfaction of the minimum percentage of Slip Units required to declare the Plan effective in accordance with its terms showing (i) the names of such purchasers, (ii) the designation of the Units which were purchased and (iii) the dates of the Purchase Agreements.

6. None of the purchasers counted for the purposes of declaring the Plan effective is the Sponsor, nor are any of said purchasers related by blood, marriage or adoption to, or an employee, shareholder, limited partner or business associate of, Sponsor.

STANLEY DIAMOND

Sworn to before me this
11th day of March, 1985.

Notary Public

EDWARD A. KAMINSKY
Notary Public, State of New York
No. 30-4511974
Qualified in Nassau County
Commission Expires March 30, 1986

SCHEDULE TO AFFIDAVIT

Unit	Purchasers's Name	Purchase Price	Date of Purchase Agreement
	A Dock		
1	Tallaksen	$16,371.00	1/26/85
3	Paloscio	16,371.00	2/09/85
5	Garone	16,371.00	1/29/85
11	Moutoussis	17,528.00	2/06/85
12	Goodman, H.	17,528.00	2/06/85
13	Kurzban	17,528.00	2/06/85
14	Penn	18,684.00	1/13/85
15	Dawson	18,501.00	2/21/85
16	Dawson	18,684.00	1/12/85
17	Dawson	18,684.00	1/12/85
18	Wyman	17,348.00	2/03/85
19	Brooks	17,348.00	1/13/85
20	Brooks	18,311.00	2/21/85
23	Farlekas	19,532.00	2/21/85
25	Pickett	16,371.00	2/09/85
26	Fiebert	16,191.00	2/10/85
27	Schaffner	17,528.00	1/14/85
28	Feinne	17,528.00	1/28/85
35	Albano	18,501.00	2/21/85
36	Albano	17,528.00	2/08/85
37	Vallario	17,528.00	1/19/85
39	Giuffrida, S.	17,347.50	2/09/85
42	Scorzelli	18,684.00	2/02/85
45	Neu	17,348.00	2/05/85
47	Biello	18,684.00	1/19/85
48	Licata	19,840.50	2/02/85
49	Petrusa/Nicolosi	17,528.00	2/09/85
52	Chayet	16,371.00	1/26/85
54	Yi	17,528.00	2/10/85

B Dock

3	Bohn (E.A.B. Limited Corp.)	$16,191.00	1/29/85
4	Bohn (E.A.B. Limited Corp.)	17,281.00	2/21/85
6	Simonson	16,191.00	1/27/85
11	Finell/Sigety	16,371.00	2/07/85
14	Laieta	16,371.00	1/12/85
15	Laicta	17,281.00	2/21/85
16	Sattler	16,191.00	1/13/85
17	Sattler	17,091.00	2/21/85
18	Incorvia	17,810.00	1/19/85
19	Feinberg	17,232.00	2/10/85
20	List	16,770.00	2/10/85
21	Antonelli	17,348.00	1/13/85
26	Crudo	20,702.00	1/15/85
27	Vitarelli	17,528.00	2/07/85
29	Koppelman	19,777.00	1/12/85
30	Behr	18,389.00	1/12/85
32	Schekter	18,273.00	1/12/85
35	Rosenberg	17,528.00	1/24/85
36	Bartner	17,528.00	1/28/85
37	Parmett	17,348.00	1/17/85
38	Siegel	17,348.00	1/12/85
40	Black	17,875.00	1/13/85
41	Palazzolo	15,446.00	1/13/85
42	Slobin	18,867.00	2/21/85
49	Micena	19,032.00	1/12/85

C Dock

7	Buck	$15,035.00	2/08/85
8	D'Amico	15,035.00	2/05/85
9	Pappas (Creative Supermarket Concepts Corp.)	15,035.00	2/05/85
10	Cohen, J.	15,215.00	1/18/85
12	Fiametta	19,610.00	2/09/85
13	Cannizzaro	17,528.00	1/12/85
14	Conigliaro	18,107.00	1/30/85
15	Totino	20,651.00	2/04/85
18	Donnelly	15,909.00	1/13/85
19	Block (Patnor)	16,024.50	2/08/85
20	Leader	16,950.00	1/12/85
21	Grobman	16,255.80	2/06/85
22	Shea	18,453.00	2/02/85
23	Eichner	18,569.00	1/12/85
24	Harris	17,412.00	1/14/85
25	Simpkins	12,555.00	1/13/85
28	Cohn	19,494.00	1/12/85
29	Lazar	17,412.30	1/14/85
30	Leba Leasing Corp. (Slobin)	16,140.00	2/07/85
31	Burgner	18,453.00	1/19/85
32	Lyman	17,874.90	2/08/85
33	Goldberg	20,303.00	2/02/85
34	Meshover	20,997.00	1/12/85
35	Distefano	18,106.00	1/14/85
36	Marciuliano	16,603.00	2/01/85
38	Ragan	15,100.00	1/27/85
39	Rommeney	13,249.00	2/07/85
40	Delmese	17,528.00	1/13/85
41	Lewis	17,528.00	2/09/85
42	Lippman	17,527.50	1/12/85
37	Hisler	16,191.00	2/04/85
44	Roland	17,528.00	2/09/85
46	DiSimone	18,684.00	2/10/85
54	Neufeld	18,389.00	2/08/85

D Dock

1	P. J. Wyer Construction Inc.	$18,225.00	1/24/85
2	Koerner/Breuer	18,405.00	1/26/85
3	Scott/Maffetone	18,405.00	1/12/85
4	Scott/Maffetone	19,238.00	2/21/85
5	Dawson	19,428.00	2/21/85
6	Greenblatt	18,405.00	1/12/85
9	Marnett	18,225.00	2/10/85
14	Ryba	17,190.00	1/12/85
15	Blohm	17,190.00	1/12/85
16	Blohm	18,145.00	2/21/85
18	Chesnoff	18,891.00	2/09/85
19	Bonis	18,891.00	1/19/85
22	Feldman	17,919.00	1/13/85
23	Belfour	18,284.00	2/10/85
24	Eberhard	18,402.00	2/21/85
25	Katoff	19,377.00	1/18/85
26	Ames	19,863.00	2/02/85
27	Goodman, F./Fiorenza	23,207.00	2/06/85
28	Gerber	20,349.00	1/15/85
29	Steinberg	21,564.00	2/05/85
30	McNichol	18,891.00	2/09/85
31	Kurtz	23,144.00	1/22/85
32	Romano	18,891.00	1/14/85
33	Caselli	17,676.00	1/13/85
34	Ashkin	18,648.00	1/30/85
35	Simpson	22,657.50	2/07/85
36	Fabricant	22,293.00	1/12/85
37	Neisch	18,041.00	1/12/85
38	Mardosa	21,564.00	1/19/85
39	Eberhard	17,618.00	1/12/85
40	Schwartz	19,377.00	1/18/85
41	Sloan/Gittelsohn	17,798.00	2/07/85
42	Lustbader	16,767.00	2/02/85
43	Smith	18,954.00	1/27/85

D Dock Cont'd

44	Mina	$19,134.00	2/10/85
45	Flerx	20,349.00	1/16/85
46	Giunta	20,228.00	1/13/85
47	Martin	20,106.00	2/02/85
48	Santoro	15,188.00	2/02/85
49	Suskind	16,767.00	1/12/85
50	Burns	16,583.00	1/13/85
51	Gross	19,985.00	1/14/85
52	Harley	20,592.00	1/29/85
53	Sycoff	21,078.00	1/25/85
54	Shafiroff	20,228.00	1/12/85
55	Bader	20,471.00	1/12/85
56	Krinsky	17,496.00	2/09/85
57	Farlekas	18,104.00	2/09/85
58	Weisinger	18,284.00	1/12/85
59	Apfelbaum	18,162.00	1/26/85
60	Notaristefano	18,526.50	2/09/85
61	Miller	16,583.00	1/19/85

E Dock

1	(Musello) Cary	$11,073.00	1/31/85
14	Palais/Polatschek	11,496.00	2/09/85

F Dock

1	Sabella	$13,518.00	2/07/85
17	Shanley	13,518.00	2/07/85
19	DeChiaro	13,518.00	2/02/85
20	Caputo	13,518.00	2/02/85
21	Mantone	13,518.00	2/05/85
22	Avallone	13,518.00	2/09/85
24	Hennessey	13,518.00	1/12/85
26	Lackovic	13,518.00	1/12/85
30	Motton	14,630.00	2/09/85
31	Orrino	14,630.00	2/07/85
41	Greico	14,630.00	2/07/85
48	Weisinger	15,442.00	2/21/85
49	Giuffre	15,741.00	1/13/85
51	Engelbach	15,741.00	1/12/85
52	Simone	15,741.00	1/12/85
53	Fitzgibbon	15,741.00	1/27/85
54	Evanzia	15,741.00	1/12/85

G Dock

9	Paeth	$10,575.00	2/09/85
11	Myers/Gilronan	11,070.00	2/10/85
14	Harrow	10,278.00	2/06/85
20	Rait	12,357.00	1/26/85
24	Arndt	11,565.00	2/09/85
26	Lillin/Hird/Kuhl	12,060.00	2/09/85
35	Giallanza	11,268.00	1/12/85
40	Hammond	14,436.00	2/09/85
63	Wuest	10,872.00	2/10/85
66	Baldaeus	10,179.00	2/10/85
81	DiMicco	11,565.00	2/07/85

H Dock

4	Kestenbaum	$14,351.00	1/26/85
5	Kimmerling	13,400.00	1/23/85
6	Postiglione	12,870.00	2/02/85
8	Ragolia	13,822.00	1/13/85
9	Fouche	11,919.00	2/08/85
11	Zaretsky	12,870.00	1/31/85
12	Felshman	12,765.00	1/19/85
13	Musella	14,457.00	1/31/85

M Dock

1	Kovarcik	$11,601.00	2/09/85
4	Rosenblad	11,919.00	1/27/85
5	Abramson	12,024.00	1/12/85
7	Dannenfelser	11,601.00	2/05/85
23	Chin	10,544.00	2/10/85
24	Pennachio	13,716.00	2/05/85
25	Sluska	12,976.00	2/08/85
26	Beringer/MacDonald	14,774.00	1/26/85
27	Reisman	14,774.00	1/21/85
29	Fillorama	13,716.00	1/26/85

Second Amendment

to

Condominium Offering Plan

for the Slip Units of

The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York 11757

Dated January 2, 1985

Second Amendment dated March 27, 1985

This Second Amendment dated March 27, 1985 amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985. It should be read in conjunction with said Offering Plan, as amended.

The provisions of this Second Amendment are as follows:

1. Torrens Title. A portion of the Property is registered under the Torrens Title System. Therefore, in connection with the conveyance of title to those Slip Units in D Dock, C Dock and B Dock containing land registered under the Torrens System (a "Torrens Unit"), there will be issued Certificates of Torrens Title. It is very important to retain the original of such certificate because, unlike a deed which is recorded in the County Clerk's office and need not be presented at any time in order to record a mortgage or in connection with a subsequent transfer of a Unit, under the Torrens Title System, the Certificate of Torrens Title must be presented at any time when a mortgage or a deed is to be recorded. Thus, in connection with a transfer of a Unit, the Unit Owner of a Torrens Unit will be required to present the Certificate of Torrens Title to the Registrar in Suffolk County and a new Certificate will be required to be issued to the subsequent owner in order to convey title of the Torrens Unit to such new owner.

The Torrens Title also affects the Essex Office Unit and portions of the Land which were proposed to be designated as Common Elements under the original Plan. Such portions of the Land affected by Torrens Title which were proposed to be Common Elements under the original Plan will

now comprise a new Unit to be known as the Common Unit as described below.

2. Common Unit. In order to expediently avoid the problem of creating a Common Element which is registered under the Torrens Title System, such portion of the Land which is covered by Torrens Title and is not located within a Unit shall now be treated as a separate Unit known as the Common Unit under the Declaration. The Common Unit will have an appurtenant Common Interest of .0000414 and the Common Interest of the Store Unit is reduced by that amount to .0412086. The Store Unit Owner will be responsible for the pro rata portion of the Common Expenses of the Condominium allocable to the Common Unit under the By-Laws. The Condominium will be responsible for the Common Unit in all other respects as if it were Common Elements so that any costs or expenses relating to the Common Unit including, without limitation, real estate taxes or the costs of maintaining and improving the Common Unit, shall be treated as a Common Expense.

Each of the Unit Owners in common with the other Unit Owners shall have an easement over the Common Unit (the "Common Easement") to use the same as if it were a Common Element, subject, however, to the terms and conditions of the Declaration and By-Laws with respect to Common Elements.

On the Closing Date the Sponsor will convey and the Board of Managers shall accept title to the Common Unit on behalf of the Unit Owners.

Pursuant to the Declaration, the Board of Managers may not convey title to the Common Unit except in connection with a termination of the Condominium as provided in the Declaration.

3. Changes to Declaration. Annexed hereto as Exhibit A and made a part hereof are certain pages of the Declaration marked to show the changes made in order to create the Common Unit along the lines described above.

4. Distribution of Second Amendment. A copy of the Second Amendment shall be distributed to each purchaser under the Plan and each Tenant in Occupancy.

5. Plan as Amended by this Second Amendment is Incorporated Herein by Reference. The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan shall be deemed amended to reflect the provisions contained herein.

6. Reservation of Right to Amend Plan. The Sponsor reserves the right to further amend the Plan at any time.

8. Definition of Terms. All of the terms used in this Second Amendment not otherwise defined herein shall

have the same meaning ascribed to them in the Plan.

9. No Other Material Changes. There have been no material changes in the Plan except as set forth herein.

Dated: New York, New York
March 27, 1985

ANCHORAGE ASSOCIATES,
Sponsor

Exhibit A

(hereinafter sometimes referred to as the "Store Unit"); (ii) a gas dock unit comprised of a portion of the Land and improvements thereon (hereinafter sometimes referred to as the "Gas Dock Unit"); (iii) three (3) floating dock units, each comprised of a portion of the Land (hereinafter sometimes collectively referred to as the "Floating Dock Units" and individually referred to as a Floating Dock Unit" and identified as "Floating Dock Unit-J" "Floating Dock Unit-K" and "Floating Dock Unit-L" respectively on the Floor Plans); (iv) an office unit comprised of two (2) separate portions of the Land and the improvements thereon (hereinafter sometimes referred to as the "Essex Office Unit"); (v) an office unit comprised of a portion of the Land and the improvements thereon (hereinafter sometimes referred to as the "Cove Office Unit"); (vi) a boat launching unit comprised of a portion of the Land (hereinafter sometimes referred to as the "Launching Unit"); (vii) 460 slip condominium units each comprised of a portion of the Land (hereinafter sometimes collectively referred to as the "Slip Units" and individually referred to as a "Slip Unit.") and a unit comprised of portions of the land (hereinafter sometimes referred to as the "Common Unit").

The Store Unit, Gas Dock Unit, Floating Dock Units, Essex Office Unit, Launching Unit and Cove Office Unit are sometimes collectively referred to as the "Commercial Units" and individually referred to as a "Commercial Unit." The Commercial Units, the Common Unit and the Slip Units are sometimes collectively referred to as the "Units" and individually referred to as a "Unit".

The owners of the Store Unit, the Gas Dock Unit, a Floating Dock Unit, the Essex Office Unit, the Launching Unit and the Cove Office Unit are hereinafter sometimes respectively referred to as the Store Unit Owner, Gas Dock Unit Owner, Floating Dock Unit Owner, Essex Office Unit Owner, Launching Unit Owner and Cove Office Unit Owner. The owners of the Commercial Units are sometimes collectively referred to as the "Commercial Unit Owners" and individually referred to as the "Commercial Unit Owner." The owners of the Slip Units are sometimes collectively referred to as "Slip Unit Owners" and individually referred to as a "Slip Unit Owner." The owner of the Common Unit is hereinafter sometimes referred to as the "Common Unit Owner". The Slip Unit Owners, Common Unit Owner and the Commercial Unit Owners, are sometimes collectively referred to as the "Unit Owners" and individually referred to as a "Unit Owner."

The Units are identified by the numerical or other designations shown on Schedule B annexed hereto and made a part hereof and consist of the area within the boundaries of such Units set forth on the Floor Plans.

Each of the Units is subject to such encroachments as are described in Section 10 of this Declaration.

The Board of Managers shall acquire the Common Unit together with its Appurtenant Interest in its own name on behalf of the Unit Owners and the consent of the Unit Owners shall not be required in connection with such acquisition.

For so long as the Board of Managers shall hold title to the Common Unit, the Store Unit Owner shall pay on behalf of the Common Unit the Common Charges allocated and assessed against the Common Unit as the Common Unit's share of Common Expenses pro rata in accordance with the respective Common Interest of the Units as provided in Article V Section 1 of the By-Laws and this obligation shall be a covenant which runs with the Store Unit. Any notices of the amount of such common charges allocated against the Common Unit to meet Common Expenses shall be delivered to the Store Unit Owner for so long as the Store Unit Owner is responsible therefor as provided above.

All costs and expenses of any kind, including, without limitation, real estate taxes and any costs of improving or maintaining the Common Unit, shall be a Common Expense.

The Board of Managers shall not convey the Common Unit except in connection with a termination of the Condominium as hereinabove provided.

19. Invalidity.

The invalidity of any provisions of this Declaration or any portion thereof 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.

20. 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.

21. 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 nor the intent of any provision hereof.

LIBER 4114 PAGE 402

SCHEDULE A

Description of Land

ALL that certain plot, piece or parcel of land, situate, lying and being in Lindenhurst, Town of Babylon, County of Suffolk and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Harding Avenue where the westerly line of land of Union Free District No. 4 intersects said southerly side of Harding Avenue;

RUNNING THENCE along said westerly line of said land of Union Free District No. 4, south 23 degrees 01 minute 43 seconds east, 685.58 feet;

THENCE north 70 degrees 33 minutes 17 seconds east 284.66 feet to land now or formerly of Albert Glass;

THENCE along said land now or formerly of Albert Glass, south 5 degrees 12 minutes 37 seconds west 1371.2 feet to the mean high water mark of Great South Bay;

THENCE northwesterly along said mean high water mark of Great South Bay to the easterly side of Neguntatogue Creek 1803 feet;

THENCE in a general northerly direction along the easterly side of said Neguntatogue Creek 457.00 feet more or less to the southerly line of land now or formerly of Drago;

THENCE north 1 degree 56 minutes 10 seconds West 220 feet;

THENCE north 88 degrees 3 minutes 50 seconds East 110 feet to the westerly side of East Shore Road (Shore Road);

THENCE south 1 degree 56 minutes 10 seconds East 135.81 feet to the southerly terminus of East Shore Road;

THENCE north 66 degrees 58 minutes 17 seconds east 23.90 feet;

THENCE north 52 degrees 46 minutes 30 seconds east 156.45 feet;

THENCE north 1 degree 56 minutes 10 seconds west 66.06 feet;

THENCE north 66 degrees 58 minutes 17 seconds east 439.24 feet;

THENCE north 23 degrees 01 minute 43 seconds west 100.00 feet to the southerly side of Harding Avenue;

THENCE along the southerly side of Harding Avenue north 66 degrees 58 minutes 17 seconds east 28.49 feet to the point or place of BEGINNING.

DESCRIPTION

PARCEL II

ALL that certain plot, piece or parcel of land, situate, lying and being in Lindenhurst, Town of Babylon, County of Suffolk and State of New York, known and designated as and by lots 32 through 38 as shown on a certain map entitled, Map of Shore Gables, Section 2, which said map was filed in the Suffolk County Clerk's Office on 5/19/27 as and by Map #1006, and a described parcel; which said lots and described parcel when taken together are more particularly bounded and described as follows:

BEGINNING at a point on the westerly side of Shore Road the following two courses and distances from the corner formed by the intersection of the easterly side of Shore Road with the southerly side of Harding Avenue;

1) South 88 degrees 03 minutes 50 seconds West through Shore Road, 50 feet to the westerly side of Shore Road;

2) South 1 degree 56 minutes 10 seconds east along the westerly side of Shore Road, 140 feet to the point of beginning;

RUNNING THENCE South 1 degree 56 minutes 10 seconds east, 220 feet;

RUNNING THENCE South 88 degrees 03 minutes 30 seconds West, 110 feet;

RUNNING THENCE North 1 degree 56 minutes 10 seconds west along the westerly boundry of lots 38 through 32 according to said map a distance of 220 feet to the southerly side of lot 31 according to said map;

RUNNING THENCE North 88 degrees 3 minutes 50 seconds East along the southerly side of lot 31 a distance of 110 feet to the point or place of BEGINNING.

SCHEDULE B

Unit Designation	Section Block Tax Lot No. Section	Block	Lot	Approximate Square Footage of Unit	Approximate Length of Waterside Of Unit	Common Interest	Portion of th Common Elem. to Which Each Unit H. Immediate Acc
S20	228.02	01	5	180	18	.0025	BB/R
S21	228.02	01	4	255	25.5	.0035	BB/R
S22	228.02	01	3	170	17	.0023	BB/R
S23	228.02	01	2	170	17	.0023	BB/R
S24	228.02	01	1	260	26	.0036	BB/R
Common Unit	228.02	01				.0000414	BB/R
Commercial Units							
Floating Dock Unit J	228.02	01	133	1,167.40	113.2	.01431	BB/R
Floating Dock Unit K	228.02	01	132	971.38	97.2	.01430	BB/R
Floating Dock Unit L	228.02	01	131	997.52	99.7	.01430	BB/R
Store Unit	228.01	01	128	110,668.53	61.63	.0412086	BB/R
Essex Office	228.01	01	127				
Unit	228.02	01	130	3,200	----	.01618	R
Cove Office Unit	228.01	01	189	5,924.16	----	.01348	R
Gas Dock Unit	228.02	01	223	8,315.60	233	.01798	BB/R
Launching Unit	228.02	01		771.01	65.975	.00430	BB/R

"BB" - Boat Basin
"R" - Roadway

Third Amendment

to

Condominium Offering Plan

for the Slip Units of

The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York 11757

Dated January 2, 1985

Third Amendment dated May 16, 1985

This Third Amendment dated May 16, 1985 amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985 and the Second Amendment dated March 27, 1985. It should be read in conjunction with said Offering Plan, as amended.

The provisions of this Third Amendment are as follows:

1. Filing of Declaration and Floor Plans. The Declaration for The Anchorage Yacht Club Condominium was recorded in the office of the County Clerk of Suffolk County on April 19, 1985 in Liber 9774, page 381, and the Floor Plans were also filed with the Suffolk County Clerk's Office in connection therewith.

2. Closing Date. The closing of the Plan has been rescheduled to commence on May 14, 1985. Purchasers will receive individual notices of their closing dates and times.

3. Prohibition Against Use of Slip Unit for Mooring a Floating Home.

In connection with the recording of the Condominium Declaration, the Suffolk County Department of Health Services required that a declaration of covenants and restrictions be recorded against the Property which provides that Slip Units shall not be sold nor in any way used or leased for the use of mooring a floating home. A floating home is defined in such declaration as any vessel designed or used as a dwelling unit or residence.

The declaration also provides that Unit owners may not discharge or permit the discharge of effluent or any other waste or discharge by any vessel which is moored at

the Condominium.

These covenants may be enforced by the County of Suffolk or any agency designated by the County of Suffolk.

4. Requests by Department of Health.

The Suffolk County Department of Health asserted that its approval was required for the recording of the Declaration for the Condominium because it argued a condominium was a subdivision under the subdivision law. As a condition to the granting of its approval of the Declaration, the Department of Health requested the following:

(a) That a negative declaration of environmental impact be issued by the Town of Babylon.

(b) That the declaration of covenants and restrictions described in paragraph 3 above be recorded.

(c) That an application be filed either to hook up to the public sewer system the sewer facilities in the buildings located within the Store Unit, Cove Office Unit and Essex Office Unit, or for a waiver of any such hook-up requirement.

It is the Sponsor's position that the Department of Health has no jurisdiction over the submission of the Property to the provisions of the Condominium Act and may not make the requests described above. After considering the issue, the Suffolk County Clerk's Office recorded the Declaration for the Condominium without requiring the Board

of Health approval. Nevertheless, the Sponsor has made application to the Town of Babylon for the negative declaration of environmental impact described above and intends to record the declaration of covenants and restrictions described above. The Sponsor has not complied with the Department of Health's request for the sewer hook-up described above. If it is ultimately determined that the Department of Health has jurisdiction and that such hook-up is required by law, then the affected Commercial Unit Owners shall be responsible to install the sewer hook-up. P.J. Wyre Construction, Inc., 381 O'Connor Road, North Babylon, New York, Sponsor's contractor, has estimated that the present cost of constructing the sewer hook-up would not exceed $100,000. Under the Plan, in the first instance Sponsor is to have title to the Commercial Units and for so long as the Sponsor retains title to any of the affected Commercial Units, the Sponsor will cause any such sewer hook-up requirement to be complied with. However, there can be no assurance that the Sponsor will continue to retain title to the affected Commercial Units. Upon sale of any of the affected Commercial Units, the Sponsor shall cause his transferee to assume the obligation for the hook-up and said covenant is to run with title to such affected Commercial Unit. Sponsor has furnished no bond or other security to secure Sponsor's obligations hereunder. At the closing, the Condominium shall consent to any work

required in connection with any such sewer hook-up.

5. Distribution of Third Amendment. A copy of the Third Amendment shall be distributed to each purchaser under the Plan and each Tenant in Occupancy.

6. Plan as Amended by this Third Amendment is Incorporated Herein by Reference. The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan shall be deemed amended to reflect the provisions contained herein.

7. Reservation of Right to Amend Plan. The Sponsor reserves the right to further amend the Plan at any time.

8. Definition of Terms. All of the terms used in this Third Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

9. No Other Material Changes. There have been no material changes in the Plan except as set forth herein.

Dated: New York, New York
May 16, 1985

ANCHORAGE ASSOCIATES,
Sponsor

ANTHONY NOTO, Supervisor

Town of Babylon

190 Farmers Avenue, Lindenhurst, L.I. N.Y. 11757

(Founded in 1872)

DENNIS J. LYNCH
Commissioner
Environmental Control
(516) 957-3153

May 16, 1985

Mr. Jack Libert
D'Amato, Forchelli, Libert
Counselors At Law
120 Mineola Boulevard
P. O. Box 31
Mineola, New York 11501

Subject: ANCHORAGE YACHT CLUB CONDOMINIUM

Dear Mr. Libert:

Reference is made to previous discussions and meetings concerning the environmental impact associated with the sale of boat slips as a condominium by Anchorage Yacht Club Condominium, Lindenhurst, New York.

Specific reference is made to those representations made on behalf of the Anchorage Yacht Club Condominium in correspondence dated May 7 and May 15, 1985 wherein the sponsor has agreed to the following:

1. Provide detailed information concerning the marine pump-out system presently available to service vessels at the Anchorage Yacht Club Condominium.

2. The owner of the gas station will be required to maintain a marine pump-out system in perpetuity for the use of those marine boat slips pursuant to the condominium offering.

3. The principals of the Anchorage Yacht Club Condominium will insure that each slip purchaser will receive a notice which will outline the rules and regulations with respect to environmental parameters, especially relating to marine discharges.

4. The Town of Babylon Harbormaster will be provided unimpeded access to inspect marine sanitation devices on any

and all vessels located at the Anchorage Yacht Club Condominium, in accordance with local authority.

5. A complete list of individual slip owners will be provided on the sale of individual boat slips.

6. The Town of Babylon Department of Environmental Control be provided free access to address the boat slip owners with respect to an educational program relating to environmental concerns in the prevention of waterways pollution.

7. The Anchorage Yacht Club Condominium will serve notice on houseboat owners that they must vacate the premises by December 31, 1985. The same will also provide a "best efforts" approach to encourage present houseboat owners to leave by this date.

8. The sponsor will agree to those requirements set forth by Suffolk County with respect to sewer hookup to the Southwest Sewer District.

Based on the above assurances and representations, pursuant to the Unified Code of Ordinances of the Town of Babylon, Chapter 114, Section 8, I hereby conclude that the proposed sale of boat slips as represented by your firm on behalf of Anchorage Associates will not result in a significant environmental impact and therefore a negative declaration is hereby issued in this regard.

I extend my appreciation for your cooperation and expeditious processing of those concerns relating to this project on behalf of the Town of Babylon.

Sincerely yours,

TOWN OF BABYLON

Dennis J. Lynch

Dennis J. Lynch
COMMISIONER

DJL:vl

cc: Supervisor A. Noto
Councilman W. DalCol

FIFTH AMENDMENT

to

CONDOMINIUM OFFERING PLAN
for the SLIP UNITS of

the ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757
Dated October 30, 1985

FIFTH AMENDMENT dated October 30, 1985

This Fifth Amendment dated October 30, 1985, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, and the Fourth Amendment dated September 27, 1985. It should be read in conjunction with said Offering Plan, as amended.

The provisions of this Fifth Amendment are as follows:

1. **Action Commenced Against Sponsor.** On or about October 1, 1985, the Sponsor was served with a summons and complaint in connection with the following action brought in the Supreme Court of the State of New York, County of Suffolk:

> VERNON SMITH, DEBORAH FALOTICO, ROCCO FALOTICO, INGE KOWAL, JEANNE SCHMIDT, KEITH BAYLEY, LINDA MILLER, THOMAS MUSIAL, NANCY LOPILATO, TONY LOPILATO, DON GALLAGHER, HOWARD BOBROW, ROBERT AHEARN, STEVE GORRONO, STEPHANIE GORRONO and MARVIN GRIMALDI,
>
> Plaintiffs,
>
> -against-
>
> ANCHORAGE ASSOCIATES, a New York Partnership, THE TOWN OF BABYLON, ANTHONY NOTO, Individually and as Supervisor of THE TOWN OF BABLYON, WILLIAM DALCOL, FRANCINE BROWN, ANNE ALLMENDINGER, LOUIS MAESTRI, Individually and in their capacities as members of the Town Council of THE TOWN OF BABLYLON and ROBERT ABRAMS, as Attorney General of the State of New York, SUFFOLK COUNTY DEPARTMENT OF HEALTH SERVICES,
>
> Defendants.

Among other relief, the plaintiffs (i) seek to enjoin the enforcement of Article XA, Section 213-107 of the Code of the Town of Babylon, which ordinance prohibits floating homes within the waters of the Town of Babylon except in F.H. Floating Home Districts*; and (ii) seek an order directing the Sponsor to amend

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* The Condominium is not in an F.H. Floating Home District.

the Plan so as to permit the plaintiffs to purchase Slip Units in the Condominium for the purpose of maintaining their houseboats currently moored in those Slip Units.

A motion for a preliminary injunction enjoining the enforcement of the ordinance and the eviction of the plaintiffs during the pending of the action is scheduled to be heard on November 4, 1985. On the same date the Sponsor will cross-move for an order dismissing the complaint for failure to join certain indispensible parties (persons who have already purchased Slip Units in the Condominium).

2. **Plan Incorporated By Reference.** The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length.

3. **Defined Terms.** All the terms used in this Fifth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

4. **No Other Material Changes.** There have been no material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: New York, New York
October 30, 1985

ANCHORAGE ASSOCIATES
Sponsor

SIXTH AMENDMENT

to

CONDOMINIUM OFFERING PLAN
for the SLIP UNITS of

the ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757
Dated March 27, 1986

This Sixth Amendment dated March 27, 1986, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985 and the Fifth Amendment dated October 30, 1985. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Sixth Amendment are as follows:

1. Real Estate Taxes Imposed On Common Areas. The Town of Babylon has assessed the common areas of the Condominium property as eight (8) separate tax lots and imposed real estate taxes thereon for the tax year December 1, 1985 to November 30, 1986 in the aggregate amount of $37,462.54. The Board of Managers of the Condominium believe that such taxation is improper and that the Town of Babylon is mistaken in assessing the common areas. The Board of Managers have therefore retained Donald A. Rettaliata, a tax certorari attorney, to contest the assessments.

In order to pay when due the unanticipated tax on the common areas, it was necessary to impose a pro rata special assessment against the Sponsor, as holder of unsold units, and the individual Slip Unit owners. The assessment was based upon the percentage of common interest held by each Slip Unit owner. In addition, it may be necessary to continue to levy such special assessments in order to

pay for future taxes on the common areas since the Board of Managers' successful contesting of the taxes cannot be assured. Finally, purchasers who buy units after the date of said assessment of common areas are required at closing to pay to Sponsor, as a prepaid real estate tax adjustment, the pro rata share of such taxes apportionable to their units for the taxable period in which the closing occurs.

2. Dismissal of Action Against Sponsor. The action against the Sponsor, the Town of Babylon, the Suffolk County Department of Health Services, the Attorney General and other parties which was described in the Fifth Amendment to the Plan was dismissed by order of Judge Tanenbaum of the Supreme Court of the State of New York, County of Suffolk, dated February 25, 1986. Judge Tanenbaum simultaneously denied the plaintiff's motion for a preliminary injunction.

3. Common Charges Payable Quarterly. At the November 3, 1985 annual meeting of unit owners it was determined by vote that all future common charges will be payable quarterly instead of monthly.

4. Increase in Purchase Price. The cash purchase price of all units purchased after the date hereof is hereby increased by 5%.

5. Plan Incorporated by Reference. The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length.

6. Defined Terms. All the terms used in this Sixth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

7. No Other Material Changes. There have been no material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: New York, New York
March 27, 1986

ANCHORAGE ASSOCIATES
Sponsor

SEVENTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: August 15, 1986

This Seventh Amendment dated August 15, 1986, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, and the Sixth Amendment dated March 27, 1986. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Seventh Amendment are as follows:

1. Increase in Purchase Price.

The cash purchase price of all units purchased after the date hereof is hereby increased by ten (10%) percent over the latest price level as set forth in paragraph four of the Sixth Amendment to the Plan.

2. Plan Incorporated by Reference.

The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length.

3. Defined Terms.

All the terms used in this Seventh Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

4. No Other Material Changes.

There have been no material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: New York, New York
August 15, 1986

ANCHORAGE ASSOCIATES
Sponsor

EIGHTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: April 22, 1987

This Eighth Amendment dated April 22, 1987, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986 and the Seventh Amendment dated August 15, 1986. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Seventh Amendment are as follows:

1. Increase in Purchase Price.

The cash purchase price of all units purchased after the date hereof is hereby increased to the amounts set forth in Schedule A attached hereto and made a part hereof.

2. Plan Incorporated by Reference.

The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deemed amended to reflect the provisions contained herein.

3. Defined Terms.

All the terms used in this Eighth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

4. No Other Material Changes.

There have been no material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: New York, New York
April 22, 1987

ANCHORAGE ASSOCIATES
Sponsor

Schedule A

Unit No.	Cash Purchase Price of Unit
A-55	$38,500
A-56	$48,895
C-57	$40,500
G-62	$18,500
S-1	$51,000
S-2	$51,000
S-3	$51,000
S-4	$51,000
S-5	$48,500
S-6	$48,500
S-7	$48,500
S-8	$48,500
S-9	$48,500
S-10	$48,500
S-11	$48,500
S-12	$48,500
S-13	$48,500
S-14	$48,500
S-15	$55,000
S-16	$57,500
S-17	$58,500
S-19	$52,500

NINTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: June 29, 1987

This Ninth Amendment dated June 29, 1987, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986, the Seventh Amendment dated August 15, 1986, and the Eighth Amendment dated April 22, 1987. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Ninth Amendment are as follows:

1. Increase in Annual Common Charges.

The common charges for the slip units at the Anchorage Yacht Club Condominium, as approved by the Board of Managers, have been increased to the levels set forth in Schedule A annexed hereto and made a part hereof.

2. Condominium Budget for Calendar Year 1987.

Attached hereto and made a part hereof as Exhibit B is a copy of the calendar year 1987 budget for the Anchorage Yacht Club Condominium, which was duly adopted by the Board of Managers.

3. Financial Statement.

Attached hereto and made a part hereof as Exhibit C is a copy of the certified financial statement with respect to the Anchorage Yacht Club Condominium for the year ended December 31, 1986, as prepared by Sam J. Nole, C.P.A.

4. Principals of Sponsor.

Stanley Diamond and Jonathan Rosen, heretofore principals of the Sponsor, have assigned their interest in the Sponsor to Stephen Sloan.

5. Deductibility of Interest And Other Tax Matters.

Amendments to the Internal Revenue Code effected by the Tax Reform Act of 1986 may affect the deductibility of interest on indebtedness incurred to acquire or carry

a Slip Unit. Generally, for taxable years beginning after 1986, an individual may only deduct interest expense which is incurred in connection with (1) a trade or business, (2) the construction, acquisition or improvement of property held for the production of income, or (3) the construction, acquisition, or improvement of property held for investment. Interest incurred in connection with the acquisition or carrying of other assets will only be deductible if the indebtedness is secured by a mortgage on the taxpayer's principal residence or designated secondary residence. Furthermore, the amount of interest deductible will be limited to the interest attributable to that portion of the mortgage or indebtedness not in excess of an amount equal to the taxpayer's original cost of such residences, plus the cost of capital improvements thereto. Interest on personal indebtedness not meeting the above criteria is non-deductible personal interest under Internal Revenue Code section 163(h). Notwithstanding the preceding sentence, a portion of otherwise non-deductible personal interest will be deductible in the years 1987 through 1990 in the following percentages:

1987	65%
1988	40%
1989	20%
1990	10%

Therefore, a Slip Unit Owner using a Slip Unit for personal non-residential use, for example, may generally

not deduct interest (beyond the portions indicated above), for taxable years beginning after 1986, on loans secured by a mortgage on his Slip Unit and used to finance the purchase of the Slip Unit.

Taxpayers who intend to use a Slip Unit in a trade or business or to hold the Slip Unit for the production of rental income may be subject to the passive activity loss rules of Code Section 469. Taxpayers who intend to hold a Slip Unit for investment will be subject to the investment interest rules of Code Section 163(d). Such taxpayers should consult their personal tax advisors as to the effect of Code Section 469 on their interest deduction.

Individual Slip Unit Owners will, for New York State income tax purposes, likewise be entitled to a deduction equivalent to that which is allowed for federal income tax purposes for such mortgage interest and real estate taxes paid or accrued during the taxable year. See Section 615 of the New York State Tax Law.

The Tax Reform Act of 1986 modified the alternative minimum tax ("AMT") which a taxpayer may be subject to if the tax computed on that basis exceeds the regular income tax. For years beginning January 1, 1987 and thereafter, such AMT is equal to 21% of the amount by which the alternative minimum taxable income ("AMTI") exceeds the

"exemption amount." The "exemption amount" is $40,000 for married individuals filing a joint return, $30,000 for non-married individuals and $20,000 for married individuals who file separate returns. Generally, AMTI is the taxpayer's adjusted gross income with certain additions and deductions. If certain deductions are not allowed in computing a taxpayer's AMTI, then, if the AMTI would apply, the AMTI will increase to the extent that those deductions are not allowed. Deductions with respect to mortgage interest on a personal residence which is not "qualified housing interest," or which is partially allowed by reason of the transition rules under the Tax Reform Act of 1986, and with respect to real estate taxes, are not allowed in computing AMTI. Interest in connection with debts incurred to acquire, construct, or substantially rehabilitate a principal residence used by the taxpayer or a member of his family is qualified housing interest which can be deducted in full in computing AMTI, and certain other interest is also deductible.

New York State imposes an "add-on" minimum tax based on certain federal tax preference items. See Sections 602 and 622 of the New York State Tax Law.

The foregoing discussion in this paragraph 5 of the Ninth Amendment is provided for information only and the Sponsor will not be liable in any manner for any inaccuracies

in the foregoing discussion. Slip Unit Owners and prospective Slip Units Owners are advised to consult their personal tax advisors as to the effect of the Tax Reform Act of 1986 on the tax consequences of the acquisition or carrying of Slip Units.

6. Plan Incorporated by Reference.

The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deemed amended to reflect the provisions contained herein.

7. Defined Terms.

All the terms used in this Ninth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

8. No Other Material Changes.

There have been no material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: New York, New York
June 29, 1987

ANCHORAGE ASSOCIATES
Sponsor

Exhibit A

Percentage Common Interest*	Annual Common Charges	Monthly Common Charges
.0013	$374.93	$31.24
.0014	$403.77	$33.65
.0015	$432.61	$36.05
.0016	$461.45	$38.45
.0017	$490.29	$40.86
.0018	$519.13	$43.26
.0019	$547.98	$45.67
.0020	$576.82	$48.07
.0021	$605.66	$50.47
.0022	$634.50	$52.88
.0023	$663.34	$55.28
.0024	$692.18	$57.68
.0025	$721.02	$60.09
.0026	$749.86	$62.49
.0027	$778.70	$64.89
.0035	$1009.43	$84.12
.0036	$1038.27	$86.52

* See Schedule A of the Offering Plan for the percentage common interest applicable to each Slip Unit.

Exhibit B

ANCHORAGE YACHT CLUB CONDOMINIUM
BUDGET FOR CALENDAR YEAR 1987

PROJECTED EXPENSES:

1. LABOR:

Pool/Att.	$ 7,500.00	
Clerical	7,500.00	
Grds. Maint.	17,500.00	
FICA	2,600.00	
Fed. Unemployment	260.00	
State	1,056.00	
DBL	120.00	
Workman Comp.	400.00	
Total:		$ 36,936.00
UTILITIES (Net)		30,000.00
WATER		4,800.00
REPAIRS, MAINTENANCE AND SUPPLIES		75,000.00
SERVICE CONTRACTS (Guard/Sanitation)		95,172.00
INSURANCE		15,000.00
LEGAL AND AUDIT FEES		5,000.00
MANAGEMENT FEES		16,500.00
CONTINGENCY		10,000.00
Total Projected Expenses:		$288,408.00

PROJECTED INCOME:

Annual Common Charges	$288,408	
Concession Income	2,500	
Total:		$290,908

EXHIBIT C

Sam J. Nole, C.P.A., P.C.

230 Park Avenue - Suite 1221
New York, New York 10169
(212) 682-0180

Anchorage Yacht Club Condominium

Financial Statements

As At December 31, 1986

And For The Year Ended

Anchorage Yacht Club Condominium

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December 31, 1986

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Sam J. Nole, C.P.A., P.C.

230 Park Avenue - Suite 1221
New York, New York 10169
(212) 682-0180

The Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York

We have examined the accompanying Balance Sheet of The Anchorage Yacht Club Condominium as at December 31, 1986, and the related Statements of Income and Expenses, Members' Equity, and Changes in Financial Position for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of The Anchorage Yacht Club Condominium as at December 31, 1986 and the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying information is presented for purposes of additional analysis and is not a required part of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Sam J. Nole CPA PC

Sam J. Nole, C.P.A., P. C.

June 15, 1987

Exhibit A

Anchorage Yacht Club Condominium

Balance Sheet

As At December 31, 1986

****

Assets

Current Assets:			
Cash in Bank		$18,757	
Accounts Receivable		53,228	
Prepaid Insurance		2,272	
Total Current Assets			$74,257
Other Assets:			
Security Deposits			8,576
Total Assets			$82,833

Liabilities and Members' Equity

Current Liabilities:			
Accounts Payable		$13,857	
Payroll Taxes Payable		265	
Accrued Expenses		6,400	
Deferred Condominium Maintenance Income		46,724	
Key Deposits		242	
Total Liabilities			$67,488
Members' Equity:			
Paid-in capital contributed by sponsor	$25,000		
Contributions by special assessments to unit owners	15,491	40,491	
Equity (Deficit) - Exhibit C		(25,146)	
Total Members' Equity			15,345
Total Liabilities and Members' Equity			$82,833

Exhibit B

Anchorage Yacht Club Condominium

Statement of Income and Expenses

For The Year Ended December 31, 1986

****

Income:		
Income from operations	$243,315	
Interest Income	1,164	
Total Income		$244,479
Expenses:		
Operating Expenses - See Schedule I	196,489	
Condominium Maintenance Payroll	11,409	
Recreation Expenses	10,508	
General and Administrative Expenses - See Schedule II	58,204	
New York State Franchise Tax	293	
Total Expenses		276,903
Net Loss		$(32,424)

Exhibit C

Anchorage Yacht Club Condominium

Statement of Members' Equity

As At December 31, 1986

Members' Equity, January 1, 1986	$ 7,278
Less: Net Loss - Exhibit B	32,424
Members' Equity, (Deficit), December 31, 1986	$(25,146)

Exhibit D

Anchorage Yacht Club Condominium

Statement of Changes in Financial Position

For The Year Ended December 31, 1986

****

Sources of Cash:		
Operations:		
Excess of Expenses over Income		$(32,424)
Contributions by Special Assessments to unit owners		3,278
Total		(29,146)
Applications of Cash:		
Increase - Accounts Receivable	$(26,106)	
Decrease - Tax Refund Receivable	28	
Decrease - Prepaid Real Estate Taxes	34,341	
Decrease - Prepaid Insurance	2,244	
Decrease - Security Deposits	7,424	
Increase - Current Liabilities	9,638	
Total		27,569
Decrease in Cash		1,577
Cash - January 1, 1986		20,334
Cash - December 31, 1986		$18,757
Recap:		
Cash in Bank - Checking		$18,757

Anchorage Yacht Club Condominium

Schedules to Statement of Income and Expenses

For The Year Ended December 31, 1986

****

Schedule I

Operating Expenses:

Maintenance - Common Grounds and Building	$36,300	
Bulk Head/Fringe Maintenance	14,112	
Electrical Maintenance	8,909	
Bubble and Water System Maintenance	18,958	
Tools and Supplies	2,792	
Insurance	10,923	
Sanitation	22,215	
Utilities	29,413	
Security	52,867	
Total Operating Expenses		$196,489

Schedule II

General and Administrative Expenses:		
Gas, Oil, and Vehicle Maintenance	$ 594	
Professional Fees	3,900	
Date Processing	22,500	
Office and Sundry Expenses	11,420	
Management Fees	15,000	
Payroll Taxes	1,047	
Entertainment	3,319	
Miscellaneous	424	
Total General and Administrative Expenses		$58,204

TENTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: September 25, 1987

This Tenth Amendment dated October 26, 1987, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated March 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986, the Seventh Amendment dated August 15, 1986, the Eighth Amendment dated April 22, 1987 and the Ninth Amendment dated June 29, 1987. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Tenth Amendment are as follows:

1. Principals of Sponsor.

The Ninth Amendment incorrectly stated that Stanley Diamond and Jonathan Rosen had assigned their interests in the Sponsor to Stephen Sloan. They, in fact, assigned their interest to Sloan Marine Associates, SMA, a New Jersey limited partnership ("SMA"). Stephen Sloan has also transferred his interest in the Sponsor to SMA. The general partner of SMA is Stephen Sloan Marine Corp., a New York corporation of which Stephen Sloan is President.

2. Special Assessment.

A special assessment of unit owners in the total amount of $57,500 was adopted by the Board of Managers in September, 1987. Each unit owner was assessed his pro rata share of the $57,500 assessment in accordance with the common interest appurtenant to his unit. The assessment was due September 15, 1987.

3. Plan Incorporated by Reference.

The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deemed amended to reflect the provisions contained herein.

4. Defined Terms.

All the terms used in this Tenth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

5. No Other Material Changes.

There have been no material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: October 26, 1987

ANCHORAGE ASSOCIATES
Sponsor

ELEVENTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: January 2 , 1985

This Eleventh Amendment dated November 1 , 1988, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986, the Seventh Amendment dated August 15, 1986, the Eighth Amendment dated April 22, 1987, the Ninth Amendment dated June 29, 1987, and the Tenth Amendment dated October 26, 1987. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Eleventh Amendment are as follows:

1. Members of the Board of Managers of the Anchorage Yacht Club Condominium. The annual meeting of the Condominium Unit Owners will be held on November 6, 1988. At that time, a new set of Board members will be elected by the Unit Owners and the officers of the Condominium will be appointed by the Board of Managers.

2. 1988 Budget. Attached hereto and made a part hereof as Exhibit A is a copy of the budget for the Condominium for the calendar year 1988.

3. 1989 Projected Budget. Attached hereto and made a part hereof as Exhibit B is a copy of a proposed budget for the calendar year 1989 as prepared by the Managing Agent. This budget is expected to be approved at the annual Board meeting to be held on November 6, 1988. If approved, the annual common charges of the Slip Units are expected to increase to $446.10 per .001 of common interest effective January 1, 1989.

3. 1987 Financial Statements. Attached hereto and made a part hereof as Exhibit C is a copy of the certified financial statements for the Anchorage Yacht Club Condominium for the calendar year 1987.

4. Plan Incorporated by Reference. The Plan, as modified and supplemented hereby, is incorporated herein

by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deemed amended to reflect the provisions contained herein.

6. Define Terms. All the terms used in this Eleventh Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

7. No Other Material Changes. There have been no other material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: November 1 , 1988

ANCHORAGE ASSOCIATES
Sponsor

EZ:A:33

ANCHORAGE YACHT CLUB CONDOMINIUM

BUDGET FOR CALENDAR YEAR 1988

Projected Income:		
Annual Common Charges	$ 415,536.00	
Concession Income	2,500.00	
Pool Guest Tickets	750.00	
TOTAL INCOME:	$ 418,786.00	$418,786.00
Projected Expenses:		
1) Labor:		
Pool/Att.	$ 7,500.00	
Clerical	10,000.00	
Grounds Maint.	17,500.00	
F.I.C.A.	2,600.00	
Fed. Unemployment	260.00	
State Payroll Taxes	1,056.00	
DBL	120.00	
Workmans Comp.	400.00	
TOTAL:	$ 39,436.00	$ 39,436.00
2) Operating Expenses:		
a) Utilities Electric & water)	$ 30,000.00	$ 30,000.00
b) Repairs and maintenenace		
Roadway (Asphalt)	30,000.00	
Bulkhead/Fingers	25,000.00	
Electrical Maint.	15,000.00	
Bubble & Water System	15,000.00	
Concrete	12,000.00	
Toilets(Essex & Cove Bldgs.)	5,000.00	
General Construction	2,500.00	
Contingency	20,000.00	
TOTAL:	$ 124,500.00	$124,500.00

c) Grounds Maintenance

Landscaping	$ 15,000.00	
Pool/Plygrd./Ten.Cts.	12,000.00	
Speed Bumps-$450.@ 10 (20'L)	4,500.00	
Blue Stones	5,000.00	
Tools & Equipment	4,500.00	
Sweeping	1,000.00	
Snack Bar	1,000.00	
Painting	500.00	
Miscellaneous	2,000.00	
TOTAL:	$ 45,500.00	$ 45,500.00

d) Service Contracts

Security	$ 57,200.00	
Sanitation	25,200.00	
Computer Leasing Service & Maintenance	23,400.00	
Pool Maintenance	7,500.00	
Cesspool Service	7,000.00	
TOTAL:	$ 120,300.00	$ 120,300.00

e) General & Administrative

Management Fee	$ 17,500.00	
Insurance	15,000.00	
Legal & Audit Fees	6,500.00	
Office Supplies/Postage	6,500.00	
Entertainment	3,500.00	
Telephone	1,800.00	
Gas/Oil & Veh.Maint.	1,500.00	
Advertisement	1,000.00	
Miscellaneous	2,500.00	
TOTAL:	$ 55,800.00	$ 55,800.00

TOTAL EXPENSES:	$ 415,536.00

Exhibit B

ANCHORAGE YACHT CLUB CONDO

BUDGET FOR CALENDAR YEAR 1989

Projected Income:		
Maintenance Fees	$446,100.00	
Snack Bar Income	2,500.00	
Total Income:	$448,600.00	$488,600.00
Projected Expenses:		
Labor:		
Recreational Payroll	$ 12,000.00	
Condo Maint. Payroll	10,000.00	
Condo Employee Benefits	1,000.00	
Payroll Taxes	4,100.00	
Total Labor Expenses:	$ 27,100.00	$27,100.00
General Expenses:		
Utilities	$ 20,000.00	
Telephone	2,500.00	
Security	59,000.00	
Security-Gas, Oil, Vehicle Main.	7,500.00	
Professional Fees	7,800.00	
Data Processing/Service Cont.	16,300.00	
Office Supplies/Postage	5,000.00	
Miscellaneous Expenses	4,000.00	
Total General Expenses	$122,100.00	$122,100.00
Equipment, Property and Building Expenses:		
Common Grounds Maint.	$ 10,000.00	
Bulkhead/Finger Maint.	23,500.00	
Cesspool Pumpout	8,700.00	
Paving-Black Top	30,000.00	
Cement Repair	5,000.00	
Toilets/Service Contract	6,700.00	
Landscaping	7,500.00	
Electrical Maint./Service Cont.	23,800.00	
Recreational/Pool/Playground/ Tennis Ct. Maint.	15,000.00	
Bubble System Maint.	30,000.00	
Meter System Maint.	2,500.00	
Tools & Supplies	3,500.00	

Building Maint.	$ 5,000.00	
Liability Insurance	15,000.00	
Sanitation Expense	52,000.00	
Interest Expense	1,900.00	
Contingency	20,000.00	
Total Expenses	$260,100.00	$260,100.00

Administrative Expenses:

CBS Clerical	$ 11,300.00	
Managerial Fees	18,500.00	
Unemployment Insurance Expense	500.00	
Travel & Entertainment	4,500.00	
Advertising/Promotions	2,000.00	
Total Adm. Expenses:	$ 36,800.00	$ 36,800.00
Total Expenses:		$446,100.00

(255V018)

Exhibit C

Sam J. Nole, C.P.A., P.C.

230 Park Avenue - Suite 1221
New York, New York 10169
(212) 682-0180

Anchorage Yacht Club Condominium
401 East Shore Road
Lindenhurst, New York 11757

We have reviewed the accompanying Balance Sheet of the Anchorage Yacht Club Condominium, as at December 31, 1987, and the related Statements of Income and Expenses, and Analysis of Members' Equity for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Sam J. Nole CPA PC
Sam J. Nole, C.P.A., P.C.

New York, New York
April 29, 1988

ANCHORAGE YACHT CLUB CONDOMINIUM

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Exhibit A

Anchorage Yacht Club Condominium

Balance Sheet

As At December 31, 1987

See Accompanying Accountants' Review Report

****

Assets

Current Assets			
Cash in Bank - Operating		$ 16,310	
Cash in Bank - Money Market		50,364	
Accounts Receivable		101,206	
Prepaid Insurance		4,914	
Total Current Assets			$172,794
Other Assets			
Security Deposits			8,576
Total Assets			$181,370

Liabilities and Members' Equity

Current Liabilities			
Accounts Payable		$ 6,489	
Payroll Taxes Payable		299	
Accrued Expenses		1,625	
Deferred Condominium Maintenance Income		105,122	
Total Liabilities			$113,535
Members' Equity			
Paid-in capital contributed by sponsor	$25,000		
Contributions by special assessments to unit owners, includes refund of real estate taxes, (previously assessed), Town of Babylon ($42,359)	59,074	84,074	
Equity (Deficit) -Exhibit C		(16,239)	
Total Members' Equity			67,835
Total Liabilities and Members' Equity			$181,370

Exhibit B

Anchorage Yacht Club Condominium

Statement of Income and Expenses

For The Year Ended December 31, 1987

See Accompanying Accountants' Review Report

****

Income		
Condominium Maintenance Charges, Net	$285,198	
Condominium Special Maintenance Charges	57,700	
Recreational Income	607	
Snack Bar Income	2,500	
Other Income	4,443	
Interest Income	1,595	$352,043
Expenses		
Operating Expenses - See Schedule 1	237,281	
Condominium Recreational Payroll	6,294	
Condominium Maintenance Payroll	12,315	
Recreational Expenses	8,849	
Snack Bar Expenses	1,880	
General and Administrative Expenses - See Schedule II	76,224	
New York State Franchise Tax	293	343,136
Net Income		$8,907

Exhibit C

Anchorage Yacht Club Condominium
Statement of Members' Equity

As At December 31, 1987

See Accompanying Accountants' Review Report

****

Members' Equity, January 1, 1987	$(25,146)
Less: Net Income - Exhibit B	8,907
Members' Equity, (Deficit), December 31, 1987	$(16,239)

Exhibit D

Anchorage Yacht Club Condominium

Statement of Changes in Financial Position

For The Year Ended December 31, 1987

See Accompanying Accountants' Review Report

****

Sources of Cash:		
Operations:		
Excess of Income Over Expenses		$ 8,907
Contributions by Special Assessments to unit owners, including real estate tax refund		43,583
Total		52,490
Applications of Cash:		
Increase - Accounts Receivable	$(47,978)	
Increase - Prepaid Insurance	(2,642)	
Increase - Current Liabilities	46,047	
Total		4,573
Increase in Cash		47,917
Cash - January 1, 1987		18,757
Cash - December 31, 1987		$66,674

Recap:

Cash in Bank - Checking	$16,310
Cash in Bank - Money Market	50,364
	$66,674

Anchorage Yacht Club Condominium

Schedule of Expenses

For The Year Ended December 31, 1987

See Accompanying Accountants' Review Report

****

Schedule I

Operating Expenses

Maintenance - Common Grounds and Building	$63,757	
Bulk Head/Finger Maintenance	14,883	
Electrical Maintenance	20,496	
Bubble and Water System Maintenance	12,362	
Tools and Supplies/Equipment Maintenance	5,105	
Insurance - Liability	5,451	
Sanitation	25,989	
Utilities	25,079	
Security, including vehicle maintenance	63,410	
Real Estate Taxes	230	
Interest	519	
Total Operating Expenses		$237,281

Schedule II

General and Administrative Expenses

Clerical and Administrative Expenses	$11,706	
Professional Fees	5,571	
Data Processing	21,110	
Office Supplies and Postage	13,564	
Management Fee	17,875	
Payroll Taxes	2,154	
Entertainment	2,870	
Advertising and Promotion	1,374	
Total General and Administrative Expenses		$76,224

TWELFTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: November 16, 1988

This Twelfth Amendment dated November 16, 1988, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986, the Seventh Amendment dated August 15, 1986, the Eighth Amendment dated April 22, 1987, the Ninth Amendment dated June 29, 1987, the Tenth Amendment dated October 26, 1987, and the Eleventh Amendment dated November 2, 1988. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Twelfth Amendment are as follows:

1. Members of the Board of Managers of the Anchorage Yacht Club Condominium. The annual meeting of the Condominium Unit Owners was held on November 6, 1988. At that time, the following members of the Board of Managers were elected by the Unit Owners and such members were appointed by the Board to the offices of the Condominium set forth opposite their respective names below:

BOARD MEMBER	OFFICE
Werner Sattler	Commodore/President
Suzanne B. Sloan	1st Vice Commodore/Vice President
Henry Flerx	2nd Vice Commodore/Secretary
Edward Kimmerling	Duty Officer/Treasurer
Stephen Sloan	Purser

2. 1989 Budget. Annexed hereto and made a part hereof as Exhibit B is a copy of the budget for the calendar year 1989 as prepared by the Managing Agent. This budget was approved at the annual Board meeting that was held on November 6, 1988. The annual common charges of the Slip Units will increase to $446.10 per .001 of common interest effective January 1, 1989.

3. Plan Incorporated by Reference. The Plan, as modified and supplemented hereby, is incorporated herein by reference with the same effect as if set forth herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deemed amended to reflect the provisions contained herein.

4. Define Terms. All the terms used in this Twelfth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

5. No Other Material Changes. There have been no other material changes of facts or circumstances affecting the Property or the offering except as set forth herein.

Dated: November 16, 1988

ANCHORAGE ASSOCIATES
Sponsor

EZ:A:33

Exhibit B

ANCHORAGE YACHT CLUB CONDO

BUDGET FOR CALENDAR YEAR 1989

Projected Income:		
Maintenance Fees	$446,100.00	
Snack Bar Income	2,500.00	
Total Income:	$448,600.00	$488,600.00
Projected Expenses:		
Labor:		
Recreational Payroll	$ 12,000.00	
Condo Maint. Payroll	10,000.00	
Condo Employee Benefits	1,000.00	
Payroll Taxes	4,100.00	
Total Labor Expenses:	$ 27,100.00	$27,100.00
General Expenses:		
Utilities	$ 20,000.00	
Telephone	2,500.00	
Security	59,000.00	
Security-Gas, Oil, Vehicle Main.	7,500.00	
Professional Fees	7,800.00	
Data Processing/Service Cont.	16,300.00	
Office Supplies/Postage	5,000.00	
Miscellaneous Expenses	4,000.00	
Total General Expenses	$122,100.00	$122,100.00
Equipment, Property and Building Expenses:		
Common Grounds Maint.	$ 10,000.00	
Bulkhead/Finger Maint.	23,500.00	
Cesspool Pumpout	8,700.00	
Paving-Black Top	30,000.00	
Cement Repair	5,000.00	
Toilets/Service Contract	6,700.00	
Landscaping	7,500.00	
Electrical Maint./Service Cont.	23,800.00	
Recreational/Pool/Playground/ Tennis Ct. Maint.	15,000.00	
Bubble System Maint.	30,000.00	
Meter System Maint.	2,500.00	
Tools & Supplies	3,500.00	

Building Maint.	$ 5,000.00	
Liability Insurance	15,000.00	
Sanitation Expense	52,000.00	
Interest Expense	1,900.00	
Contingency	20,000.00	
Total Expenses	$260,100.00	$260,100.00

Administrative Expenses:

CBS Clerical	$ 11,300.00	
Managerial Fees	18,500.00	
Unemployment Insurance Expense	500.00	
Travel & Entertainment	4,500.00	
Advertising/Promotions	2,000.00	
Total Adm. Expenses:	$ 36,800.00	$ 36,800.00
Total Expenses:		$446,100.00

(255V018)

THIRTEENTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: November 5,1989

This Thirteenth Amendment dated November 5, 1989, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendmentdated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendment dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986, the Seventh Amendment dated August 22, 1987, the Ninth Amendment dated June 29, 1987, the Tenth Amendment datedOctober 26, 1987, the Eleventh Amendment dated November2, 1988, and the Twelfth Amendment dated Novmeber 16, 1988. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by theis Thirteenth Amendment are as follows:

1. Members of the Board of Manages of the Anchorage Yacht Club Condominium. The annual meeting of the Condominium Unit Owners was held on November 5, 1989. At that time, the following members of the Board of Managers were elected by the Unit Owners and such members were appointed by the Board to the offices of the Condominium set forth opposite their respective names below:

BOARD MEMBER	OFFICE
Werner Sattler	Commodore
Henry Flerx	Vice Commodore
Edward Kimmerling	Vice Commodore
Joseph Guiffre	Vice Commodore
Stephen Sloan	Purser

2. 1990 Budget. Annexed hereto and made a part hereof as Exhibit B is a copy of the budget for the calendar year 1990 as prepared by the Managing Agent. This budget was approved at the annual Board meeting that was held on November 5, 1989. The Annual common charges of the Slip Units will increase to $465.00 per .001 of the common interest effective January 1, 1990.

3. Plan Incorporated by Reference. The Plan, as modified and supplemented hereby is incorporated herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deembed amended to reflect the provisions contained herein.

4. Define Terms. All terms used in this Thirteenth Amendment not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

5. No Other Material Changes. There have been no other material changes of facts of circumstances affecting the Property or the offering except as set forth herein.

Dated: November 5, 1989

ANCHORAGE ASSOCIATES
Sponser

Exhibit B

ANCHORAGE YACHT CLUB CONDO

BUDGET FOR CALENDAR YEAR 1990

Projected Income:		
Maintenance Fees	465,000.00	
Other Income	6,500.00	
Total Income:	$ 471,500.00	$ 471,500.00
Projected Expenses:		
Labor:		
Recreational Payroll	$ 15,000.00	
Condo Maintenance Payroll	10,000.00	
Security Payroll	72,000.00	
Condo Employee Benefits	1,000.00	
Payroll Taxes	6,500.00	
Unemployment Insurance	700.00	
Total Labor Expenses:	$ 105,200.00	$ 105,200.00
General Expenses:		
Utilities (Electric/Water)	$ 25,000.00	
Telephone	2,800.00	
Security - Gas Oil & Vhicle Maintenance	8,000.00	
Entertainment	4,500.00	
Data Processing / Service Contract	8,500.00	
Miscellaneous General Expenses	5,000.00	
Total General Expenses	$ 53,800.00	$ 53,800.00
Equipment, Property & Building Expenses		
Common Grounds Maintenance	$ 17,500.00	
Bulkhead / Finger Maintenance	15,000.00	
Cesspool Pumpout	9,500.00	
Paving - Asphalt	30,000.00	
Concrete Repari	5,000.00	
Toilets / Service Contract	7,250.00	
Landscaping	15,000.00	
Electrical Maintenance / Service Contract	20,000.00	
Recreational-Pool/ Playground/ Tennis Court Maintenance	20,000.00	
Bubble System Maintenance	20,000.00	
Water System Maintenance	3,000.00	
Equipment & Supplies	2,500.00	
Building Maintenance (Snack Bar-Office Trailer)	2,500.00	
Sanitation	49,500.00	
Contingency	20,000.00	
Total Expenses	$ 236,750.00	$ 236,750.00

Administrative Expenses		
OSS Clerical	11,500.00	
Managerial Fees	19,500.00	
Liability Insurance	15,000.00	
Professional Fees	10,000.00	
Office Supplies / Postage	9,000.00	
Interest Expense	750.00	
Miscellaneous Administrative Expenses	3,500.00	
Total Administrative Expenses	69,250.00	$ 69,250.00
Total Expenses:		$ 465,000.00

FOURTEENTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN
FOR THE SLIP UNITS OF

THE ANCHORAGE YACHT CLUB CONDOMINIUM
401 East Shore Road
Lindenhurst, New York 11757

Dated: November 21, 1990

This Fourteenth Amendment dated November 21, 1990, amends certain of the terms of the Condominium Offering Plan dated January 2, 1985 as amended by the First Amendment dated March 8, 1985, the Second Amendment dated March 27, 1985, the Third Amendment dated May 16, 1985, the Fourth Amendemnt dated September 27, 1985, the Fifth Amendment dated October 30, 1985, the Sixth Amendment dated March 27, 1986, the Seventh Amendment dated August 15, 1986, the Eighth Amendment dated April 22 1987, the Ninth Amendment dated June 29, 1987, the Tenth Amendment dated October 26, 1987, the Eleventh Amendment dated November 2, 1988, the Twelfth Amendment dated November 16, 1988, the Thirteenth Amendment dated November 5, 1989, and the Fourteenth Amendment dated November 21, 1990. It should be read in conjunction with said Offering Plan, as amended.

The matters covered by this Fourteenth Amendment are as follows:

1. Members of the Board of managers of the Anchorage Yacht Club Condominium. The annual meeting of the Condominium Unit Owners was held on November 4, 1990. At that time, the following members of the Board of Managers were elected by the Unit Owners and such members were appointed by the Board to the offices of the Condominium set forth opposite their respective names below:

BOARD MEMBER	OFFICE
Werner Sattler	Commodore
Henry Flerx	Vice Commodore
Ed Kimmerling	Vice Commodore
Robert Case	Vice Commodore
Stephen Sloan	Purser

2. 1991 Budget. Annexed hereto and made a part hereof as Exhibit B is a copy of the budget for the calendar year 1991 as prepared by the Managing Agent. This budget was approved at the annual Board meeting that was held on November 4, 1990. The annual common charges of the Slip Units will increase to $ 511.00 per .001 of the common interest effective January 1, 1991.

3. Plan Incorporated by Reference. The Plan, as modified and supplemented hereby is incorporated herein at length. Accordingly, all provisions, schedules and exhibits heretofore contained in the Plan as amended shall be deemed amended to reflect the provisions contained herein.

4. Define Terms. All terms used in this Fourteenth Amendent not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

5. No Other Material Changes. There have been no other material changes of facts of circumstances affecting the Property or the offering except as set forth herein.

Dated: November 21, 1990

ANCHORAGE ASSOCIATES
Sponser

AYC CONDO ASSOCIATION

401 East Shore Road
Lindenhurst, New York 11757
(516) 226-2760

ANCHORAGE YACHT CLUB CONDOMINIUM

Proposed Budget for Calander Year 1991

Projected Income:	
Maintenance Fees	$ 510,700.00
Rental Income	16,300.00
Other Income	6,000.00
TOTAL INCOME	533,000.00
Projected Expenses:	
Labor	
Recreational Payroll	19,000.00
Condo Maintenance	8,500.00
Security	72,000.00
Condo Employee Benifits	2,000.00
Payroll Taxes / Workmans Compensation/ Unemployment Insurance Taxes	8,500.00
TOTAL LABOR EXPENSES	110,000.00
General Expenses:	
Utilities (Electric/Water)	35,000.00
Telephone	3,000.00
Lease - A.Y.C. Condo Office Building	29,000.00
Real Estate Tax	6,000.00
Security - Gas Oil & Vehicle Maintenance	9,500.00
Office Equipment / Service Contract	8,500.00
Office Supplies / Postage	4,000.00
Entertainment	4,500.00
Miscellaneous General Expenses	8,000.00
TOTAL GENERAL EXPENSES	107,500.00

WERNER SATTLER - *Commodore*
HENRY FLERX - *1st Vice Commodore* EDWARD KIMMERLING - *Vice Commodore*
JOSEPH GUIFFRE - *Vice Commodore* STEPHEN SLOAN - *Commercial Rep.*

Equipment, Property & Building Expenses	
Common Grounds Maintenance	$ 20,000.00
Bulkhead Maintenance	8,000.00
Cesspool Pumpout	9,000.00
Road Work - Asphalt	30,000.00
Concrete Repair	5,000.00
Toilets / Service Contract	7,500.00
Landscaping	15,000.00
Electrical Maintenance / Service Contract	15,000.00
Recreational - Pool / Playground Tennis Court Maintenance	12,000.00
Bubble System Maintenance	25,000.00
Water System Maintenance	5,000.00
Equipment & Supplies	2,500.00
Building Maintenance	10,000.00
Sanitation	46,500.00
Contingency	20,000.00
TOTAL EQUIPMENT, PROPERTY & BUILDING EXPENSES:	230.500.00

Administrative Expenses	
Clerical	$ 24,000.00
Managerial Fees	26,000.00
Liability Insurance	12,000.00
Professional Fees	10,000.00
A.Y.C. Condo Office Building - Common Charges	8,300.00
Miscellaneous Administrative Expenses	4,700.00
TOTAL ADMINISTRATIVE EXPENSES:	85,000.00
TOTAL EXPENSES:	533,000.00