

EXHIBIT O

BY-LAWS

OF

FOXWOOD CONDOMINIUM

ARTICLE I

GENERAL

SECTION 1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of Foxwood Condominium III (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 7.66 acres of land (the "Land") located on Bedford Road, Village of Pleasantville, Town of Mt. Pleasant, County of Westchester, State of New York, the buildings and other improvements now or hereafter to be constructed thereon (hereinafter collectively called the "Buildings"), including, without limitation, the Units and the Common Elements (as such terms are defined in the Offering Plan covering the Condominium) and all other property, real, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration of Condominium (the "Declaration") in the Office of the Clerk of the County of Westchester. Unless otherwise provided herein, all terms used in these By-Laws shall be as defined in the Offering Plan covering the Condominium.

SECTION 2. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees and occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations attached hereto as Schedule A and made a part hereof as they or any of them may be amended from time to time.

SECTION 3. Principal Office. The principal office of the Condominium and of the Board of Managers shall be located within the Property or at such other place, 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. The affairs of the Condominium shall be governed by the Board of Managers, which shall consist of three (3) persons. Until the first annual meeting of Unit Owners shall have been held as provided in Section 1 of Article III hereof, a majority or more of the Managers shall be persons appointed by the Sponsor, none of whom need be a Unit Owner. Thereafter, all of the Managers shall be Unit Owners except that to the extent permitted by law and, so long as the Sponsor owns one or more Units, the Sponsor shall be entitled to designate one Manager who need not be a Unit Owner. Subject to the foregoing, at the first annual meeting of the Unit Owners one-third of the Managers shall be elected to serve for a term of three years, one-third for a term of two years and the remaining one-third for a term of one year. At the expiration of the initial term of office for each Manager, his successor shall be elected to serve for a term of three years.

SECTION 2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts except such acts which by law, the Declaration or 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, without limitation, the following:

(a) Operation, care, upkeep and maintenance of the Common Elements.

(b) Determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.

(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, except that the employment of the superintendent and his staff shall be the responsibility of the Manville Lane Homeowners Association, Inc. (the "Association") at such time as the Association shall acquire a Unit for a resident superintendent.

(e) Adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property subject to a right of the Unit Owners to overrule the Board as provided in Article VI, Section 16 hereof.

(f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Purchasing, leasing or otherwise acquiring Units offered for sale or lease or surrendered by their owners to the Board of Managers, in the name of the Board of Managers or its designee, on behalf of all Unit Owners.

(h) Purchasing Units at foreclosure or other judicial sales, in the name of the Board of Managers or its designee on behalf of all Unit Owners.

(i) Selling, leasing, mortgaging (but not voting the votes appurtenant to), or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or its designee on behalf of all Unit Owners.

(j) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing Units by the Board of Managers on behalf of all Unit Owners.

(k) Obtaining insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.

(l) Making repairs, additions and improvements to, or alterations of, the Property and repairs to and restoration of the Property in accordance with the provisions of these By-Laws.

(m) Enforcing obligations of the Unit Owners, allocating profits and expenses and doing anything and everything else necessary and proper for the sound management of the Condominium.

(n) Levying fines against the Unit Owners for violations of the Rules and Regulations established by it to govern the conduct of the Unit Owners; provided, however, that no fine may be levied for more than \$5 for any one violation, but for each day a violation continues after notice it shall be considered a separate violation, and such fines may be collected as if they were Common Charges owed by the Unit Owner(s) against whom such fines were levied.

(o) Without limiting the generality, rights, duties and powers of the Board of Managers as set forth in these By-Laws, the Declaration and the House Rules, if any, the Board of Managers is specifically authorized to make use of the common charges or to levy special assessments for the purpose of defraying the costs of attorney fees and the costs of litigation entered into pursuant to Section 339(dd) of the Real Property Law.

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 established by the Board of Managers, 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), (k) and (l) of Section 2 of this Article II. The Board of Managers may delegate to the manager or managing agent all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (m) and of Section 2 of this Article II.

SECTION 4. First Board of Managers. The first Board of Managers shall consist of persons designated by the Sponsor and they shall hold office and exercise all powers of the Board of Managers. Within thirty (30) days after conveyance of title to the forty-second Unit, one (1) member of the first Board shall resign and shall request the President of the Condominium to call for a special meeting of Unit Owners (except the Sponsor) to elect one (1) new member of the Board (the "Replacement Member"). Within thirty (30) days after the conveyance of title to 80% of the Units or twenty-four (24) months following the date of the filing of the Declaration or twelve months following the date of the filing of the Declaration if at such date title to 51% of Units shall have been conveyed, whichever shall first occur.

all members of the Board (including the Replacement Member) shall resign as Board members and shall cause the President of the Condominium to call for a special meeting of the Unit Owners to elect a New Board of Managers. The Sponsor agrees that during such time as the Sponsor shall control the Board of Managers by virtue of the foregoing provision, the Board of Managers shall not, without the prior consent of a majority in interest of the Unit Owners (exclusive of the Sponsor) (i) increase the contingency and reserve fund beyond that provided for in the Offering Plan or (ii) borrow money. The Replacement Member shall be subject to replacement, in the event of resignation or death, in the manner set forth in Section 6 of this Article.

SECTION 5. Removal. Subject to the provisions of Section 1 of this Article II, Managers may be removed with or without cause by an affirmative vote of a majority of the Unit Owners. No Manager shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner.

SECTION 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by vote of a majority of the remaining members 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 for the remainder of the term of the member creating such vacancy and until a successor shall be elected at the next annual meeting of the Unit Owners.

SECTION 7. Organization Meeting. The first meeting of the Board of Managers shall be held within ten (10) days following the first annual meeting of the Unit Owners at such time and place as shall be fixed by the Unit Owners at such first annual meeting, and no notice shall be necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, provided that a majority of the members of the Board of Managers shall be present at such first annual meeting.

SECTION 8. 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 two (2) such meetings shall be held during each fiscal year. 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 three (3) days prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board of Managers may be called by the President by giving three (3) 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-third of the members of the Board of Managers.

SECTION 10. 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 the 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 11. 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, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

SECTION 12. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

SECTION 13. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of law, the Declaration or these By-Laws. It is intended that the

liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE III

UNIT OWNERS

SECTION 1. Annual Meetings. Within thirty (30) days after title to 80% of the Units has been conveyed, or sooner, but not later than twenty-four (24) months following the date of the filing of the Declaration nor later than twelve (12) months following the date of the filing of the Declaration if on such date title to 51% of the Units has been conveyed, the first annual meeting of Unit Owners shall be held. At such meeting the incumbent Board of Managers (including the Replacement Member) shall resign and a new Board shall be elected by the Unit Owners except that to the extent permitted by law, Sponsor shall have the right to designate at least one member of the Board of Managers as long as Sponsor owns any Unit, provided that after the Sponsor has relinquished control he shall not exercise his votes to elect a majority of the Board. In no event shall Sponsor transfer control of the Board of Managers to the Unit Owners prior to title closings to 50% or more of the Units comprising the Condominium. Thereafter, annual meetings shall be held on the anniversary of such date each succeeding year. At such meetings the Unit Owners shall elect Managers to fill vacancies or to succeed retiring 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 Meetings. 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 as directed by the Board of Managers or upon a petition signed by at least one third of the Unit Owners and presented to the Secretary.

SECTION 4. Notice of Meetings. It shall be the duty of the Secretary to give a notice of each annual or special meeting, stating the purpose thereof and the time and place where it is to be held, to each Unit Owner of record at least ten (10), but not more than thirty (30), days prior to such meeting. The giving of a notice in the manner provided in these By-Laws shall be considered notice properly served.

SECTION 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of the Unit Owners who are present at such meeting, 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 6. Order of Business. The order of business at all 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) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Managers (when so required).

(i) Unfinished business.

(j) New business.

SECTION 7. Title to Units. Title to Units may be taken in the name of an individual, in the names of two (2) or more persons, as tenants in common, joint tenants or tenants by the entirety, in the name of a corporation or partnership or in the name of a fiduciary.

SECTION 8. Voting. The Unit Owner(s) of each Unit, or a person designated by such Unit Owner(s) to act as proxy on his or their 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(s) so designating. Each Unit Owner (including the Sponsor, if the Sponsor shall then own one or more Units) shall be entitled to cast one vote at all meetings of the Unit Owners for each Unit owned by such Unit Owner. A fiduciary shall be the voting member with respect to any Unit Owner in a fiduciary capacity. Any Unit(s) owned by the Board of Managers or its designee on behalf of all Unit Owners or by the Association shall not be entitled to a vote and shall be excluded from the total of common interests when computing the interest of all other Unit Owners for voting purposes.

SECTION 9. Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners determined in accordance with the provisions of Section 8 of this Article III.

SECTION 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

SECTION 11. Majority Vote. The vote of a majority 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 where otherwise provided by law, the Declaration or these By-Laws.

ARTICLE IV

OFFICERS

SECTION 1. Designation. The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. None of the officers need be Unit Owners until the Board of Managers is elected by the Unit Owners. Thereafter, only the President and Vice-President need be Unit Owners.

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

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

SECTION 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of President of a corporation, including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Condominium.

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

SECTION 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers, shall have charge of such books and papers as the Board of Managers may direct and shall in general perform all the duties incident to the office of Secretary of a corporation.

SECTION 7. Treasurer. The Treasurer shall be responsible 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 funds and other securities in the name of the Board of Managers or the managing agent in such depositories as may from time to time be designated by the Board of Managers, and he shall in general perform all the duties incident to the office of Treasurer of a corporation.

SECTION 8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers 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 such.

ARTICLE V

NOTICES

SECTION 1. Definition. Whenever by the provisions of law, the Declaration or these By-Laws any notice is required to be given to the Board of Managers, any Manager or any Unit Owner, such notice may be given by personal delivery, by telegram or by mail by depositing the same in a post office or letter box in a postpaid sealed wrapper, delivered, sent or mailed, as the case may be, to the President of the Condominium on behalf of the Board of Managers, such Manager or such Unit Owner at their respective addresses as appear on the books of the Condominium. Notice shall be deemed given as of the date of such personal delivery, sending or mailing, as the case may be.

SECTION 2. Service of Notice; Waiver. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing signed by one person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

OPERATION OF THE PROPERTY

SECTION 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the common expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners in proportion to their respective interests in the Common Elements. The common expenses shall include, without limitation, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 of this Article VI and the cost and expenses of maintaining and operating the Community Facilities and the other property owned by the Association to the extent the same shall be allocable to the Condominium. The common expenses may also include such amount as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium for a general operating reserve, for a reserve fund for replacements and to make up any deficit in the Common Charges for any prior year. Notwithstanding the foregoing, for so long as the Sponsor shall own 20 or more Unsold Units, the Board of Managers shall not, without the written consent of the Sponsor, make any capital expenditure or increase the contingency fund in any fiscal year to an amount which exceeds 5% of the estimated operating expenses for such year.

The working capital and emergency fund derived from payments made to the Condominium by Unit Owners at the time of closing on their Units shall be undiminished at the time the Sponsor relinquishes control of the Board of Managers, except for the Association assessment for the cost of purchasing an apartment for a resident superintendent.

tendent to which the Sponsor is not required to contribute and amounts expended in anticipation of Common Charges accrued but not yet paid.

From and after the date of the filing of the Declaration, the Sponsor shall pay Common Charges with respect to all Units (whether or not constructed) covered thereby and not sold and conveyed to the purchaser thereof. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit, any Unit which is to be sold at a foreclosure or other judicial sale and/or a Unit for use by a resident superintendent, if any. The Board of Managers shall advise all Unit Owners promptly 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 copies of each budget on which such Common Charges are based to all Unit Owners and to their respective mortgagees.

The Board of Managers shall from time to time and in any event as at the end of each budget period determine the amount, if any, by which the Common Charges attributable to such budget period shall exceed the actual costs and expenses attributable to such budget period paid or incurred by the Condominium on account of the operation and maintenance thereof.

The amount of such excess, if any, shall thereupon be distributed to each Unit Owner, including the Sponsor, who shall have paid Common Charges during the applicable budget period in accordance with their respective interests in and to the Common Elements. In the event that any Unit Owner shall have paid Common Charges for less than the full budget period for which such computations shall have been made, the portion of such excess amount to be distributed to such Unit Owner shall be apportioned on the basis of the number of days within such budget period for which such Unit Owner shall have paid Common Charges. The right to receive a distribution on account of such excess shall survive the sale and conveyance of title to a Unit.

SECTION 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the the extent obtainable, the following insurance: (a) fire insurance with extended coverage insuring the Buildings (including, without limitation, all of the Units and the bathroom and

kitchen fixtures initially installed therein by the Sponsor, but not including carpeting and/or drapes furnished by the Sponsor or furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear, in the amount determined by the Board of Managers and approved by any mortgagee holding mortgages on twenty-five (25) or more Units, each of which policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss proceeds, 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 as hereinafter set forth; (b) workmen's compensation insurance; and (c) such other insurance as the Board of Managers may from time to time determine. All such policies shall provide that the adjustment of any loss covered thereby shall be made by the Board of Managers, and if the proceeds payable in connection with any such loss shall be in excess of \$50,000, the same shall be payable to the Insurance Trustee.

To the extent obtainable without additional premium, all such fire insurance policies shall contain waivers of subrogation and of any defense based on co-insurance, waivers of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners and the right, if any, to disclaim liability arising from any acts of the insured or any Unit Owner, 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 mortgagees of Units. Duplicate originals of all such fire insurance policies 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 the expiration date of the then current policies.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance as to personal injury and property damage, in such limits and amounts as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent and/or manager, if any, and each Unit Owner. Such public liability insurance shall also cover cross-liability claims of one insured against another.

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

SECTION 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of any Building or Buildings as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of such Building or Buildings (including any damaged Units contained therein, and the bathroom and kitchen fixtures initially installed therein by the Sponsor, but not including carpeting and/or drapes furnished by the Sponsor or furniture, furnishings or other personal property supplied or installed by any Unit Owner), 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 net proceeds of insurance received by or payable to the Board of Managers or the Insurance Trustee, as the case may be, shall constitute a common expense, and the Board of Managers shall assess all Unit Owners for such deficit as part of the Common Charges.

In the event of a repair or restoration pursuant to the first paragraph of this Section 3 and in the event that the net proceeds of insurance received by or payable to the Board of Managers or the Insurance Trustee, as the case may be, shall exceed the cost of such repair or restoration, then the excess of such insurance proceeds shall be paid by the Board of Managers or the Insurance Trustee, as the case may be, to all Unit Owners in proportion to their respective interests in the Common Elements after first paying out of the share due each Unit Owner such amounts as may be required to reduce unpaid liens on any Unit in the order of priority of such liens.

If 75% or more of the Buildings are substantially damaged or destroyed and if 75% in number and in common interest of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which event, the net proceeds of sale

resulting from such action, together with the net proceeds of insurance resulting from such damage or destruction, shall be paid to all Unit Owners in proportion to their respective interests in the Common Elements after first paying out of the share due each Unit Owner such amounts as may be required to reduce unpaid liens on any Unit in the order of priority of such liens.

Wherever in this Section the words "promptly repair" are used, it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notifies the Board of Managers and the Unit Owner or Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated costs of such work or not more than ninety (90) days after the Insurance Trustee notifies the Board of Managers and the Unit Owner or Owners that such proceeds of insurance are insufficient to pay said estimated costs of such work or, in the event the proceeds of insurance are payable to the Board of Managers, not more than sixty (60) days from the date of receipt by the Board of Managers of proceeds of insurance on account of such damage or destruction sufficient to pay the estimated costs of such work, as the case may be. Wherever the words "promptly resolve" are used, it shall mean not more than sixty (60) days from the date the Insurance Trustee or the Board of Managers, as the case may be, notifies the Unit Owner or Unit Owners that it holds proceeds of insurance on account of such damage or destruction and that such proceeds are or are not sufficient to pay the estimated costs of such work.

SECTION 4. Payment of Common Charges. All Unit Owners shall be obligated to pay Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that his Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges, convey his Unit, together with the Appurtenant Interests, to the Board of Managers or its designee, on behalf of

all Unit Owners, and in such event be exempt from Common Charges thereafter accruing. 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 that, to the extent permitted by law, a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit or acquiring title to such Unit by conveyance in lieu of foreclosure shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common charges accrued prior to the foreclosure sale.

SECTION 5. Collection of Assessments. The Board of Managers shall assess Common Charges against the Unit Owners from time to time (at least annually) and shall take prompt action to collect any Common Charges due from any Unit Owner which remains unpaid for more than thirty (30) days after the due date for payment thereof.

SECTION 6. Default in Payment of Common Charges. In the event any Unit Owner shall fail to make prompt payment of his Common Charges, such Unit Owner shall be obligated to pay interest at the legal rate on such unpaid Common Charges computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees, paid or incurred by the Board of Managers 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 Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. The Board of Managers shall have the right and obligation to institute all proceedings deemed necessary or desirable by the Board of Managers to recover such unpaid Common Charges, together with interest thereon computed as aforesaid, and the expenses of any such proceeding.

SECTION 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey or otherwise deal

with the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

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. All maintenance, repairs and replacements in or to any Unit other than to the Common Elements contained therein, whether structural or non-structural, ordinary or extraordinary, including, without limitation, maintenance, repair and replacement of the doors, windows, storm windows and screens, and electrical, plumbing, heating and air-conditioning fixtures within the Unit or belonging to the Unit Owner shall be performed by and at the Unit Owner's cost and expense except as otherwise expressly provided to the contrary herein.

All maintenance, repairs and replacements in or to the Common Elements and the painting and decorating of the exterior doors and exterior window sash shall be performed by the Board of Managers and the cost and expense thereof shall be charged to all the Unit Owners as a common expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such cost and expense shall be charged to such Unit Owner.

SECTION 10. Terraces and Balconies. A terrace or balcony to which there is direct access from the interior of a Unit shall be for the exclusive use of the Unit Owner of such Unit. Any such terrace or balcony shall be kept free and clear of snow, ice and any other undue accumulation by the Unit Owner of such Unit who shall also make all repairs thereto caused or permitted by his negligence, misuse or neglect. All other repairs in, to or with respect to such terrace or balcony shall be made by the Board of Managers and charged to all the Unit Owners as a common expense.

SECTION 11. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be

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

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

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

No unlawful use shall be made of the Property any part thereof.

No portion of a Unit (other than the entire Unit) may be rented, and no transient may be accommodated therein.

SECTION 12: Additions, Alterations or Improvements by the Board of Managers. Wherever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements costing in excess of \$5,000, no such additions, alterations or improvements shall be made unless and until the same shall have been approved by a majority of the Unit Owners present and voting at a meeting at which a quorum is present; and, if such approval shall be granted, the Board of Managers shall proceed with such additions, alterations or improvements. Any additions, alterations or improvements costing \$5,000 or less may be made by the Board of Managers without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements shall constitute part of the common expenses and shall be assessed to the Unit Owners as a Common Charge.

SECTION 13. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his

Unit without the prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within thirty (30) days after such request, and the failure to do so within the stipulated time shall constitute the Board of Managers' consent to the proposed addition, alteration or improvement. Any application to any department of the Village of Pleasantville or to any other governmental authority having jurisdiction thereof for a permit to make a structural addition, alteration or improvement in or to any Units so approved by the Board of Managers shall be executed by the Board of Managers provided that the Board of Managers shall incur no liability in connection with such application or to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 13 shall not apply to Units owned by the Sponsor until such Units shall have been initially sold and conveyed by the Sponsor.

SECTION 14. Use of Common Elements. No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways or any other part of the Common Elements other than in and by the tenant on a terrace or balcony to which a Unit has direct access. The public halls and stairways shall be used only for normal passage. The provisions of this Section 14 shall not apply to the Sponsor until such time as all Units have been initially sold and conveyed by the Sponsor.

SECTION 15. Right of Access. A Unit Owner shall grant a right of access to his Unit to the Board of Managers, the managing agent, the manager and/or any person authorized by the Board of Managers, the managing agent or the manager, for the purpose of making inspections or for the purpose of correcting any conditions originating in his Unit and threatening another Unit or all or any part of the Common Elements, or for the purpose of performing installations, alterations or repairs to the portions of the Common Elements within his Unit or elsewhere in the Building in which such Unit is located, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, his Unit or any other Unit in the Building in which such Unit is located, provided that requests for such entry are made in advance and that any

such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency such right of entry shall be immediate, whether or not the Unit Owner is present.

SECTION 16. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Units and of the Common Elements. The Board of Managers may from time to time modify, amend or add to such rules and regulations except that a majority of the Unit Owners present and voting at a meeting at which a quorum is present may overrule the Board. Copies of such modified, amended or additional rules and regulations 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 17. Heat, Water Charges and Sewer Rents. Water shall be supplied to all Units and the Common Elements through one or more common meters and the Board of Managers shall pay, as a common expense, all charges for water consumed on the Property (including the Units) promptly after the bills for the same shall have been rendered. Heat and hot water will also be supplied to all Units and the Common Elements and paid for by the Board as a common expense. Upon the request of any Unit Owner proposing to sell and/or mortgage his Unit, the Board of Managers shall execute and deliver to the purchaser or mortgagee of such Unit or to the purchaser's or mortgagee's title insurance company, as the case may be, a letter agreeing to pay all charges for water and sewer rents affecting the Property (including such Unit) as of the date of the title or mortgage closing for such Unit promptly after such charges shall have been billed.

SECTION 18. Electricity. Electricity shall be supplied by the public utility company serving the area in which the Property is located directly to each Unit through a separate meter and each Unit Owner shall be required to pay for all electricity consumed or used in his Unit. Electricity supplied to the Common Elements shall be separately metered and the Board of Managers shall pay for all electricity consumed or used in the Common Elements as a common expense.

ARTICLE VII

MORTGAGES

SECTION 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. 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 such information 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 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 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 has theretofore been furnished to the Board of Managers.

SECTION 3. 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.

ARTICLE VIII

SELLING, LEASING AND MORTGAGING OF UNITS

SECTION 1. Selling and Leasing. No Unit Owner other than the Sponsor may sell or lease his Unit except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer to (a) purchase his Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers or its designee on behalf of all Unit Owners, or his interest in the proceeds of the

sale or lease of such Units, if any; (iii) the Unit Owner's membership in the Association; and (iv) the interest of such Unit Owner in any other assets of the Condominium (herein collectively called the "Appurtenant Interests"), or (b) lease his Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer" and the party making any such Outside Offer is called an "Outside Offeror"), 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 and of his intention to accept the Outside Offer. Said notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction 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 Unit together with the Appurtenant Interests or to lease his 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 warranty and representation by the Unit Owner who has received such Outside Offer, to the Board of Managers, on behalf of all Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within twenty (20) days after receipt of such notice, the Board of Managers may elect, by notice to such Unit Owner, by certified or registered mail, to purchase such Unit together with the Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall timely elect to purchase such Unit together with the Appurtenant Interests or to lease such 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 Condominium 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 such offer. If, pursuant to such Outside Offer to purchase said Unit, the Outside Offeror was to assume or take title to the Unit subject to the selling Unit Owner's existing mortgage, the Board of Managers may purchase the Unit and assume or take title to the Unit subject to said existing mortgage, as the case may be. At the closing, the Unit Owner, if such Unit together with the Appurtenant Interests is to

be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other 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 and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers or to its designee a lease between the offering Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or its designee shall fail to accept such offer within twenty (20) days after receipt of notice, as aforesaid, the offering Unit Owner shall be free to accept the Outside Offer within six (60) days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer. In the event the offering Unit Owner shall not, within such sixty (60)-day period, accept the Outside Offer or if the Unit Owner shall accept the Outside Offer within such sixty (60)-day period but such sale or lease, as the case may be, shall not be consummated, then, should such offering Unit Owner thereafter elect to sell such Unit together with the Appurtenant Interests or to lease such Unit, as the case may be, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section.

Any lease executed in connection with the acceptance of any Outside Offer to lease a 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 a default by the tenant in the performance of its obligations under such lease. Except as hereinbefore set forth, the form of any such lease shall be the then current form of lease recommended by the Real Estate Board of New York, Inc., shall provide that the Board of Managers may enter into a sublease of the premises and shall contain such other modifications as shall be approved in writing by the Board of Managers.

Any purported sale or lease of a Unit in violation of this Section shall be voidable at the election of the Board of Managers.

SECTION 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners present and voting at a meeting at which a quorum is present.

SECTION 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the Appurtenant Interests of all Units.

SECTION 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers only in the manner provided in Section 5 of this Article VIII. In the event the Board of Managers shall release or waive its right of first refusal as to any Unit, such Unit, together with the Appurtenant Interests, may be sold, conveyed or leased, free and clear of the provisions of said Section 1.

SECTION 5. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary of the Condominium stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board of Managers, and that as a result thereof the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Board of Managers shall furnish such certificate upon request to any Unit Owner in respect to whom the pro-

visions of said Section have terminated for a fee not to exceed twenty (\$20.00) dollars.

SECTION 6. Financing of Purchase of Units by Board of Managers. The purchase of any 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 Condominium. 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 interest in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article VI, or the Board of Managers may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with the Appurtenant Interests.

SECTION 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to any lease, sale or conveyance of any Unit together with the Appurtenant Interests by (a) the Unit Owner thereof to his spouse, children, parents, siblings or to any one or more of them, (b) the Sponsor, (c) the Board of Managers or (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article.

SECTION 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift to devise his Unit by will or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article.

SECTION 9. Waiver of Right of Partition with Respect to Such Units as Are Acquired by the Board of Managers, or its Designee, on Behalf of All 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 Unit other than the right of partition with respect to the entire Property as hereinafter provided.

SECTION 10. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell 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 the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

SECTION 11. Mortgaging of Units. No Unit Owner shall mortgage his Unit except by a first mortgage made to a bank, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender (herein collectively called "permitted mortgages"). Any such mortgage shall be substantially in the form on file in the office of the Board of Managers, except for such changes or additions thereto as may be necessary in order to permit the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers. Notwithstanding the foregoing, a selling Unit Owner may take back a purchase money mortgage from the purchaser of such Unit.

ARTICLE IX

CONDEMNATION

SECTION 1. Condemnation. In the event of a taking in condemnation or by eminent domain of all or any part of the Common Elements, the award made for such taking shall be payable to the Board of Managers if the award does not exceed \$50,000 and shall be payable to the Insurance Trustee if it exceeds \$50,000. If 75% in number and 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. In the event that 75% in number and in common interest of all Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall distribute 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 VI. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking

ARTICLE X

RECORDS

SECTION 1. Records and Audits. The Board of Managers or the managing agent 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, if any, 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 promptly after the end of each fiscal year. Copies of the Declaration, these By-Laws, the Rules and Regulations and floor plans of the Buildings and Units, as the same may be amended from time to time, shall be maintained at the office of the Board of Managers and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE XI

MISCELLANEOUS

SECTION 1. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

SECTION 2. 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 3. 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 4. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

SECTION 5. Insurance Trustee. The Insurance Trustee shall be The Bank of New York until it shall resign or be replaced by the Board of Managers. In either such event the Board of Managers shall appoint a New Insurance Trustee which shall be a bank or trust company having an office located in New York City or Westchester County. 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.

ARTICLE XII

AMENDMENTS TO BY-LAWS

SECTION 1. Amendments to By-Laws. These By-Laws may be modified or amended by the vote of 66-2/3% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose, but only with the written approval of those mortgagees holding mortgages constituting first liens upon 40 or more Units.

For as long as Sponsor remains the owner of one or more Units, these By-Laws may not be amended so as to adversely affect Sponsor without Sponsor's prior written consent.

ARTICLE XIII

CONFLICTS

SECTION 1. Conflicts. These By-Laws 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 applic-

able laws. In case any of these By-Laws 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.