

CONDOMINIUM OFFERING PLAN

THE 531 VANDERBILT AVENUE CONDOMINIUM

Property Located at
531 Vanderbilt Avenue
Brooklyn, New York 11238

TOTAL OFFERING PRICE OF EIGHTEEN (18) RESIDENTIAL UNITS IS \$ 10,177,500

The Condominium will have Eighteen (18) residential Units, which are being offered for sale pursuant to this offering.

Sponsor:	Selling Agent:
Vanderbilt Upreal LLC 306a – 308 Malcolm X Blvd Brooklyn, New York 11233	Aptsandlofts.com 482 Driggs Avenue Brooklyn, New York 11211

The Date of Acceptance for Filing is November 3, 2014. This Plan may not be used after November 2, 2015, unless extended by amendment.

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

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS, THIS OFFERING PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR.

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THIS OFFERING PLAN (SEE THE SPECIAL RISKS SECTION OF THIS OFFERING PLAN)

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE i.

Prepared by:
Marans Weisz, & Newman LLC
29 Broadway, Suite 2400 New York, New York 10006

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SPECIAL RISKS

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

- 1) Sponsor reserves the right to control the Board for a period of time (the "Control Period") by appointing a majority of the members of the Board until the later of the date on which (a) 120 days after the date by which seventy-five (75%) percent of the units have been conveyed to the unit purchasers; or (b) for a period of three (3) years after completion of the project evidenced by the first conveyance to a unit purchaser (the "First Closing") unless Sponsor voluntarily relinquishes such right prior to the expiration of the three year (3) period after the date which is three (3) years from the First Closing. Sponsor may continue to control the Board if it has sufficient votes to elect a majority of the members of the Board. The Sponsor is not obligated to sell more units after the plan is declared effective, sponsor control may never end under the terms of this plan.
- 2) Sponsor is retaining the unconditional right to rent Units in the Building that are being offered under this Plan. Until this Plan is abandoned, Sponsor will endeavor in good faith to sell fifteen percent (15%) of the Units, but makes no representation that it will execute Purchase Agreements to sell more than fifteen percent (15%) of the Units. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.
- 3) Prospective Purchasers are advised that all deposits and Down Payments will be held in the escrow account maintained by Marans, Weisz & Newman LLC, as escrow agent (the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Purchasers making Down Payments in excess of \$250,000 are advised that FDIC deposit insurance does not cover deposited monies in excess of this amount.
- 4) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of

occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York State Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to the expiration thereof, and ultimately for obtaining a FCO covering the entire Building within two (2) years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two (2) year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT.. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

- 5) Units are measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, or the exterior of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit. Each Residential Unit consists of the area measured vertically from the top of the concrete floor slab below to the underside of the finished ceiling. Since the area calculations are not based upon measurements from interior surfaces of interior walls, the usable floor area of the Units is less than the area listed in Schedule A. Measurements are approximate and are within reasonable tolerances.
- 6) Purchasers who wish to make the Purchase Agreement contingent on financing must first apply to First Meridian Mortgage ("the Sponsor Designated Lender/Broker") having an address at 190 N 10th Street, Brooklyn, New York 11211, Tel: 718.906.6156, Attn: Chesky Fuchs, E-mail: cfuchs@fmm.com, within three (3) days of the Purchaser receiving the signed counterpart of the Purchase Agreement from Sponsor. Sponsor makes no representation as to the availability of any such financing.
- 7) Purchasers will be required to pay at Closing two (2) months of common charges as a contribution to the Working Capital Fund. This fund shall be used to pay for items in the

budget which will be payable prior to the time that sufficient monthly Common Charges have accrued in the Condominium spending account to pay for these items.

- 8) NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE SPONSOR'S OBLIGATIONS UNDER THE PLAN INCLUDING WITHOUT LIMITATION THOSE OBLIGATIONS SPECIFIED IN THE "RIGHTS AND OBLIGATIONS OF SPONSOR" SECTION HEREOF.
- 9) Sponsor reserves the right to cause the Condominium Board not to bill Common Charges to any Unit Owner for so long as Sponsor pays the actual Condominium expenses, in lieu of Common Charges. In the event that Sponsor makes such election: i) Common Charges will not be assessed by the Board of Managers to any Unit Owners, ii) Sponsor shall disclose such information in the post-closing amendment to the Plan, and shall set forth the anticipated length of such delay period; iii) Sponsor shall provide at least thirty (30) days written notice of the expiration of the delay period and shall disclose such notice in an amendment to the Plan; (iv) during any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders; (v) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (vi) the Sponsor shall remain obligated to update the budget for the Condominium, as provided in the governing regulations.
- 10) Each Purchaser will be required to pay to Sponsor or Sponsor's attorneys a fee for the Purchaser's Unit which will cover the legal and other fees and expenses of processing the sale of the Unit, as provided further in "Closing Costs and Adjustments." If through no fault of Sponsor a Purchaser fails to close on the date fixed by Sponsor for closing of title to Purchaser's Unit, then Purchaser will (a) pay (among other closing costs) a late fee equal to 0.04% times the unpaid balance of the Purchase Price for each day's delay, beginning with the date originally scheduled for the closing to and including the day immediately preceding the actual Closing date, (b) reimburse Sponsor for the Unit's Common Charges and real estate taxes during the period of delay and (c) \$250 for each adjournment.
- 11) Unit Owners must notify the Board in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at the Unit Owner's expense, the required window guards in all windows of the Unit and shall not remove them until permitted by law in any event, without the full knowledge of the Board.
- 12) A Unit Owner, a portion of whose Unit is located on the cellar floor may not use any room in the cellar floor as a bedroom, dining room or for any other use construed as "habitable space" as defined by the New York City Building Code. Doing so may result in a violation being issued against the Building and a fine imposed. Units 1B and 1C on the ground floor of the Building is a duplex a portion of which is located in the Cellar Floor.

- 13) Plants, if any, shall be contained in boxes of wood lined with metal or other materials impervious to dampness and standing on supports at least two (2") inches from the surface, and, if adjoining a wall, at least three (3") inches from such wall. Suitable weep holes should be provided in the boxes to draw off water. In special locations, such as a corner abutting a wall, plants may be contained in masonry or hollow tile walls which will be at least three (3") inches from the wall and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. It will be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. There shall be no blockage of drainage if there is one. Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plants. The size of such plants shall be subject to the consent of the Board of Managers.
- 14) To insure that the warranty on the roof of the Building is not violated and in furtherance of the Board of Managers right to determine rules applicable to the Common Elements, the House Rules included in the By-Laws are amended to provide that Unit Owners and their guests may walk on the roof surfaces. However, no Unit Owner may place any objects directly upon the surface of the roofs nor shall any structure be built or placed upon the roofs without the prior written consent of the Board of Managers. Purchasers are advised that additions and improvements or repairs to their Unit, including the Limited Common Elements appurtenant to them cannot be made without the prior written approval of the Board of Managers.
- 15) Access to all roof areas shall be provided to the maintenance staff for standard building maintenance.
- 16) The owners of Residential Units with roof terraces shall not install or permit any item or improvement upon the roof which exceeds a maximum of 100 pounds/sq. floor load. Should any desired improvements exceed this maximum load, it will be the owner's responsibility to have a professional structural engineer design additional support to increase the load-bearing capacity of the desired level provided that the Board of Managers first approves a request by the Residential Unit Owner for such heavy loads.
- 17) The budget does not provide for the hiring of a super. The budget presumes that the Unit Owners will manage the Building themselves including such responsibilities as putting out the garbage, snow removal and such other services as are otherwise performed by a super in multiple dwellings in New York City. If the Board of Managers decides to hire a superintendent in the future, such service will be an additional expense for the Condominium, and may cause an increase in common charges.
- 18) Refuse must not be placed on the sidewalk except on days of collection under penalty of fine.

INTRODUCTION

Sponsor and Offer of Sale

Vanderbilt Upreal, LLC (the "Sponsor"), a limited liability company organized under the laws of the State of New York, presents this Offering Plan (the "Plan") for the establishment of condominium ownership of the land (the "Land") consisting of approximately 3,523 square feet in the State of New York, located at 531 Vanderbilt Avenue Brooklyn, New York and upon presentation of this Plan known as Block 2010, F/K/A Lots 5 & 6 N/K/A Lot 5, as shown in the Kings County Tax Map, and a building (the "Building") new on the Land to be called the 531 Vanderbilt Avenue Condominium (the "Condominium"). Altogether, the Building will contain approximately 15,509 gross square feet (including the cellar). Sponsor acquired the Property on March 15, 2013 from 531-533 Vanderbilt LLC.

This Plan sets forth all the material terms of the offer to sell Units in the Condominium. The Condominium is subject to and will comply with the New York Condominium Act. The Plan may be amended from time to time by amendment duly filed with the New York State Department of Law and served on all Purchasers and on Unit Owners. The Plan, including Part II, constitutes the entire offer of the Sponsor. . Copies of the Plan and all filed amendments, all exhibits to the Plan will also be available for inspection by prospective purchasers and their attorneys at the on-site offices of the Sponsor, and are also available for inspection and copying at a reasonable fee at the New York State Department of Law, 120 Broadway 23rd Floor, New York, New York.

The Building will be developed by Sponsor in accordance with all applicable law. On completion of construction, the Building will be divided into eighteen (18) residential condominium Units. The Sponsor expects that construction will be completed by January 2015.

The Building will have certain facilities and amenities which will be available for use by Building residents and their guests. In the cellar, Sponsor shall construct a bike storage room.

Sponsor will be offering for sale pursuant to this Plan eighteen (18) residential condominium Units in accordance with the schedule of sales prices (Schedule A) set forth in Part I. These prices have been set by Sponsor and are not subject to approval by the Department of Law or any other governmental agency.

Upon presentation of this Offering Plan, Sponsor intends to sell all the Units;

however, Sponsor retains the unconditional right to rent rather than sell Units and makes no representation that it will endeavor in good faith to sell Units rather than rent. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Units. In the event Sponsor has rented a Unit and, subsequently, sells the Unit pursuant to this Plan, such sale of the Unit will provide that it will be sold in "as is" condition, except for any applicable warranties expressly provided in this Plan.

On the Effective Date of this Offering Plan as hereinafter described, Sponsor will cause the Declaration of Condominium to be recorded in the office of the City Register for New York County submit the Property to Article 9-B of the Real Property Law of the State of New York (as amended, the "Condominium Act"). The proposed Declaration is set forth in Part II of this Plan. The Declaration, together with the By-Laws of the Condominium, will be recorded by Sponsor at its sole cost and expense prior to its conveyance of title to the first Unit.

The Plan is presented in two Parts in one volume. Part I sets forth a general description of the Plan, including a summary of the relevant provisions of various agreements known as the "Project Documents." Part II contains a detailed physical description of the Condominium, together with copies of the forms of many of the project documents that will affect the use, resale, or mortgaging of each Unit. Both Parts, including all schedules and exhibits, constitute the entire offer of Sponsor. These documents should be reviewed carefully by each prospective Purchaser and his or her attorney prior to signing a Purchase Agreement.

Features of Condominium Ownership

The ownership of a Unit in the Condominium is similar in many respects to the ownership of a private one-family unit. Each Unit Owner owns his or her Unit outright (in fee simple absolute) and is generally is entitled to its exclusive possession and to its use for any legal purpose, subject to the provisions of the Declaration, By-Laws of the Condominium, and any Rules and Regulations promulgated by the Condominium, which each Unit Owner is obligated to comply with. A Unit Owner is also the owner, in common with all other Unit Owners, of all remaining parts of the Property, except for the Units themselves (collectively, called "Common Elements"). Each Unit Owner's proportionate share ("Common Interest") of the Common Elements has been determined pursuant to Condominium Act Section 339-i. Terraces, rear yards, and certain facilities which are not part of a Unit but are for the use of a specified Unit (or Units) to the exclusion of all others are known as "Limited Common Elements."

The Board will not have the right to approve or disapprove of purchasers or tenants of a Unit; therefore, there is no limit on the number of Owners who may

purchase for investment rather than for personal occupancy and, as a result, there may always be a substantial percentage of owners who are non-residents. Owner-occupants and non-resident Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for owning; i.e., purchase of a Unit as a home as opposed to an investment. A Unit Owner may sell or lease (for periods of at least one (1) year).

Each Unit may be separately mortgaged and the Unit Owner will be responsible for interest and amortization payments on the mortgage, if any encumbering such Unit Owner's Unit. A Unit is not subject to the lien of any mortgage placed by other Unit Owners on their Units.

Each Unit Owner will be assessed and taxed separately for real estate tax purposes and, therefore, no Unit Owner will be liable for the payment of real estate taxes on any other Unit. In the opinion of counsel for Sponsor, payments of real estate taxes and interest on any mortgage affecting the Owners Unit, will be deductible for federal, state, and local income tax purposes (See Tax Opinion of Counsel set forth below) under current Tax Law subject to the conditions contained in such opinion.

Each Unit Owner, at the Unit Owner's sole cost, may decorate and alter the interior of the Unit Owners Unit in any way that the Unit Owner desires, subject to the provisions of the By-Laws and the Rules and Regulations promulgated by the Condominium and all applicable Laws. Each Unit Owner will be solely responsible for the cost, ordinary and extraordinary, of maintenance of and repairs to the Unit Owner's Unit and all plumbing, heating, telecommunications, sanitary, and electrical systems, fixtures and equipment located within the Unit and connections to common lines which exclusively serve such Unit Owner's Unit, and for the cost of all electricity and gas consumed with the Unit Owner's Unit, as measured by individual electric and gas meters.

The Board of Manager, who will be elected by the Unit Owners after an initial period of control by Sponsor, will be charged with the primary obligation for operating the Property. The By-Laws do not provide that after the Sponsor relinquishes control of the Board that Board members be owner-occupants. Each Unit Owners' vote will be weighed in accordance with the Owner's percentage interest in the Common Elements. A description of the Unit Owners right to vote for and to serve as a member of the Board of Managers, and a description of the rights and obligations of the Board Managers is contained in the Section entitled "Rights and Obligations of the Board of Managers" in Part I of the Plan and in the Condominium By-Laws.

The Board of Managers will make most decisions concerning the manner in which the Condominium will be maintained. This will include making decisions

regarding hiring of a management company to manage the day-to-day operations of the Condominium, preparing budgets, entering into service contracts, and the making of repairs and improvements to the common areas, all of which may impact the amount of the Common Charges.

The Board of Managers will be responsible for paying, among other things, the cost of electricity consumed in the Common Elements, water and gas consumed by the Building, repairing, maintaining, and making necessary replacements to the Common Elements and providing insurance against casualties causing damage to the Building and Common Elements and certain other potential liabilities. See Schedule B (budget of first year of operations) and the notes thereto which more fully discuss the Common Expenses which will be paid by the Condominium and Schedule B-1 regarding projected energy and utility costs for the Condominium.

It is recommended that Unit Owners obtain at the time of Closing, "interior unit coverage" which is "walls-in" coverage also referred to as an HO-6 policy insurance if the Condominium does not maintain such insurance.

Each Unit Owner must pay monthly Common Charges in accordance with the Declaration, the By-Laws, and the applicable provisions of the Condominium Act, in order to fund payment of the Common Expenses incurred in the operation of the Property and the maintenance of the Common Elements. The Board of Managers will assess Common Charges against each Unit Owners in accordance with its Common Interest based on the Board's estimate of Common Expenses which is based on the projected budget for each twelve (12) month period. The estimated Common Charges for each Unit for the first year of operation of the Condominium are set forth in the Schedule A contained in Part I of the Plan.

This offering is made only to individuals aged 18 years or older and entities qualified to do business in the State of New York who are competent to own real estate in the State of New York.

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

DEFINITIONS

The following terms used in this Plan and in Article 9-B of the Real Property Law (the "Condominium Act"), have the following meanings:

Board of Managers (also "Condominium Board" or "Board"): The governing body of the Condominium initially comprised of three (3) managers appointed by Sponsor.

Building: The structure containing the Units and the Common Elements of the Condominium (other than the land under the Building).

By-Laws: One of the documents governing the operation of the Condominium, the form of which is set forth in Part II of the Plan.

City Register's Office: The Kings County office of the Register of The City of New York.

Closing: Including words of similar import are used synonymously and mean the payment of the purchase price, and the transfer of legal ownership of a Unit pursuant to this Plan and the Purchase Agreement.

Closing Date: The date scheduled for the closing of title to a Unit by Sponsor as same may be adjourned in accordance with the terms of the Purchase Agreement.

Common Charges: Assessments payable to the Board of Managers by each Unit Owner for the purpose of meeting Common Expenses.

Common Expenses: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, including any reserve established in anticipation of the aforesaid costs and expenses.

Common Elements: The Land (as hereafter defined), all parts of the Building other than the Units, including the foundation, roof and supports of the Building, and all areas or facilities for the common use of the Units and the Unit Owners.

Common Interest (also "Percentage of Interest in Common Elements"): The proportionate, undivided interest in fee simple absolute in the Common Elements pertaining to each Unit set forth in the Declaration. Such interest is expressed as a numerical percentage. The total of all Common Interest percentages pertaining to all Units equals 100%. The Common Interest of the Unit is the basis for determining, among other things, a Unit Owner's (a)

proportionate share of the Common Expenses and (b) proportionate share of any distributions upon termination of the Condominium.

Condominium: The Units and Common Elements comprising the Property to be called the 531 Vanderbilt Avenue Condominium. The words "Property", "Condominium" and "Building" are used interchangeably in this Plan.

Condominium Act: Article 9-B of the New York State Real Property Law.

Declaration: The recorded instrument by which the Property is submitted to the provisions of the Condominium Act, as such instrument may be amended from time to time, consistent with law and the By-Laws. The By-Laws, which govern the operation of the Condominium, are part of the Declaration.

Department of Building: The Department of Buildings of The City of New York.

Department of Law: The New York State Department of Law.

Deposit: The payment or payments required to be paid by Purchaser at the time a Purchase Agreement is tendered to Sponsor or at the time or times prior to Closing as provided in the Purchase Agreement.

Escrow Agent: Marans Weisz & Newman, LLC.

FHA: Federal Housing Administration.

FHLMC: Federal Home Loan Mortgage Corporation.

First Closing of Unit: Closing of the first unit in the Condominium to a bona fide purchaser under the Plan.

Floor Plans: Floor plans prepared by Brent M. Porter and Associates showing the division of the Property into the Units and Common Elements and to be filed with the Condominium Declaration.

FNMA: Federal National Mortgage Association.

HUD: United States Department of Housing and Urban Development.

Insurance Trustee: A bank or trust company in the State of New York from time to time appointed to serve as such by the Condominium Board.

Land: The parcel of land on which the Building will be situated, as more particularly described in the Declaration.

Limited Common Elements: Those Common Elements for which a Unit Owner will have the exclusive right to use. In this Plan, examples of Limited Common Elements are terraces accessed through particular Units.

Permitted Encumbrances: Encumbrances to the title to a Unit that a Purchaser agrees to take title subject to, as more particularly itemized on Schedule A annexed to the form of the Purchase Agreement contained in Part II of the Plan.

Permitted Mortgage: A mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of the By-Laws.

Plans and Specifications: The plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings and which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of this Plan.

Property: The Land, the Building and other improvements thereon, and all easements, rights and appurtenances belonging thereto.

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

Purchaser: A purchaser of a Unit pursuant to a Purchase Agreement.

Registered Guarantor: A guarantor on a Registered Mortgage who has registered with the Board of Managers by supplying the Board with the name and address of the guarantor.

Registered Mortgagee: A mortgagee that holds a mortgage on a Unit that has provided notice to the Board indicating they hold a mortgage on a Unit which notice has a copy of the mortgage along with contact information for the mortgagee.

Registered Mortgage: The mortgage held by a Registered Mortgagee.

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws. The rules and regulations, which will apply unless and until amended by the Board of Managers, are set forth as an addendum to the By-Laws in Part II.

Sponsor or its designee: Sponsor or any affiliate of Sponsor. An affiliate shall be

deemed to be any person or entity designated by Sponsor to acquire title to one or more Units. Designees of Sponsor shall have the right to designate a person or entity, whether related or unrelated to Sponsor, to succeed to their rights and any such person or entity shall also be deemed a designee of Sponsor.

Unit: The space to be exclusively owned and occupied by a Purchaser.

Unit Deed: A bargain and sale deed with covenant against grantor's acts, from Sponsor to a Purchaser, conveying title to the Unit and its appurtenant Common Interest.

Unit Owner: An owner of any Unit. Two or more of such owners are collectively referred to as "Unit Owners".

Unsold Units: Any Units owned by Sponsor or its designee, other than any Unit purchased by and for the use of Sponsor or its designee, until such time as the same have been sold.

VA: Veterans Administration.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Property has a land area of approximately 3,523 square feet. The site will contain one new building (the "Building"). The entrance to the Building is through the lobby on the ground floor fronting on Vanderbilt Avenue. The street address of the Property is 531 Vanderbilt Avenue Brooklyn, New York.

Improvements made to the Building will be undertaken pursuant to a new building permit, in accordance with the New York City Building Code and with all applicable zoning and building laws. After completion of construction, the Sponsor will apply for a temporary or final Certificate of Occupancy from the New York City Department of Buildings. The Sponsor will obtain a temporary Certificate of Occupancy prior to the First Unit Closing and will seek to obtain a final Certificate of Occupancy within two (2) years of the issuance of the first temporary Certificate of Occupancy for the Building, barring delays caused by *force majeure* or other reasons beyond the control of Sponsor. The Building is expected to be substantially completed on or before January 2015.

Each Unit will have a washer/dryer hook-up, refrigerator, microwave, 24 inch dishwasher, gas range with oven.

The heating and cooling for each unit will be supplied by individual Dakin heat pumps.

There will be a refuse storage room on each floor and refuse compactor in the cellar.

Electricity is provided by Consolidated Edison Company. The electricity to the Units will be separately metered by Con Edison and will be paid for by the owner of such Unit. The electricity consumed in the Common Elements will be borne by the Unit Owners as a Common Charge and be allocated to each Unit as noted in the Schedule B to the Plan.

Gas is provided by National Grid. The gas will be utilized for cooking and will be separately metered by National Grid and will be paid for by the owner of such Unit.

Local telephone services is provided by Verizon and/or another provider. Every Unit Owner will required to pay their associated telephone charges and initial charges for activating individual outlets in the Unit.

Cable television service is provided by Time Warner Cable TV of New York and or another service provider. Every Unit Owner is required to pay the cable company for activating the wiring in the Unit and installing appropriate outlets in the same.

All fixtures and equipment described in this Plan are included in the offering prices listed in Schedule A.

There will be an exterior rear yard at grade and a private garden at the cellar floor accessible to Unit 1B and solely for the use of Unit 1B Unit Owner. There will be an exterior rear yard at grade and a private garden at the cellar floor accessible to Unit 1C and solely for the use of Unit 1C Unit Owner.

Balconies will be constructed as follows: a private balcony will be located on the third floor appurtenant to Unit 3B; on the fourth floor appurtenant to Unit 4B; on the fifth floor appurtenant to Unit 5B; and on the sixth floor appurtenant to Unit 6B. A private terrace will be located on the sixth floor appurtenant to Unit 6C.

The exterior rear yards, garden, balconies, and terrace are characterized in the Declaration of Condominium as Limited Common Elements appurtenant to the aforementioned Units. Unit Owners with a Limited Common Elements appurtenant to their Unit shall be responsible for all normal maintenance of such Limited Common Element, at such Unit Owners sole cost and expense.

Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including without limitation, changing materials, appliances, equipment, fixtures and other construction details) and to substitute in place of any materials, appliances, equipment, and fixtures set forth therein, materials, appliances, equipment and of a substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction is first obtained.

LOCATION AND AREA INFORMATION

Location

The property is located on the east side of Vanderbilt Avenue between Fulton Street and Atlantic Avenue on the block bounded by Clinton Avenue and Clermont Avenue in the Borough of Brooklyn in the neighborhood known as Clinton Hill.

Clinton Hill is bordered by Crown Heights, Bedford-Stuyvesant, Prospect Heights, Williamsburg, and Fort Greene. Mansions built in the late nineteenth (19th) century, elegant carriage houses, and ancient row houses qualify a large portion of the historic district of Clinton Hill. On the northern part of the neighborhood, anchored by Pratt Institute's twenty-five acres, are retail and residential developments.

Educational Institutions

Grade Schools:

- | | |
|--|----------------------|
| ▪ P.S. 011 Purvis J. Behan (K011) | 419 Waverly Avenue |
| ▪ Brooklyn Arts and Science Elementary School (K705) | 443 St. Marks Avenue |
| ▪ P.S. 003 The Bedford Village (K003) | 50 Jefferson Avenue |
| ▪ P.S. 009 Teunis G. Bergen (K009) | 80 Underhill Avenue |

Intermediate/Junior High Schools:

- | | |
|--|---------------------|
| ▪ Academy of Arts and Letters (K492) | 225 Adelphi Street |
| ▪ Achievement First Endeavor Charter School (K508) | 510 Waverly Avenue |
| ▪ Brooklyn East Collegiate Charter School (K780) | 80 Underhill Avenue |
| ▪ Community Partnership Charter School (K702) | 241 Emerson Place |

High Schools:

- | | |
|--|---------------------|
| ▪ Achievement First Endeavor Charter School (K508) | 510 Waverly Avenue |
| ▪ Brooklyn Technical High School (K430) | 29 Ft. Greene Place |

- Bedford Academy High School (K595) 1119 Bedford Avenue
- Brooklyn High School of the Arts (K656) 345 Dean Street

Sponsor, however, makes no guarantee or representation as to which school a child residing at the Building may actually attend.

Zoning and Use

The Building is located in a R7A district. Typical buildings are bulky, six- to eight-story apartment houses that are compatible with existing buildings found in older neighborhoods.

Municipal Services

Transportation:

The nearest subway lines are the C train at the Washington-Clinton station on Fulton Street and the G Train at the Washington-Clinton station on Lafayette Avenue.

There are three different bus routes that are near the Property.

B69: Vanderbilt Avenue & Atlantic Avenue

B45: Vanderbilt Avenue & Atlantic Avenue

M25: Vanderbilt Avenue & Pacific Street

Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance:

These services are provided by the City of New York and all charges (except water) are incorporated into City taxes. The Property is located within the 78th Police Precinct located at 65 6th Avenue. The nearest Fire Department is Engine 219 Ladder 105 located at 4494 Dean Street.

Public Library:

A branch of the Brooklyn Public Library, "Clinton Hill Library" located at 380 Washington Avenue.

Mailing Address and Postal Services:

The mailing address of the Building will be "531 Vanderbilt Avenue, Brooklyn, New York 11238". The post office servicing the Building is the "Adelphi Post Office" located at 950 Fulton Street, Brooklyn, New York.

Medical Facilities

- Fort Greene Health Center
295 Flatbush, Brooklyn, New York
- The Brooklyn Hospital Center
121 DeKalb Avenue, Brooklyn, New York
- Sunrise Medical Group
55 Greene Avenue, Brooklyn, New York

Religious Facilities

There are houses of most major denominations in the vicinity of the Building.

After the Filing Date, Sponsor makes no guarantee or representation as to the continued operation of any of the services or amenities disclosed in this section of the Plan.

**THE 531 VANDERBILT CONDOMINIUM
SCHEDULE A FIRST YEAR OF OPERATIONS
JANUARY 1, 2015 - DECEMBER 31, 2015**

Unit	Bed	Bath	Sq Ft. (1)	Uninhabitable Space (Sq. Ft)*	Limited Common Area	Price (2)	% of Common Interest (3)	Estimated Monthly Common Charges (4)	Estimated Annual Common Charges (4)	Estimated Monthly Real Estate Taxes (5)	*Estimated Annual Real Estate Taxes (5)	*Estimated Monthly Total Carrying Charges (6)
1A	0	1	411			\$ 393,750	3.59%	\$ 198.80	\$ 2,385.56	\$ 231.03	\$ 2,772.35	\$ 429.83
1B	1	1.5	490	450	698 (G)	\$ 787,500	9.53%	\$ 527.72	\$ 6,332.69	\$ 613.29	\$ 7,359.47	\$ 1,141.01
1C	1	1.5	540	428	698 (G)	\$ 787,500	10.17%	\$ 563.16	\$ 6,757.97	\$ 654.48	\$ 7,853.71	\$ 1,217.64
2A	1	1	564			\$ 551,250	4.92%	\$ 272.45	\$ 3,269.34	\$ 316.62	\$ 3,799.43	\$ 589.06
2B	1	1	568			\$ 551,250	4.96%	\$ 274.66	\$ 3,295.92	\$ 319.19	\$ 3,830.32	\$ 593.85
2C	0	1	410			\$ 393,750	3.58%	\$ 198.24	\$ 2,378.91	\$ 230.39	\$ 2,764.63	\$ 428.63
3A	1	1	564			\$ 603,750	4.92%	\$ 272.45	\$ 3,269.34	\$ 316.62	\$ 3,799.43	\$ 589.06
3B	1	1	568		103 (B)	\$ 551,250	5.18%	\$ 286.84	\$ 3,442.11	\$ 333.35	\$ 4,000.22	\$ 620.19
3C	0	1	410			\$ 393,750	3.58%	\$ 198.24	\$ 2,378.91	\$ 230.39	\$ 2,764.63	\$ 428.63
4A	1	1	564			\$ 603,750	4.92%	\$ 272.45	\$ 3,269.34	\$ 316.62	\$ 3,799.43	\$ 589.06
4B	1	1	568		103 (B)	\$ 551,250	5.18%	\$ 286.84	\$ 3,442.11	\$ 333.35	\$ 4,000.22	\$ 620.19
4C	0	1	410			\$ 393,750	3.58%	\$ 198.24	\$ 2,378.91	\$ 230.39	\$ 2,764.63	\$ 428.63
5A	1	1	564			\$ 603,750	4.92%	\$ 272.45	\$ 3,269.34	\$ 316.62	\$ 3,799.43	\$ 589.06
5B	1	1	567		103 (B)	\$ 551,250	5.17%	\$ 286.29	\$ 3,435.47	\$ 332.71	\$ 3,992.49	\$ 619.00
5C	0	1	410			\$ 393,750	3.58%	\$ 198.24	\$ 2,378.91	\$ 230.39	\$ 2,764.63	\$ 428.63
6A	1	1	563			\$ 525,000	4.91%	\$ 271.89	\$ 3,262.70	\$ 315.98	\$ 3,791.71	\$ 587.87
6B	1	1	546		103 (B)	\$ 551,250	4.99%	\$ 276.32	\$ 3,315.86	\$ 321.12	\$ 3,853.49	\$ 597.45
6C	2	2	1226 (D)		737 (T)	\$ 990,000	12.32%	\$ 682.22	\$ 8,186.64	\$ 792.84	\$ 9,514.03	\$ 1,475.06
TOTAL			10820		2545.0	\$ 10,177,500	100.00%	\$ 5,537.50	\$ 66,450.00	\$ 6,435.35	\$ 77,224.25	\$ 11,972.85

Notes (all square footage calculations are approximate):

Unit 1B and 1C each have a 284 sq. ft. private rear yard on the cellar floor.

Unit 1B and 1C each have a 414 sq. ft. private rear yard on the ground floor

*A portion of Unit 1B and Unit 1C are located in the cellar. The area in the cellar is a recreation room and may not be legally used as a bedroom or living room and doing so may result in a building code violation being issued for the Building

NOTES TO SCHEDULE A

1. Floor Plans depicting layouts of Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the sellable square footage of each Unit, as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan are approximate. The square footage calculations of the Units in Exhibit B to the Declaration set forth in Part II of this Plan are also approximate and do not include the square footage of any Common Element. Each Unit will be measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from the measurement of each Unit) to the exterior side of partitions separating one Unit from public corridors or to the centerline of the partitions separating one Unit from another Unit, or separating one Unit stairs, elevators and other mechanical equipment spaces or any Common Elements; or to the Unit side of the opposite exterior walls. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Units and exceed the actual floor area. Floor area may include columns, mechanical pipes shafts, shaftways chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Any appurtenant space immediately adjacent to a Unit, which is only accessible or usable by a particular Unit, will be deemed a Limited Common Element appurtenant to such Unit and for the exclusive use and benefit of such Unit. Each Unit also includes the interior doors and walls and all plumbing, gas and electrical fixtures, lines, conduits and equipment such as refrigerators, dishwashers, panel boxes, ranges and other appliances, as may be affixed, attached or appurtenant to said Unit, not including the Building heating equipment and system, plumbing, gas and electrical fixtures and equipment as used in the preceding sentence include exposed and unexposed (to the extent solely serving or benefiting the Unit) gas and water pipes attached to the fixtures, appliances and equipment fixtures, appliances and equipment, and appliances and any special equipment, fixtures or facilities affixed, attached, or appurtenant to the Unit. Since the area calculations are not based upon measurements from interior surfaces of interior walls, the usable floor area of the Units is less than the area listed in Schedule A. Measurements are approximate and are within reasonable tolerances.

2. The Purchase Prices of Units may be negotiated by Sponsor and therefore, may be changed. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other monetary terms of sale, including granting a mortgage loan contingency in a Purchase Agreement in an amount agreed to by Sponsor, without filing an amendment to the Plan at any time during the offering period, if such a decrease in the Purchase Price, modification of other monetary terms of sale, or mortgage loan contingency does not constitute a general offering or an advertised price, but is rather the result of an individually negotiated transaction. See "Changes in Prices and Units" and "Unit Closing Costs and Adjustments" in Part I of the Plan, for a more detailed description of purchase prices and closing costs.

3. The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339i(1)(iv) of the Condominium Act, is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, as well as, the uniqueness of the Unit. The Common Interest is the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit.

4. The projected monthly Common Charges provide for the maintenance of the Property outlined in Schedule B. The actual first year of operation may be earlier or later than the projected annual period. In addition to these estimated charges, each Unit Owner will be responsible for paying the following charges pertaining to their Unit:

- (i) mortgage debt payments under any loan or loans obtained to finance the acquisition of a Unit;
- (ii) the cost of electricity, gas, cable, or internet service supplied to the Unit, which will be separately metered or measured by, and will be payable directly to, the utility company or provider of such services as and when billed; See "Budget for Individual Energy Costs Schedule B-1" in Part I of the Plan for a more detailed description of the projected cost of electricity and gas supplied to the Unit.
- (iii) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit (including, without limitation, the equipment and appliances contained therein); and
- (iv) the cost of insurance that the Unit Owner covering (a) furniture, belongings, equipment and other personal property and (b) The Unit Owner's liability to others for personal injury or property damage as a result of occurrences in the Unit. Common Expenses are allocated only among the Unit Owners in accordance with their Common Interest.

5. Upon substantial completion of construction, the Property will be classified by the New York City Department of Finance ("DOF") as a tax class 2C property. The policy of DOF is to apportion each Unit's real estate taxes based on its Common Interest. However, Sponsor makes no representation that DOF will actually apportion the real estate taxes for each Unit based on Common Interest. Post-construction real estate tax estimates were made by Metropolitan Realty Exemptions, Inc., 118 Middleton Street Brooklyn, New York 11206 ("MRE"). Real estate tax projections were based on the projected tax rate of 12.855%. Based on the opinion of MRE the assessed valuation after completion of construction is estimated to be \$600,733.21 resulting in a tax liability of \$77,224.25.

No warranty, guaranty or assurance is given that:

i. any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuation during the first year of Condominium operation; the estimates of the portions of such assessed valuations that will be allocable to the Units; the tax rate that will be in effect during the first year; will approximate the actual amount; or

ii. DOF will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used by MRE for such purpose, or that DOF will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above.

See "Real Estate Taxes" in Part I of this Plan and the opinion of Metropolitan Realty Exemptions, Inc., dated September 16, 2014, both of which are set forth in Part I of the Plan.

After the Condominium is divided into individual tax lots by DOF, each Unit will be taxed as a separate tax lot for real estate tax purposes, and individual Unit Owners will not be responsible for, nor will the Unit be subject to, any lien arising from the nonpayment of taxes on other Units.

6. The total monthly carrying charges do not reflect the after tax cost of the carrying charges. Please consult Counsel's Income Tax Opinion in Part I of this Plan for conditions of deductibility. Purchasers are strongly encouraged to consult with their own tax professionals to ascertain the tax costs and benefits, if any, of ownership of a Unit.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTY BY ANYONE THAT THE ANNUAL CARRYING CHARGES OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS STATED, OR THAT SUCH CHARRYING CHARGES OR EXPENSES WILL NOT VARY FROM THE AMOUNTS SHOWN IN SCHEDULE A.

SCHEDULE B

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION ANTICIPATED TO BEGIN JANUARY 2015

PROJECTED INCOME

Common Charges for Residential Units.....	\$ 66,450
TOTAL PROJECTED INCOME.....	\$ 66,450

PROJECTED EXPENSES

(1) Electricity.....	\$ 11,853
(2) Water Charges and Sewer Rents.....	\$ 23,136
(3) Repairs, maintenance and supplies.....	\$ 8,000
(4) Insurance.....	\$ 5,125
(5) Legal and audit fees.....	\$ 2,350
(6) Gas.....	\$ 2,745
(7) Contingency Fund.....	\$ 1,741
(8) Reserve Fund.....	\$ 6,700
(9) Labor.....	\$ 0.00
(10) Heating.....	\$ 0.00
(11) Management Fees.....	\$ 4,800

PROJECTED TOTAL EXPENSES	\$ 66,450
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FOOTNOTES FOR SCHEDULE B

General Note

Common Charges projected herein are based upon estimated expenses for the twelve (12) month period commencing January 1, 2015.

In the event the projected commencement date of the first year of Condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the Plan.

If the Common charges in the revised budget projections exceed the earlier budget projections by twenty five percent (25%) or more, the Sponsor will offer all purchasers for fifteen (15) days the right to rescind their Purchase Agreement and have their Down Payments refunded to them.

(1) Electricity: \$ 11,853.00

Based on estimates provided by Levin Engineering PLLC, 28 Dooley Street, 2nd Floor Brooklyn, New York 11235 electric usage is projected to be as follows:

Elevator:

$$23,760\text{kw/yr} * \$0.21/\text{kw} = \$4,989.60$$

Booster Pump:

$$3,564\text{kw/yr} * \$0.21/\text{kw} = \$748.44$$

Misc. Fans (kitchen, toilets, refuse room)

$$3,625\text{kw/yr} * \$0.21/\text{kw} = \$761.25$$

Lighting

20,363kw/yr *\$0.21/kw = **\$4,276.36**

Total Electric Usage is **\$10,775.65**

Inflation Factor of 10% is **\$1,078**

Total Projected Annual Cost is **\$11,853**

Actual usage will vary based on personal habits, equipment maintenance and efficiency. Accordingly, usage levels cannot be guaranteed.

(2) Water Charges and Sewer Rents: \$ 23,136.00

Based on estimates provided by Levin Engineering PLLC, 28 Dooley Street, 2nd Floor Brooklyn, New York 11235, annual water usage is projected to be approximately 1,314,000 gallons or 2635 hundred cubic feet per Unit at a unit cost of \$8.78/100 cubic feet. Accordingly, the cost of water is allocated in proportion to relative common interests.

(3) Repairs, maintenance, service and supplies: \$ 8,000.00

This budget does not include repairs, painting, maintenance, or supplies for individual Units, all of which are the responsibility of the individual Residential Unit Owners. The budgeted figure is based on an estimation of repairs to the interior of the Building, the roof, the exterior of the Building (including walls), the plumbing and electrical systems, painting of public areas, foundations, the heating system and various supplies (such as cleaning supplies and materials, lubricants, bulbs, public fixtures, general and hardware supplies) to be utilized for the Common Elements. No amount is

included for items covered by construction warranties or to cover the cost of any major capital expenditure in the Building. The budgeted amount is based on the Sponsor's experience in operating other buildings of comparable size and quality.

(4) Insurance: \$ 5,125.00

Insurance projections are based on an estimate of insurance premiums provided by 718 Insurance with offices located at 326 Kingston Avenue Brooklyn, NY 11213 dated January 30, 2014.

The Sponsor represents that it will deliver at the Condominium's expense, on or before the first closing of title to a Unit, a fire and liability binder of policy containing all the coverage described in this footnote and meeting the requirements of the Condominium By-Laws. This coverage does not include claims for personal injury or property damage resulting from occurrences in the Units, nor does it include coverage of the furniture or personal property of the Unit Owner.

Unit Owners are advised to obtain insurance at their own cost to cover such risks as fire and casualty losses to Unit contents, replacements, additions, upgraded fixtures and improvements, and liability coverage to protect themselves against third party liability claims.

Property coverage under a blanket policy includes Replacement Cost and Agreed Amount subject to a \$2,500 deductible per occurrence. Property coverage is limited to \$540,000 based on a price of \$180 per square foot which has been deemed adequate to replace the building and avoid co-insurance.

Commercial general liability insurance covers comprehensive protection for all common areas with a \$2,000,000 limit per occurrence.

The terms of the insurance will provide (i) that notice of cancellation is sent to named insured (ii) a waiver of subrogation, (iii) International acts and/or illegal acts are

not, nor can they be covered, (iv) that the insurance meets the requirements of any mortgage lender or management contracts, (v) a waiver of invalidity because of acts of the insured and Unit Owners, (vi) a waiver of pro-rata reduction if Unit Owners obtain additional coverage, (vii) that coverage would cover the cost to repair/replace the building with like kind and quality materials and (viii) when the project is completed insurance proposals will be secured from insurance companies willing to add the condominium unit owners as additional insured's as respects to the common areas.

(5) Legal fees and audit fees: Legal \$1,000.00

Accounting and Auditing \$ 1,350.00

Legal fees include general business matters as well as collection efforts beyond the scope of the Board of Managers.

Accounting includes the preparation of the annual income tax returns and an annual audited financial statement for the Condominium. The Accounting fee is based on a quote from Roy K. Danischewski, CPA with offices at 361 Edison Street Staten Island, New York 10306.

Costs are allocated among the unit owners in proportion to their common interests.

(6) Gas: \$ 2,745.00

Based on estimates provided by by Levin Engineering PLLC, 28 Dooley Street, 2nd Floor Brooklyn, New York 11235, annual gas usage for cooking is projected to be approximately 2,268 therms per unit for apartment cooking at a rate of \$1.10 per therm. Accordingly, the cost of gas is allocated in proportion to relative common interests. A ten percent (10%) inflation factor has been included in the total cost.

(7) Contingency: \$ 1,741.00

An allowance of \$1,741 has been incorporated into the operating budget to allow for unforeseen events and is allocated among the unit owners in proportion to their common interests.

(8) Reserve: \$ 6,700.00

An allowance of \$6,700 has been incorporated into the operating budget for the future replacement of building components and to satisfy the requirements of VA, HUD, FNMA and FHLMC. The Condominium shall be responsible for contributing \$6,700 to the Reserve Fund during the initial year and will increase 3% each year. This reserve fund shall be maintained from regular assessments for common expenses.

(9) Labor: \$ 0.00

The budget does not provide for the hiring of a super. The budget presumes that the Unit Owners will manage the Building themselves including such responsibilities as putting out the garbage, snow removal and such other services as are otherwise performed by a super in multiple dwellings in New York City. If the Board of Managers decides to hire a superintendent in the future, such service will be an additional expense for the Condominium, and may cause an increase in common charges.

(10) Heating: \$ 0.00

Heating and cooling for each unit will be supplied by individual Dakin heat pumps, which are powered by electricity. Unit Owners will be responsible for their individual energy costs. Estimated Monthly and Annual energy costs for the First of

Condominium Operation Anticipated to Begin January 2015 are included in Schedule B-1.

(11) Management Fees: \$ 4,800

The initial contract with the managing agent shall commence upon the conveyance of title by the Sponsor of the first Unit in the Condominium and shall continue until the second anniversary of such date. The fee will be \$4,800 per annum based on a quote provided by Bedford Management Company with offices located at 196 Bedford Avenue Brooklyn, New York 11249. The cost is allocated among the unit owners in proportion to their relative common interests.

In the opinion of Bedford Management Company (set forth in the section titled "Certifications" in Part II of this Offering Plan), the projected receipts appear reasonable and adequate based on present prices (adjusted to reflect continued inflation and present levels of consumption for comparable Units similarly situated) to meet the estimated expenses for the project First Year of Condominium Operation, assuming same begins January 1, 2015. The foregoing budget is not, however, intended and should not be taken, as a guarantee or warranty by Sponsor that the annual Common Charges or other receipts or expenses for the first or any subsequent year of operation of the Condominium will be as set forth in said projected budget. It is likely that the actual expenses for the First Year of Condominium Operation will vary from the amounts shown in the Projected Budget.

SCHEDULE B-1

ESTIMATED ANNUAL BUDGET FOR INDIVIDUAL ENERGY COSTS FOR THE
FIRST YEAR OF CONDOMINIUM OPERATION ANTICIPATED TO BEGIN
JANUARY 2015.

Unit	Total Annual KW	Estimated Monthly Electric Charges	Estimated Annual Electric Charges
1A	25,104	\$ 483.25	\$ 5,799.02
1B	25,104	\$ 483.25	\$ 5,799.02
1C	25,104	\$ 483.25	\$ 5,799.02
2A	25,104	\$ 483.25	\$ 5,799.02
2B	25,104	\$ 483.25	\$ 5,799.02
2C	25,104	\$ 483.25	\$ 5,799.02
3A	25,104	\$ 483.25	\$ 5,799.02
3B	25,104	\$ 483.25	\$ 5,799.02
3C	25,104	\$ 483.25	\$ 5,799.02
4A	25,104	\$ 483.25	\$ 5,799.02
4B	25,104	\$ 483.25	\$ 5,799.02
4C	25,104	\$ 483.25	\$ 5,799.02
5A	25,104	\$ 483.25	\$ 5,799.02
5B	25,104	\$ 483.25	\$ 5,799.02
5C	25,104	\$ 483.25	\$ 5,799.02
6A	25,104	\$ 483.25	\$ 5,799.02
6B	25,104	\$ 483.25	\$ 5,799.02
6C	25,428	\$ 489.50	\$ 5,874.00

**THE COSTS SET FORTH ABOVE ARE PROJECTED. IT IS LIKELY THAT THE
ACTUAL COSTS WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.**

FOOTNOTES TO SCHEDULE B-1

The figures set forth on Schedule B-1 for estimated monthly electric charges are based mainly upon estimates provided by Sponsor's consultant Levin Engineering PLLC, 28 Dooley Street, 2nd Floor Brooklyn, New York 11235.

The projections presume standard usage of household appliances, heating and cooling of the units, and lighting. The estimates of electric cost are based upon a projected rate of approximately \$0.21 per KW Hour. The estimates include demand charges and a ten percent (10%) inflation factor but no taxes.

The cost of providing electricity is based on normal estimated use and is highly dependent on the number of people residing in a Unit and their pattern of usage. It is also subject to market variations which result in unanticipated large increases in the cost of electricity. Consumption will be affected by various and unpredictable factors including conservation measures (if any) adopted by the Condominium Board. Electric prices fluctuate, are volatile and are inherently uncertain.

In the opinion of Bedford Management Company, retained by Sponsor (see Certification of Budget in Part II of the Plan) that the amount of the Budget appears reasonable and adequate under existing circumstances to meet the reasonably anticipated costs to provide utility services to the Units. However, no budget item is warranted as to its accuracy, sufficiency or otherwise.

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COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

The percentage of Common Interest for each Unit has been calculated by the Sponsor based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit as of the intended date of the filing of the Condominium Declaration in accordance with Section 339-i (1)(iv) of the Real Property Law. Included below is a statement of Bedford Management Company confirming the Sponsor's compliance with the foregoing provision of the Real Property Law.



196 BEDFORD AVE
BROOKLYN, NY 11249
OFFICE: 718-388-0025
FAX: 718-388-0065
BEDFORDMANAGEMENT.COM

June 5, 2014

Vanderbilt Upreal LLC
306A-308 Malcolm X Boulevard
Brooklyn, New York 11233

Attn.: Mr. Boaz Gilad

Re: Condominium Offering Plan (the "Plan") for the
531 Vanderbilt Avenue Condominium
531 Vanderbilt Avenue
Brooklyn, New York (the "Property")

Dear Mr. Gilad:

All capitalized items not otherwise defined herein shall have the same meanings ascribed to them in the Plan, as amended.

The Sponsor has requested my opinion on whether the method used to determine the undivided percentage of common interest of each Unit in the Common Elements in the above referenced Condominium complies with Real Property Law Section 339-i ("Section 339-i").

Our experience in the field includes the management of real estate properties for over twenty five years. We currently manage approximately one hundred properties, comprising approximately seven hundred residential and commercial units

In connection with this opinion, I have reviewed Schedule A of the Plan, the Declaration and the Floor Plans and have assumed the statements and information contained therein are correct and accurate. I have not reviewed or verified the calculations of floor areas used in determining the sizes of the Units or the Limited Common Elements.

Article Eighth of the Declaration states that "the percentage of Common Interest allocated to each Unit is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit." Article Eighth also states that the aggregate Common Interests of all Units equal one hundred percent (100%).



196 BEDFORD AVE
BROOKLYN, NY 11249
OFFICE 718-388-0025
FAX: 718-388-0065
BEDFORDMANAGEMENT.COM

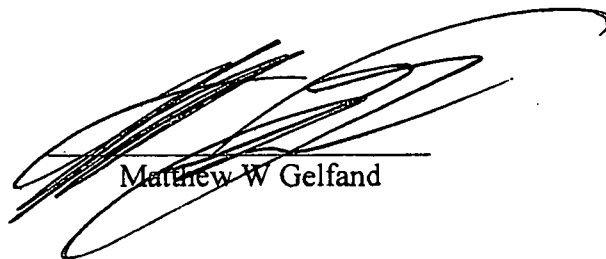
Section 339-i requires that the Common Interest of each Unit be based on any one of several methods of calculation. One of these allowable methods is the method stated in Article Eighth of the Declaration (Section 339-i(1)(iv)).

I have evaluated the allocation of Common Interest among the Units made by the Sponsor based on the foregoing factors and it is my opinion that the allocation of Common Interests is consistent with Section 339-i.

This opinion is confined to the matters addressed herein with respect to Section 339-i and is not intended, nor should it be construed, as an opinion on any other aspects of the Plan. Further, I assume no obligation to update or supplement this opinion to reflect any changes in statutory law or judicial precedent, or any changes in fact or circumstances that may hereafter come to our attention pertaining to the subject matter hereof.

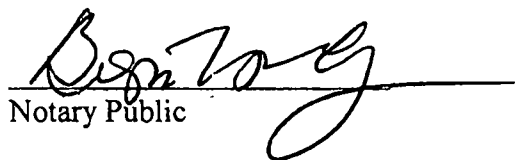
I have no beneficial interest in the Sponsor or in the profitability of the conversion.

I consent to the incorporation of this opinion in the Plan and to the reference to my name therein in connection with this opinion.



Matthew W Gelfand

Sworn to before me this
5 day of June 2014.



Notary Public

BOGUMILA T. ROSEBURG
NOTARY PUBLIC - STATE OF NEW YORK
NO. 01805071459
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JANUARY 13, 2015

CHANGES IN PRICES AND UNITS

Changes in Prices

The Units will be offered at the prices set forth in Schedule A. Offering prices may be changed by a duly filed amendment to the Plan when the change in price is an across-the-board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. However, prices and specified terms of sale may be negotiated on an individual basis and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices different from those set forth in Schedule A, provided that in the case of a price increase to an individual Purchaser an amendment containing the new price will be submitted to the Department of Law prior to a contract being entered into at a higher price. In the case of an individual price decrease, no amendment shall be necessary for the price to be effective. An amendment whose sole purpose is to effect a change in price, and no prior amendment has been submitted to but not yet filed by the Department of Law, the amendment shall be deemed filed when submitted to the Department of Law.

Changes in Units

In order to meet the possible varying demand for number and type of Units, or to meet the particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right at any time, both before and after recording the Declaration and without the consent of Purchasers, Unit Owners or the Board of Managers, with respect to Units owned by Sponsor, to (i) change or reverse the layout of any Unit and make adjustments in interior dimensions of Units, (ii) change the number of rooms in any Unit, (iii) change the size and/or number of Units by subdividing one or more such Units into two or more separate Units, combining separate Units into one or more Units, altering boundary walls of Units, or otherwise, including, without limitation, incorporating any wall, hallway or portion thereof, space, or other area abutting a Unit or Unit(s) owned by Sponsor into one or more of said Units or otherwise, and (iv) if appropriate, reapportion the Common Interest among the Units affected by such change. However, Common Interest need not be reapportioned if a portion of the public hallway is incorporated into a Unit or Units as described above.

Site conditions may cause variations in walls, ceilings, heights and other dimensions from those included in the Floor Plans or otherwise described in this Plan. Any material change in size, dimension, floor space, Common Interest or layout of a Unit will be disclosed in an amendment to the Offering Plan. If the layout and dimensions of a Unit conform substantially to the Plans and Specifications, subject to Sponsor's right to

make changes necessitated by site conditions, a Purchaser will not be excused from purchasing the Unit for such reason and will not have any claim against Sponsor as a result of such insubstantial deviation. There is a rebuttable presumption that changes in the square footage of a Unit of five percent (5%) or less is not a material change. Sponsor will have no liability to any Purchaser nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for Purchaser's Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor inaccuracy or error in the Floor Plans.

In the event Sponsor changes the size and/or number of Units, Sponsor shall increase or decrease the Common Interests appurtenant to such affected Units accordingly; however, the aggregate amount of the Common Interests of all of the Units shall remain at 100%. As a result of such a reapportionment of Common Interests of affected Units, the amount of the Common Charges and the real estate taxes and assessments payable by the Owners of such affected Units will be increased or decreased proportionately, but the amount of the Common Charges and real estate taxes and assessments payable by the Owners of Units unaffected will not be varied.

This Plan will be amended to reflect any change in the size, number or Common Interests of Units, or in size and quantity of the Common Elements. However, the layout and number of rooms within a Unit may be changed without prior notice or amendment to the Plan, except as hereafter set forth.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, nor may the Common Interest of any Unit be changed materially in size or in quality, unless the Plan is amended and if applicable, the Declaration is amended and such amendment is duly recorded; provided however, that any such alteration of the boundary walls shall not prevent necessary ingress and egress to any Unit or to any portion of any Common Areas for common use nor eliminate Building amenities such as the entrance lobby and the mailbox room. Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. Notwithstanding anything in this Offering Plan to the contrary, if Sponsor must make material changes to size, dimension, Common Interest, floor space or layout of Units or to size, dimension, layout, quantity or quality of Common Elements, due to site conditions, governmental requirements or other unforeseen circumstances, Sponsor will amend the Plan accordingly to disclose the changes. Any Purchaser under contract to purchase a Unit whose purchase would suffer a material adverse change as a result of such amendment will be given the right to rescind the Purchase Agreement and at least fifteen (15) days within which to exercise this right, and if rescission is exercised, will

receive back the Down Payment made thereunder together with any interest earned thereon.

The provisions of the Declaration concerning combination and/or partitioning of any Unit by the Sponsor or its designee may not be modified or deleted by amendment without the written consent of the same. Sponsor shall have the power to execute any documents on behalf of the Condominium required in connection with any amendment to the Declaration or By-Laws permitted or required above or to any application or other documents required in connection with any such amendment by any administrative agencies asserting jurisdiction there over, including, without limitation, any application or documents required by the Building Department and/or the Real Estate Assessment Bureau in connection with designations of separate tax lots for the affected Units or otherwise. Nonetheless, the Unit Owners not involved in any such change and the Board of Managers shall execute promptly and without charge therefor any such documents or applications necessary or convenient in connection with the effectuation of the provisions hereof, and by accepting the deed for his or her Unit a Unit Owner grants to the Sponsor and its designees an irrevocable power of attorney coupled with an interest to execute, deliver and/or record any amendment to the Declaration and the By-Laws and any and all documents and applications necessary or convenient to effectuate the foregoing. The form of said Power of Attorney is contained in Part II of the Plan.

No material change will be made in the size and no material adverse change will be made in the quality of the Common Elements unless sixty-seven percent (67%) of the Board of Managers and fifty-one percent (51%) of the Registered Mortgagees shall have consented.

INTERIM LEASES

Sponsor reserves the right to rent or lease, rather than sell, the Units. As a result a Purchaser of a Unit may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy.

Interim leases will not be subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, or the New York City Rent Stabilization Code, as such laws are presently in effect.

Unsold Units may be leased to Purchasers and non-Purchasers at any time, both before and after the First Closing. Once a Purchase Agreement is accepted for a

vacant Unit, however, and for so long as such Purchase Agreement is in effect, such Unit may only be leased to the Purchaser thereof pursuant to a lease (an "Interim Lease") on the terms set forth in this Section.

An Interim Lease shall be prepared on a form of lease that will be available for inspection upon request at the office of Sponsor or the Selling Agent and shall contain the default provisions (including failure of the tenant to comply with his obligations under his/her Purchase Agreement) described below. The term of each such Interim Lease shall expire on the earliest to occur of (i) the date of Closing of Title to the Unit covered by such Interim Lease, (ii) the date fixed in the Interim Lease for the expiration of the term, (iii) the date upon which the Interim Lease is terminated at the option of Sponsor by reason of a default by the Purchaser-tenant under the Interim Lease or a casualty or condemnation affecting the Unit or (iv) the date upon which the Interim Lease is terminated by the Purchaser-tenant or Sponsor as provided below. The rent payable under the Interim Lease shall be negotiated by the parties but shall in no event exceed the maximum legal rent, if any, permitted under Applicable Laws.

An uncured default by the Purchaser-tenant under the Purchase Agreement will constitute a default under the Interim Lease. An uncured default in the performance or observance of the terms and conditions of the Interim Lease will also constitute a default under the terms of the Purchase Agreement and will permit Sponsor to cancel the Purchase Agreement in accordance with its terms. The Purchaser-tenant will be required to vacate his/her Unit within thirty (30) days after notice is sent of Sponsor's intent to cancel the Purchase Agreement, provided that the Purchaser-tenant fails to cure any such default within the applicable grace period, if any, with TIME BEING OF THE ESSENCE. Before a default under the Interim Lease may be declared a default under the Purchase Agreement, however, either: (i) Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser-tenant, or (ii) the Purchaser-tenant must have vacated the Unit.

In the event that the Purchaser-tenant should exercise any right to terminate or rescind the Purchase Agreement or Interim Lease, such termination or rescission will be contingent upon surrendering possession of his Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he elects to terminate or rescind. He/she must also pay any rent due and payable under his/her Interim Lease. Nothing contained herein shall relieve any Purchaser of liability for damage to his/her Unit or of any other liability under the Purchase Agreement or Interim Lease.

In no event will any portion of the rental paid under an Interim Lease be credited towards the Purchase Price of the Unit subject to the Interim Lease unless such term is negotiated by Sponsor and Purchaser.

If the Plan is abandoned, a Unit occupied pursuant to an Interim Lease shall be subject to the provisions of any Applicable Rent Laws that may be in effect with respect to such Unit at the time of such abandonment.

PROCEDURE TO PURCHASE

Purchase Agreement

A person desiring to purchase a Unit will be required to execute, in quadruplicate, a Purchase Agreement substantially in the form set forth in Part II of this Plan, and deliver the Purchase Agreement to Sponsor together with a check equal to the sum of ten percent (10%) of the purchase price. Said check shall be drawn to the order of "Marans Weisz & Newman LLC, as Escrow Agent." All funds received from Purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by Purchaser to the order of Marans, Weisz & Newman LLC as Escrow Agent.

Purchasers will be afforded at least three (3) business days to review the Plan and all filed amendments thereto prior to executing a Purchase Agreement. In the event a Purchaser has not had at least three (3) business days to review the Plan and all filed amendments prior to signing and delivering a Purchase Agreement, the Purchaser may rescind within seven (7) days of delivery of an executed Purchase Agreement together with the required Deposit by giving the Sponsor written notice of such rescission by personal delivery (or if sent by mail such notice must be postmarked within the seven-day period).

If the Sponsor elects to accept the Purchase Agreement, one counterpart thereof signed by the Sponsor or a pdf version of the Purchase Agreement signed by Sponsor if Purchaser allows for same, will be returned to the Purchaser or Purchaser's counsel within thirty (30) days of delivery of the same to the Sponsor. If the Purchase Agreement is not accepted by the end of such period it will be deemed rejected. Sponsor may reject any Purchase Agreement, without cause or explanation, so long as such rejection is not based upon race, creed, color, sex, national origin, ancestry, or any other ground proscribed by law. In the event of such rejection, the Purchaser's Deposit will be promptly refunded. The Purchase Agreement will not be binding upon Sponsor until a copy executed by or on behalf of the Sponsor is delivered to the Purchaser or Purchaser's counsel.

Financing Contingency

If the Purchaser of a Unit wishes to make the Purchase Agreement contingent on financing, Purchaser shall make a prompt application to a Sponsor Designated Lender/Broker for the Mortgage Loan through the First Meridian Mortgage, having an address at 190 N 10th Street, Brooklyn, New York 11211, Tel: 718.906.6156, Attn: Chesky Fuchs, E-mail: cfuchs@fmm.com, within three (3) days of the Purchaser receiving the signed counterpart of the Purchase Agreement from the Sponsor.

A Purchaser of a Unit shall have thirty (30) days after the receipt of a signed counterpart of the Purchase Agreement from Sponsor to obtain a written commitment from Sponsor Designated Lender/Broker. If Purchaser does not receive a written commitment from Sponsor Designated Lender/Broker within said thirty (30) day period, then Purchaser may cancel the Purchase Agreement by giving notice to the Sponsor, in writing, within ten (10) business days after the thirty (30) day period to terminate the Purchase Agreement. Sponsor makes no representation as to the availability of any such financing. Purchasers are advised that even if they receive a financing commitment, its term may be limited and it may expire prior to the Unit Closing Date unless extended by Purchaser. The Purchaser must make a good faith effort to extend the financing commitment. If the financing commitment lapses or expires prior the Unit Closing Date and the Purchaser has made a good faith effort to extend the commitment, the Sponsor will grant the Purchaser a right of rescission. The Purchaser will be allowed ten (10) business days to exercise the right of rescission. If the Purchaser does not timely exercise this right of rescission then Purchaser shall be deemed to have waived the right to cancel the Purchase Agreement.

If a written commitment is not issued by the Sponsor/Designated Lender/Broker within the above stated thirty (30) day period, then unless purchaser has accepted a commitment that does not comply with the requirements set forth in Section 33.1 of the Purchase Agreement, Purchaser may cancel the Purchase Agreement by giving notice to Sponsor (the "Cancellation Notice") within ten (10) business days after the Commitment Date, "TIME BEING OF THE ESSENCE", in which case the Purchase Agreement shall be deemed canceled and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of the Purchase Agreement, except that the Deposit shall be refunded to Purchaser within ten (10) business days thereafter. The cancellation notice shall be accompanied by a copy of any loan refusal letter or non-complying commitment, as the case may be, issued by the Institutional Lender, if available, or if not available, provided promptly after receipt. If Purchaser fails to give the Cancellation Notice or if Purchaser shall accept a

Commitment that does not comply with the requirements set forth in Section 33.1 of the Purchase Agreement, then Purchaser shall be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive refund of the Deposit by reason of the contingency contained herein.

The Sponsor will not receive any compensation for any commitments issued by the Sponsor/Designated Lender/Broker.

Balance of Purchase Price and Closing Documents

After the Plan has been declared effective, Sponsor will fix dates for Closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser that the Plan was declared effective on a certain date and setting such Purchaser's Closing Date. Such notice will be served in compliance with the regulations promulgated by the New York State Department of Law no less than thirty (30) days before the date set for the Closing of the Units. Purchasers may waive this thirty (30) day notice provision in a writing addressed to Sponsor.

Sponsor anticipates the first Closing of a Unit to occur on or about January 1, 2015. If the date of the first Closing of a Unit shall not have occurred on or before the date which is more than twelve (12) months after such date (i.e. on or before December 31, 2015), each Purchaser will be offered a right to rescind his/her Purchase Agreement and receive return of his/her Deposit.

At the Closing Purchaser shall be required to sign and deliver a Power of Attorney to the Board of Managers of the Condominium covering the Unit in the form contained in Part II of the Plan and pay certain closing fees, costs and adjustments (See the section entitled "Unit Closing Costs and Adjustments"). The Purchaser will also be required to pay the New York State and New York City real property transfer tax returns, mortgage recording taxes and Sponsor's and Purchaser's attorney fees covering the sale of his or her Unit, any real estate reporting return and statement required by the Internal Revenue Code or the regulations thereunder, all other documents required by law, and all other documents reasonably required by Sponsor or required under Purchaser's Purchase Agreement. The balance of the Purchase Price is also payable at Closing. This amount shall be paid by a bank, cashier's check or certified check, drawn on or issued by a New York bank, trust company or other New York lending institution which is a member of the New York Clearing House Association, payable to Sponsor (or to any one Sponsor designates or directs in writing).

Default by Purchaser

If a Purchaser defaults in making any payments due under the Purchase Agreement or fails to execute and deliver documents, make the payments described above, or perform any of his other obligations under the Purchase Agreement, then Sponsor may at its option give written notice of default under the Purchase Agreement to Purchaser. If the default is not cured within thirty (30) days after written notice thereof, then the Purchase Agreement shall be deemed terminated and Sponsor shall be entitled to the payment due under the Purchase Agreement and any payments made thereunder including any costs for any special work ordered by Purchaser together with interest earned thereon, if any, as and for liquidated damages. Termination of a Purchase Agreement will permit Sponsor to sell the Unit to others as though the Purchase Agreement had never been made and the Purchaser shall not have any further rights against or obligations to Sponsor, the Condominium or others purchasing such Unit.

In the event the Sponsor cannot convey title to the Unit by reason other than the default of the Purchaser, all monies deposited by the Purchaser shall be returned to the Purchaser. However, Sponsor may attempt to cure its inability to convey title and if it does so, Sponsor shall be entitled to an adjournment of the Closing Date for a reasonable period of time.

The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by the prospective Purchaser and his or her legal or financial representative before being executed. The terms of sale and other provisions of an actual Purchase Agreement entered into between Sponsor and any Purchaser may vary from the provisions contained in the form of Purchase Agreement contained in Part II of the Plan. However, such variations shall have no effect on the provisions of any other Purchase Agreement theretofore or thereafter entered into between Sponsor and any other Purchaser nor shall such variations materially or adversely affect Sponsor's obligations as set forth in the Plan. Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control.

The Escrow Agent

The law firm of Marans Weisz & Newman LLC, with an address at 29 Broadway Suite 2400 New York, New York 10006, telephone number 212-968-0244, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Richard Marans, Daniel Weisz, and Richard Newman. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at Hudson Valley Bank 233 Broadway New York, New York 10017, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled The 531 Vanderbilt Avenue Condominium Escrow Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Marans Weisz & Newman LLC, as Escrow Agent.

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

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

A complete copy of the Purchase Agreement is located in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 3 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser:

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

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Release of Funds:

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Unit is located and shall give written notice to both parties of such deposit.

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

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

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

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

Waiver Void:

Any provision in the Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

Lawsuits

Any lawsuit arising out of the Purchase Agreement shall be governed by the internal laws of the State of New York, shall be brought in Kings County and shall be determined by the judge presiding at the trial without a jury (which the parties waive).

Risk of Loss

Risk of loss from fire and other casualty shall remain with Sponsor until the earlier of conveyance of title to the Unit to Purchaser or actual possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore any Unit. Sponsor may, at Sponsor's option, elect to abandon the Plan or to repair or replace

such loss or damage. If Sponsor does not elect to repair the damage, the Purchase Agreement will be cancelled and of no further force or effect. Thereafter, Purchaser will be refunded his or her Deposit unless Purchaser is then in default thereunder beyond the applicable grace period, if any, in which event the Deposit will be retained by Sponsor as liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price, and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement. If a Purchaser takes possession of a Unit prior to Closing title, he or she will assume the risk of loss and the obligation to repair the damage, not covered by insurance already in place by the Sponsor; therefore it is advisable that Purchaser obtain casualty insurance at such time.

Purchase Agreement

The Purchase Agreement is contingent upon effectiveness of the Plan. If the Plan is abandoned, Purchase Agreements will be terminated, and all monies held by Sponsor shall be returned to Purchasers and neither party shall have any further rights or obligations arising thereunder or relating thereto. The relevant escrow trust fund provisions are included in Paragraph 3 of the Purchase Agreement. Escrow Agent shall execute the Purchase Agreement, solely as to Paragraph 3 of the Purchase Agreement, prior to delivering the Purchase Agreement, fully executed, to Purchaser.

A complete copy of the form of Purchase Agreement is included in Part II of the Plan.

Purchase Agreement is Not a Lien

Neither the Purchase Agreement nor the Deposit or any payment given for special work is a lien against the Property or the Unit. Purchaser may not record the Purchase Agreement and will be in default if Purchaser attempts to record it.

Conflicts between Plan and Purchase Agreement

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

The Purchase Agreement and Plan 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.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser may not assign the Purchase Agreement without first obtaining the prior written consent of Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. If a Purchaser desires to assign its rights under the Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of \$1,000.00 made payable to Marans Weisz & Newman LLC (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's Closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the Closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to terminate the Purchase Agreement or excuse Purchaser from any of its obligations under the Purchase Agreement or give rise to any claim for damages against Sponsor. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser; entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

Notwithstanding the provision above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under the Purchase Agreement to a "Purchaser Affiliate" or to member(s) of Purchaser's "Immediate Family Members", provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in herein. For purposes of this provision: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing is controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parent, grandparent, brothers or sisters, stepchildren and/or stepparent; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

EFFECTIVE DATE

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and compliance with the relevant conditions and time periods set forth in the Plan.

The Plan may be declared effective by (i) an amendment to the Plan or (ii) by personal service of notice on every Purchaser or by commencement of service by mail in the manner required by 13 NYCRR Section 20.1 (d) stating that the Plan is declared effective and submitting an amendment conforming to Section 20.5 (e) to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. Closing of the first Unit shall not occur until the Plan is declared effective.

The Plan may not be declared effective until bona fide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Units offered under the Plan. For this plan, three (3) Units constitute fifteen percent of the Units offered.

The Plan will not be declared effective based on (i) Purchase Agreements signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) Purchase Agreements where the Purchaser was not afforded the seven (7) days period to rescind the Purchase Agreement or the three (3) business day period to review the Plan and all filed amendments in accordance with the provisions set forth above in the section of the Plan entitled "Procedure to Purchase"; or (iii) Purchase Agreements with any Purchaser who is the Sponsor, the selling agent, the managing agent or is a principal of the Sponsor, the selling agent, the managing agent or is related to the Sponsor, the selling agent, the managing agent or to any principal of the Sponsor or the managing agent by blood, marriage or adoption or as a business associate, an employee, a member, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Plan must be declared effective when executed Purchase Agreements are accepted by Sponsor for eighty percent (80%) or more of the Units offered under the Plan. Fifteen (15) Units constitute approximately eighty percent (80%) of the Units offered under the Plan.

The Plan may be abandoned by Sponsor, at its sole option, at any time before it is declared effective. If the Plan is to be abandoned after filing and the Sponsor has accepted Purchase Agreements, the Sponsor shall promptly submit an amendment to the Department of Law together with form RS-3 as promulgated by the Department of

Law. If payments under Purchase Agreements have been received, the amount of such funds shall be returned to the Purchasers by the Escrow Agent within five (5) business days after the amendment abandoning the Plan has been accepted for filing. If there are no outstanding Purchase Agreements, the Sponsor need not submit an amendment but shall submit a form RS-3 to the Department of Law.

Once the Plan has been declared effective or executed Purchase Agreements for eighty percent (80%) of the Units have been accepted by Sponsor, the Plan may not be abandoned unless (i) there is a title defect which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one-half (1/2) of one percent (1%) of the total offering amount; (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than a stated amount which shall not be less than \$50,887.50 (one-half (1/2) of one percent (1%) of the total offering amount); or (iii) the taking of any material portion of the Property by condemnation or eminent domain. In calculating such amount Sponsor shall not include attorney's fees or title defects or determinations of any authority or regulatory association existing on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

TERMS OF SALE

The terms "Closing of Title" or "Closing" as used herein means the transfer of ownership of a Condominium Unit from Sponsor to the Purchaser(s) thereof.

The Purchase Agreement is contingent upon the effectiveness of the Plan. If the Plan is abandoned, all Purchase Agreements will be cancelled and all Down Payments, together with any interest earned, will be refunded.

Once the Plan has been declared effective, the Sponsor will fix the dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first Closing and setting such Purchaser's Closing Date. Such notice will be served no less than thirty (30) days before the date set for the Closing of each Unit.

The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or the taking of possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor 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 Sponsor shall be entitled to 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, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded and any mortgagee of Sponsor, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

At Closing, Sponsor will execute and deliver to each Purchaser a bargain and sale deed with covenant against grantor's acts substantially in the form set forth in Part II of the Plan and in proper form for recording for the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and title exceptions other than those described below and the proposed Unit Deed contained in Part II of the Plan

Permitted Exceptions

Title to each Unit will be subject to the following exceptions (the "Permitted Exceptions"):

1. Rights of tenants or persons in possession, if any.
2. Standard exceptions contained in the title report.
3. Taxes, tax liens, tax sales, water rates, sewer rents and assessments set forth herein.
4. AS TO THE BUILDING: Any statement of facts which a subsequent survey of would disclose provided that such additional statement of facts do not render title unmarketable.

AS TO THE UNIT: With respect to Condominium Unit No. the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

5. Covenants, conditions, easements, leases, agreements of record, etc., more fully set forth herein:

- A. Zoning Lot Description in CRFN 2013000270297
- B. Zoning Lot Certification in CRFN 2013000270298

A Closing will take place only after the issuance of a temporary or permanent certificate of occupancy for the entire project or issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed.

Purchasers shall be given an opportunity to inspect the Unit prior to Closing. Any work remaining to be done in the Unit pursuant to the Plan and/or the Purchase Agreement, shall be itemized on an "Inspection Statement," a form of which is contained in Part II of the Plan, signed by both Sponsor and Purchaser. Sponsor shall be obligated to complete the items on the Inspection Statement within a reasonable time after Closing. However, if Sponsor agrees in writing to complete any items on the Inspection Statement prior to Closing, Purchaser must re-inspect the Unit on that day prior to Closing stipulated by Sponsor to inspect and sign off on all items Sponsor was to complete. No open items of work will be discussed at the Closing itself.

Sponsor's failure to complete any of the items listed on the Inspection Statement shall not be grounds to cancel or postpone the Closing.

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

The Declaration, By-Laws and Floor Plans for the Condominium and such other documents, as required by law, will be recorded or filed (as the case may be) in the City Register of New York County prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act and any other applicable State and local law.

In the event the Closing does not take place on the Closing Date, for any reason other than circumstances completely within Sponsor's sole control (i) the apportionment of those items set forth in paragraph 7 of the Purchase Agreement shall be made as of the originally established Closing Date rather than as of the date the Closing actually occurs, (ii) Purchaser shall pay Sponsor at Closing interest on the unpaid balance of the purchase price from the originally established Closing Date to the actual Closing Date an amount equal to 0.04% of the purchase price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date), which is 14.6 % per annum and (iii) Purchaser shall pay Sponsor's counsel \$250.00 for each adjournment. Nothing herein shall be construed to mean that the Sponsor must grant an adjournment of title when requested to do so. If at a Purchaser's request Sponsor grants an adjournment or adjournments of his or her closing of title in excess of five (5) days in the aggregate, the Sponsor has the option of collecting an additional five percent (5%) of the purchase price of the Unit as an additional Deposit.

In the event of a default by Purchaser in Purchaser's obligations under the Purchase Agreement, not cured within any applicable grace period, the Down Payment and any interest thereon may be retained by Sponsor as liquidated damages.

If applicable, prior to Closing, Sponsor will procure the Real Property Transfer Gains Tax Tentative Assessment and Return (or Statement of No Tax Due). Purchasers will be required to pay all transfer taxes due at Closing and comply with the requirements of the New York State Department of Taxation and Finance.

At Closing, each Purchaser will execute a power of attorney in the form provided in Part II of the Offering Plan (and deliver said instrument to the Sponsor or Purchaser's title company for recording), designating the Board of Managers as his or her attorney in fact, coupled with an interest for, but not limited to, the purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any Unit acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and for purposes consistent with the implementation of the Offering Plan.

At Closing, Sponsor will deliver and assign to Purchaser any manufacturers' warranties (to the extent available and assignable) with respect to any equipment and appliances installed by Sponsor in the Unit and the receipt by Purchaser of any subcontractors' warranty certificates for heating and plumbing relating solely to the Unit, if any, to the extent made by such subcontractors and to the extent such warranties are available. Sponsor will also assign to the Board of Managers any warranties available and assignable with respect to all equipment and appliances and heating, plumbing and roofing installed in the Common Elements.

Obligations on the part of the Sponsor set forth in the Plan will survive the transfer of the Unit to a Purchaser unless specifically set forth not to survive.

If ordered by Purchaser, the issuance at Closing of a commitment by a title insurance company licensed to do business in the State of New York, will insure that the Condominium was validly formed pursuant to the Condominium Act and that the Purchaser has good and insurable fee title in the Unit, free and clear of all liens and encumbrances, except as set forth herein and except for any mortgage that a Purchaser obtains to purchase the Unit, and subject to the provisions of the Declaration and By-Laws. See the next section of this Plan for the estimated cost of such title insurance.

UNIT CLOSING COSTS AND ADJUSTMENTS

At Closing, each Purchaser shall be required to pay certain costs and expenses. The following is a list of the types and amounts of costs and expenses

Purchasers should expect to pay. Estimates for title expenses are provided by Downtown Abstract and are based (as are all of the following items), on current rates and charges which are subject to change without prior notice:

Title Insurance

If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor which will vary depending upon the purchase price and whether or not a mortgage title policy is obtained simultaneously with the fee title policy. Title insurance rates are set by the New York Board of Title Underwriters and filed with the New York State Insurance Department. The Purchaser is free to obtain title insurance from any company of their choice without incurring a penalty

For illustrative purposes only, a Purchaser buying a Unit for \$500,000.00 would pay a premium of \$1,499.00. If that Purchaser obtained a mortgage in the principal amount of \$450,000.00, there would be an additional charge of \$405.00 for a total of \$1,904.00. Sponsor makes no representation regarding insurance available from insurers other than Downtown Abstract Corp.

The current rate for fee title insurance alone for a Unit (i.e. no mortgage title insurance) if ordered from Downtown Abstract Corp., as agent for Fidelity Title Insurance Company, is pursuant to the bulk rate schedule applicable to new condominium projects filed with the New York State Department of Insurance, which is seventy (70%) percent of the Zone 2 Basic Rate for Owner's Policies:

The Owner's Policy Basic Rate is \$402.00 for the first \$35,000.00 of fee insurance. Basic Premiums then increase as follows:

<u>Fee Amount</u>	<u>Premium</u>
\$35,001-\$50,000	\$6.67/\$1,000
\$50,001-\$100,000	\$5.43/\$1,000
\$100,001-\$500,000	\$4.36/\$1,000
\$500,001-\$1,000,000	\$3.98/\$1,000
\$1,000,001-\$5,000,000	\$3.66/\$1,000
\$5,000,001-\$10,000,001	\$3.25/\$1,000
\$10,000,001-\$15,000,000	\$3.07/\$1,000
\$15,000,001 – up	\$2.76/\$1,000

If a Purchaser elects to obtain mortgage title insurance simultaneously with a policy for fee title insurance, the premium for the mortgage policy will be at "simultaneous rate" (these quotes were also provided by Downtown Abstract Corp., as Agent for Fidelity National Title Insurance Company) with the premium for the mortgage title insurance computed using the "Bulk Rate" schedule as described below. The

premium on the amount of the loan policy that does not exceed the fee policy is calculated at 30 percent (30%) (the "simultaneous rate") of seventy percent (70%) (the "bulk" rate) of the Basic Zone 2 – Loan Policy scheduled as described below. The premium for the first \$35,000.00 of mortgage insurance up to the amount of fee policy is \$344.00. The "Bulk Rate" Premiums then increase as follows:

<u>Fee Amount</u>	<u>Premium</u>
\$35,001-\$50,000	\$5.55/\$1,000
\$50,001-\$100,000	\$4.54/\$1,000
\$100,001-\$500,000	\$3.64/\$1,000
\$500,001-\$1,000,000	\$3.31/\$1,000
\$1,000,001-\$5,000,000	\$3.05/\$1,000
\$5,000,001-\$10,000,001	\$2.71/\$1,000
\$10,000,001-\$15,000,000	\$2.55/\$1,000
\$15,000,001 – up	\$2.31/\$1,000

Purchasers are free to use the title company of their choice at no additional cost.

Transfer Taxes and Recording Fees

Fees for recording the Unit Deed, the Power of Attorney in favor of the Board of Managers and any mortgage the Purchaser obtains to finance the purchase of his or her Unit are stated in this section. The current recording fees are \$42.00 for each instrument including the first page, plus \$5.00 per each additional page, including cover sheets, service fee to the title company of approximately \$50.00 and filing fee of \$125.00 for the accompanying RP5217NYC form.

The New York State Real Estate Transfer Tax, which is currently \$2.00 dollars per every \$500.00 of the purchase price, but when paid by the Purchaser, is increased to approximately .4057% since the shifting of the tax obligation from the Sponsor as a seller to Purchaser is deemed additional consideration from the Sponsor. The New York State Real Estate Transfer Tax due for a Unit with a purchase price in the amount of \$500,000.00 would be \$2,000.00 (or approximately \$2,035 if purchaser pays the tax).

The New York City Real Property Transfer Tax, which is currently 1% of the purchase price for purchases under \$500,000.00 and 1.425% for purchases of \$500,000.00 or more, but when paid by the Purchaser, is increased since shifting of the tax obligation from the Sponsor as a seller is deemed additional consideration to the

Sponsor. The fee to file the Real Property Transfer Tax Return with the City of New York is \$125.00, which is the Purchasers obligation to pay.

Mansion Tax

Purchasers are advised that New York State imposes an additional transfer tax upon Purchasers in an amount equal to 1% of the consideration for a Unit where the consideration for the Unit is \$1,000,000 or more (the "Mansion Tax"). Purchasers of Units where the consideration (including the purchase price itself plus the aggregate Transfer Taxes payable by Purchaser) is \$1,000,000 or more, thus will be obligated to pay the Mansion Tax at closing.

Mortgage- Related Costs

Purchasers obtaining mortgage loans are also advised that they will be responsible for the payment of all closing costs and expenses in connection therewith in amounts determined by the lender. These costs customarily include origination fees (or "points"), commitment fees, fees for credit checks, mortgage title insurance, lender's attorneys' fees and appraisal fees. Also a Purchaser obtaining a mortgage may be required by the lending institution to deposit monthly with the lending institution, commencing with the Closing Date, an escrow for the payment of annual real estate taxes and insurance premiums. The amount of such escrow deposit to be made at Closing will depend on the number of months remaining between the closing of title and the date these amounts are next due to be paid and the estimated amounts then payable, as well as the custom and practice of the particular lender involved.

To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Unit or the Property, the Purchaser shall pay to Sponsor at the Closing for such Unit the amount of any such credit, if applicable. If the Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act. If Purchaser Lender assumes or consents to the assignment of a mortgage lien encumbering only such Purchaser's Unit and as a result is entitled to an exemption of all or a portion of the mortgage tax which would have been available to the Purchasers and shall pay to Sponsor the amount of such exemption.

In the event the credit under Section 339-ee(2) is not available and the assignment exemption is provided, the Sponsor, at its own discretion, may utilize the exemption to provide a discounted closing cost to the Purchaser upon which the Purchaser would be responsible for the legal fees in connection with obtaining such

exemption and at no time would such fees exceed the amount of tax payable by Purchaser to the taxing authority has such an exemption not been made available. The mortgage tax is currently 2.05% less \$30.00 of any mortgage obtained by the Purchaser of less than \$500,000.00 and 2.175% less \$30.00 for mortgages of \$500,000.00 or more. Of this amount the lender pays a portion of the mortgage tax equal to .25% of the mortgage amount. The Condominium Act credit described above is against the mortgage tax payable by Purchaser.

Common Charge and Real Estate Tax Adjustments

All real estate taxes and Common Charges attributable to a Unit paid by Sponsor for any period of time during which the Unit Owner will own the Unit, shall be adjusted between Sponsor and Purchaser as of the Closing Date.

If a Unit closes during the 2014/2015 tax year (i.e. the tax year running from July 1, 2014 to June 30, 2015), it is possible the Unit will not be separately assessed for real estate taxes for that tax year by that Unit's closing date. In such event, the adjustment for real estate taxes will be based on the Unit's proportionate share of the real estate taxes for the Property, which shall be obtained by multiplying the taxes payable on account of the Property for that year by the Common Interest attributable to the Unit.

If separate assessments have not been made prior to the closing of title to a Unit, Sponsor will collect from each Purchaser at closing, and will place in escrow in a separate account established by the Sponsor for that purpose, an amount equal to the Unit's estimated proportionate share of the real estate taxes projected to be due for the entire Property for the half of the tax year next commencing after the closing of said Unit (i.e, for either the first half or second half, depending on when the Unit closes), based on the method of allocation described above. If the tax assessor indicates that more than one half of a tax year may elapse before the Units are individually assessed, Sponsor shall collect at closing Purchaser's proportionate share of taxes for the upcoming half and shall deposit the same in the account described above. With respect to the balance of the estimated taxes due for the next applicable tax period, the Board of Managers shall be obligated to collect monthly escrows from Unit Owners with their Common Charges based upon the estimated tax bill for the entire Property and the then current tax rate deposit the same in the tax escrow account. At the time taxes are due and payable, Sponsor shall pay out of Sponsor's own funds, Sponsor's proportionate share of the Property tax bill allocable to the Unit(s) Sponsor then owns, based on the allocation method described above, and the Board of Managers shall be obligated to cause the release to Sponsor the appropriate amount of escrowed tax funds in the tax escrow account for Sponsor's use in paying the share of taxes attributable to Units that have been sold and closed to other Unit Owners.

If the actual taxes due for any period for which Sponsor collected escrows are higher than the amount collected and held in escrow, the Board of Managers shall pay the difference and shall bill Unit Owners for their proportionate share of any necessary reimbursement, as a Special Assessment. Sponsor will remain liable for all real estate taxes attributable to Sponsor's Units until Sponsor sells and conveys those Units. If any Unit Owner fails to pay a Unit's pro rata share of real estate taxes when due, by Common Charge billing, special assessment billing, or both, the Board of Managers will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges.

If the actual taxes due for any period for which Sponsor collected escrows are lower than the amount collected and held in escrow, the Board of Managers shall pay the Unit Owners their proportionate share of any excess. If the Sponsor collected then Sponsor has to pay or if the Board collected then the Board has to pay.

Closing Counsel Fees

Sponsor's Condominium Counsel's legal fee in the amount of \$1,750 per Unit must be paid by all Purchasers.

The following additional charges will apply if applicable:

- (a) \$500 if the Closing is not held at Sponsor's attorneys' offices.
- (b) \$250 for each adjournment of the Closing.
- (c) \$500 if the Closing is held outside New York City.
- (d) \$250 to attorneys for Sponsor for the preparation of a letter of default.
- (e) \$1,000 for an assignment agreement, if requested by Purchaser and provided Sponsor has consented thereto.
- (f) \$500 for preparation of Interim Lease Agreement.

Professional Fees

Purchaser shall have sole responsibility for payment of all professionals, including attorney(s), employed or retained by Purchaser.

Working Capital Contribution

Purchasers shall also be required to pay at Closing two (2) months of common charges as a contribution to the Working Capital Fund. This fund shall be used to create an account to set aside funds for future capital expenses.

Example of Typical Closing Costs

The following is a numerical example of all closing costs for Unit 1B based on the presumptions set forth below and assuming current rates and charges:

Assuming that a Purchaser closes timely and incurs no penalties under the Purchase Agreement the closing costs for Unit 6C with a purchase price of \$990,000 and assuming a mortgage of \$792,000 will be approximately:

Title Insurance Fee:	\$	4,305.40
Loan Premium:	\$	1,056.00
Recording Fees:	\$	450.00
Transfer Taxes New York City:	\$	14,232.50
Transfer Taxes New York State:	\$	3,960.00
Mansion Taxes:	\$	0.00
Mortgage Recording Tax:	\$	17,196.00
Working Capital Fund:	\$	1,363.72
Sponsor's Attorney's Fee:	\$	1,750.00
ACRIS preparation Fee:	\$	150.00
Total Estimated Closing Costs:	\$	44,463.62

The entire contents of this section entitled "Unit Closing Costs and Adjustments", as the same may be revised or amended, shall be deemed incorporated in the Purchase Agreement for each Unit.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

Indemnification

Sponsor is obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions under the Plan and applicable law with respect to the Offering. Sponsor will indemnify and hold the Board of Managers and the Unit Owners harmless from any such suits or proceedings.

The Condominium shall assume the performance of all obligations (including payment obligations) of the Sponsor, if any, accruing on or after the date of

closing of title to the first Unit pursuant to the Plan, under the labor, service and maintenance agreements in effect on such date which have been assigned to the Condominium pursuant to the Plan, and shall indemnify and hold Sponsor harmless from and against any and all claims, liabilities, costs and expenses arising of or with respect to such agreements or with respect to the Property accruing on or after such date.

Sponsor's Obligations Survive

All representations under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan that are to be performed subsequent to the Closing Date will survive delivery of the deed.

Operating Expenses

Sponsor agrees to pay all Common Charges, special assessments and real estate taxes with respect to all Unsold Units imposed by Board of Managers in accordance with this Plan. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Sponsor expects to fund its financial obligations to the Condominium from the income from projected sales and if necessary, from the personal financial assets of Sponsor's principal. Except as specifically set forth herein, no bond or other security has been furnished to secure Sponsor's obligations hereunder, including, but not limited to, Sponsor's obligations to obtain a permanent Certificate of Occupancy. If Sponsor should cease having such financial resources, all selling activity shall cease, the Plan will be amended and all Purchasers offered the right to rescind their purchases. All obligations of Sponsor pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. However, nothing herein shall prevent an individual Unit Owner from bringing an action in the nature of a derivative action against the Board of Managers. During the time the principals of Sponsor control the Board, it is within their sole power to enforce the obligations of Sponsor pertaining to the Common Elements. Therefore, Sponsor agrees that during such period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

Notwithstanding any disclosure to the contrary in this Plan, Sponsor reserves the right to cause the Condominium Board not to bill Common Charges to any Unit Owner for so long as Sponsor pays the actual Condominium expenses together with the insurance premiums, in lieu of Common Charges. In the event that Sponsor makes such election, Common Charges will not be assessed by the Board of Managers to any Unit Owners for expenses anticipated in the budget. During this period, Sponsor will continue to update the budget, and fund the contingency fund set forth in the budget.

Sponsor shall previously disclose in an amendment to the Plan the commencement date of the collection of common charges. At such time that Sponsor causes the Board of Managers to assess Common Charges, each Unit Owner, including Sponsor, shall pay Common Charges, as discussed in this Plan.

Sponsor reserves the right to use its majority vote on the Board to cause a refund to be issued to Unit Owners, including Sponsor, for Common Charges collected pursuant to an annual Condominium operating budget which are in excess of actual Condominium operating expenses.

Casualty Insurance

Sponsor shall procure fire and casualty insurance, as set forth in Schedule B, pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in Schedule B. Such insurance will provide that each Unit Owner is an additional insured and that there will be no cancellation without thirty (30) days notice to the Board of Managers and Unit Owners. The insurance policies will also contain waivers of subrogation, waivers of invalidity due to acts of insured and Unit Owners and waivers of pro rata reduction of liability of the insurer due to other insurance carried by individual Unit Owners. Sponsor shall be reimbursed for the cost of such insurance premium(s) by the Condominium.

Construction Financing

Sponsor has obtained a construction loan from HOUTEX LLC, 55 Northern Boulevard, Suite 202, Great Neck, New York 11021 (the "Construction Lender"), to construct the Building. Sponsor will pay, satisfy and otherwise comply with the terms of the construction loan documents. Before the first Unit closing, the Construction Lender has agreed to subordinate its liens to the Declaration, will consent to the formation of the Condominium and acknowledge that its mortgage liens will be limited to Unsold Units. In addition, the Unit and each subsequent Unit being conveyed and its appurtenant Common Interest will be released therefrom by partial release upon payment of the relevant payment as provided in the construction loan documents. Sponsor has an obligation to market the Units pursuant to the construction loan documents and fifteen (15) percent of the Units must be under contract before the Plan can be declared effective; however, there is a minimum release price set by the Construction Lender for the Construction Lender to release its lien from the Unit being sold. The Construction Lender has set no limits or requirements for Sponsor to rent rather than sell Units.

Restoration after Casualty

Risk of loss from fire and other casualty shall remain with Sponsor until the earlier of conveyance of title to the Unit to Purchaser or actual possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore any Unit. Sponsor may, at Sponsor's option, elect to abandon the Plan or to repair or replace such loss or damage. The Sponsor will notify the Purchaser within (60) days of the loss or damage if Sponsor does not elect to repair the damage. If Sponsor elects not to repair such damage then the Purchase Agreement will be cancelled and of no further force or effect. Thereafter, the Purchaser will be refunded his or her Deposit unless Purchaser is then in default thereunder beyond the applicable grace period, if any, in which event the Deposit will be retained by Sponsor as liquidated damages. The Sponsor will notify the Purchaser within sixty (60) days of the loss or damage, if Sponsor elects to repair or replace the loss or damage. If Sponsor elects to repair or replace the loss or damage then the Purchase Agreement shall continue in full force and effect. Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement. If a Purchaser takes possession of a Unit prior to closing title, he or she will assume the risk of loss and the obligation to repair the damage not covered under insurance already provided by the Sponsor; therefore it is advisable that Purchaser obtain casualty insurance at such time.

Dissolution of Sponsor

In the event of the dissolution or liquidation of the Sponsor or the transfer of three (3) or more units or twenty percent (20%) or more of the total number of Units in the Condominium whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.

Completion of Construction

Sponsor is obligated to build and complete the Condominium in substantial accordance with the Building Plans and Specifications identified in the Plan, subject to Sponsor's right to substitute equipment or materials of equal or better quality for construction and design and make modifications in layout or design; provided however, that Sponsor does not:

- (i) Substitute equipment or materials of lesser quality or design; or
- (ii) change the size, location of Buildings or Units other improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase

Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change, except as more specifically provided in the section of this Plan entitled "Changes in Prices and Units."

Sponsor will install carbon monoxide detectors as required in all New York City multiple dwellings.

Certificate of Occupancy

Prior to the closing of title to the first Unit, Sponsor shall have obtained a temporary or permanent Certificate of Occupancy for the entire Condominium or alternatively, shall have obtained a temporary or partial certificate of occupancy for the Unit on the Building. Sponsor anticipates on being able to obtain a permanent Certificate of Occupancy and all necessary permits for all elements of the Condominium within two (2) years of closing of title to the first Unit and, prior to the issuance of a permanent certificate of occupancy will cause any expiring temporary Certificate of Occupancy to be extended.

In the event any closing of title occurs before the issuance of a permanent Certificate of Occupancy covering the Unit, Sponsor shall maintain all Deposits and funds received from the Purchasers of Units in a special escrow account as required by Section 352-e(2-b) of the General Business Law, unless Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work needed to obtain a permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by such engineer or architect may be released to Sponsor from the special escrow account. Alternatively, Sponsor may deposit with an Escrow Agent any one or a combination of the following: cash or an unconditional, irrevocable letter of credit or Sponsor may post a surety bond and/or maintain unfunded, a portion of the construction loan available to Sponsor for construction purposes aggregating amount certified by Sponsor's engineer or architect. In such case, Sponsor shall have the right to draw down remaining portions of said letter of credit, cash, construction loan available to Sponsor for construction purposes, provided the unfunded portion of such construction loan and/or, remaining cash and/or letter of credit in the aggregate is, at all times no less than the amount that Sponsor's architect, engineer or construction manager certified is adequate to complete the work necessary to obtain a permanent certificate of occupancy. In the event Sponsor desires to post a bond pursuant to this paragraph, prior to posting such bond Sponsor will file an amendment to the Plan disclosing same.

Warranties of Construction

The Housing Merchant Implied Warranty (General Business Law Article 36-

B) does not apply to this offering because that statute applies only to new single family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to purchasers under a cooperative or condominium regime. Sponsor has the obligation, nevertheless, to construct the Building in accordance with applicable Law, codes and regulations.

The Housing Merchant Implied Warranty (General Business Law Article 36-B) does not apply to this offering because that statute applies only to new single family homes or new for-sale units in a multi-unit residential structure of 5 stories or less in which title is transferred to Owners under a condominium or cooperative regime. As the Building contains 7 construction floors, this statute is not applicable. Sponsor shall not be obligated to correct or cause to be corrected any latent or patent defects in construction of a Residential Unit or the Common Elements, or in the installation or operation of any mechanical equipment therein. However, in the event correction of a defect is covered under any guaranty or warranty given to Sponsor by the construction consultant, general contractor or construction manager (collectively the "General Contractor") engaged by Sponsor to complete construction of the Building (or by any contractor or subcontractor engaged by the General Contractor or Sponsor), Sponsor may, but shall not be obligated to, apply to the General Contractor to correct the defect. In order for Sponsor to consider bringing the defect to the attention of the General Contractor, Sponsor must be notified in writing (i) by the Unit Owner to whom Sponsor sold a Residential Unit, within three (3) months following the closing of the sale of the Unit to the Unit Owner if the defect concerns that Residential Unit (or if Sponsor permits occupancy of the Unit by a Purchaser under an interim lease, then within three (3) months after the commencement date of the interim lease), or (ii) by the Board of Managers, within the 6-month period following the first Residential Unit closing, if the defect concerns the Common Elements. If Sponsor is not notified within these time periods, Sponsor shall not have any obligation to consider causing remediation of the problem. In no event, however, shall Sponsor be obligated to compel, or to take action to compel, the General Contractor (or any contractor or subcontractor) to perform under any guaranty or warranty given by it in connection with work performed at the Property.

Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, in its or their sole discretion, shall select the method of correcting any defect to be corrected under this subparagraph. On three (3) days' notice from Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, the Unit Owner, Purchaser or the Board of Managers, as applicable, shall allow Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Unit or area in question on any weekday to inspect and/or correct such defect. The quality of construction shall be comparable to local construction standards customary in the particular trade in question and in accordance with the Plans and Specifications.

Sponsor shall be deemed to have discharged any commitment it may have made or be deemed to have made with respect to curing defects, if (i) Sponsor is not notified of the defect, or (ii) the Unit Owner, Purchaser or Board, as applicable, prevents Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Building and/or the Unit where corrective work has been requested, or (iii) Sponsor shall have corrected or caused to be corrected the defect in accordance with the practice of the industry as said practice is determined by Sponsor's General Contractor or architect or engineer, in its sole discretion.

Notwithstanding the foregoing, Sponsor shall not be responsible for correcting or repairing any defects in construction or defects in the installation or operation of any appliances (including, without limitation, kitchen appliances and washers and dryers), equipment or fixtures with respect to which warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others, are delivered and/or assigned to either a Unit Owner or the Board of Managers. Also, Sponsor's undertaking to correct defects as described above, runs only to Unit Owners who have purchased a Unit from Sponsor. It does not run to Owners who purchased Units on resale by other Unit Owners.

In addition, in no event shall Sponsor be responsible for any condition resulting from normal wear and tear or natural deterioration or from the normal shifting or settling of the Building, or for any defects of insubstantial nature, including but not limited to partial or total death of any landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, tile, marble and granite grouting, separation in joints of tile, marble, granite or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settlement or normal plumbing, heating and air conditioning noises, or carpet discoloration and stretching. In addition, Sponsor shall not be responsible for paint touch-ups, or for repair of chips, mars, breaks or other defects in window sashes, electric fixtures, interior painted surfaces, sinks, tubs, bowls, bidets (if any), cabinets, countertops, vanity tops and bases, doors, mirrors, hardware, flooring or appliance cabinets, unless notified of any such defect therein prior to closing of title to the Unit in question or the leasing of the Unit to the Purchaser thereof and Sponsor agreed to repair such items. Sponsor has no obligation to make any repair to the Units or the Common Elements, except as expressly set forth in this Offering Plan. Nothing contained herein shall be construed to render Sponsor liable for consequential damages, whether based on negligence, breach of contract, warranty or otherwise (except as Sponsor may be liable for by law).

Except as expressly set forth herein, Sponsor has no obligation to correct or

repair any defect or condition in any Unit, the Common Elements, or the Building or in any installation, apparatus, fixture or appurtenance. The foregoing provisions set forth Sponsor's entire responsibility with respect to corrections and repairs and none other shall be implied.

Notwithstanding anything to the contrary in the foregoing discussion, both Unit Owners and the Board of Managers shall be obligated to permit Sponsor and its contractors and agents access to Units and the Common Elements at the request of Sponsor and/or its contractors and agents, in order for Sponsor to complete construction in accordance with this Plan.

References in this Section or elsewhere in this Plan to excluded repairs or excluded conditions with respect to various items listed shall not be construed to imply an obligation on the part of Sponsor to do any work, renovation or rehabilitation or to install any equipment, fixtures or appliances or other items except, in each case, as expressly provided in "Description of Property, Specifications and Building Conditions."

The Sponsor reserves the right to amend the Plans and Specifications and to make changes in the materials, appliances, equipment and fixtures if (a) required or approved or accepted by governmental authorities having jurisdiction over the Property or by the Sponsor's architect; or (b) required by job conditions, local shortages or unavailability of materials; or (c) ordered by a Purchaser for his Unit without affecting Units previously sold. Changes or substitutions in materials, appliances, fixtures and equipment may also be made by the Sponsor provided that such substitutions are of substantially equal or better quality. However, the Sponsor may not change the size, the location of the Building, other capital improvements, or the Common Elements if any such change materially adversely affects the value of any Unit either to which title has closed, or for which a Purchase Agreement has been executed and is in effect, unless all of the directly affected Unit Owners consent in writing to such change and all directly affected contract vendees are given the right to rescind and receive a refund of their Down Payments. All the foregoing amendments, modifications and changes to the Plans and Specifications may be made without prior notice or amendment to this Plan.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of insubstantial variations in the dimensions or arrangement of rooms, walls or other areas within Units, or in the Plans and Specifications, or in the description of the Building or a Unit set forth in the Plan.

Except as otherwise provided in this Plan, where alternatives are specified or where a particular practice, method, or design of construction, equipment, material or supply is not specified, the choice and decision of the Sponsor shall be determinative.

At or prior to the Closing of a Unit, Sponsor shall assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers. Sponsor will deliver to the Purchaser upon the closing of title and assign or deliver to the Board of Managers upon the recording of the Declaration as applicable, warranties, if any, of manufacturers and subcontractors relating to heating, electrical work, plumbing, and appliances, as well as bonds relating to the Unit or the Common Elements respectively, if any. Sponsor undertakes to do the above only to the extent that warranties are actually made by such manufacturers and subcontractors and only to the extent such warranties and bonds are available and/or assignable.

Completion Free of Liens

Sponsor will pay or cause payment to all contractors, subcontractors, materialmen, and all others involved in the construction, establishment, and sale of the Units for all authorized and proper work performed and fixtures, material, and equipment supplied or installed in the construction, establishment, and sale of the Condominium that Sponsor is obligated to complete under the Plan, and will cause all mechanics liens arising out of the construction of the Building or the furnishing or installation of fixtures or equipment to be discharged or bonded promptly after any lien is filed.

Sponsor Documents to be delivered to the Board of Managers:

Sponsor shall provide the following documents to the Board of Managers on or before termination of Sponsor's control of the Board of Managers:

- Final as-built drawings;
- Operations and maintenance manuals for mechanical equipment;
- Electronic system manual;
- Re-commissioning manual;
- Equipment warranties;
- Manufacturer's roof warranty;
- Major equipment start-up sheets and control system as-built;
- Original test and balance report for HVAC system.
- Post construction indoor air quality report

Plan, Exhibits, documents

Sponsor agrees to keep copies of the Plan, exhibits and documents referred to in the Plan on file at its office or at another designated place for a period of six (6)

years from the date the Declaration is recorded.

Sponsor's Rights of Access; Alterations

Sponsor reserves to itself, its successors, assigns, designees, invitees, contractors, agents, employees and tenants, any and all easements and rights of access, in and to Units and Common Elements, to complete construction in a manner consistent with the purposes of this Plan and to ensure Sponsor's rights and obligations hereunder. Sponsor is obligated to repair any damages caused as the result of the foregoing work to the extent it is obligated under the warranties provided under this Plan, if notified during the warranty period described below. Sponsor will not interfere with a Unit Owner's reasonable use of his or her Unit during any work period. However, there may be a temporary limitation as to use of the public areas. Sponsor's reservation and rights shall include, but not be limited to:

(i) The right to maintain general, sales and leasing office(s) and personnel on the Premises, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection and display of vacant or licensed Units, as well as all Common Elements, to prospective Purchasers or lessees; and

(ii) Right of access in and to Units and Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing and similar work.

The quality of construction shall be comparable to construction standards customary in the particular trade and in accordance with the Plans and specifications. Notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings are assigned to the Board of Managers or Unit Owners. In addition, in no event shall Sponsor be responsible for any condition resulting from normal wear and tear or natural shifting or settling of the Building, or for any defects of insubstantial nature, including but not limited to nail pops, ridging on sheet rock walls, lumber shrinkage, any consequential damage resulting from settlement or normal plumbing and heating noises. Subsequent to the conveyance of title to a Unit, Sponsor shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or Formica chips and scratches in tubs, vanities or countertops. Sponsor has no obligation to make any repair to the Units or the Common Elements, except as expressly set forth in this Offering Plan.

Condominium and Sales Costs and Expenses

Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with establishment of the Condominium, and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium, whenever such costs or expenses are incurred, or in connection with the sale of all Units held or owned by Sponsor (except for costs specifically made payable by Purchasers under this Plan), and will pay all selling expenses including, but not limited to, advertising and printing costs, architect and engineering fees, and costs of filing this Plan and amendments thereto.

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to Units not sold to Purchasers (for so long as Sponsor owns the same), and for its obligations with respect to relinquishing control of the Board of Managers, as hereafter set forth, the foregoing Section sets forth the entire extent of the obligations of Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements.

Licensing, Renting and Use of Unsold Units by Sponsor

Sponsor reserves the right, following the recording of the Declaration of Condominium, and prior to the closing of title to any Unit, to license such Unit to a prospective Purchaser who has executed a Purchase Agreement and paid the requisite Deposit, for such fee and on such conditions as may be agreed to between Sponsor and Purchaser. Any such license will provide that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the license will constitute a default under the license entitling Sponsor, at its sole option, to immediately terminate the license. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any license with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to immediately terminate such Purchase Agreement and exercise any remedies provided therein.

Sponsor or its designee reserves the additional right to use or occupy for itself or its agents, or (after the Declaration is recorded) to rent or license to a tenant who is not a Purchaser (for such fee and upon such terms as are agreed to between the parties), any Unit not conveyed or with respect to which a Purchase Agreement is not then outstanding. Sponsor will notify Purchasers of Units that have been previously occupied or that are then occupied, of such occupancy, prior to the execution of a Purchase Agreement. Such Unit will be delivered at the Closing, free and clear of any occupants and licenses, unless the tenant or occupant is the Purchaser or unless the Purchase Agreement indicates that the Unit shall be sold subject to a license, a copy of which shall

be annexed to the Purchase Agreement. There shall be no obligation of Sponsor or its designee to decorate, refurbish or in any way repair such Unit.

Sponsor Right to Rent Units

Sponsor is retaining the unconditional right to rent rather than sell units. Therefore there is no commitment on the part of the Sponsor to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

CONTROL BY THE SPONSOR

Upon the later of either (a) one hundred twenty (120) days after the date by which seventy-five percent (75%) of the Units have been conveyed to Unit Owners or (b) three (3) years after completion of the Building evidenced by the conveyance of title to the first Unit, the Sponsor, as Owner of Unsold Units, will relinquish voting control of the Board of Managers (the "Sponsor Control Period"). Sponsor, including any designee thereof, will relinquish control of the Board of Managers, if it has such control at such time notwithstanding the number of Units and the Common Interest percentage allocation to such Units Sponsor then owns. Notwithstanding the foregoing the Sponsor reserves the right to transfer control of the Board of Managers prior to the end of the Sponsor Control Period. Therefore, IT IS POSSIBLE THAT SPONSOR MAY NEVER RELINQUISH CONTROL OF THE BOARD OF MANAGERS.

Sponsor may not exercise veto power over expenses described in Schedule B of Part I of the Plan, without the consent of a majority in aggregate Common Interest of all Unit Owners (other than Sponsor voting as a Unit Owner) present at a duly called meeting of the Unit Owners or expenses required:

- (i) to comply with applicable laws or regulations; or
- (ii) to remedy any notice of violation; or
- (iii) to remedy any work ordered by an insurer.
- (iv) Any matter affecting the health or safety of the occupants of the Building

Sponsor may exercise veto power over expenses other than those described above for a period ending not more than five (5) years after the closing of the first unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of

the common interest, whichever is sooner.

As long as Sponsor or a Sponsor-designee shall own one or more Units, the Board may not, without the prior written consent of Sponsor or the Sponsor-designee, as the case may be, which consent may be withheld by Sponsor or the Sponsor-designee, as the case may be, in its sole discretion: (i) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or a Sponsor-designee; or (ii) interfere with the offer, sale or leasing of Units, or construction within the Unit or Units belonging to Sponsor or a Sponsor-designee, operation of general or sales and leasing offices on the Property, or with any actions necessary or desirable for construction, renovation, repair, or correction of the Property or any Unsold Unit, as determined by Sponsor or a Sponsor-designee, as the case may be.

BOARD OF MANAGERS

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of three (3) persons. However, the Board will initially consist of three (3) persons designated by Sponsor. The initial members of the Board will be Boaz Gilad, who is the principal of the Sponsor, Daniel Cohen, and Yaron Barshishat who are designees of the Sponsor. Both Mr. Cohen and Mr. Barshishat are employees of Brookland Capital. Boaz Gilad is the principal of Brookland Capital. Brookland Capital is an entity controlled by Boaz Gilad which oversees the development of all projects being developed by entities controlled by Boaz Gilad.

From and after the first annual meeting of Unit Owners (which shall be called within 365 days after the First Unit Closing), the Board of Managers will consist of three (3) persons elected or designated by the Unit Owners. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Manager. As long as Sponsor or a Sponsor-designee owns a Unit, it will be entitled to appoint one (1) member of the Board. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote for each .01 % of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners.

The Unit Owners' annual meetings shall be held on or about the anniversary of the date of the first annual meeting. Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than thirty (30) days before such meeting. Minutes of all meetings of Unit Owners and all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The

Board shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

Special meetings of the Board of Managers shall be held when called by the President of the Board of Managers as directed by the Board of Managers or upon a petition signed by Unit Owners representing a majority in interest of the Common Elements having been presented to the Secretary of the Board.

Each of the members of the three (3) member Condominium Board will serve until the next regular annual meeting of Unit Owners and until a successor is elected and qualified. Members of the Board of Managers, except for those members elected by the Sponsor, to be eligible for election, must be either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. Except for a member of the Board of Managers designated by Sponsor or a Sponsor-designee, members of the Board may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of fifty percent (50%). Board members designated by the Sponsor or a Sponsor-designee may only be removed for gross negligence, willful misconduct, or fraud by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of fifty percent (50%). In the event of such removal, the Sponsor or Sponsor-designee, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers.

No members of the Board of Managers will receive any compensation from the Condominium for acting as such.

The Board will be responsible for management and maintenance of the Condominium. It will have the powers and duties necessary for the administration of the affairs of the Condominium and may perform any act necessary to accomplish this, as long as it is consistent with the Declaration, By-Laws, and applicable law. Such acts include (a) determination, collection, and enforcement of the obligations of Unit Owners to pay Common Charges; (b) employment and dismissal of personnel; (c) providing for insurance with respect to Common Elements; (d) adoption of rules relating to use and operation of the Property; (e) hiring of a managing agent and contractors and service companies in connection with the performance of the Board's responsibilities; (f) establishing an operating budget for the Condominium; (g) maintaining and making all required repairs and replacements to the portions of the Property which is the responsibility of the Board to maintain and replace; and, (h) on behalf of the Unit Owners, incurring debt on such terms and conditions as the Board will agree to provide for major and minor maintenance, repairs, additions, improvements, replacements, working capital, bad debts and unpaid Common Expenses, insurance, depreciation,

obsolescence and similar purposes (the repayment of any and all such debt may be secured and paid as provided in Section 339-jj of the New York Real Property Law).

Members of the Board will have no liability to the Unit Owners or third parties for errors of judgment, negligence, or otherwise, except for errors constituting willful misconduct or bad faith. The Unit Owners will severally indemnify the members of the Board against any liability or claims except those arising out of their bad faith or willful misconduct, but the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. In order to limit the liability of the Unit Owners and the members of the Board, any contract or other commitment made by the Board will state that it is made by the Board only as agent for the Unit Owners, that the members of the Board will have no personal liability on any such contract or commitment (except as Unit Owners), and that the liability of any Unit Owner on any such contract or commitment will be limited to such proportionate share of the total liability thereunder as the Common Interest such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

Officers

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

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

The Secretary shall be empowered to take and keep minutes and of all meetings and to keep the books and records of the Condominium.

The Treasurer shall be responsible for overseeing the finances of the Condominium and for keeping the financial records and books of the Condominium.

The Vice President shall take the place of the President of the Condominium in his or her absence.

The Board of Managers, in its discretion shall delegate such powers to the officers as it sees fit to execute agreements, contracts, deeds, leases and checks etc. on behalf of the Condominium.

Amendments to Declaration and By-Laws; Termination of Condominium

The By-Laws may be amended at any Unit Owners' meeting provided (a)

the notice of meeting contains a full statement of the proposed amendment, (b) the amendment is approved by sixty-seven percent (67%) of the Unit Owners in number and in Common Interest at a duly called meeting of Unit Owners and (c) the amendment is duly recorded as an amendment to the Declaration and By-Laws; provided, however, that any amendment to the By-Laws that is material in nature must be approved by at least fifty-one (51%) of the Registered Mortgagees. No amendment may affect a Unit Owner's interest or the interest of a mortgage holder in a Unit or adversely affect the Sponsor's rights.

The Declaration may be amended by the Board of Managers upon a vote of sixty-seven percent (67%) of the Unit Owners in number and in Common Interest held at a duly called meeting of Unit Owners provided, however, that any amendment to the Declaration that is material in nature must be approved by at least fifty-one (51%) of the Registered Mortgagees.

The Condominium may not be terminated unless at least sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and at least fifty-one (51%) of the Registered Mortgagees, if any, of the same Units agree to the withdrawal of the Property from the provisions of Article 9-B of the Real Property Law. The Sponsor or its nominee will not cast any of its votes for withdrawal unless sixty-seven percent (67%) or more of the Unit Owners and at least fifty-one (51%) of the Registered Mortgagees other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

Notwithstanding anything to the contrary contained herein, approval of the Registered Mortgagees or Registered Guarantors may be implied when the Registered Mortgagee or Registered Guarantor fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

Notwithstanding anything to the contrary contained herein, for a maximum of two (2) years from the date of the recording of the Declaration in the New York County Clerk's Office, as long as the Sponsor continues to hold fifty-one percent (51%) or more in number of the Units, the Sponsor's prior written consent shall be required in order to amend either this Declaration or the By-Laws. Furthermore, so long as Sponsor or its designee shall own one or more Units or for a period of five (5) years after closing of title to the first Unit, whichever is sooner, the Board of Managers may not, without the prior written consent of the Sponsor, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve,

contingency or surplus fund (provided, however, Sponsor will not unreasonably withhold consent to additions to the replacement reserve fund provided for in Schedule B to the extent assessments are necessary to make expenditures required by law), or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient), or (iv) provide for new or additional services other than those provided for in Schedule B hereof. Sponsor shall have the right to withhold its consent to any of the foregoing actions except where otherwise noted. Notwithstanding the above, Sponsor's consent shall not be withheld for expenses required to comply with applicable law, to remedy any notice of violation, or to comply with any work order of an insurer. While Sponsor has voting control of the Board of Managers, Sponsor will not reduce or eliminate the services to be provided to the Condominium as set forth in this Plan.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sale or Lease of Units by Unit Owners

Each Unit Owner shall have the right to sell or lease its Unit. The tenants of the Lease will not be subject to not be subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, or the New York City Rent Stabilization Code; as such laws are presently in effect.

Mortgaging of Units by Unit Owners

Each Unit Owner has the right to mortgage his or her Unit, provided that (i) the mortgage shall be substantially in the form of the New York statutory form of mortgage, (ii) the Board of Managers is notified in writing of the making of the mortgage and receives a conformed copy of the mortgage and note, (iii) the mortgage states that if consent by the mortgagee is required to any amendment to the Condominium Declaration and By-Laws such consent will not be unreasonably withheld or delayed, and (iv) the Unit Owner making such mortgage first pays all assessments and Common Charges previously assessed by the Board of Managers against the Unit, and satisfies all unpaid liens against the Unit, except for the lien of a Permitted Mortgage. Notwithstanding the foregoing, the Sponsor and Sponsor's designee shall have the right to mortgage their Units without restriction or limitation, but any such mortgage shall contain the representations in clauses (iii) and (iv) of this paragraph (if applicable).

Common Charges and Assessments

The Board of Managers will prepare and furnish its budget to the Unit

Owners from time to time and at least once a year. Based upon such budget and any modifications thereof approved by the Board of Managers, the Unit Owners will be charged for the cost of the operation of the Condominium in accordance with their percentage of interest in the Common Elements. The Board of Managers may commence the collection of Common Charges upon the closing of title to the first Unit or thereafter in such amount as will be necessary to carry out the duties of the Board of Managers, as set forth in this Offering Plan. Such Common Charges shall be paid by the Unit Owners and by Sponsor as Owner of Units that have not been sold to bona fide Purchasers. Each Unit Owner will be responsible to pay the Common Charges allocable to his or her Unit monthly in advance on the first day of each month, commencing with the closing of title to his or her Unit. Common Charges assessed during the month in which title closes shall be adjusted between the Purchaser and the Sponsor as of the Closing Date, if collection of Common Charges has commenced on or before said date.

The Common Charges assessed by the Board of Managers, in addition to covering the cost of repairing and maintaining the Common Elements including but not limited to, fire and liability insurance covering the Condominium, electricity for the Common Elements, water, audit and legal expenses and reserves for capital expenditures, may include, in the discretion of the Board of Managers, other reserves, working capital and other sums necessary to carry on the affairs of the Condominium.

The Common Charges will not include maintenance, repairs or decoration of any Units or portions thereof (except for structural repairs), payments required pursuant to the terms of any Unit Owner's mortgage, or real estate taxes covering the individual Units.

The liability of each Unit Owner for the payment of the Common Charges thereafter assessed or becoming due against his or her other Unit, shall terminate upon a permissible sale, transfer or other conveyance of such Unit together with the appurtenant interest in the Common Elements made by him or her in accordance with the applicable provisions of the By-Laws. In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, convey his or her Unit together with the appurtenant interest to the Board of Managers or its nominee on behalf of all other Unit Owners, without any compensation, and in such event shall be exempt from Common Charges thereafter assessed. A Purchaser of a Unit shall be required by the Board of Managers to pay unpaid Common Charges assessed against the Unit prior to his or her acquisition, except that a mortgagee acquiring title to the mortgaged Unit or a Purchaser at a foreclosure sale shall not be liable for such charges and the Unit shall not be subject to a lien for the payment of the Common Charges assessed prior to the acquisition of title thereto by a mortgagee or Purchaser at a foreclosure sale. However, such mortgagee or Purchaser at a foreclosure sale shall be liable for payment of all Common Charges after

the acquisition of title. After the Board of Managers files a lien for unpaid Common Charges and in the event the lien is foreclosed by the Board of Managers, if the proceeds of the foreclosure sale shall not be sufficient for the payment of such unpaid Common Charges or if a Unit is acquired by a mortgagee or Purchaser in foreclosure, the unpaid balance shall be charged to all Unit Owners as a Common Expense. If there is any surplus remaining from the proceeds of a foreclosure sale after payment of the indebtedness and all the expenses of the sale, the surplus shall be paid to the Unit Owner.

Pursuant to Section 339-z of the Condominium Act, the Board of Managers, on behalf of the Unit Owners, will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Under Section 339-aa of the Condominium Act, a lien for non-payment of Common Charges will be subordinate only to liens for real estate taxes and to sums unpaid on a first mortgage of record on the Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the office of the County Clerk in New York County, and until all sums secured thereby, with the interest accrued thereon at twelve percent (12%) per annum shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever is earlier. The lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners, similar to a foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the unpaid Common Charges, without necessarily filing the lien. Sponsor will cause the Board of Managers to file a lien, as provided in Section 339-aa of the Condominium Act, on Units in which a Purchaser is more than ninety (90) days in arrears of Common Charges while it is in control of the Board of Managers. Sponsor will cause the Board of Managers to file a lien, as provided in section 399-aa of the Condominium Act, on Units in which Sponsor is more than thirty (30) days in arrears of common charges while it is in control of the Board of Managers.

Pursuant to Section 339-kk of the Condominium Act, If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon notice in writing, all rental payments from the tenant shall be directly payable to the Condominium Association.

If the Common Charges, assessments or late fees due for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board of Managers shall provide a timely written notice to the tenants, the non-occupying owner, the Registered Mortgagee, and the Registered Guarantor, providing that, commencing immediately and until such time as all

payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the Board of Managers has been elected by and from among the Unit Owners who are in occupancy, the Board of Managers may elect not to require that rental payments be made payable to the Condominium. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Condominium's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Board of Managers, which must be held within thirty (30) days of the date that such board receives notice that such owner seeks to dispute such claim. Nothing in this section shall limit any rights of Unit Owners or of the Board of Managers existing under any other law or agreement. Payment by a rental tenant to the Condominium Association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

Notwithstanding the foregoing any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the unit's unpaid regularly budgeted dues or charges accrued before acquisition of the title to the unit by the mortgagee. If the Condominium Associations lien priority includes costs of collecting unpaid dues, the lender will be liable for any fees or costs related to the collection of the unpaid dues.

Repairs

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, in or to (a) any Unit including Limited Common Elements to the Unit (other than to the Common Elements contained therein), will be made by the Unit Owner at the Unit Owner's sole cost and expense; (b) and in or to the Common Elements will be made by the Board of Managers and the cost thereof will be a Common Expense.

All maintenance, repairs and replacement of the Common Elements of the Property, including, but not limited to, exterior walls, roof and roof members as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and public utility lines as are located in

the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Expense, except where such repair or replacement is necessitated by the negligence, misuse or neglect of a Unit Owner to whom the Common Element is restricted in use, in which event the cost and expense shall be assessed to and paid for by such Unit Owner. All repairs, replacements, painting or maintenance, whether made by the Unit Owner or by the Board of Managers to the doors, windows, or the exterior surface of any Building, including roofs, or to any generally visible portion of the Common Elements, shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor. In the event that a Unit Owner fails to make any maintenance replacements or repair, which maintenance, replacements or repair is necessary to protect any of the Common Elements, any other Unit, or, in the event of service of a Building Department violation notice covering the Unit upon the Board of Managers, the Board of Managers shall have the right to make such maintenance, replacements or repair (after the failure of the Unit Owner to do so after ten (10) days' written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the Unit Owner for the cost of all such repairs, replacements, and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs, replacements or maintenance to his Unit or for repairs to any Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, such charges shall be considered as additional Common Charges due from said Unit Owner, and the Board of Managers shall be entitled to bring suit to compel payment. In the event the Board of Managers brings a suit, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The interior glass surfaces of all windows located in the Units are to be cleaned at the Unit Owner's expense. The exterior surfaces of all Unit windows shall be cleaned by the Board of Managers and the cost shall be a Common Expense. Broken window glass in a Unit shall be replaced by the Unit Owner at the Unit Owner's sole cost and expense, unless such breakage was caused by the Board of Managers or its agents, in which case replacement shall be made by the Board of Managers at its sole cost and expense. Entrance doors to Units and the roof of the Building shall be maintained and repaired by the Board of Managers unless the damage thereto was caused by a Unit Owner in which case the Board of Managers shall make the repair and charge the Unit Owner accordingly.

The Board of Managers and/or any agent of the Board of Managers shall have the right of access (which right shall be an easement) to inspect any Unit for the purpose of making any repairs or replacements to any of the Common Elements contained in such Unit or appurtenant to such Unit, or elsewhere in the Building, or to remedy any condition which would result in damage to any other Unit or to the Common Elements, or which would violate the provisions of any mortgage covering another Unit,

or for the purpose of removing violations or curing defaults by Unit Owners, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use for which the Unit was intended. No prior notice shall be required if the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property or its residents or to avoid the suspension of any necessary service.

Additions, Alterations and Improvements

No Unit Owner may make any addition, alteration or improvement to the Common Elements

No Unit Owner shall make any structural addition, alteration, repair or improvement in his or her Unit, Limited Common Elements, or to the Common Elements appurtenant to his or her Unit, without the prior written approval of the Board of Managers, which approval will not be unreasonably withheld, provided that the addition, alteration, repair or improvement may be made while retaining the structural integrity of the Building. Notwithstanding anything to the contrary contained herein, Sponsor shall be permitted to make any lawful alterations to Unsold Units without the consent of the Board of Managers except for structural alterations that would have a material effect on the structural integrity of the Building. In addition, no such additions, alterations or Unit Owner's improvements may be made unless the consent of the Unit mortgagee (if any) is obtained, if such consent is required under the terms of the Unit Owner's mortgage. Except as otherwise provided with respect to alterations by the Sponsor or Sponsor's designee, no application shall be filed with the New York City Buildings Department or with any other governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit unless approved in writing executed by the Board of Managers. Such execution shall not subject the Board of Managers or any of its members to any liability to any contractor, subcontractor, material man, architect or engineer, by reason of such addition, alteration or improvement or to any person having any claim for injury to person or damage to Property arising therefrom. If requested by the Board of Managers, a Unit Owner shall indemnify the Board of Managers for loss, damage or liability resulting in any way from execution of any such documents executed by the Board of Managers or any of its Members.

Prior to and as a condition of granting consent to the making of a structural alteration, addition, repair or improvement to a Unit, the Board of Managers may require the Unit Owner to deliver plans and specifications to the Board of Managers and to execute an agreement in the form required by the Board of Managers, setting forth the terms and conditions under which the proposed work is to be done, including, without

limitation the days and hours during which the work is to be done. The Unit Owner shall also provide the Board of Managers, if required, with a copies of all insurance policies in the form required by the Board of Managers insuring all work to be performed by the Unit Owner and naming the Condominium and mortgagee, if applicable, as an additional insured.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance, including water damage, insuring the Building, including all of the Units and the bathroom and kitchen equipment initially installed therein by the Sponsor, together with all heating, air conditioning equipment and other service machinery contained therein (but not including wall, ceiling or floor decorations or coverings, or furniture, furnishings, fixtures, equipment or other personal property supplied or installed by Unit Owners), covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to the full replacement value of the Building (exclusive of the cost of excavations, pilings and foundations). Each of such policies 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 payable provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth, and such other insurance as the Board of Managers may determine.

The amount of fire insurance to be maintained on the Building upon the transfer of title to all Units and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will not be less than one hundred percent (100%) of replacement value of the Building. The Board of Managers shall review the amount of fire insurance annually. Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy.

The Board of Managers will arrange for repair of the Units in the event of a casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Units, the balance of the cost of such repairs will be assessed against all Unit Owners. For further provisions regarding repair or reconstruction of Units after fire, casualty or condemnation see Article Seven of the By-Laws which provides, among other things, for Unit Owners' approval to reconstruct in the event seventy-five percent (75%) or more of the Units are destroyed or substantially damaged. In the event of a casualty loss, the Unit Owner will continue to pay the Common Charges on his Unit.

The proceeds of all policies of physical damage insurance carried by the

Board of Managers shall be payable to the Board of Managers in the event of a casualty loss amounting to \$60,000 or less, and to the "Insurance Trustee" if the loss shall amount to more than \$60,000 to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners, as hereinafter set forth. The Insurance Trustee shall be designated by the Board of Managers and shall be a bank or trust company located in the State of New York. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law.

The comprehensive general liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners, will have a limit of \$1,000,000, covering all claims arising out of any one occurrence in the Common Elements and a limit of \$2,000,000 in the aggregate, a portion of which may be covered via an umbrella policy.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense. The Board of Managers may also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all officers and employees of the Condominium who handle Condominium funds; (2) worker's compensation insurance; and (3) in order to limit the liability of Unit Owners for personal injury and tort, comprehensive general liability insurance covering each Member of the Board of Managers and each Unit Owner for such amounts as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year. See Schedule B for the estimated cost of insurance for the Condominium for the first year of operations

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

In addition to the insurance set forth herein, Unit Owners must obtain supplemental or additional insure their personal effects and the interior of the Unit itself for fire and liability. Such insurance commonly referred to as an "HO-6 Policy," will be paid for by the Purchaser. Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and

further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

Restrictions on Occupancy and Use

Restrictions on and conditions for occupancy of Units, including aesthetic controls and limitations on business and professional use, appear in the House Rules appended to the Condominium By-Laws in Part II of the Plan. In addition, the Units will be restricted to the Zoning Resolution to residential uses as well as "home occupation" uses as defined in the Zoning Resolution in Section 12-10. Home occupations cannot have more than one (1) employee and not more than twenty-five percent (25 %) of its space dedicated to such use.

A summary of some of the rules governing the occupancy and use of Units follows:

Owners of a Unit, members of their families, their employees, guests and their pets shall not use or permit the use of the Premises in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium.

No Unit Owner shall paint the exterior surfaces of the windows and doors opening out of his or her Unit.

No Unit Owner or any of his or her agents, servants, employees, licensees, or visitors shall at any time bring into or keep in his Unit any inflammable combustible or explosive fluid, material, chemical or substance, except for normal household use.

No Unit Owner shall make or permit any disturbing noises in his or her Unit, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a computer for purposes of listening to music, phonograph, tape, radio or television set or similar loud device in such Owner's Unit between the hours of twelve o'clock midnight and the following seven o'clock A.M. if the same shall reasonably disturb or annoy other occupants of the Building and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of ten o'clock P.M. and the following nine o'clock A.M.

No garments, rugs, etc., shall be hung from the windows or from any part of the Building or balconies or clotheslines strung, on, across or over the Common

Elements or the Limited Common Elements (including any irrevocably restricted areas).

No sign of any kind shall be displayed to the public view on or in any Unit.

No birds, animals or reptiles, except dogs or cats, shall be permitted in any Unit unless the same shall have been expressly permitted in writing by the Board of Managers or the Managing Agent, and such permission shall be revocable at any time by the Board of Managers or Managing Agent in their sole discretion. In no event shall more than two (2) animals shall be permitted in any Unit. No pet shall be permitted in the Common Elements, including dogs and cats, unless carried or on a leash.

No Unit Owner shall leave or permit any personal property (i.e., bicycles, carriages, etc.) to be left in the hallways, corridors, lobby or other common areas or to be left on the terraces, unless in a place specifically designated for same, by the Board of Managers or the Managing Agent.

The Property is zoned R7A which allows for residential buildings.

The provisions set forth above shall not be applicable to the Sponsor. The Sponsor and its nominees and agents shall have the right and privilege to maintain general and local sales offices in and about the Condominium, including any model Units located within the Condominium Building or elsewhere throughout the Property, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective Purchasers, to utilize the Common Elements and without limitation, to do any and all things necessary and incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to market and sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. The Sponsor shall have the right to use Common Elements and Limited Common Elements in the construction, repair or otherwise in connection with the building and maintenance of the Building.

The Board of Managers shall sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by Sponsor

or its designee to any Unit, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the signing of the application or such other document. A copy of any such application or other document will be furnished to the Board of Managers.

Compliance with By-Laws and Rules and Regulations

Rules and regulations concerning the use of the Property and Units may be promulgated and amended from time to time by the Board of Managers, provided that copies of such Rules and Regulations are furnished to each Unit Owner prior to the time that they become effective. The initial Rules and Regulations of the Condominium are contained in Part II of the Plan.

Each Unit Owner must comply strictly with the By-Laws and the rules, regulations, resolutions and decisions adopted pursuant thereto. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, by the Board of Managers or in a proper case, an aggrieved Unit Owner. In the case of flagrant or repeated violation the Board of Managers may ask the offending Unit Owner for sufficient surety for future compliance.

A Manager may be removed for cause by a majority vote of the Unit Owners.

The powers of the Board of Managers are set forth in Article III of the By-Laws. Among those powers and duties necessary for administration of the affairs, which generally include all powers and duties relating to the Property and business affairs of the Condominium other than that specifically directed or required to be done by the Unit Owners personally, including, without limitation, the following:

To determine the amount of, collect and disburse the Common Charges, including the right to accumulate a reserve for capital replacements.

To make reasonable Rules and Regulations in addition to those set forth in the By-Laws and to enforce them.

To employ others, including a management agent, and to delegate powers.

To maintain, make repairs to and replacements of the Common Elements and Limited Common Elements including exterior walls, roofs, pipes, wire conduit and public utility lines, any of which is located in one Unit and services another Unit, and painting of exterior surfaces of doors and windows which open from a Unit. However, a

Unit Owner shall be responsible for the maintenance of his Unit including electric repairs, plumbing stoppage, window cleaning, painting and decorating in the Unit, all glass breakage, pipes, wires and conduits in and servicing the same Unit and repairs and replacements to the Unit.

To choose officers of the Condominium which officers shall include a President who shall be the chief executive officer of the Condominium, shall preside at all meetings of the Unit Owners and Board of Managers and be an ex-officio member of all committees; a Vice President who shall substitute for the President in his or her absence; a Secretary who shall record all votes and take and keep minutes of all meetings of the Unit Owner and Board of Managers; and a Treasurer who shall be responsible for overseeing the finances of the Condominium funds and for keeping the financial budget and record of the Condominium or overseeing them if kept by the Managing Agent.

To maintain Condominium bank accounts.

To bring and defend actions on behalf of the Condominium including foreclosure of liens for unpaid Common Charges.

To acquire title to any abandoned Unit or Units under foreclosure.

To make repairs, restore or alter any Unit or the Common Elements after damage by fire or other casualty or condemnation.

To enter a Unit when necessary for the maintenance, care and preservation of the Property.

To furnish annually, at the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement certified by an independent public accountant, a statement regarding any taxable income attributable to the Unit Owners and a notice of the holding of the annual Unit Owners meeting. A Unit Owners, his/her representatives and mortgagee may examine the Condominium books and records upon reasonable notice and during normal business hours.

To act as an agent of those Unit Owners, if any, who give their written authorization to apply to the New York City real estate tax assessment agency by filing a single protest or 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 whom it is acting as agent and charge those Unit Owners a pro-rata share of expenses, disbursements and legal fees.

Right of Action

The Board and any aggrieved Unit Owner shall have the right of action against Unit Owners or the Board for failure to comply with the Declaration, By-Laws, or decisions of the Board.

Enforcement of Sponsor's Obligations

All obligations pertaining to the Common Elements shall be enforceable only by the Board on behalf of the Unit Owners and not by individual Unit Owners. However, nothing herein shall prevent an individual Unit Owner from bringing an action in the nature of a derivative action against the Board. During the time the principals of Sponsor control the Board, it is within their sole power to enforce the obligations of Sponsor pertaining to the Common Elements, and therefore, Sponsor agrees that during such period it will in its capacity as the Board enforce such obligation when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

Voting

Each Unit Owner, or some person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to the Unit Owner's Unit at all meetings of Unit Owners. The total number of votes of all Unit Owners shall be 10,000 and each Unit Owner shall be entitled to cast one vote at all meetings of the Units Owners for each .01 percent of interest in the Common Elements applicable to the Unit Owner's Unit.

Notices to Registered Mortgagees and Registered Guarantors

The Registered Mortgagee and Registered Guarantors will be notified within ten (10) days by certified or registered mail, with a "return receipt" requested in the event of the following:

- i. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- ii. Any 60-day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
- iii. A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium Association; and
- iv. Any proposed action that requires the consent of fifty-one percent

(51 %) of the Registered Mortgagees and Registered Guarantors

Replacement Reserve

The Board of Managers, at all times shall maintain a Replacement Reserve equal to ten percent (10%) of the annual Common Charges which funds shall be used for the maintenance, repair and replacement of the Common Elements of the Building, including, but not limited to, systems such as plumbing, electrical, structural, roofing and heating.

THE FOREGOING SUMMARY IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF THE BY-LAWS OR DECLARATION. PROSPECTIVE PURCHASERS OR THEIR ATTORNEYS OR ADVISORS SHOULD REVIEW THE BY-LAWS, DECLARATION AND OTHER IMPORTANT DOCUMENTS SET FORTH IN PART II OF THE PLAN.

REAL ESTATE TAXES

Real estate taxes are assessed and collected by the City of New York. The Property is currently classified as a Tax Class V0 property (vacant land) but will be re-classified as a Tax Class IIC property (residential condominium building with two to ten units) upon completion of the improvements.

Once Units are separately assessed for real estate taxes, each Unit Owner will be responsible only for payment of the tax bill attributable to Unit Owner's Unit, and will not be responsible for paying the tax bill attributable any other Unit. Likewise, with separate assessments, one Unit cannot be subject to a tax lien arising out of another Unit Owner's failure to pay the taxes due on that other Unit Owner's Unit.

Certain Purchasers of Residential Units, including senior citizens and veterans, may be exempt, in whole or in part, from real estate taxes. Each potential Purchaser should consult his or her own tax advisor as to the availability of such exemptions.

Submission of the Declaration and Tax Lot Drawings to the New York City Real Property Assessment Bureau for review is one of the first steps in the process by which the Units will become separate tax lots. The timing of this submission generally depends upon the date the Plan is declared effective, as typically the submission is not made until that time. As of the date of this Plan, Sponsor has no reason to anticipate any delay other than normal governmental processing time in effectuating

creation of separate tax lots and individual Unit assessments.

Purchasers are advised, however, that due to the City's schedule in assessing real property generally, it is possible that separate assessments of Units may not be made for six to twelve months after separate tax lots legally are established. That is, separate tax lots may be established (thereby enabling Sponsor to convey Units to Purchasers), but separate assessments may follow some months later. Thus, for a period of time following establishment of separate tax lots, one tax bill may still be rendered for the entire Property. Details of how the tax bill will be paid under these circumstances and Purchasers' responsibilities for contributing their proportionate share of same, are included in Part I of this Plan, entitled "Closing Costs and Adjustments."

Assessment and Tax Certiorari Proceedings

The Board of Managers shall have the right accorded condominium boards of managers in Section 339-y of the Condominium Act, on behalf of and as agent for any Unit Owner who has given written authorization to the Board of Managers, to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Unit, as set forth in the By-Laws. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom. The Board of Managers may retain legal counsel on behalf of Unit Owners for which it is acting as agent and charge all such Unit Owners a pro-rata share of expenses, disbursements, and legal fees, for which charges the Board of Managers shall have a lien as if for Common Charges, pursuant to Section 339-z of the Condominium Act. If any Unit Owner seeks individually to have the assessed value of said Owner's Unit reduced, by bringing a separate tax certiorari proceeding, the Board of Managers, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing such reduction, provided such Unit Owner indemnifies the Board of Managers and all other Unit Owners from all costs, claims and expenses (including, without limitation, reasonable attorney's fees and expenses), resulting from such proceedings.

There are no tax certiorari proceedings currently pending for the Property.

Real Estate Tax Projection

Prospective Purchasers are advised to read the full text of the real estate tax analysis by Sponsor's real estate tax valuation consultant, MRE, for details about the projected real estate tax assessments.

MRE has projected the assessment after completion of construction to be approximately \$600,733.21. Based on a tax rate of 12.855% the total tax liability will be \$77,224.25 for the first year of condominium operation and would be allocated among all

the Units.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS, OR THE TAX RATE WILL NOT BE CHANGED.

There is no assurance the taxing authority will allocate taxes based on relative apartment size, apartment height, and unit-specific features, as provided in the analysis by MRE. It is therefore possible that owners of Units having the same percentage of Common Interest will pay different amounts of real estate taxes.

No representation or warranty can be made as to (a) whether there will be (i) a further increase in the actual valuation of the Property during the projected budget year or (ii) an increase in the assessed valuation of the Property by reason of the condominium conversion or otherwise, or (b) the method of determining the assessed valuation (whether on a rent roll, market or other basis) or (c) the amount of any increase in the assessed valuation of the Property.

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Metropolitan Realty Exemptions, Inc.

118 Middleton Street Brooklyn, NY 11206
Telephone: (718)387-3004 Facsimile: (718)228-3503
Email: taxadvisor@thejnet.com

October 15, 2014

Boaz Gilad
Elevation Holdings LLC
592 Pacific Street
Brooklyn NY 11217

RE: 531 Vanderbilt Avenue
Brooklyn, NY
Block & Lots: 2010 – 6, 5 Tentative lot 5
Sixteen (16) Residential Condominiums

Dear Sir;

You have requested us to advise you with our opinion in respect to determining the projected Annual Assessment and tax liabilities on the above captioned real property.

The New York City Department of Finance assesses the values on all New York City residential and commercial properties annually. The Department of Finance releases tentative assessments of the property value of every property in January of every year and final assessments every May, prior to the beginning of each tax year, which begins July 1.

Real Property tax rates, set each year by the City Council are applied to these property values to determine each homeowner's annual tax liability.

The property tax assessment process commences when the city's assessors determine the *market value* of the property. Despite the given name "*market value*", this value has little to do with the actual value of the property (what someone would actually pay for acquisition of the property). In some neighborhoods the *market values* are close to actual property values. In others they can be as little as 5% of true values. Even within neighborhoods there can be wide variations.

Property tax is only levied on a portion of the *market value*. This portion is called the *assessed value*. In regard to 1-3 family homes and Condominiums with no more than three (3) dwelling units, which were previously classified as tax class one, the assessed

values are levied on 6% of the *market value*. In regard to all other properties, taxes are levied on 45% of the *market value*.

In rendering this opinion, we have relied upon the following facts and assumptions that were confirmed to us by you:

In this instant, in regard to the subject premise, the proposed is to construct 1 structure to include 16 Class A residential condominiums. Based on assessment guidelines, The NYC DOF Surveyor's Office shall class the proposed structures as a tax class two (2) and thus levy the assessed value on a 45% rate of the marked value.

Following completion of construction, the total assessed value of the property (i.e., the aggregate assessment of all units) is estimated to be \$600,733.21. Using the foregoing estimate of assessed value, assuming the tax rate regarding tax class 2 remains the same as the current rate of 12.855% (i.e., \$ 12.855 per \$100 of assessed value, the final 2014/15 tax rates), then upon completion of construction the total real estate tax liabilities will be \$77,224.25.

You are advised that this projection is an estimate. The actual assessment and real estate tax liability may be more or less than the total assessment and tax liability amount shown.

The real estate tax benefits available to eligible properties under the Co-op/Condo Property Tax Abatement, are as follows:

Owners of cooperative units and condominiums who qualify for the Co-op/Condo Property Tax Abatement can have their property taxes reduced. The amount of the abatement is based on the average assessed value of the residential units in the building.

Abatement percentages are shown in the following table:

Average Assessed Value	Benefit Amount Per Year		
	2012/2013	2013/2014	2014/2015
\$50,000 or less	25%	26.5%	28.1%
\$50,001 - \$55,000	22.5%	23.8%	25.2%
\$55,001 - \$60,000	20%	21.2%	22.5%
\$60,001 and above	17.5%	17.5%	17.5%

Requirements

- The co-op or condo unit must be the owner's primary residence.
- Co-op or condo owners cannot own more than three residential units in any one development and one of the units must be the owner's primary residence.
- Units owned by a trust are eligible only if the unit is the primary residence of the beneficiary of the trust, trustee, or life estate holder.

- Units owned by sponsors, corporations, partnerships are **not** eligible for the abatement.

The legislation extending the abatement program that was signed into law on January 30th, grants abatements only to units that are the primary residences of their owners. Primary residents can then qualify for abatements on up to 2 additional units in the same cooperative or condominium as their primary residence. Units held in Trust form that are the primary residence of their occupants qualify for continuing abatements. Those held in corporate ownership form do not.

This letter was prepared at the Sponsor's request. However, we make no representation that the tax rates set each year by the City Council, or the assessed valuation determined by the city's assessors will reflect our projected estimate. In no event will my firm, the Sponsor, the Sponsors' counsel, the Condominium Board or any other person be accountable if the assessed valuation when actually made is lesser or greater than predicted.

Sincerely yours,

A handwritten signature in cursive script that reads "Martin Joseph".

Martin Joseph
Metropolitan Realty Exemptions, Inc.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

Deductibility of Mortgage Interest and Real Estate Taxes

A Unit Owner will own his or her Unit in fee simple and each Unit will be a separate tax lot for real estate tax purposes. Therefore, each Unit Owner may mortgage his or her Unit with a institutional lender and will be liable for payment of mortgage interest and principal and any real estate taxes assessed against the Unit.

Unit Owners who itemize their deductions, for Federal Income Tax purposes, should be entitled to a deduction of mortgage interest and real estate taxes in the year paid, or accrued, under Sections 163 and 164 of the IRS Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the Tax Opinion Letter of Counsel. Each Unit Owner, for New York State and New York City Income Tax purposes, should be entitled to similar deductions for the mortgage interest and real estate taxes paid, or accrued, during the taxable year.

Unit Owners who use a Unit for professional or business use or for the production of income, should be entitled, under present law, to a deduction for Federal and New York State income tax purposes for the real estate taxes they pay on their Unit and for the interest they pay on any mortgage covering their Unit.

Tax Status of Condominium

The Condominium will be managed by the Board of Managers, which shall collect the Common Charges on behalf of the Condominium. Although it is not clear whether the Condominium would be treated as an association taxable as a corporation for Federal tax purposes, there is substantial authority for such treatment. Assuming that it is a taxable entity, the Condominium will file tax returns and be subject to the regular corporate income tax on its taxable income, and its taxable income would be computed as the excess of its gross income over its deductible expenses. However, any portion of the Common Charges that is segregated and used to finance specified capital expenditures should not be included in gross income.

Notwithstanding the foregoing, the Condominium should qualify under Section 528 of the Internal Revenue Code to be exempt from tax on certain income. If the Condominium meets all applicable requirements and properly makes the election, it may be exempt from tax on membership fees, dues and assessments from the Condominium Unit Owners.

No warranty is or can be made by Sponsor or any other person that the United States Treasury Department or the New York State Department of Taxation will allow the aforementioned deductions and no representation or warranty is or can be made that the tax law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, may not change so as to disallow the deductions in whole or in part. Neither Sponsor nor its counsel shall be liable if it is held that the Unit Owners are not entitled to such income tax deductions or to special exemptions as aforesaid due to changes in applicable law, regulation or decisional law. Neither counsel nor Sponsor shall have any liability should Unit Owners not be entitled to deductions if facts represented by Sponsor are not true.

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TAX OPINION OF COUNSEL

MARANS, WEISZ & NEWMAN LLC
29 BROADWAY · SUITE 2400 · NEW YORK, NY 10006 · 212 968-0244

June 10, 2014

Vanderbilt Upreal LLC
306a – 308 Malcolm X Boulevard
Brooklyn, NY 11233

Re: Offering Plan for The 531 Vanderbilt Avenue Condominium
Premises: 531 Vanderbilt Avenue Brooklyn, New York

Gentleman:

You have requested our opinion with regard to certain income tax matters relating to the Offering Plan (the "Plan") of The 531 Vanderbilt Avenue Condominium (the "Condominium") including specifically the availability of certain deductions for federal, New York State and New York City income tax purposes in respect of payments of mortgage interest and real estate taxes by individual Unit Owners and the tax treatment to be received by the Condominium.

All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan.

You have advised us that the Sponsor will apply to the Department of Law of the State of New York to convert the premises located at 531 Vanderbilt Avenue, Brooklyn, New York to condominium ownership pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York. The Condominium shall consist of eighteen (18) residential units. Each Unit Owner will hold title to his or her Unit in fee simple plus an undivided interest in the Common Elements. Each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage in accordance with the By-laws and the Plan, on his or her Unit and, by doing so; incur direct liability for the interest payable on such mortgage. The Condominium will be operated by a Board of Managers which, pursuant to the By-Laws, will act as the agent of the Unit Owners. The primary function of the Board of Managers will be to collect the Common Charges and use such funds to supervise the maintenance and operation of the Common Elements.

In connection with this opinion, we have reviewed various documents included in the Plan or as exhibits to the Plan relating to the Condominium including the Declaration

and By-Laws.

In our opinion under present law, subject to the limitations discussed below, interest on a mortgage secured by a Unit paid or accrued by an owner of such Unit who is liable for the interest payment on such mortgage and who uses the Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his or her method of accounting, provided that he or she itemizes his or her deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Unit Owner to purchase the Unit and the Unit Owner is an individual. The foregoing deduction may be impacted by the alternative minimum tax for some taxpayers.

The mortgage interest described above will also be allowable as deductions for New York State income tax purposes for Unit Owners who are New York State residents who use the Unit as their personal residence. No opinion is expressed as to the taxation of Unit Owners who are not New York State residents or not individuals.

A condominium under New York State law is not a corporation but an unincorporated association ("Association"). We have been requested to opine as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Section 528 of the Internal Code, it must meet the following six (6) conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income of the Association must be derived from the payment of dues or fees from the Unit Owners in their capacity as owner-members rather than in the capacity as customers for services.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be used for the acquisition, construction, management, maintenance and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any individual.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1) above with respect to a Condominium substantially all of which units are used by individuals as residences.

(6) The Association must properly and timely elect to have Section 528 of the Internal Revenue Code apply for the taxable year.

A condominium management association is defined as an organization organized and operated to provide for the acquisition, construction, management, maintenance and care of a condominium, provided substantially all of the units are used by individuals for residences. "Substantially all" the units will be considered used by individuals for residences if at least eighty-five percent (85%) of total square footage of all units within the project is used, or is intended to be used by individuals for residential purposes or purposes auxiliary to residential use, such as storage rooms, laundry and areas used by maintenance personnel. You have advised me that you anticipate that more than eighty-five percent (85%) of the square footage of the Units will be used for residential purposes. Therefore, the "substantially all" test should be deemed met, at least initially.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above to qualify for exemption. Assuming the Plan is consummated as contemplated in the Plan and the Association actually meets the other tests set forth above in its operations, it is our opinion that the Association will be eligible to elect tax-exempt status under Section 528 of the Internal Revenue Code. If such exempt status is properly and timely elected, then it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as note below.

A timely and effective election under Section 528 of the Internal Revenue Code will exempt from federal income tax all amounts received by the Association as income meeting the requirements of condition (2) above. However, the Association will be subject to federal income tax with regard to income not meeting the requirements of condition (2) above. If the Association fails to qualify for or properly and timely elect treatment under Section 528 of the Internal Revenue Code for a taxable year, it may be subject to federal income taxation as a corporation on its taxable income.

This opinion only relates to the specific tax matters discussed above which do not necessarily comprise all tax matters that may be of significance to the Purchasers of the Units. We express no view as to any federal, New York State or New York City tax consequences other than as explicitly discussed in the opinion or as to the tax status or tax consequences of the Plan under the laws of the United States or any foreign jurisdiction. Therefore, it is strongly recommended that each prospective Purchaser of a Unit consult with his or her own tax advisor concerning the federal, New York State and New York City tax consequences of the purchase and ownership of a Unit in the Condominium. In no event will the Sponsor, Sponsor's counsel, the Board of Managers, counsel to the Board of Managers or any other person be liable if by reason of changes in fact or applicable law, regulations decisional law or Internal Revenue Service rulings, the tax consequences described above should change. No warranties are made that the tax laws upon which counsel bases this opinion will not change and no one else has been authorized to make any representations other than those contained herein.

In our opinion, the condominium will be eligible for tax-exempt status, if it elects such status, and unit owners will be entitled to income tax deductions (or the unit owners will be eligible for the real estate tax benefits described above). However, this opinion is

not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, Sponsor's counsel, the Board of Managers of the Condominium, the Selling Agent or any person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or internal revenue service rulings on which counsel relied which cause the condominium to cease to meet the requirements of Section 528 of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, and cause the unit owners not to be entitled to income tax deductions (or which cause unit owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

As part of this opinion, we hereby adopt the opinion of Bedford Management Company which on June 5, 2014 opined that the allocation of Common Interests (as such term is defined in the plan) assigned to each unit under this plan is consistent with Real Property Law 339-I and as adopted is hereby incorporated into this opinion.

This opinion has been prepared with the knowledge that it will be incorporated into the Plan.

Very truly yours,



Marans Weisz & Newman, LLC

WORKING CAPITAL FUND

The Purchaser of each Unit shall be required to make a contribution at the Closing to the working capital fund of the Condominium (the "Working Capital Fund") in an amount equal to two (2) times the monthly Common Charges due with respect to such Unit as of the Closing. In addition, any contingency budgeted and collected by the board will be deposited in the Working Capital Fund. Sponsor will not be obligated to make any contributions to the Working Capital Fund, except to the extent it is funded by payment of Common Charges. The Working Capital Fund will be held and used for working capital, closing costs and adjustments, unanticipated increases in budgeted or additional Common Expenses, capital repairs or replacement or for such other appropriate purposes as will be determined by the Board of Managers. While Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Common Charges. The Board will be able to utilize the money in the Working Capital Fund at any time and accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time; provided, however, that in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

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

RESERVE FUND

A reserve fund is being established for the Condominium for the renewal or replacement of building components or systems or the remedy of major building defects (the "Reserve Fund"). Ten percent (10%) of the operating budget will be deposited into the Reserve Fund. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may, in its discretion, decide in future years to increase or decrease the reserve fund line item in the Condominium's annual budget. Since the Building is being newly constructed, it is anticipated that the reserve fund as it accumulates will be sufficient to pay for the replacement of any capital items likely to be needed within the first five (5) years of Condominium operation.

No representation or warranty is made that the Working Capital Fund or Reserve Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium Operation.

Neither the Department of Law nor any government agency has passed upon the adequacy of the Reserve Fund.

MANAGEMENT AGREEMENT, CONTRACTS AND LICENSES

The Condominium will enter into a one-year management agreement with Bedford Management Company., effective as of the first Unit closing and shall continue in force until one (1) year from such date. Bedford Management Company is not an affiliate of Sponsor. The annual fee due the Managing Agent under the management agreement is \$4,800 to be paid in monthly installments. In the event of a sale, lease or demolition of the Property, the Board of Managers may terminate the management agreement at the end of any calendar month on not less than sixty (60) days previous notice in writing to the Managing Agent. Additionally, either the Board of Managers or the Managing Agent may terminate the Management Agreement at any time upon at least thirty (30) days prior written notice to the other party.

Further information concerning the Managing Agent appears in Part I, "Identity of Parties."

The Managing Agent will perform the following duties, among others:

(a) Cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Building who, in each instance, shall be the Condominium's and not the Managing Agent's employees, and cause to be discharged all persons unnecessary or undesirable, except that no person shall be hired or discharged without the prior written consent of the Board of Managers.

(b) Cause the Building to be maintained in such condition as may be deemed advisable by the Condominium, including interior and exterior cleaning, and cause repairs and alterations of the Building to be made, including, but not limited to, electrical, plumbing, steamfitting, carpentry, masonry, elevator, decorating, and such other incidental alterations or changes therein as may be required by the Condominium or by law, subject only to the limitations contained in this agreement or in any proprietary lease or other agreement with any Unit Owner. Ordinary repairs or alterations involving an expenditure of One Thousand (\$1,000) dollars or more for any one item shall be made only with the prior approval of the Board of Managers, but emergency repairs, i.e. those immediately necessary for the preservation or safety of the Building or for the safety of Unit Owners, or other persons, or required to avoid the suspension of any necessary service in the Building, may be made by the Managing Agent irrespective of the cost thereof, without the prior approval of the Board of Managers.

(c) Recommend, and with the approval of the Board of Managers, cause, all such acts and things to be done in or about the Building as shall be necessary or desirable to comply with any and all orders or violations affecting the Building, placed thereon by any federal, state, or municipal authority having jurisdiction thereof, and orders of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body, including submitting applications and processing any

and all documentation required by any governmental agency having jurisdiction over the Building.

(d) Enter into contracts for electricity, gas, steam, water treatment, rubbish removal, fuel oil, vermin extermination, and other services or such of them as shall be advisable, but any such contract having a term longer than two (2) years or requiring annual payments in excess of One Thousand (\$1,000) dollars must be authorized by the Board of Managers.

(e) Purchase all supplies which shall be necessary to properly maintain and operate the Building, make all such contracts and purchases in the Board's name and credit to the Board any discounts obtained for purchases or otherwise, provided that no expenditures in excess of Five Hundred (\$500) shall be made without the prior approval of the Board of Managers.

(f) Advise the Board of Managers with respect to proper insurance coverage of the Building, its employees and Condominium Unit Owners; and to cooperate with any independent insurance broker or consultant that the Board of Managers may designate or approve and engage for the purpose of effecting insurance and protecting its interests with respect thereto.

(g) Check all bills received for services, work and supplies ordered in connection with maintaining and operating the Building, pay or cause to be paid all such bills, water charges, sewer rent, assessments, real estate taxes and corporate franchise and other taxes assessed against the owner or the Building as and when the same shall become due and payable, provided that Managing Agent shall obtain the consent of the Board before making any expenditures in excess of One Thousand dollars (\$1000) for any one item.

(h) If requested by the Board of Managers, accept applications and references from prospective purchasers and subtenants of space being leased or subleased by the Board (and, at the Board's request, for any other space in the Building).

(i) Supervise the moving in and out of Unit Owners and lessees of Unit, and, to the extent possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other Unit Owners.

(j) Bill or cause to be billed, Unit Owners and tenants of the Board for maintenance charges, rent and other charges, use its best efforts to collect such maintenance charges, rent and other charges, and, when and if directed by the Board, serve notices upon Unit Owners, tenants or subtenants to quit and surrender space occupied by them. Also, when directed by the Board, and on its behalf, cause actions to be brought for maintenance charges, rent and other charges which may at any time be or become due to the Board from any individual Unit Owner, tenant or subtenant in respect of space in the Building. Managing Agent shall only hire landlord-tenant counsel under

the direction of Board.

(k) Consider and, when reasonable, attend to complaints of Unit Owners. If the Managing Agent shall deem any such complaint unreasonable, it shall advise the Board of the complaint and the reason for its opinion that the complaint is unreasonable.

(l) Upon direction of the Board sign and serve, in the name of the Board, such notices as are deemed necessary by the Managing Agent, including notices to Unit Owners, tenants or sub-tenants of the Building (collectively, "Residents") of default under house rules, by-laws and similar items.

(m) Cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of building employees and maintenance and operation of the Building required by any federal, state or municipal authority.

(n) Render to the Board, not later than the fifteenth day of each month, regular monthly statements, supported by invoices and disbursement vouchers, with remittance of amounts collected during the previous month less disbursements made on behalf of and for the account of the Board. A copy of each such monthly statement shall be sent by the Managing Agent to the Board members requesting such reports and the accountant of the Condominium.

(o) Cause to be set up and kept in good order reports, records and books, consistent with the normal records and books that are kept by the Managing Agent for its other owners (other than books of account maintained by the Condominium's accountants) for the Board, and maintain orderly files containing rent records, insurance policies, correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the Building or the operation thereof (all of such documents are hereinafter referred to as the "Documents"). The Documents shall be and shall at all times remain the property of the Condominium, and the Managing Agent shall upon request of the Board make the Documents available to the Condominium, the Condominium's officers, accountants, attorneys or other representatives, to audit and copy such books and records at any time, upon reasonable notice.

(p) Cooperate with the Condominium's accountants in regard to the annual audit of the books of account of the Condominium, including the annual report of the operations of the Condominium for the year then ended.

(q) Cooperate with the Condominium accountants in regard to the preparation and filing on behalf of the Condominium of federal, state, city and any other income and other tax returns required by any governmental authority.

(r) Prepare (if not prepared by the Owner's accountant) and submit annually to the Board of Managers of the Owner, prior to the last meeting of the Board of

Managers of the Condominium held in each calendar year, an operating budget setting forth the anticipated income and expenses for the Condominium for the ensuing year, and any required explanations with respect thereto.

(s) When requested, send notices to managers and Unit Owners of the Condominium, prepare agendas for, and cause a representative of its organization to attend, meetings of Unit Owners and meetings of the Board of Managers of the Condominium.

(t) Prepare and send out all letters and reports as the Board of Managers of the Condominium may request.

(u) Promptly investigate and notify the Condominium of any accident of claim for damage which Managing Agent has actual notice of relating to the ownership, operation, management and maintenance of the Building, including any damage or destruction thereto and cooperate with and make such reports as are required by the Condominium's insurers in connection therewith.

(v) Promptly file a change in registration statement with the New York City Department of Buildings in order to designate an employee of Managing Agent as the registered managing agent for the Building.

There are presently no contracts or licenses binding on the Condominium.

IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is Vanderbilt Upreal LLC, a New York limited liability company that registered with the New York Department of State on February 6, 2013. Sponsor office address is 306a – 308 Malcolm X Blvd Brooklyn, New York 11233. Sponsor has not been the sponsor of any other cooperative or condominium conversion plan within the last five (5) years.

The principal of the Sponsor Boaz Gilad. Mr. Boaz Gilad founded Brookland Capital in 2011. He is responsible for over five hundred units in development. Prior to founding Brookland Capital, Mr. Boaz Gilad was the CEO of ORE international LLC where he was responsible for developing over 600 units and private homes. He has been involved in the development of real estate in New York for over 15 years.

The principal of the Sponsor, Boaz Gilad, has been principal of the sponsor in the following prior offering during the past five (5) years.

Condominium Plan	File No.	Date of Filing with Department of Law
226 Stanhope Street Condominium, 226 Stanhope Street Brooklyn, New York	CD08-0027	Expired on April 13, 2009
Park Place Condominium, 765 Park Place, Brooklyn, New York	CD08-0134	Expired on July 5, 2012
940 Fulton Street Condominium, 940 Fulton Street Brooklyn, New York	CD11-0032	Expired on December 24, 2012
478 Grand Avenue Condominium, 478 Grand Avenue Brooklyn, New York	CD11-0112	Expired on November 28, 2012
355A Halsey Condominium, 355A Halsey Street Brooklyn, New York	CD10-0260	Expired on July 17, 2013
Washington at Clinton Condominium, 470 Washington Avenue Brooklyn, New York	CD08-0026	Expired on August 12, 2009
260 Greene Avenue Condominium, 260 Greene Avenue Brooklyn, New York	CD13-0144	Accepted for filing on March 12, 2014
262 Greene Avenue Condominium, 262 Greene Avenue Brooklyn, New York	CD13-0145	Accepted for filing on March 12, 2014

264 Greene Avenue Condominium, 264 Greene Avenue Brooklyn, New York	CD13-0146	Accepted for filing on March 12, 2014
708A Degraw Street Condominium, 708a Degraw Street Brooklyn, New York	CD13-0134	Accepted for filing on February 27, 2014
875 St. Marks Avenue Condominium, 875 St. Marks Avenue Brooklyn, New York	CD13-0154	Accepted for filing on February 27, 2014
1192 Bedford Avenue Condominium, 1192 Bedford Avenue Brooklyn, New York	CD13-0204	Accepted for filing on April 11, 2014
186 Putnam Avenue Condominium, 186 Putnam Avenue Brooklyn, New York	CD13-0226	Submitted not yet Filed.
156 Broadway Condominium, 156 Broadway Brooklyn, New York	CD13-0177	Submitted not yet filed.
13 Melrose Street Condominium, 13 Melrose Street Brooklyn, New York	CD14-0012	Accepted for filing on August 15, 2014
954 Bergen Street Condominium, 954 Bergen Street Brooklyn, New York	CD14-0157	Submitted not yet filed.

The principal of Sponsor, Mr. Boaz Gilad, is current in his financial obligations to-the public offerings listed above. Neither the Sponsor nor the principal of

Sponsor have any prior bankruptcies, convictions, injunctions and judgments against the Sponsor, the principal of the Sponsor, and/or entities in which the principal of the Sponsor was a principal that would be material to the Offering Plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of this Plan.

Attorney for Sponsor

The Sponsor has retained the law firm of Marans Weisz & Newman LLC, 29 Broadway Suite 2400 New York, New York 10006 (Tel # 212-968-0244) to represent it in the preparation and consummation of the Offering Plan. The principal attorney who is responsible for this matter is Richard Marans, Esq. This firm drafted the Declaration, the By-laws, this Plan, the form of Purchase Agreement, the form of Unit Deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto. No separate counsel has been retained to represent the Condominium. Marans Weisz & Newman LLC has no financial relationship, past or present, in the Property or to the Sponsor, except that it is being paid a fee for its services.

Managing Agent

Sponsor intends to retain Bedford Management Company., to manage the Building. The Managing Agent has experience in the management of real estate properties in New York City for over twenty years. They currently manage approximately 100 properties, comprising approximately 700 residential and commercial units. The Managing Agent has no financial relationship, past or present to the Sponsor. It will be paid a fee for its services.

Selling Agent

The Selling Agent for this offering is Aptsandlofts.com, a licensed real estate brokerage firm which has its main office at 482 Driggs Avenue, Brooklyn, New York 11211. The principal of the Selling Agent has been involved with the development and marketing of numerous condominiums over the last nine (9) years.

Architect

The Sponsor has retained Brent M. Porter Architect and Associates ("BAA") having an office at 166 St. James Place, Brooklyn, New York 11238 to prepare the Description of Property and Specifications, located in Part II of the Plan. The principal of BAA is Brent M. Porter, R.A. The principal of Brent M. Porter Architects and Associates is Brent M. Porter. Brent M. Porter is registered to practice in the State of

New York since March 1982. In New York City, Brent M. Porter, Architect, and Associates architectural practice includes the renovation and restoration of a number of townhouses and brownstones, as well as design and construction of a wide range of housing, commercial and community facilities. Sponsor's architect has no financial relationship, past or present, to the Property or to the Sponsor, except in its capacity as architect and is being paid a fee for its services.

REPORTS TO UNIT OWNERS

The Board of Managers shall furnish to all Unit Owners, their mortgagees and the Department of Law of the State of New York (if and when required by law) and shall present annually (at the annual meeting) and when called for by a vote of the Unit Owners at any special meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owners. The Board of Managers, at least annually, shall fix and determine the annual budget and send a copy of the budget and any supplement to every Unit Owner and mortgagee. The total annual requirement shall be assessed as a single sum against all Units and prorated against each of the Unit according to the respective Common Interest apportioned to each Unit.

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

- (i) a financial statement of the Condominium prepared by a certified public accountant or public accountant within four (4) months from the end of such fiscal year; such statement shall be certified while the Sponsor is in control of the Board of Managers.
- (ii) prior notice of the annual Unit Owners' meeting; and
- (iii) a copy of the proposed annual budget of the Condominium within four (4) months from the end of such fiscal year prior to the date set for adoption thereof by the Board of Managers; Such statement shall be certified while the Sponsor is in control of the Board of Managers.

DOCUMENTS ON FILE

Copies of this Plan and all exhibits or documents submitted to the Department of Law in connection with the filing of the plan shall be made available for

inspection by prospective Purchasers and by any person who shall have purchased a Unit offered under this Plan, or shall have participated in the offering of such Unit, at the office of Sponsor during convenient weekday hours, and shall remain available without charge and copying at reasonable charge for a period of six (6) years from the date of the First Unit Closing. Sponsor shall, within 180 days after the First Unit Closing, deliver to the Condominium Board a copy of all documents filed with the appropriate recording officer at the time of the closing of the first unit.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all of the 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.

There are no lawsuits or administrative or other proceedings, the outcome of which may materially affect this offering, the Property, the Condominium, the operation of the Condominium or Sponsor's capacity to perform its obligations under the Plan, which have not been disclosed herein.

In accordance with the provisions of the laws of the United States and the State of New York, Sponsor represents that Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law in the sale of the Units offered by Sponsor pursuant to this Plan.

Sponsor reserves the right, from time to time prior to the Closing Date, without obtaining the consent of Purchasers, to revise the terms and conditions on which the Units offered hereby are sold, including changes affecting the rights, obligations, and liabilities of Purchasers. All material revisions will be contained in a duly filed amendment to this Plan. If a material revision adversely affects the rights, obligations, or liabilities of the existing Purchasers, Purchasers will be given the right to rescind their Purchase Agreements and to receive a refund of their down payment (with interest, if any earned thereon) within fifteen (15) days after the presentation of the amendment.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the Architect's Description of Property and Specifications set forth in Part II of this Plan. Sponsor represents that, to the best of its knowledge, the

Description of Property and Specifications set forth in Part II of this Plan, prepared by Brent M. Porter, Architect and Associates, 166 St. James Place, Brooklyn, New York 11238., registered architects in the State of New York, accurately states the description of the Property and its specifications, as it will be built, upon the plans that it has examined.

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THE 531 VANDERBILT AVENUE CONDOMINIUM

PART II

FORM OF PURCHASE AGREEMENT

Purchaser(s)

With

VANDERBILT UPREAL, LLC,

Sponsor/Seller

Unit Number ____

531 Vanderbilt Avenue Condominium
531 Vanderbilt Avenue Brooklyn, New York

PURCHASE AGREEMENT

Unit Number ____
531 Vanderbilt Avenue Condominium
531 Vanderbilt Avenue,
Brooklyn, New York

(to be executed in quadruplicate)

THIS PURCHASE AGREEMENT (this "Agreement"), made as of the ____ day of _____, 201_, between Vanderbilt Upreal LLC, a New York limited liability company, having an office at 306a – 308 Malcolm X Boulevard Brooklyn, New York 11233 (hereinafter, "Sponsor"), and _____, having an address at _____ (hereinafter, "Purchaser").

Purchaser is represented by _____ ("Purchaser's Attorney").

Purchaser's Attorney's address is _____, phone number is _____ and email is _____.

WITNESSETH:

Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for the 531 Vanderbilt Avenue Condominium (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

1. The Unit. Sponsor hereby agrees to sell and convey, and Purchaser hereby agrees to purchase Unit No. ____ at the Condominium (as designated in the Declaration), together with the undivided ____% interest in the Common Elements appurtenant to such Unit (the "Unit"), upon and subject to the terms and conditions set forth herein.

2. Purchase Price.

2.1 The purchase price for the Unit is \$_____ (the "Purchase Price") payable as follows:

(a) \$_____ (the "Initial Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged;

(b) \$_____ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

2.2 All checks shall represent United States currency, be drawn on or issued by a New York bank that is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Marans, Weisz & Newman LLC, as escrow agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of Vanderbilt Upreal LLC (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (including without limitation, suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default).

3. Deposit.

3.1 The law firm of Marans, Weisz & Newman, LLC, with an address at 29 Broadway Suite 2400, New York, New York 10006, telephone number (212) - 968 - 0244, shall serve as escrow agent (the "Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated Richard Marans, Esq, Daniel Weisz, Esq. and Richard Newman, Esq. to serve as signatories on the "Escrow Account", as defined below. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in the in any of the foregoing.

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

3.3 The Escrow Agent has established the escrow account at Hudson Valley Bank 233 Broadway New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled the 531 Vanderbilt Avenue Condominium Escrow Account ("Escrow Account"). The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions. Within five (5) business days after this Purchase Agreement has been executed by Purchaser, Seller, and Escrow Agent, Escrow Agent shall place the Deposit into the Escrow Account. Within ten (10) business days after the Deposit has been placed into the Escrow Account, Escrow Agent shall sent written notice to the Purchaser and Seller. The notice shall provide the account number and the initial interest rate to be earned by the Deposit.

3.4 All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Marans Weisz & Newman, LLC, as Escrow Agent.

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

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

3.7 The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

3.8 All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

3.9 Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h

3.10 The Escrow Agent shall release the Deposit if so directed:

3.10.1 Pursuant to terms and conditions set forth in the Purchase Agreement in Section 4 upon closing of title to the Unit; or

3.10.2 In a subsequent writing signed by both Sponsor and Purchaser; or

3.10.3 By a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs 3.10.1-3.10.3 above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs 3.10.1 through 3.10.3 above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Unit is located and shall give written notice to both parties of such deposit

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

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

3.11.2 all Purchaser after an Amendment abandoning the Plan is acceptance for filing by the Department of Law.

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

3.12 Any provision of the Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

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

3.14. A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352-e(2-b) and 352(h).

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

3.16. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-e(2-b) and 352-(h) and the New York State Department of Law's regulations.

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

3.18. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

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

4. Closing Date and Place.

4.1. The closing of title shall be held at the offices of Marans, Weisz & Newman LLC, 29 Broadway, Suite 2400, New York, New York 10006 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set herein for a closing for more than twelve (12) months in the aggregate without the consent of Purchaser).

4.2. Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

5. Delivery of Deed and Power of Attorney.

5.1. At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying fee simple title to the Unit to Purchaser, which deed shall be in substantially the form contained in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

5.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board, prepared by Sponsor and in substantially the form contained in Part II of the Plan.

5.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

5.4 Sponsor obligations in the Plan survive the closing unless specifically set forth not to survive. Nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

6. State of Title.

6.1 At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances, subject only to the Permitted Exceptions contained in the Plan. Any lien, encumbrance or condition to which title is not to be subject 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 to Purchaser's title insurance company, together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the title insurance company referenced in Part I of the Plan would be willing to do so at its regular rates and without additional premium.

6.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least ten (10) days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing, then, for purposes of Article 11 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

6.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage that would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in

connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 6.10 shall survive the closing of title or the termination of this Agreement.

7. Closing Adjustments.

7.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

- 7.1.1 real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;
- 7.1.2 Common Charges for the month in which title closes; and
- 7.1.3 accrued fees and any other charges pursuant to an interim license or use and occupancy agreement, if any, covering the Unit.

7.2 If the Unit has been separately assessed but the 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; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in the By-Laws and in Part I of the Plan. In addition, if separate assessments have not been made prior to the closing of title, the Board of Managers will collect from Purchaser at Closing and will place in escrow an amount equal to the Unit Owner's estimated proportionate share of the real estate taxes, if any, projected to be due for the entire Property for the half of the tax year next commencing after the Closing of said Unit (i.e., for either the first half or second half, depending on when the Unit closes).

7.3 Sponsor shall remit or cause to be credited to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

7.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 6 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) the apportionment of those items set forth in paragraph 7 of the Purchase Agreement shall be made as of the originally established closing date rather than as of

the date the closing actually occurs, (ii) an amount equal to 0.04% (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date) and (iii) Purchase shall pay Sponsor's counsel \$250.00 for each adjournment. Nothing herein shall be construed to mean that the Sponsor must grant an adjournment of title when requested to do so. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

7.5 If at a Purchaser's request Sponsor grants an adjournment or adjournments of his or her closing of title in excess of five (5) days in the aggregate, the Sponsor has the option of collecting an additional five percent (5%) of the purchase price of the Unit as an additional Deposit.

7.6 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as aforesaid and as otherwise provided herein or in the Plan.

7.7 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

8. Closing Costs.

Purchaser shall be required to pay certain costs in connection with the purchase of the Unit, in addition to any net credit in favor of Sponsor that may result from the closing adjustments and any interest or late closing charge described in Article 7. Other than any such net credit in favor of Sponsor that may result from the closing adjustments (or certain other fees which may be payable prior to the closing, as described below), all such closing costs shall be paid by Purchaser, at closing, by Purchaser's unendorsed, personal certified check or by official bank check, in either event drawn only upon a bank that is a member of the New York Clearing House Association. Such closing costs will include the following, the amounts of which (where applicable) are based on rates in effect on the date hereof and are subject to change without prior notice:

8.1 If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance purchased.

8.2 Purchaser will pay a fee to the City Register for recording the deed and the power of attorney, and will pay a filing fee for the RP-5217 form. In addition, Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, all of which shall be payable by Purchaser.

8.3 If Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to, the following:

- (a) a fee and service charge for recording the mortgage;
- (b) a mortgage recording tax in the amount provided for by law,
- (c) to Sponsor, a sum equal to the full amount (but not in excess thereof) of the partial mortgage recording tax credit provided by Section 339-ee(2) of the New York Condominium Act, to the extent the same is or becomes available, as a reimbursement for the mortgage recording taxes previously paid (such credit is based, in general, on the Common Interest of the Units being purchased multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Property), if applicable;
- (d) the premium for mortgage title insurance, if required by Purchaser's lender;
- (e) such other costs and expenses in connection with such loan as determined by Purchaser's lender.

8.4 Purchaser will be required to pay the amount of \$1,750.00 to Marans, Weisz & Newman LLC, Sponsor's counsel, for each Unit purchased hereunder, in order to defray Sponsor's legal fees for services in connection with preparing the deed and power of attorney and for coordinating and attending the closing. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's counsel or if Purchaser otherwise requests that the Closing occur other than at the office of Sponsor's counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor in its sole discretion consents to such request, the closing may be held elsewhere in New York City, provided that Purchaser shall pay Sponsor's counsel a travel fee of \$500.00 and an additional \$500.00 if the Closing is held outside New York City. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement (or Purchaser otherwise exercises its limited right with respect to an assignment as provided in Section 23.4 hereof), a fee of \$500.00, shall be payable by Purchaser to Sponsor's counsel, for preparation of an assignment agreement. Purchaser may be required to pay more than one fee pursuant to the preceding sentence and forgoing provisions with respect to a single Unit. At Sponsor's option in its sole discretion, any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser in advance, prior to closing, upon notice to Purchaser. In the event Purchase is in default hereunder and Sponsor requests its counsel to send a default letter, Purchaser shall be obligated to pay \$250.00 to Sponsor's counsel.

8.5 Purchaser shall make a contribution to the Working Capital Fund of the Condominium, payable to the Board, in the sum of two months common charges.

8.6 Purchaser shall pay the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the so-called "mansion tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Section 8.7 and to indemnify Sponsor as herein provided shall survive the closing of title or the termination of this Agreement.

9. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

10. The Plan.

10.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

10.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

10.3 Purchaser hereby adopts, 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, as well as all amendments to the Plan duly filed by Sponsor.

11. Default by Purchaser. (a) Any of the following shall constitute an "Event of Default" hereunder:

- (i) Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser as stated herein on the Closing Date designated by Sponsor or the dishonor of any check given by Purchaser to Sponsor; or
- (ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or
- (iii) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or
- (iv) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or
- (v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or
- (vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or
- (vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days.

(b) In the event of a Purchaser's default, Sponsor's sole right shall be to terminate the Purchase Agreement by sending the Purchaser thirty (30) days' prior written notice of its intention so to do. If Sponsor elects to terminate, the Purchaser shall have thirty (30) days from the giving of the termination notice within which the Purchaser must cure the specified default. **TIME IS OF THE ESSENCE** to cure such default within said thirty (30) day period. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Deposit plus the costs incurred by Sponsor for any special work, if any, in the Unit ordered by the Purchaser, together with any interest earned thereon and any excess sums (together with any interest earned thereon) shall be returned to the Purchaser. Upon termination of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds for such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that, subject to the provision of Section 11(d) below, the Deposit (including all interest, if any) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be

paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Deposit (including all interest, if any) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) NEITHER SELLER NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

12. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made 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 fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor 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, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). 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 Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, 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 at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

13. Agreement Subject to Plan Being Effective. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

13.1 Abandonment of the Plan. The Plan may be abandoned by Sponsor, at its sole option, at any time before it is declared effective. If the Plan is to be abandoned after filing and the Sponsor has accepted Purchase Agreements, the Sponsor shall promptly submit an amendment to the Department of Law together with form RS-3 as promulgated by the Department of Law. If payments under Purchase Agreements have been received, the amount of such funds shall be returned to the Purchasers by the Escrow Agent within five (5) business days after the amendment abandoning the Plan has been accepted for filing. If there are no outstanding Purchase Agreements, the Sponsor need not submit an amendment but shall submit a form RS-3 to the Department of Law.

14. Sponsor's Inability to Convey the Unit. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor 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 Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. 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 and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy described in clause (a) above, i.e., to acquire title subject to such inability.

15. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property that are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

16. Construction.

16.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having

jurisdiction is first obtained (if required). The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled "Rights and Obligations of Sponsor."

16.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

16.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Prerequisites to Closing of Title" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Report (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit).

16.4 Sponsor has projected that, based upon currently anticipated schedules; construction of the Building will be sufficiently completed to permit closings of Units to begin in or about January 1, 2015. If the Closing is delayed twelve (12) months or more from this date then the Purchasers will be offered a right to rescind the Purchaser Agreement. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

16.5 Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan.

17. Acceptance of Condition of Unit; Risk of Loss

17.1 The signing of this Purchase Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property as represented by Seller in the Offering Plan, including the Building, the Common Elements, and the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Purchase Agreement and delivery of the deed to Purchaser. Purchaser acknowledges having read the Section of the Offering Plan entitled "Description of Property and Specifications" set forth in Part II of the Offering Plan, which sets forth a description of the physical condition of the Building, and acknowledged having been given the opportunity to review the reports referred to in Section of the Offering Plan entitled "Sponsor's Statement of Building Condition" Purchaser understands that Seller has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may otherwise be set forth in the Offering Plan. In connection therewith, Purchaser acknowledges having read the Section of the Offering Plan entitled "Rights and Obligations of Sponsor."

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Selling Agent if applicable or Sponsor shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Selling Agent to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule A to this Agreement) and deliver same to Selling Agent if applicable or Sponsor at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

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

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or the taking of possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor 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 Sponsor shall be entitled to 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, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded and any mortgagee of Sponsor, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

19.1.1 If a Purchaser takes possession of a Unit prior to closing title, he or she will assume the risk of loss and the obligation to repair the damage not covered under insurance already provided by the Sponsor.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, to notify the Purchaser within sixty (60) days of the damage to the Unit, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

20. Prohibition Against Advertising. Purchaser hereby covenants and agrees that it shall not list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale prior to the closing of title and for not less than one (1) year thereafter. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 11 hereof. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

21. Broker. Purchaser represents to Sponsor that _____ (collectively the "Broker") are the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 21 shall survive the closing of title or the termination of this Agreement and are not made for the benefit of any third parties.

22. Agreement May Not Be Assigned.

22.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth above, and shall be voidable at the option of Sponsor.

22.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity or possession of the power to direct the management and policies of such entity and the distribution of its profits.

22.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is consented to by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change consented to by Sponsor (in its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of \$1000.00 ("Assignment Fee") made payable to Marans, Weisz & Newman LLC (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to terminate this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

22.4 Notwithstanding the provisions of Section 22.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 22.3 above, including without limitation the provisions relating to the Assignment Fee. For purposes of this Section 22.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

22.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

23. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written reasonable information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, or other grounds proscribed by law.

24. Notices.

24.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement with a copy to Purchaser's Attorney; and to Sponsor, at: Vanderbilt Upreal LLC 306a - 308 Malcolm X Boulevard Brooklyn, New York 11233 with a copy sent simultaneously and in like manner to Marans, Weisz & Newman LLC, 29 Broadway, Suite 2400, New York, New York 10006. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Notwithstanding the foregoing, any mailing of an amendment to the Plan shall be delivered via regular mail. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, three (3) days after the date of mailing,

except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

24.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel Marans, Weisz & Newman LLC as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself. Purchaser hereby designates Purchaser's Attorney as Purchaser's agent to give any notice to Sponsor hereunder in Purchaser's name.

25. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

26. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

27. 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. Additionally, 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 correct any error and or omissions that may have occurred at Closing of Title. The Provisions of this Article shall survive Closing of Title and delivery of the deed.

28. 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.

29. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

30. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated, and Purchaser may not record this Agreement or a memorandum thereof. If Purchaser attempts to record this Agreement, Purchaser will be held in default.

31. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced 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.

32. Purchaser's Representations.

32.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Deposit.

32.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise). Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

32.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Seller the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C.

App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

32.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

33. Agreement Contingent Upon Financing.

33.1 The obligations of the Purchaser under this Purchase Agreement are conditioned upon issuance on or before a date which is thirty (30) days from the date the Purchase Agreement is accepted by Sponsor and returned to Purchaser (the "Commitment Date") of a written commitment (the "Commitment") from Sponsor Designated Lender/Broker (hereinafter referred to "Sponsor Designated Lender/Broker") pursuant to which Sponsor Designated Lender/Broker agrees to make or arrange a loan of to include that of a VA, FHA or other governmentally insured loan to Purchaser, at Purchaser's sole cost and expense of no more than 80% of the Purchaser Price of the Unit, or such lesser sum as Purchaser shall be willing to accept, at the prevailing fixed rate or adjustable rate of interest for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditioned upon any factors other than an appraisal satisfactory to the Sponsor Designated Lender/Broker, secured by a first mortgage on the Unit together with its undivided interest in the Common Elements (the "Mortgage Loan"). Except that Purchaser shall not be required to accept any conditional commitment and neither shall any commitment contain any condition to sell any property of Purchaser or any condition requiring construction or repairs to the Unit as same shall not be deemed a Commitment as defined in this Rider

33.2 Purchaser shall:

1. Make a prompt application to a Sponsor Designated Lender/Broker for the Mortgage Loan through the First Meridian Mortgage, having an address at 190 N 10th Street, Brooklyn, New York 11211, Tel: 718.906.6156, Attn: Chesky Fuchs, E-mail: cfuchs@fmm.com, within three (3) days of the Purchaser receiving the signed counterpart of the Purchase Agreement from the Sponsor.
2. Furnish truthful, accurate and complete information, data and documents on Purchaser as required, and promptly submit such further information, data and documents requested by the Sponsor Designated Lender/Broker;
3. Pay all fees, points and charges required in connection with such application
and Mortgage Loan;
4. Pursue such application with diligence;

5. Cooperate in good faith with the Sponsor Designated Lender/Broker to the end of securing the Mortgage Loan;

6. Promptly give notice to Sponsor of the name and address of the Sponsor Designated Lender/Broker to which Purchaser has made such application; and

7. Comply with all requirements of the Commitment (or of any Commitment accepted by Purchaser) and furnish Sponsor with a copy thereof promptly after receipt.

The obligations of Purchaser set forth in (1) through (7) above are collectively referred to herein as the "Financing Obligations" Purchaser agrees to diligently comply with all the Financing Obligations to the best of his ability.

33.3 If a Commitment is not issued on or before the Commitment Date pursuant 33.2 above, then unless purchaser has accepted a Commitment that does not comply with the requirements set forth in 33.1 above, Purchaser may cancel the Purchase Agreement by giving notice to Sponsor (the "Cancellation Notice") within ten (10) business days after the Commitment Date, "TIME BEING OF THE ESSENCE", In which case the Purchase Agreement shall be deemed canceled and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of the Purchase Agreement, except that the Deposit shall be refunded to Purchaser within ten (10) business days thereafter. The Cancellation Notice shall be accompanied by a copy of any loan refusal letter or non-complying Commitment, as the case may be, issued by the Institutional Lender, if available, or if not available, provided promptly after receipt. If Purchaser Fails to give the Cancellation Notice or if Purchaser shall accept a Commitment that does not comply with the requirements set forth in 33.1 above, then Purchaser shall be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive refund of the Deposit by reason of the contingency contained herein. Sponsor makes no representation as to the availability of any such financing. Purchasers are advised that even if they receive a financing commitment, its term may be limited and it may expire prior to the Unit Closing Date unless extended by Purchaser. The Purchaser must make a good faith effort to extend the financing commitment. If the financing commitment expires prior the Unit Closing Date the Sponsor will grant the Purchaser a right of rescission. The Purchaser will be allowed ten (10) business days to exercise the right of rescission. If the Purchaser does not timely exercise this right of rescission then Purchaser shall be deemed to have waived the right to cancel the Purchase Agreement.

33.4 In the event that Purchaser uses a lender procured other than through the Sponsor Designated Lender/Broker, no financing contingency will apply to the Purchase Agreement. As a result, Purchaser will not have the right to cancel the Purchase Agreement if the Purchaser fails to obtain mortgage financing, or if the Purchaser's existing mortgage financing lapses or is canceled.

34. Costs of Enforcing and Defending Agreement. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder. The provisions of this Article shall survive closing of title or the termination of this Agreement.

35. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. 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. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Diplomatic or Sovereign Immunity.

36.1. Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

36.2. As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

36.3. Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

36.4. Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 36.

36.5. Nothing in this Article 36 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

36.6. The provisions of this Article 36 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

36.7. In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser hereby designates a duly authorized and lawful agent to receive process for and on behalf of the Purchaser in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement. 37.8. If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

37. Mold. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title or the termination of this Agreement.

38. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. 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 stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

40. 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.

41. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

42. No Oral Changes. This Agreement or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

43. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

44. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

VANDERBILT UPREAL LLC

By: _____
Authorized Signatory

PURCHASER:

By: _____

By: _____

WITH RESPECT TO PARAGRAPH 3:

ESCROW AGENT:

By: _____

Purchaser acknowledges receipt
of Offering Plan [and amendments]
on _____, 201__

Initials of Purchaser(s):

SCHEDULE A

INSPECTION STATEMENT

Vanderbilt Upreal LLC
306a – 308 Malcolm X Boulevard
Brooklyn, New York 11233

Re: Unit No.
 531 Vanderbilt Avenue Condominium

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Exceptions

<u>Items</u>	<u>Initials</u>	<u>if any</u>
Windows, window frames		
Electric fixtures & globes		
Interior painted surfaces		
Sinks, tubs, bowls & shower doors & trim		
Kitchen cabinets & counter tops		
Vanity tops & base		
Medicine cabinets, doors & mirror		
Hardware		
Flooring		
Appliances		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

Purchaser's Signature

Sponsor's Representative

FORM OF POWER OF ATTORNEY

**531 Vanderbilt Avenue
Brooklyn, New York**

The undersigned, _____ the Owner of Unit ____ in the building complex known as the 531 Vanderbilt Avenue Condominium, 531 Vanderbilt Avenue Brooklyn, New York as designated and described in the Declaration establishing The 531 Vanderbilt Avenue Condominium, dated _____, 20__ and recorded in the Office of the Registrar of the City of New York, Kings County on _____ 20__, in CRFN# _____ on the floor plans filed in the Real Property Assessment Department of the City of New York as Condominium Plan No. ____ (the "Condominium") do hereby irrevocably nominate, constitute and appoint the Board of Managers of the Condominium, and their successors, jointly, true and lawful attorneys-in-fact of the undersigned, with a power coupled with an interest, with power of substitution (1) to acquire, in their own names as members of the Board of Managers or in the name of their designee, corporate or otherwise by deed, on behalf of all owners of Condominium Units in said Condominium property, in accordance with their respective Common Interests, (a) any Unit whose owner desires to sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the interest of such Unit Owner in all other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests"), or (b) any Unit which shall be the subject of a foreclosure or other judicial sale or whose owner desires to surrender or abandon same in accordance with the By-Laws, or (2) to lease any Unit whose Owner desires to rent the same, at such prices or at such rental, as the case may be, and on such other terms, and conditions as said attorneys-in-fact shall, in their sole discretion deem proper, and (3)

thereafter to convey, sell, lease, sublease, mortgage, vote, or otherwise deal with any such Unit so acquired by them, on such terms and conditions as said attorneys-in-fact in their sole discretion 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, and (4) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board of Managers of the Condominium deems necessary or appropriate to comply with the Declaration of Condominium, or any law, ordinance or regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals or any other public authority, applicable to maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction, easement or declaration or any amendment thereto affecting the Condominium or the Common Elements that the Board of Managers deems necessary or appropriate, provided such change is consistent with the Condominium Act.

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

I (We) do hereby further irrevocably nominate, constitute and appoint VANDERBILT UPREAL, LLC ("Sponsor"), having an address 306A - 308 Malcolm X Boulevard, Brooklyn, New York, 11233, as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time such Declaration, By-Laws and the Rules and Regulations of such Condominium, or any of such documents, when such amendment will be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 30 of the Declaration, or otherwise to evidence or enforce a right granted to Sponsor or its designee under the Plan, Declaration and By-Laws. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph will remain in full force and effect

until such time as the Sponsor or its designees cease to own any Unit in The 531 Vanderbilt Avenue Condominium. Each and any of may act singly as such attorney-in-fact.

IN WITNESS WHEREOF, the undersigned have executed this Power of Attorney as of the ____ day of _____, 20__.

STATE OF NEW YORK)

)ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacit(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Notary)

STATE OF NEW YORK)

)ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacit(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Notary)

FORM OF UNIT DEED

THIS INDENTURE, made the day of _____, 20__ between **VANDERBILT UPREAL LLC**, having an office at 306a – 308 Malcolm X Boulevard, Brooklyn, New York 11223 (“Grantor”) and _____ (“Grantee”).

WITNESSETH:

That the Grantor, in consideration of Ten (\$10.00) Dollars (and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No. _____ (the “Unit”) in the condominium known as The 531 Vanderbilt Avenue Condominium, 531 Vanderbilt Avenue, Borough of Brooklyn, County of Kings and State of New York (the “Building”) designated and described in the Declaration (“Declaration”) establishing a plan for condominium ownership of the Building and the land upon which the Building is situated (said Building and land referred to collectively herein as the “Property” or the “Condominium”), dated 20__, made by the Grantor under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), and recorded in the Office of the Register of the City of New York, in the County of Kings, on the _____ day of _____, 20__, in CRFN# _____ and also designated as Tax Lot No. _____ in Block No. _____ in the County of Kings on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Building (“Floor Plans”), certified by _____ licensed professional architect, on _____, 20__, filed with the Office of the City Register of Kings County on _____, 20__ as Condominium Plan No. _____.

The land on which the Building is located is described as follows:

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

BEGINNING at a point on the easterly side of Vanderbilt Avenue, distant 131 feet 8 inches northerly from the corner formed by the intersection of the easterly side of Vanderbilt Avenue with the northerly side of Atlantic Avenue;

RUNNING THENCE northerly along the easterly side of Vanderbilt Avenue, 50 feet 4 inches;

THENCE easterly at right angles to Vanderbilt Avenue, and part of the distance through a party wall, 70 feet;

THENCE southerly parallel with Vanderbilt Avenue, 50 feet 4 inches;

THENCE westerly at right angles to Vanderbilt Avenue, 70 feet to the easterly side of Vanderbilt Avenue at the point or place of BEGINNING.

SAID premises being known as and by the street number 531 Vanderbilt Avenue, Brooklyn, New York 11238;

TOGETHER with an undivided ____ percent (%) interest in the Common Elements (as such term is defined in the Declaration) appurtenant to the Unit, (hereinafter called the "Common Elements") ;

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand.

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and

serving the Unit.

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 necessity in favor of the Unit or in favor of other Units or the Common Elements.

TOGETHER with and **SUBJECT** to a right of way through the Common Elements to the public streets;

TOGETHER with the right, if any, to the use of the Common Elements as set forth in the Declaration; and

SUBJECT also to any state of facts an accurate survey and inspection of the Unit would show;

SUBJECT also to an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Unit.

SUBJECT also to an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand.

SUBJECT to a Zoning Lot Description made by Vanderbilt Upreal dated June 28th, 2013 and recorded on July 9, 2013 as CRFN#2013000270297.

SUBJECT to a Zoning Lot Certification made by Downtown Abstract Corp., as agent for Fidelity National Title Insurance Company dated June 28, 2013 and recorded on July 9th, 2013 as CRFN#2013000270298.

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans

of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the New York County Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein.

SUBJECT TO all other recorded Covenants, Easements, Restrictions, Statements and Agreements.

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

The use for which the Unit is intended is that of a residence as permitted by the Declaration, By-Laws and applicable law.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatsoever, except as set forth in the Declaration and the By-Laws. This covenant is for the personal benefit of the Grantee only and cannot be assigned to or exercised by and shall not inure to the benefit of any other person or entity, including, but not limited to, any insurer of the Grantee's title or any successor to the Grantee's interest.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement 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 Grantee accepts and ratifies the provisions of the Declaration and the By-Laws of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the Office of the New York City Register, County of New York, and to comply with the rules and regulations of

the Condominium.

This conveyance is made in the ordinary course of business actually conducted by the Grantor herein.

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

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

Grantor:

VANDERBILT UPREAL, LLC

By: _____
(Print Name)

Grantee:

(Print Name)

STATE OF NEW YORK)

)ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacit(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Notary Public)

STATE OF NEW YORK)

)ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacit(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(Notary Public)

FORM OF INTERIM LEASE AGREEMENT

AGREEMENT made this ____ day of _____, between **VANDERBILT UPREAL, LLC**, having an office 306a – 308 Malcolm X Boulevard, Brooklyn, New York 11223 (hereinafter SPONSOR) and _____ whose address is 531 Vanderbilt Avenue Unit # ____ Brooklyn, New York 11238 (hereinafter PURCHASER),

WITNESSETH,

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at 531 Vanderbilt Avenue, Brooklyn, New York and;

WHEREAS, PURCHASER has executed a Purchase Agreement for Unit _____ (the "Apartment") at said premises, and;

WHEREAS, PURCHASER wishes to occupy said Apartment prior to the closing of the transaction;

NOW, THEREFORE, in conformity with the terms and conditions of the Offering Plan filed with the Attorney General of the State of New York, the parties agree as follows:

- 1) Commencing on ___, 2015, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned Apartment.
- 2) After a free three week grace period, PURCHASER shall pay a fee for use and occupancy of the Apartment of \$_____ per month. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this Agreement is not governed or subject to any rent regulatory laws. PURCHASER has deposited with SPONSOR, and SPONSOR recognizes that PURCHASER has deposited the sum of \$_____ representing a deposit under the Purchase Agreement. **PURCHASER'S deposit of \$_____ shall be applied against the purchase price of the Unit at closing and is subject to forfeiture by PURCHASER in event of his default under the Purchase Agreement.** In the event of default, SPONSOR is irrevocably authorized to pay the use and occupancy from such deposit as same becomes due.
- 3) The use and occupancy fee for the month in which closing occurs shall be adjusted at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment. **Any unapplied use and occupancy fee shall be refundable to PURCHASER at closing.**
- 4) The terms of the Offering Plan and all related documents in effect as of the date hereof are incorporated in and made a part of this Agreement.

5) As of the date of this Agreement, risk of loss to the Apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Purchase Agreement for such Apartment, as contained in the Offering Plan for the premises in effect as of the date hereof, as if PURCHASER were the owner of such Apartment.

6) PURCHASER shall pay all utility costs and make any repairs to the apartment for which he would be obligated as owner subject to the terms and provisions of Paragraph 12. SPONSOR will not be responsible for ordinary wear and tear to the Apartment during the PURCHASER'S occupancy.

7) PURCHASER may not make any alterations to the Apartment without SPONSOR'S written consent.

8) This lease will terminate on the happening of the earliest of the following:

- a. Closing
- b. Rescission ("Rescission") of the Purchase Agreement by PURCHASER under the Offering Plan
- c. Default by PURCHASER

9) Upon a non-monetary default by PURCHASER which is not cured within 15 days after notice thereof, or immediately after Rescission of the Purchase Agreement by PURCHASER, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the Apartment. PURCHASER agrees to pay SPONSOR \$500.00 per day for each day he remains in possession following the periods set forth above. SPONSOR is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held in escrow pursuant to the Purchase Agreement. Nothing contained herein shall be construed so as to limit SPONSOR'S ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR, nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.

10) Any default under this Agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this Agreement. Any such default will terminate PURCHASER'S right to use and occupy, and will also terminate PURCHASER'S right to purchase the Apartment, and shall result in loss of the down payment.

11) This Agreement may not be assigned, and may not be changed, except by signed, written instrument. This Agreement is the entire agreement between the parties as regards use and occupancy of the Apartment pending closing.

12) As of the date hereof, PURCHASER confirms that all work required to be done in or about the subject apartment has been completed, that the condition of title as set forth in the PURCHASER'S title report is acceptable, and that in all respects PURCHASER

agrees to accept the Apartment in "as is" condition except for the aforementioned items. As of the date hereof, PURCHASER waives any right whatsoever to cancel the Purchase Agreement, except for a material change in the Offering Plan.

13) Failure to appear for closing within 30 days after delivery to PURCHASER of notice by fax or mail that SPONSOR is prepared to close shall be deemed a default both in this Occupancy Agreement and in the Purchase Agreement entitling SPONSOR to cancel the Purchase Agreement, retain all sums previously paid and remove PURCHASER from the subject apartment, and collect the increased use and occupancy fee set forth in Clause 9 above.

14) PURCHASER agrees that as a term of this Occupancy Agreement to pay a lease preparation fee in the amount of \$500.00 to SPONSOR'S attorney.

IN WITNESS WHEREOF, the parties hereunto set their hands this ____ day of _____, 2015.

SPONSOR:

VANDERBILT UPREAL, LLC

By: _____

PURCHASER:

BRENT M. PORTER, ARCHITECT AND ASSOCIATES

166 St. James Place, Brooklyn, NY 11238 718-789-5426 FAX: 718-622-3444

531 Vanderbilt
Brooklyn, New York
October 13, 2014

A. Location and Use of the Property:

1. Address: 531 Vanderbilt
Brooklyn, NY
2. Block/ Lot No.: Block: 2010 Lot: 5 & 6
3. Zoning District: R7A Building complies with all zoning and use requirements.
4. Permissible Uses: Residential, Use group 2 as per New York City Zoning Resolution which permits residential use "as of right". The property and proposed uses comply with all zoning and use requirements at closing. The building complies with Chapter 8 of the zoning resolution for quality housing program. Dwelling units are larger than 400 square feet, having laundry facility within each unit, and having 1" insulated glass windows with thermal break. Recreation space is on the roof, and there is refuse storage on each floor in the common area.
5. Other: No air development rights were obtained for this development. The sponsor is not retaining any air development rights for future expansion of the building. This development does not have a landmark status.

- B. Status of Construction: Lot 5 was previously occupied by a four-story, two-family, wood frame building. Lot 6 was previously occupied by a four-story, two-family, brick non-fireproof building. The proposed building is a new steel concrete building that is presently under construction and is expected to be substantially completed by January 2015. For information regarding government agencies, controlled and progress inspections, see section T.

1. Class of Construction: The Building is classified as Class I-B (non-combustible) and conforms to all applicable regulations of the Building Code of the City of New York ("building code").
2. Certificate of Occupancy: Certificate of Occupancy will be processed at conclusion of construction as required by NYC building code, including Local Law 58 and Local Law 26. The Certificate of Occupancy will provide for residential use on floors first through seventh and residential accessory use such as recreation room, utilities and storage at cellar. The CO application will be subject to inspections and sign-off by Department of

Buildings and Department of Highway. The date of issue for the final CO will be two years after the date of issue for the temporary CO.

3. Permit Numbers &
description of work done:

The plans were filed under NB #320590516-01-NB with the Department of Buildings. The Building Permit No. #320590516 NB was issued for the construction of the project.

C. 4. Local Law 58:
Site

When complete, the building is in compliance with Local Law 58 (Handicapped Access Law)

1. Size:

The total site area which is Tax lot 5 & 6 = 3,523.3 SF
The proposed building is the only structure on the property. The proposed building consists of 7 stories with cellar and bulkhead. It is used solely for residential occupancy with 18 residential units. The cellar floor is used for building services such as utility rooms, bike storage, trash compactor, and storage. The cellar is also occupied by lower level duplexes, which are appurtenant to 1st floor apartments.

2. Number of Buildings
and use:

Lot 6 is currently a vacant lot. The adjacent property to the north is occupied by a 5 story brick building.

Lot 5 is also currently a vacant lot. The adjacent property to the south is occupied by a 1 story concrete building that occupies the adjacent lot in the southerly direction.

3. Streets:

The property is fronting Vanderbilt Avenue.
Length of front property line on Vanderbilt Avenue is 50'-4".
The depth of the property perpendicular to Vanderbilt Avenue is 70'-0".
The street fronting the property is pitched to drain through catch basins. The catch basins are part of the New York City storm water drainage system. They are in usable condition.

4. Drives,
Sidewalks and
Ramps:

The sidewalk fronting the property will be replaced with new concrete sidewalk pitched for drainage to the curb and is free of tripping hazard and ponding. The curb abutting the property is replaced with new concrete curb. Sidewalk lighting is provided primarily by the existing New York City light poles. Site lighting consists of standard, wall and/or pole mounted fixtures. Street lighting is provided by the City of New York subject to regulation of highway Department.

Other: There are no sidewalk vaults constructed for this job. The condominium does not need to obtain right-of-egress from an adjacent neighbor. 531 Vanderbilt is located near the intersection of Vanderbilt and Atlantic; there is some noise from the traffic on Atlantic, but there are no major sources of substantial noise in the immediate vicinity of the building. According to NYC DOB Property Profile Overview, environmental restrictions are not applicable for this building.

D.

Utilities

1. Electricity:

Electricity is provided by Consolidated Edison Company ("Con Edison"), or other service provider. The electricity to the Residential Section shall be separately metered by Con Edison or other service provider and paid for by the owner of such Unit. The cost of the electricity consumed in the balance of the Building (including the electricity required to power the A/C units and any supplemental electric heating elements or heaters located in same) is borne by the Residential Unit Owners as a Common Expense and be allocated to each as noted in the budget.

2. Gas:

Gas is provided by National Grid or other service provider. There is a common gas meter for all gas-powered appliances in the building. The cost of the gas consumed in the balance of the Building (including all gas used for cooking purposes in the Residential Units) is borne by the Residential Unit Owners as a Common Expense and be allocated to each as noted in the budget.

3. Water and Sewer:

Water supply and combined sewer servicing the building is provided by the City of New York. Water is collectively metered thru a main water meter.

4. Telephone:

"Local" telephone is provided by Verizon and/ or another service provider. Every unit Owner is required to pay their associated telephone charges and initial charges for activating individual outlets in the unit. The telephone charges with respect to the public areas of the Building are borne by all Unit Owners as a Common Expense.

6. Cable Television:

Cable Television service is provided by Time Warner Cable TV of New York and/ or another service provider. Every Residential Unit Owner who desires to obtain such service is required to pay the cable company for activating the wiring in their Unit and for installing appropriate outlets in the same. Thereafter, the Unit Owner is required to pay a monthly service charge to such service provider, which varies depending upon the services subscribed to by the Unit Owner.

E. Sub-Soil Conditions:

Soil test performed by Big Apple Testing Inc. dated March 15th, 2013 does not reveal any water up to a depth of 40ft. The soil test indicates grey and brown-grey sand, silt, gravel, and some masonry fill/debris up to a depth of 10ft. Between 10ft to 30ft, the soil test indicates black, reddish, brown, silty, fine sand, and sand and gravel. Therefore, the new foundation consists of concrete wall and spread footings for an allowable soil bearing capacity of 3 Tons/SF.

The building is not in or close to a flood zone according FEMA maps.

F. Landscaping & enclosures:

1. Grass Cover: The rear yard is comprised entirely of grass cover at grade. The garden at cellar is comprised entirely of concrete pavers.
2. Trees: There are two (2) new trees on the sidewalk of Vanderbilt Avenue as required by Quality Housing program Chapter 8 NYCBD. Trees are in compliance with Parks Department regulations and Highway Department regulations.
3. Fencing: There is a 6' fence on grade at rear yard separating the two limited common areas owned by the residential the two rear units at first floor.
4. Gates: There are no entry gates.
5. Garden Wall: There are no garden walls.
6. Retaining walls: There will be a retaining wall at rear portion of building at cellar level. Retaining wall will provide support for the rear garden at grade. Wall will be made of 12" thick reinforced concrete and will be 10'-0" high. Water will be directed by one (1) cast iron drain outlet at cellar garden. Removable decking will allow access to drain for cleaning and maintenance.
7. Display pools There are no display pools and/or fountains.

G. Building Size

1. Total height: The total height of the building from average sidewalk elevation to top of bulkhead roof elevation is 80'-4". Roof over elevator bulkhead is at 85'-4"
2. Crawl Space There is no crawl space.

3. Number of sub There is a cellar. There is no sub-cellar.
4. Number of floors: There are 7 floors above average grade

Cellar floor to 1 st floor	10'-0"
1 st floor to 2 nd floor	10'-0"
2 nd floor to 3 rd floor	10'-0"
3 rd floor to 4th floor	10'-0"
4th floor to 5th floor	10'-0"
5th floor to 6th floor	10'-0"
6th floor to 7th floor	10'-0"
7 th floor to roof	10'-0"
Roof to roof of stair bulkhead	10'-0"

5. Equipment Rooms: There is an elevator machine room at cellar level immediately adjacent to the elevator in the southerly direction. Elevator machine room is 4'-11" by 9'-11".

There is no boiler room; boilers are housed in the residential units. All utility and mechanical rooms are located at the westerly portion of the cellar and encompass a net area of approximately 225.75 SF not including the corridor. Bike storage is also found at cellar and encompasses a net area of 182.7 SF. Elevator is immediately adjacent to the elevator to the north and is 9'-11" x 4'-11". Trash compacter is also in the cellar and is 8'-11" x 14'-1".

6. Parapet: Top of parapet Kynar Aluminum (or approved equivalent) .032 coping is 3'-6" above finished roof.

H. Occupancy

1. There are 18 residential apartment units in the building.

I. Structural System:

1. Structural System:

The primary structure of 531 Vanderbilt Avenue is designed as a 7-story steel framing structure with light weight concrete slab on metal deck support by steel beams and columns.

The foundations sub-cellar and cellar consist of reinforced concrete foundation and spread footing. Slab on grade will be 4" reinforced concrete with vapor barrier underneath. Lateral framing for resisting wind and seismic forces and ordinary non-composite slab decking system.

Sound insulation will be provided at walls (R-11 insulation) and at ceilings (R-19 insulation).

There are no floors over open spaces.

Regarding water intrusion, metal flashing is provided at all copings and parapets. At brick walls, weep holes are placed immediately above all flashing and spaced 24 inches apart with open head joints, and 16 inches on center when round tubes are used.

The building has one hour fire-rated walls within in the units, which is comprised of 5/8" gypsum board fire code "C" wallboard fastened to steel studs. The building has two-hour fire rated walls around stairs, elevators, shafts, and at demising walls. These are comprised of two layers of 5/8" fire code "C" wallboard. The building has three-hour fire-rated walls at property line, which comprise of 8" concrete block, 2" of rigid insulation, one layer of stucco on the exterior, and 3" furring on the interior, which consists of steel studs at 16" O.C. with insulation in between and one layer of 5/8" gypsum wallboard.

Smoke hatches will be installed in accordance with the Building Code of New York State.

2. Exterior Walls:

- (i) Exterior walls facing street and rear yard has 4" face brick with 1 1/2" cavity behind supported by 6" solid reinforced concrete block and 2 1/2" thick fiberglass thermal insulation with R value = 11 and 5/8" gypsum board finish.
Front exterior wall has aluminum glass enclosure; aluminum panels are insulated with 6" thermal insulation and gypsum board enclosure. Other exterior walls facing side property lines have 8" reinforced concrete block with waterproofing and stucco finish and 2.5" 25 gauge stud wall with 2.5" thick fiberglass insulation R-11 thermal value and 5/8" gypsum board finish.

(ii) Windows:

Front facade comprises of fixed and tilt-and-turn operable windows providing light and ventilation to the front living rooms and bedrooms.

Rear facade consists of casement operable windows from first through fifth floor, and fixed windows at cellar garden. All windows made with factory glazed insulating glass.

Windows comply with structural performance, air infiltration, and water penetration requirements indicated in AAMA 101 for type, grade, and performance class of window units required.

Windows are manufactured by:

"Aluminex" or approved equivalent.

Window frame has extruded aluminum frame and is attached with anchored clips made of nonmagnetic aluminum. Insulated glass has have 1/4" outer lite and 1/4" inner lite of clear float glass and 1/2" dry air space which is hermetic seal.

Window grade and class shall comply with requirements of "AAMA" Grade and Performance Class DA-AW40.

The sponsor reserves the rights to provide windows by different manufacturers, which are equal to, or better than those listed.

There are no windows directly on lot line, however there is one window at the seventh floor in the bathroom. This window does not get credit for light and air as per the Index of Ventilation.

1 Year warranty for installation of windows,
10 years warranty on parts finish and insulated glass.

- (iii) The proposed building does not have Landmark status.

3. Parapets and

The parapets are masonry walls reinforced with

Copings: vertical corrosion resistant dowels embedded into the concrete slab and brick cavity walls. The parapet coping is aluminum.

4. Chimney and Caps The building has no chimneys. There are ducted ventilation shafts for toilet and kitchen exhausts that are located adjacent to bathrooms. These are exhausted on the roof and terminate immediately adjacent to the elevator bulkhead in the northerly direction.

5. Balconies and Terraces:

(i) Deck finish:

The garden appurtenant to the rear cellar unit, as well as the terrace appurtenant to the seventh floor unit as well as the roof, will have concrete pavers on adjustable pedestals that shall be fabricated to resist freeze, thaw cycle.

(ii) Balustrade:

There are no balustrades.

(iii) Railings:

Railings at apartment terraces are made of painted steel $\frac{1}{2}$ " x $\frac{1}{2}$ " square bars or round located 4" on center.

(iv) Copings:

Metal coping 12" wide x 48" is installed on parapet at 7th floor penthouse, roof, and bulkhead.

(v) Soffits: There are no soffits.

Doors to terraces:

Cellar has a fully-glazed swinging glass door to provide access to garden at rear. Rear apartments of the B line at floors 2nd thru 6th have two (2) fully-glazed swinging doors to provide access to balconies. All doors at terraces, gardens, and balconies manufactured with factory glazed tempered insulating glass.

There are three (3) fully-glazed swinging doors at seventh floor that lead out to terraces. Two doors are located leading out to the rear terrace, and one leads out to the front terrace.

All doors to terraces and gardens will be aluminum. Frames shall be SWD-AW 40 and fabricated from extruded aluminum with minimum thickness of 0.125". Doors shall be $1 \frac{3}{4}$ " thick and shall be factory finish.

Doors have 5/8" thick tempered insulated glass with tinted exterior finish. Frames are thermal broken.

Doors manufactured by:

"Aluminex" (or approved equivalent) and has patio lockset or latchset, door stop, water tight slip resistant aluminum threshold.

All terraces shall have a floor drains connected to the storm riser. Roof will be pitching toward the floor drain with up to 2 degree slope, perimeter edge drip will be provided.

All copings will have corrosion-resistant anchors.

Balconies and terrace doors will have same warranty as windows:

1 Year warranty for installation.

10 years warranty on parts finish and insulated glass.

All exterior metals are corrosion-resistant (stainless steel / Galvanized Steel / Aluminum).

6. Exterior Entrances

(i) Exterior Doors and Frames:

The primary entrance to the residential lobby from Vanderbilt Avenue has a double swing door. Door is manufactured by "Herculite" or approved equal, made with Aluminum Bottom, top rail 36" stainless steel pull/push handles 1/2" temp cl.

Hardware for the main residential entrance manufactured by: "McKinney" or approved equivalent and includes:

Continuous Hinge	MCK-FM300
Mortise Lock (storeroom)	AUR 8805FL MK
Surface Closer	4400
Threshold	255x5AFG
Gasketing	2891AS
Door Bottom	434ARL

There is an exit door at first floor. Hardware for this door is manufactured by: "McKinney" or approved equivalent and includes:

Continuous Hinge	MCK-FM300 Security Studs
Exit Device (rim,	7150F EO ECK1
Surface Closer	UNI8501 M
Threshold	255x5AFG
Gasketing	2891AS
Door Bottom	434ARL

(ii) Exterior Stairs:

There is a concrete stair that leads from cellar garden to rear yard at first floor. It is a straight run with 16 risers.

(iii) Railings:

Railings made of 1 1/2 "x 1 1/2" steel tube supported on 2" diameter steel pipes welded to bottom rail guard.

(iv) Mail Boxes:

Mail boxes made of gray extruded aluminum and approved by the US Postal Service.

Mailing distributed by the US Postal Service. Mailboxes located at front of building outside of entrance.

(v) Lighting:

Residential lobby entrance:

There are is one exterior light fixtures at entrance to residential lobby.

Exterior grade, wall-mounted compact fluorescent.

Residential lobby:

Residential lobby has (5) five surface-mounted lights. They are Lightolier #6750WH213U.

Public Corridors: Public corridors have three (3) surface-mounted lights per floor. They are Lightolier #6750WH213U. Building stair has two (2) surface-mounted flights per floor, one at the each floor, one at each intermediate landing.

Lighting used for residential unit consists of Halo 4" recessed can high-hats (see quantities below), and one (1) standard Hinkley vanity light, model #Envy 5913CM in every bathroom.

Residential Units:

1A (studio) - 6 at living room, 2 at Bath, 1 at Kitchen

1B duplex (1 Bdrm) - 6 at living room, 6 at cellar recreation area, 2 at full bath, 1 at kitchen, 1 at stairs, 1 at half bath, 1 at W/D room, 1 at bedroom

1C duplex (1 Bdrm) - 6 at living Room, 6 at cellar, 2 at full bath, 1 at kitchen, 1 at stairs, 1 at half bath, 1 t W/D room, 1 t bedroom

2A, 3A, 4A, 5A (1 Bdrm) - 6 at living room, 2 at bath, 1 at bedroom, 1 at kitchen, 1 near closet

2B, 3B, 4B, 5B (1 Bdrm) - 6 at living room, 1 at bath, 1 at bedroom, 1 at kitchen, 1 near closet

2C, 3C, 4C, 5C (Studio) - 6 at living room, 2 at Bath, 1 at kitchen, 1 at W/D room

6A (1 Bdrm) - 6 at living room, 1 at bath, 1 kitchen, 1 bedroom

6B (1 Bdrm) - 6 at living room, 2 at Bath, 1 at kitchen, 1 at bedroom

6C (penthouse) - 3 at master bdrm, 3 at master bath, 1 at shower (m. Bath)
7th floor - 6 at living room, 3 at kitchen, 2 bath, 1 bedroom, 1 stairs

(vi) **Canopies:**

There are no canopies.

7. Service Entrances:

There is no service entrance.

8. Roof and Roof Structures:

- (i) **Material:**
Firestone EPDM. The roofing manufactured by the following: Firestone Corp, or approved equal.
Roofing system has:
Primer: asphalt, cut-back primer.
Ply felts: Four plies of asphalt-impregnated, glass-fiber felts.
Bitumen: Roofing asphalt.

Roof warranty is to cover everything needed in order to repair the roof or replace the whole Roof to a new Roof with the same characteristics. The time period for said warranty is ten (10) years.

- a) **Flashing Material:** Roof flashing has a metal flashing sheet metal made of aluminum .032.

Drains:

Cast iron drains provided, which discharge through internal leaders into the building storm systems. Cast iron drains have double inlets for overflow.

Mechanical equipment were placed on rubber pads to prevent vibration.

Roof warranty is to cover everything needed in order to repair the roof or replace the whole roof to a new roof with the same characteristics.

- (ii) **Skylights:** There are no skylights.
- (iii) **Stair Bulkheads:** (see below)
Stair bulkhead exterior walls consist of 8" concrete block along property line and stucco finish at all other sides. The interior walls consist of 25 gauge steel studs with two layers of G.B. fire code on stair side.

- (v) **Metal Work at Roof Levels**

- a) **Exterior Metal Stairs:**
There are no metal stairs at roof levels.
- b) **Hatches to roof:** There .
are no hatches to roof.

Stair Bulkhead:

Stair bulkhead exterior walls consist of 8" concrete block along property line side and rear wall side with stucco finish at all other sides. The interior walls consist of 25 gauge steel studs with two layers of G.B. fire code on each side.

10. Yards and Courts:

- (i) For each apartment, cellar garden is 23'-5" wide by 14'-0" deep. Exterior rear yard at grade is 24'-6" wide by 15'-0". The rear yard is comprised entirely of grass cover with a few scatter plantings, and the garden at cellar is completely comprised of 2'x2' concrete pavers. There is a 6' fence that surrounds the property at rear and separates the rear yards for each unit.
- (ii) Paving: There is no paving in the rear yard other than the garden at cellar.
- (iii) Drainage:
There is one area drain: cast iron drain with underground drain connected to building drainage system.
- (vi) Exterior Stairs:
There is a concrete stair that leads from cellar garden to rear yard at first floor. It is a straight run with 16 risers.
- (vii) Railings:
Railings made of 1 1/2 "x 1 1/2" steel tube supported on 2" diameter steel pipes welded to bottom rail guard.
- (iv) There is fence at rear yard separating the two limited common areas owned by the residential units at 1st floor and 2nd floor heretofore specified. The 6' high wood fence sits on grade in the rear yard.
- (vi) Walls:
There will be a retaining wall at rear portion of buildings cellar level. Retaining wall will provide support for the rear garden at grade. Wall will be made of 12" thick reinforced concrete and will be 10'-0" high. Water will be directed by two (2) cast iron drain outlets, one in each garden. Removable decking will allow access to drain for cleaning and maintenance.

11. Interior Stairs:

- i) There are two (2) interior, two-hour fire rated stairs, which act as two (2) separate means of egress in the form of a "scissor stair" located at northwest corner of the

building. Stair extends from lowest level at cellar floor to main roof.

- ii) **Enclosure:**
Enclosure of interior stairs made of 25 gauge steel studs, 16" on center with double layer of 5/8" fire code gypsum board on each side. Finish gypsum board spackled and painted. All doors at stair enclosure have a 1 1/2" fire rating and have self-closing device.
- iii) **Construction:** Stair is made of steel pan stairs with reinforced cement fill.
- iv) **Stringers:** Stringers are made of steel channels 1 1/2" wide 12" deep and 1/4" thick.
- v) **Threads:** Reinforced cement 1 1/2" thick.
- vi) **Risers:** Risers are made of steel pan 1/4" thick and are approximately 7.5" high.
- vii) **Guard Rails:** made of 1 1/2" x 1 1/2" steel tubes.
- viii) **Balustrades:** made of 1/2" round steel bars located 4" O.C.

12. Interior doors and frames:

Manufacturer's Abbreviations

- 1. MK - McKinney
- 2. YA - Yale
- 3. RO - Rockwood
- 4. RF - Rixson
- 5. NO - Norton
- 6. PE - Pemko
- 7. AX - Auth-Chimes

- (i) **Unit entrance:**
Hollow metal door and frame made of 16 gauge sheet metal.
Door is manufactured by:
"International Fire Door" or approved equal.
Door hardware includes:

3 Hinge (spring)	1502 4-1/2" x 4-1/2"
1 Access Control Lockset	Schlage Mortise Lock
1 Threshold	as per architect detail
1 Sweep	368CN
1 Chime Interviewer	Harney Hardware
1 Door Guard	604

1 Protection Plate

605SMS

(ii) Corridor and Stair Hall doors and frames:

Hollow metal door and frame made of 16 gauge sheet metal.

Door is manufactured by:

"International Fire Door" or approved equal.

3 Hinge

TA2714 4-1/2" x 4-1/2"

1 Mortise Lock (passage)

AUR 8801FL

1 Surface Closer

8501 M

1 Wall Stop

403

1 Threshold

as per architect detail

1 Gasketing

S773BL

(iii) Bike Storage:

Hollow metal door and frame made of 16 gauge sheet metal.

Door is manufactured by:

"International Fire Door" or approved equal.

3 Hinge

TA2714 4-1/2" x 4-1/2"

1 Access Control Lockset

Schlage Mortise Lock

1 Surface Closer

8501 M

1 Wall Stop

403

1 Threshold

as per architect detail

1 Gasketing

S773BL

(iv) Refuse Room:

Hollow metal door and frame made of 16 gauge sheet metal.

Door is manufactured by:

"International Fire Door" or approved equal.

3 Hinge

TA2714 4-1/2" x 4-1/2"

1 Mortise Lock (passage)

AUR 8801FL

1 Surface Closer

8501 M

1 Wall Stop

403

1 Threshold

as per architect detail

1 Gasketing

S773BL

(v) Building Storage:

Hollow metal door and frame made of 16 gauge sheet metal.

Door is manufactured by:

"International Fire Door" or approved equal.

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Mortise Lock (storeroom)	AUR 8805FL MK
1 Surface Closer	8501 M
1 Wall Stop	403
1 Threshold	as per architect detail
1 Gasketing	S773BL

(vi) Gas Meter Room:

Hollow metal door and frame made of 16 gauge sheet metal.

Door is manufactured by:

"International Fire Door" or approved equal.

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Mortise Lock (storeroom)	Schlage Mortise Lock
1 Concealed Overhead Stop	6-X36
1 Surface Closer	8501 M
1 Threshold	as per architect detail
1 Gasketing	S773BL

***** Doors to bedrooms/bathrooms:**

Free-hung wood door with marble saddle (at bathrooms only) finished with paint or wood veneer.

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Tubular Lock	Kwikset Halifax

Single closet door:

Solid wood door with marble saddle (at bathrooms only) finished with paint or wood veneer.

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Tubular Lock	Kwikset Halifax

Pair Closet:

Solid wood door with marble saddle (at bathrooms only) finished with paint or wood veneer.

6 Hinge

TA2714 4-1/2" x 4-1/2"

2 Tubular Lock

Kwikset Halifax

(iv) Roof doors and frames:

Hollow metal door made of 16 gauge sheet metal, frame is made of 14 gauge sheet metal.

"Ace Fire Door" or approved equal.

Door hardware includes:

Lockset	Detex Push Bar
Closer	Spring Hinge
Perimeter Seal	5050
Exit Alarm	DETEX ECL230

There is no H/C lift.

Elevator - Electric Gear Less Elevator

Quantity One (1) Gearless Elevator

Manufacturer: HM Tec MRL Elevator.

Capacity 2000 pounds

Speed 200 F.P.M

Travel 80'-8" H

Landings and Openings Eight (8) stops, front

Hoistway 8'-8" wide x 5'-10" deep

Clear Cab Inside 7'-0" wide x 5'-1" deep

Door Operator GAL MOVFR

Door Opening 3'-0" x 7'-0"

Cab Finish SS#4

Return & Transom

Finish	SS#4 - 2'-6" x 3"
Handrail	Type HMR22 / application: rear wall
Cab Height	7'-10"
Hoistway Entrance	3'-0" wide x 7'-0" high
Cab Door Type	Single speed
Cab Door Hand:	Right
Cab Door Finish	SS#4
Door Protection	Multi-beam
Flooring Thickness	5/8"
Car Sill	Aluminum
Ventilation	2 Speed Fan 50 CFM for bathrooms 120 CFM for kitchens
Door Operation	GAL MOVFR

The management company will establish elevator maintenance contract.

Refuse Disposal:

Auxiliary Facilities

The building has refuse disposal and trash chute on every floor with a trash compactor in the cellar. All refuse rooms and trash compactor rooms are equipped with sprinklers.

Laundry Room:

There will be no laundry facility; there are hook-ups for future stackable washer/dryers (vent-less) in each unit to be provided by unit owner.

Bike Storage:

There is bike storage in the cellar with a net area of 182 Square Feet. Bike storage room is equipped with sprinklers.

J. Plumbing and Fire Protection

1. Water Supply: hot & cold water piping shall be insulated throughout with copper fiberglass 1.5" thick for pipes up to 1.5" in diameter and 2" thick for larger pipes.
 - (i) A 3" domestic water service with 3" meter and BFP with a curb valve connected to the city water main on Vanderbilt Avenue. The water service

extended to the Water Meter Room.

- (ii) The water supply extended to a 4" sprinklered backflow preventer from which the cold supply connected to the sprinkler system.
- (iii) Local domestic water heaters supply hot water to the apartments. Hot water heater – A.O. Smith Model #ECT-120 or approved equivalent. The sponsor reserves the right to provide hot water heater by different manufacturers, which are equal to or better than those listed above.
- (iv) The domestic hot water temperature to all fixtures 120 deg. F.
- (vi) Flow conservation devices provided on all water supplies to all showers.
- (vii) Backflow preventer and vacuum breakers provided as required to protect the domestic water supply.
- (viii) The cold, hot piping copper Type 1' with 95-5 solder joints and has been insulated to comply with NYS ECCC with 1.5" thick for pipe 1.5 diameter or less and 2" for larger pipe.
- (ix) All water risers provided with control valves.
- (x) The water pressure in the domestic water system limited to 85 psig by means of pressure monitoring device.
- (xi) Water conservation plumbing fixtures provided.

Main shut-off valve located at cellar in water service room.

2. Sanitary Sewage System:

- (i) Complete Sanitary drainage system conveys all soil and waste from plumbing fixtures and drains. The sanitary system is designed for gravity flow through vented branches, stacks, and Sanitary piping above ground cast iron piping with no-hub fitting pipe.

The sanitary drainage flows to the city public sewer system.

3. Storm drainage System:

- (ii) A storm water drainage system conveys storm water drainage from the building roof, and all paved areas.
- (iii) An independent storm water house sewer connected and combined with the

sanitary house sewer at the foundation wall and flows to the existing combined street sewer at Vanderbilt Avenue. There are no catch basins on the site.

- (iv) There shall be at least one (1) drain for each roof or paved drainage area.
- (v) The piping material is cast iron with no-hub joints.

4. Domestic Hot Water

Domestic hot water for each apartment is generated by individual electric water heaters.

A.O. Smith 50 Gal electric water heater / Or Equivalent
Energy Factor: 0.91
Thermal Efficiency: 98%

5. Oil Tank
Not applicable

6. Gas Supply

Gas supplied by National Grid and utilized for cooking in the residential units. Each res. unit has a separate gas riser and gas meter.

Type - natural gas
Meters - gas meter for each residential unit
Piping - black steel

7. Fire Protection System:

- (i) 4" dedicated water with 4" double check detector assembly with bypass meter.
- (ii) Sprinkler riser located in the stair and serves the sprinkler system on each floor. The pipe material is black steel.
- (iii) Sprinklers provided throughout the building except for residential toilet rooms and closets. The sprinkler system supplied from the sprinkler system riser.

In all finished areas without ceilings, upright heads provided. In all finished areas with hung ceiling, the heads flush type concealed heads with plates. Approved sidewall type heads are also provided as permitted by NYC Building Code. The sprinkler system designed for light and ordinary hazard occupancy.

The secondary source of water supply provided from the sprinkler system flush type Siamese facing Vanderbilt Avenue.

8. Permits Required:

Permit sign-offs to be obtained prior to obtaining

- Plumbing, sewer, water and gas
- Sprinkler

K. Heating

1. Space heating

(i). The heating system designed to maintain a temperature of 72 deg.F. indoor; when outdoor temperature is 5 deg.F. under normal conditions as per NYCECCC Section 302.1.

(ii). Heating of spaces within each unit provided by individual Dakin Heat Pumps.

(iii). The heating in the public spaces provided by electric cabinet heaters. Manufacturer: QMARK or approved equal.

M. Air Conditioning

Cooling of spaces within each unit provided by Daikin Heat Pumps. One (1) condensing unit per apartment with appropriate number of air handlers. Cooling system designed to maintain a temperature of 75 degrees F indoor when outdoor temperature is 90 degree F under normal conditions.

Condensing units will be placed on the bulkhead as per approved plans by the DOB, attached HVAC units schedule. Rooftop piping will be insulated as per NYC building Code.

N. Ventilation

(i) Bathrooms and kitchens are all provided with separate forced mechanical ventilation as required by code. For kitchens, minimum required mechanical ventilation by code is 120 cubic feet per minute, in bathrooms minimum required mechanical ventilation by code is 50 cubic feet per minute. All kitchens and bathrooms comply with ventilation requirements.

(iii) Corridors ventilated.

(iv) Apartments ventilated via exhausts from toilets and kitchens.

O. Electrical

- i) Electrical service provided by Con Edison Co. at 120/208V, 3 phase, 4 wire to electric service switch board and distribution panels throughout the building. The service as follows:
 - a) 400 amp for house panels and 100 amp for apartment units electrical requirement.
 - b) Typical apartment unit: 42 circuits, 120/208V circuit panel – 20 amps. 30 amps, and 208 Volts for circuits for Air Conditioners and Electric Dryers.
 - c) Common Area = 200 amp 120/208V circuit panel.
 - d) AFCI & GFCI are provided as per applicable NEC requirements.
- ii) The service to each residential unit 60hz. 120/208V Ac, 3 wire. Electric service supplied to each residential unit via tenants meter located in the electrical room at the Cellar.
- iii) The main service equipment fuseable switches as required by code: 1200 or larger ampere switches shall be bolted pressure switches for service use. Main fuses vary in rating the size of fuses shall be to suit the loads served.
- iv) All residential units are designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by the NYC electrical code.
- v) Switched lighting fixtures provided in bathrooms, walk-in closets, foyers and kitchens. Switched receptacles are provided in bedrooms. Fixtures are incandescent type in foyers dining areas, and walk-in closets and kitchens. 3-way switches are provided at cellar wherever there is a staircase.
- vi) 20 amp, 120V circuits have been provided to handle lighting and general purpose receptacles.
- vii) 20 amp, 120V circuits have been provided in the kitchen area for 120 v kitchen appliances.
- viii) Receptacles are provided in all rooms (average five (4) per room). Ground fault circuits are provided in bathrooms.

Tamper resistant receptacles will be provided for children play areas.

Water resistant GFI receptacles will be used for exterior areas.

3-way switch will be installed only for the stairs light fixture on a duplex apartment.

Manufacturer model and number for light fixture as per design package.

No backup emergency generator will be provided.

P. Audio/video intercom and buzzer service.

- i) The building equipped with an intercom and video camera.

Manufacturer: Aiphone
Apartment Station Model # AJ-GH1KD
Outside Station Model # AJ-GF4P

Camera Model # AJ-GHCOLOR

Q. TV reception facilities and telephone services

- i) Cable television service available to each tenant on an individual subscription basis (separate charge).
- ii) Location of outlets: Living room and in each bedroom.
- iii) The building prewired for telephone services. A jack located in the living room, bedroom and kitchen of each unit.

R. Common Area Lighting

- i) All lighting in common areas except the vestibule and lobby ceiling and/or wall mounted incandescent or fluorescent fixtures. Lighting for the vestibule and lobby recessed ceiling mounted fixtures and wall mounted decorative lighting sconces.
- ii) Lighting in cellar mechanical spaces and storage rooms fluorescent.

S. Smoke detectors

- i) Photoelectric type smoke detectors & combination CO detector, hard wired, with battery backup, 120 volt provided in each apartment. Maintenance of safety and warning devices is the responsibility of the unit owner.

T. Inspections

- i) Conducted concurrently with construction with final sign-off at the issuance of the Certificate of Occupancy.

- Construction
- Structure
- Elevator
- Mechanical And Plumbing
- Boiler
- Electrical
- Air Resources
- Fire Department

Government agencies affiliated with review and approval for Certificate of Occupancy include: Department of Buildings, Parks Department, Department of Highway, Attorney General, Department of Finance, and Department of Transportation.

Special inspections for this job were performed by Soorjbally Harilall of Big Apple Testing for soil. Special inspections for this job were performed by Edwin De Guzman of Quality Control Laboratories for mechanical systems and sprinkler systems. Progress inspections for this job were

performed by Ching Pong Edwin Cheuk of Quality Control Laboratories LLC for concrete, masonry, soils, excavation, site storm drainage disposal and detention system installation, fire stopping, draft-stop and fire blocking systems. Progress inspections for this job were performed by Herminigildo Marcos of Quality Control Laboratories LLC for protection of foundation insulation, insulation placement and R values, fenestration thermal values and ratings, air leakage, fenestration areas, air sealing and insulation, vestibules, electrical metering, lighting in dwelling units, interior lighting power, exterior lighting power, lighting controls, exit signs, maintenance information, and energy code compliance.

U. Violations

There are currently no outstanding DOB violations on the property. There is currently five (5) open ECB violations on the property.

ECB NUMBER	CONDITION	DATE	REQUIRED WORK
35089009H	Construction deviation from work described in variance #35089009H.	2/22/2014	Correct deviation to match, fines to be paid: \$400.00
35092664L	Failure to comply with NYC fire code; no fire watch on site.	5/20/2014	Stop welding and provide fire watch per code, fines to be paid: \$800
35092663J	Failure to have welder's license at time of inspection.	5/20/2014	Stop work until license is obtained.
35092665N	Scaffold use without scaffold user certificate at time of inspection.	5/20/2014	Stop work until scaffolding license is provided.
35092666P	Failure to safeguard; rebar caps missing on all floors.	5/20/2014	Safeguard all public and properties.

Partial stop work order placed until missing permits and licensees mentioned above are provided.

The owner will resolve all violations prior to approval.

- i) Searches have been requested of the following agencies to determine if any pending violations exist:

- NYC Fire Department
- NYC Department of Air Resources
- NYC Certificate of Inspection

V. Unit Information

Materials/Finishes

Wood/Trims	Manufacturer	Model#
Baseboard	Dykes Lumber	355
Door casing	Dykes Lumber	425
Doors	Supa Door	#100
Paints/Stains	Manufacturer	SKU#
Walls	Sherwin Williams	7006
Wood trim/doors	Sherwin Williams	7020
Ceiling	Sherwin Williams	7007
Wood floor finish	Bonaseal, Bona Traffic	
Stone/Tile	Manufacturer	Model#
Standard Bath Tile (Floor)	Design Industry,	LE67
Standard Bath Tile (Wall)	Colossae Limestone	
Lower level recreation floor	Florim USA	1095086 Urban Wood
Saddle	Pricestone	
Master Bath Tile (floor, shower floor, wall)	Oyster Gray	
Master Bath backsplash/back shower wall	Dove Mix	
Half Bath Tile (floor, ½ wall, wall finish)	Oyster Gray	
Saddle	Pricestone	
Kitchen Backsplash	Casalgrande padana	Metal wood
(all) Grout	Super-Tek	

Kitchen

Appliance	Manufacturer	Model#
Kitchen Faucet	Danze	D454542 COMO S
Single Oven	Bertazzoni Professional Series	F24 PRO XV
Hood	Summit Ultra Series	Summit ULT2824SS
Refridgerator	Fisher & Paykel Active Smart	RF135BDLUX4
Dishwasher	Bosch 300 DLX Series	Bosch SPV5ES53UC
Washer/Dryer	**Only hook-up provided by sponsor**	
Ceramic Glass Cooktop	Bertazzoni Professional Series	
Cabinet	MC-KITCHEN	
Countertops	Caesarstone	5003
Hood	Summit Ultra Series	Summit ULT2824SS

Bath

Appliances	Manufacturer	Model#
Toilet	Aquia II close coupled toilet with soft close seat	CST416M
Tub	Darius Design	
Pedestal Sink	Toto	LPT241G-01
Medicine Cabinet	Maax	Element Single View; SV2430
Vanity Sink Faucet	Danze	Como DD221542

X. Fire and/or Smoke Safety Devices

Apartment Smoke Detection System

Each apartment contains combined smoke/carbon monoxide detectors located in the vicinity of the bedrooms. Manufacturer: 1st Alert, Model # SCO1BN or equal. The detector is wired to a 120 volt local power supply and is self-contained with its own sounding device with battery backup. The sponsor reserves the rights to provide combined smoke/carbon monoxide detectors by different manufacturers, which are equal to, or better than those listed.

Brent M. Porter
Brent Porter, R.A.

Sworn before me this 13th day
Of October, 2014

Lesley Liarikos
Notary Public

LESLEY LIARIKOS
Notary Public, State of New York
No. 01L161922080
Qualified in New York County
Commission Expires Aug. 25, 2016



VANDERBILT AVENUE
(80' WIDE)

NEW TREES
LOCATION TO BE
DETERMINED BY PARKS DEPT

SITE PLAN

SCALE: 1/16" = 1'-0"

BLOCK: 2010
LOT: 5 & 6
MAP: 16c
ZONING: R7A
CONSTRUCTION CLASS 1B

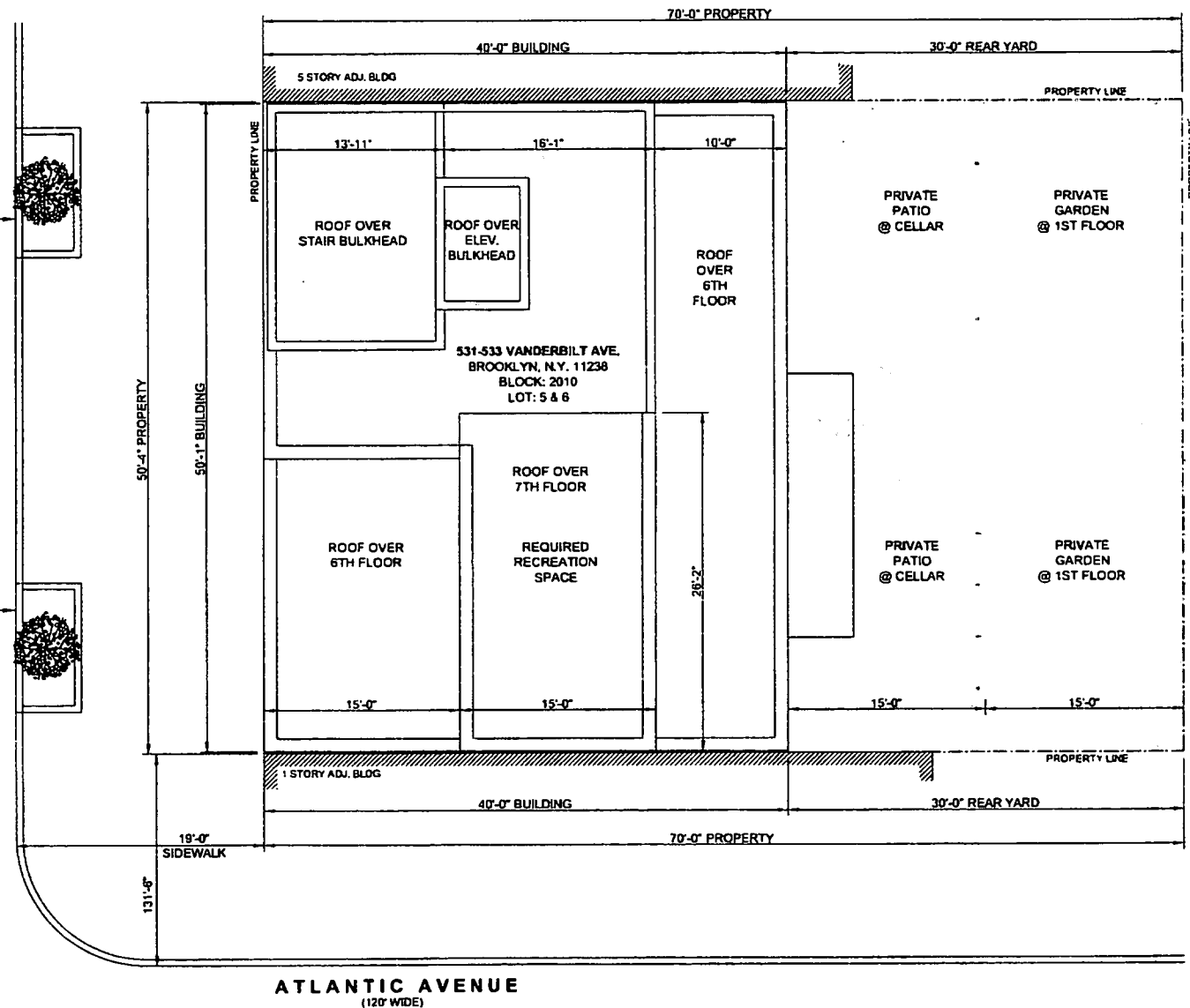
VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

SITE PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.



0' 8' 16' 24'
SCALE:

ELEVATOR BULKHEAD
T.O.C. EL. +138.73 (+85'-4")

STAIR BULKHEAD
T.O.C. EL. +131.73 (+80'-4")

ROOF
T.O.C. EL. +141.73 (+83'-4")

7TH FLOOR
T.O.C. EL. +131.73 (+80'-4")

6TH FLOOR
T.O.C. EL. +121.73 (+70'-4")

5TH FLOOR
T.O.C. EL. +111.73 (+60'-4")

4TH FLOOR
T.O.C. EL. +101.73 (+50'-4")

3RD FLOOR
T.O.C. EL. +91.73 (+40'-4")

2ND FLOOR
T.O.C. EL. +81.73 (+30'-4")

1ST FLOOR
T.O.C. EL. +71.73 (+20'-4")

CELLAR
T.O.C. EL. +62.06 (+20'-6")

ELEVATOR PIT
T.O.C. EL. +57.06 (+18'-6")

SCALE:

0' 8' 16' 24'

VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

ISSAC & STERN ARCHITECTS, P.C.
DATE: SEPTEMBER, 2014

ELEVATIONS

FRONT ELEVATION

REAR ELEVATION

SECTION A

531 VANDERBILT STREET CONDOMINIUM

VANDERBILT UPREAL, LLC.

304 MALCOLM X. BLVD., BROOKLYN, NY 11233

DESCRIPTION OF UNITS

FLOOR		GROSS AREA	COMMON AREA	APARTMENT	APARTMENT AREA	DUPLEX	BEDROOMS	BATHROOMS	TOILET ROOM	YARD/GARDEN	YARD/GARDEN SQ. FT.	BALCONY	BALCONY SQ. FT.	TERRACE	TERRACE SQ. FT.	LIMITED COMMON AREA (LCA)	LCA SQ. FT.
CELLAR		2,003.33	1,126.6	1B	450.10	LL	0	0	1	YES	284.4	NO		NO			
				1C	427.60	LL	0	0	1	YES	284.4	NO		NO			568.8
FIRST		2,003.33	562.6	1A	411.37		1	1	0	NO		NO		NO			
				1B	489.55	UL	1	1	0	YES	413.5	NO		NO			
				1C	539.80	UL	1	1	0	YES	413.5	NO		NO			827.0
SECOND		2,003.33	461.3	2A	564.26		1	1	0	NO		NO		NO			
				2B	567.83		1	1	0	NO		NO		NO			
				2C	409.92		0	1	0	NO		NO		NO			
THIRD		2,003.33	461.3	3A	564.26		1	1	0	NO		NO		NO			
				3B	567.83		1	1	0	NO		YES	103.3	NO			
				3C	409.92		0	1	0	NO		NO		NO			103.3
FOURTH		2,003.33	461.3	4A	564.26		1	1	0	NO		NO		NO			
				4B	567.83		1	1	0	NO		YES	103.3	NO			
				4C	409.92		0	1	0	NO		NO		NO			103.3
FIFTH		2,003.33	461.3	5A	564.26		1	1	0	NO		NO		NO			
				5B	567.33		1	1	0	NO		YES	103.3	NO			
				5C	409.92		0	1	0	NO		NO		NO			103.3
SIXTH		2,003.33	445.1	6A	563.44		1	1	0	NO		NO		NO			
				6B	545.63		1	1	0	NO		YES	103.3	NO			
				6C	449.17	LL	1	1	0	NO		NO		NO			103.3
SEVENTH		1,161.87	385.2	6C	776.67	UL	1	1	0	NO		NO		YES	303.9		
															432.8		736.7
ROOF		323.53	1,152.8														
BULKHEAD		0.00	385.2														
TOTAL		7,495.4	3,367.0	18	10,820.87		15	19	2								2,545.7

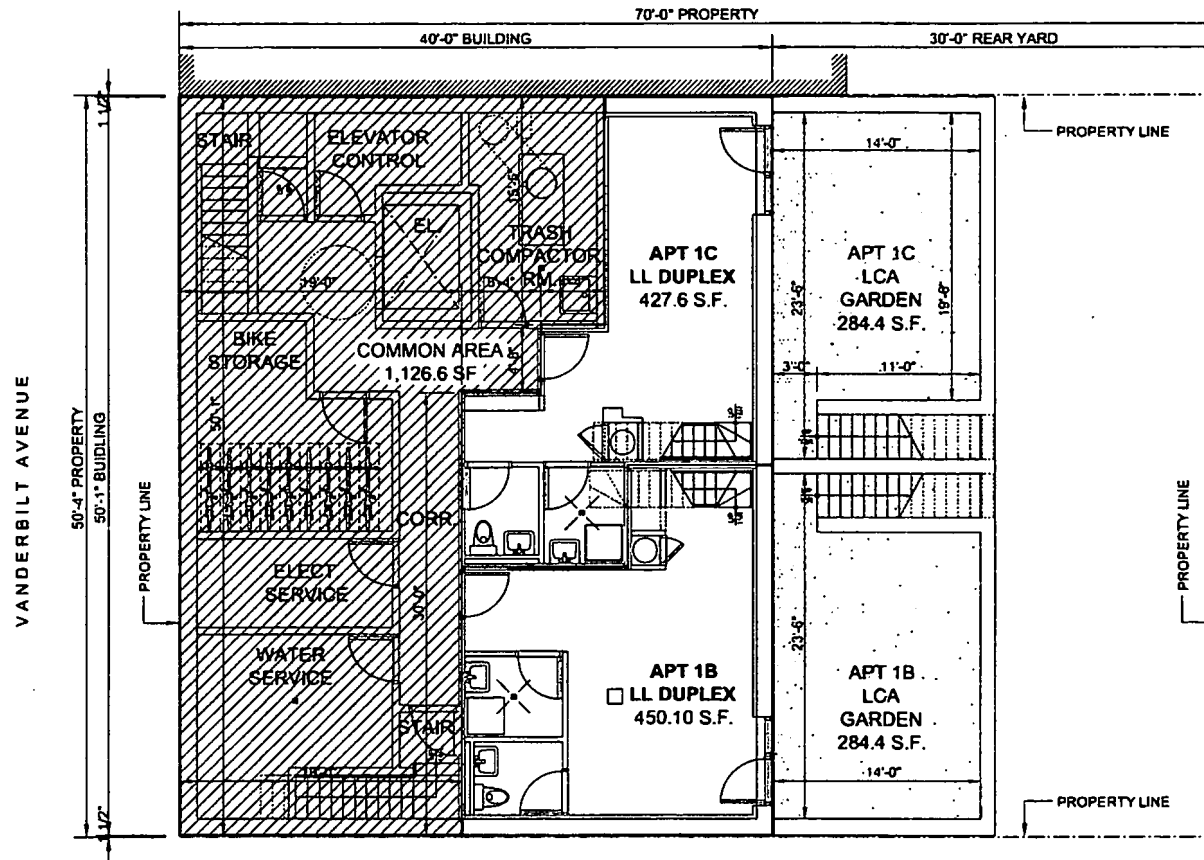
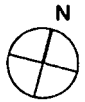
PREPARED BY BRENT M. PORTER ARCHITECT AND ASSOCIATES

DATE: SEPTEMBER 2014

FORMULA: (UNIT AREA X 100) DIVIDED BY TOTAL OF UNITS AREA = PERCENTAGE OF COMMON INTEREST

531 VANDERBILT
CONDOMINIUM

VANDERBILT UPREAL, LLC



VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

CELLAR PLAN
GROSS AREA = 2,003.33 S.F.

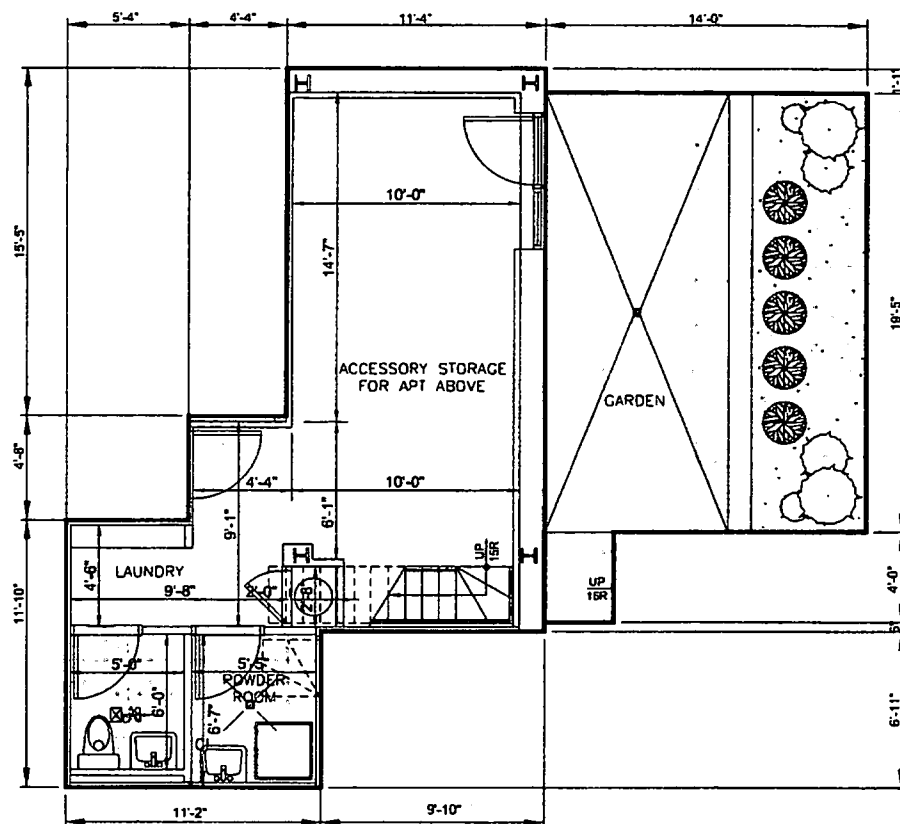
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.



COMMON AREA = 1,126.6 S.F.

LIMITED COMMON AREA = 566.8 S.F.

0' 8' 16' 24'
SCALE:



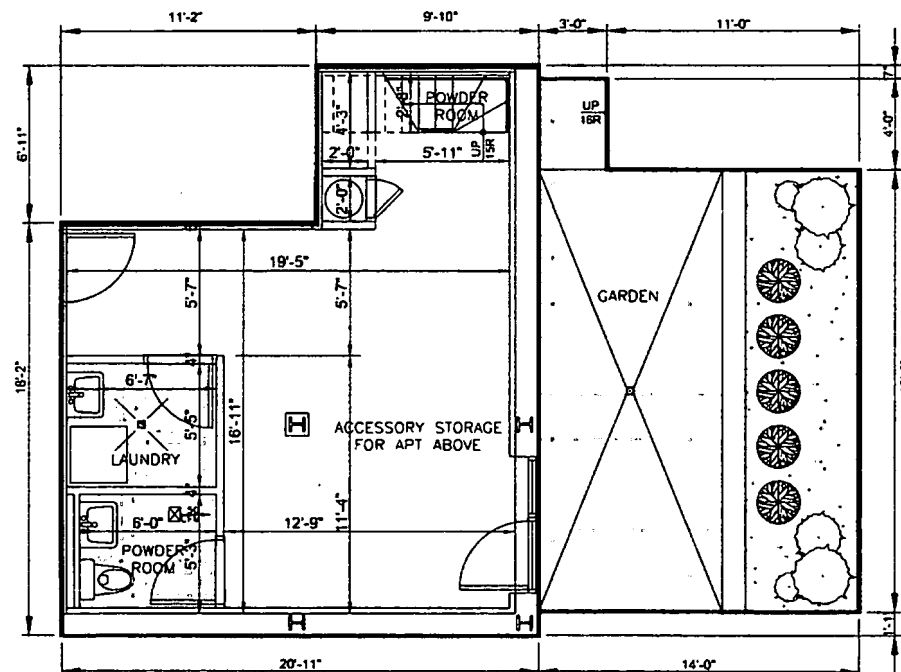
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

CELLAR FLOOR
APT. 1C LOWER LEVEL - DUPLEX
0 BED / 1 P.R.
AREA = 427.6 S.F.
EXTERIOR AREA = 284.4 S.F.

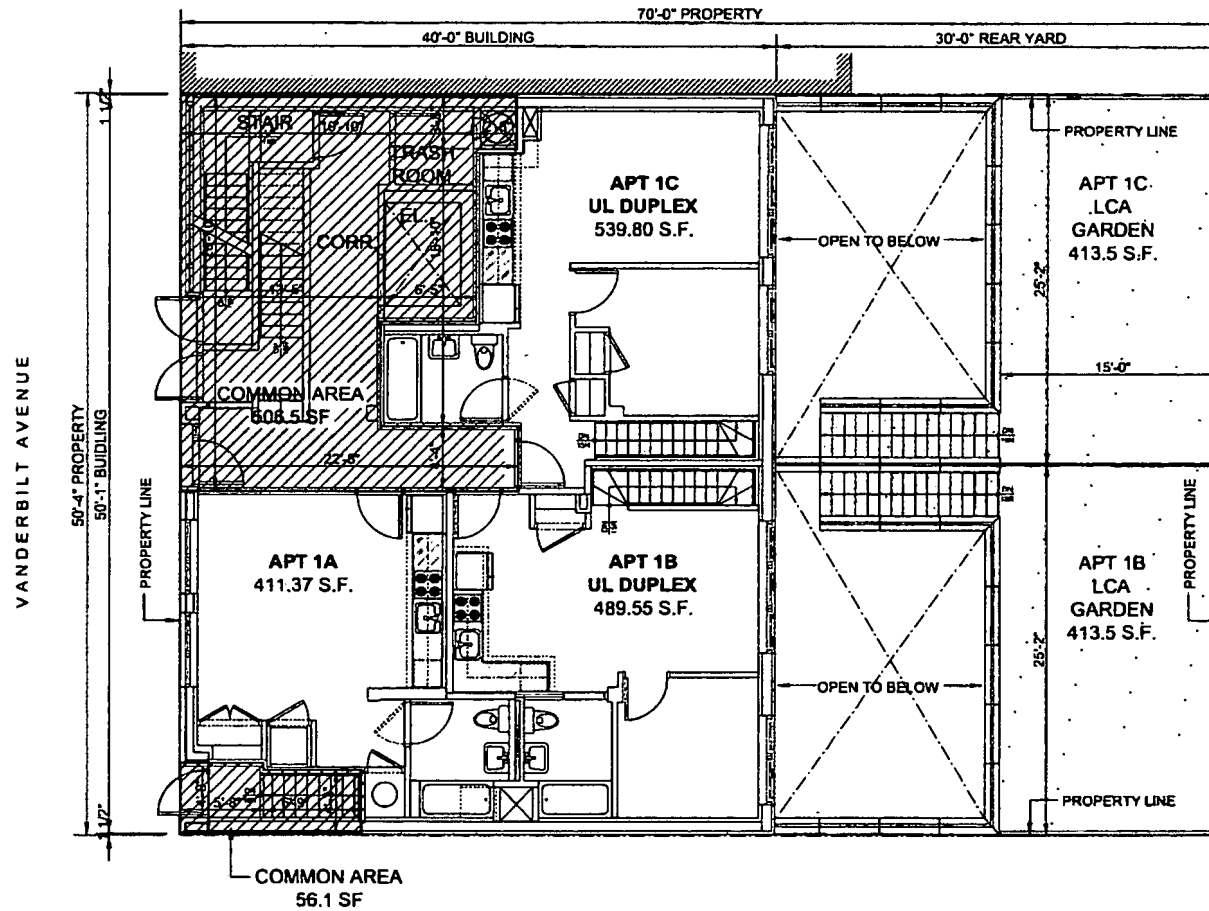
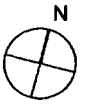
SCALE: 0' 8' 16' 24'

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VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

FIRST FLOOR PLAN
GROSS AREA = 2,003.33 S.F.

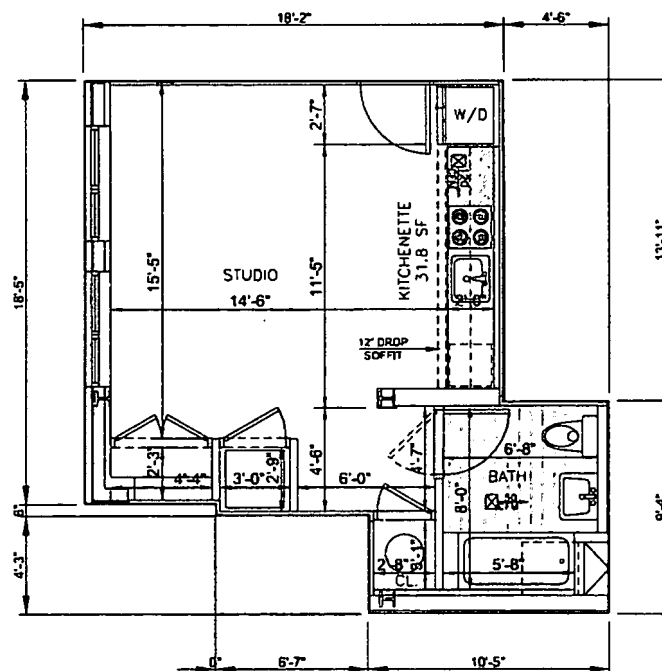
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COMMON AREA = 562.8 S.F.

LIMITED COMMON AREA = 827.0 S.F.

SCALE: 0' 8' 16' 24'



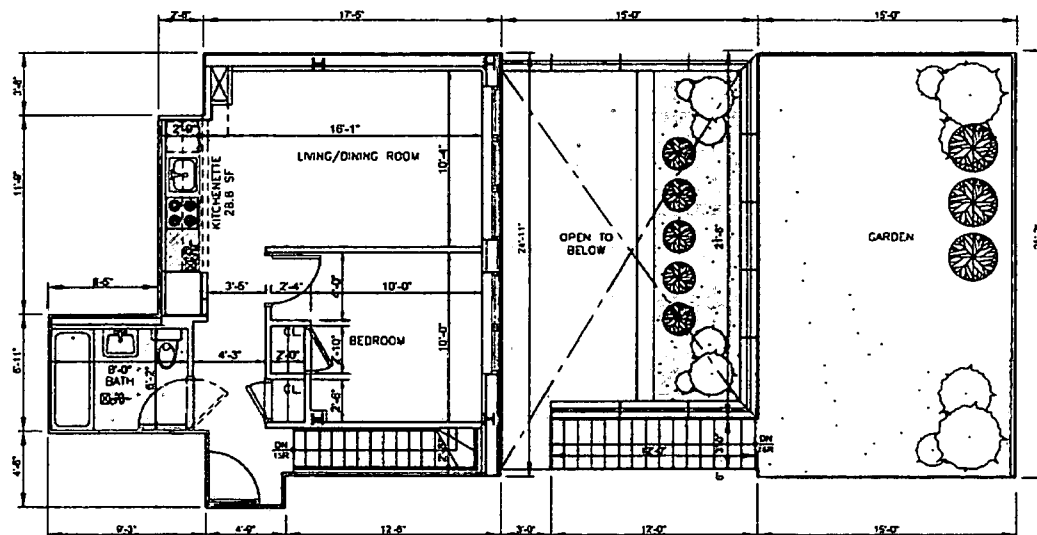
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FIRST FLOOR
APT. 1A
0 BED / 1 BATH
AREA = 411.37 S.F.
EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

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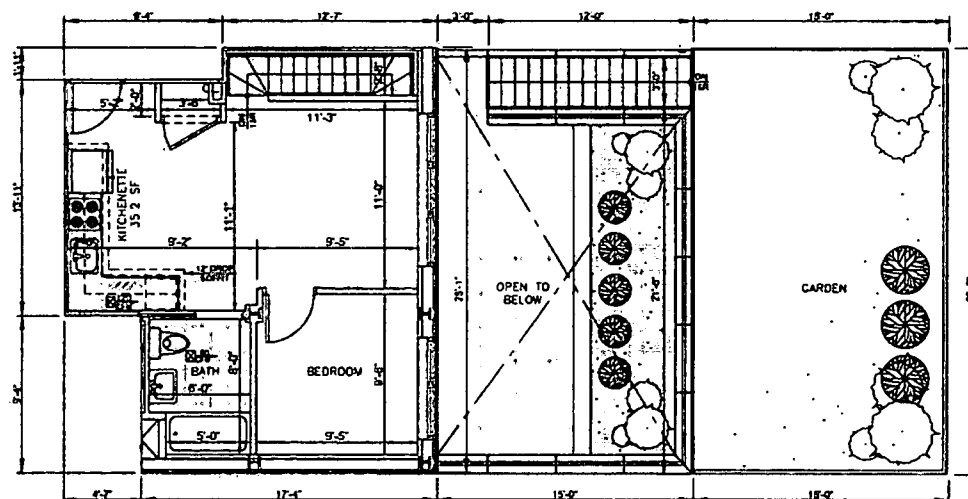
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FIRST FLOOR
APT. 1B UPPER LEVEL - DUPLEX
1 BED / 1 BATH
AREA = 489.55 S.F.
EXTERIOR AREA = 413.5 S.F.

SCALE: 0' 8' 16' 24'

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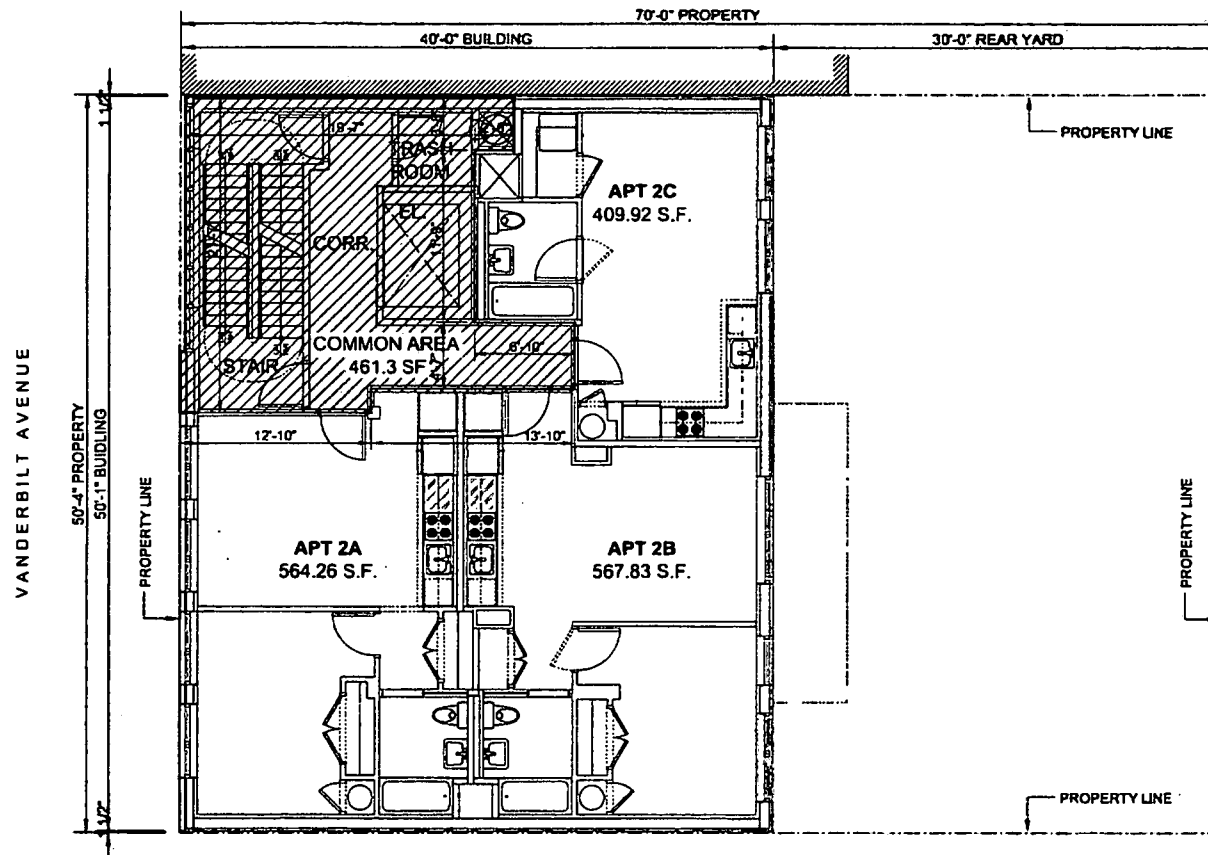
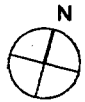
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FIRST FLOOR
APT. 1C UPPER LEVEL - DUPLEX
1 BED / 1 BATH
AREA = 539.80 S.F.
EXTERIOR AREA = 413.5 S.F.

SCALE: 0' 8' 16' 24'

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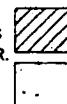
VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

SECOND FLOOR PLAN
GROSS AREA = 2,003.33 S.F.

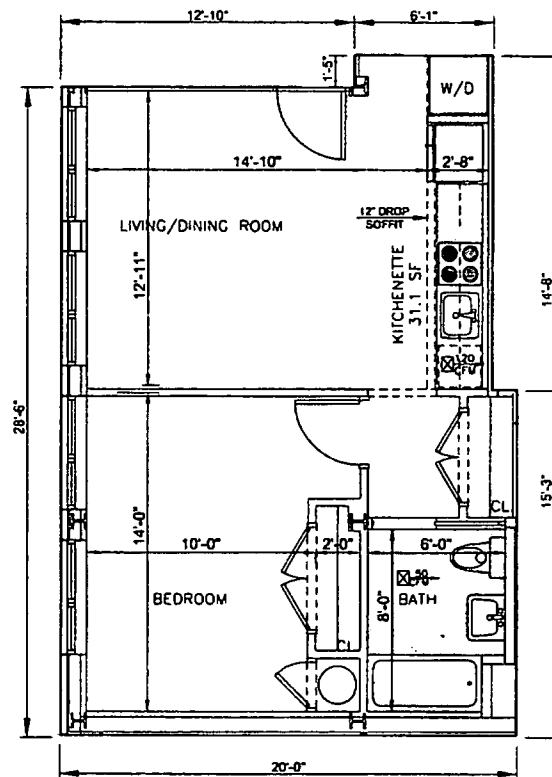
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COMMON AREA = 461.3 S.F.

LIMITED COMMON AREA = 0 S.F.

SCALE: 0' 8' 16' 24'



BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

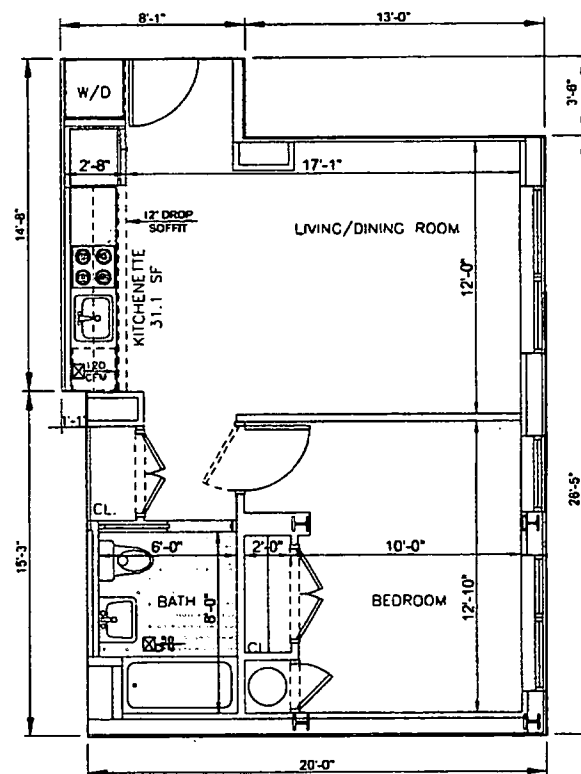
SECOND FLOOR

APT. 2A

1 BED / 1 BATH
AREA = 564.26 S.F.
EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

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BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

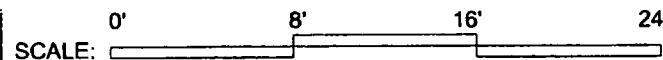
SECOND FLOOR

APT. 2B

1 BED / 1 BATH

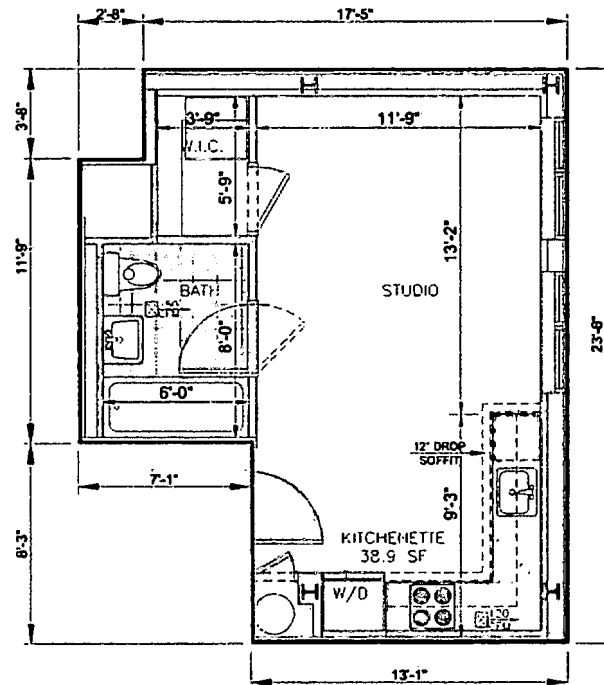
AREA = 567.83 S.F.

EXTERIOR AREA = 0 S.F.



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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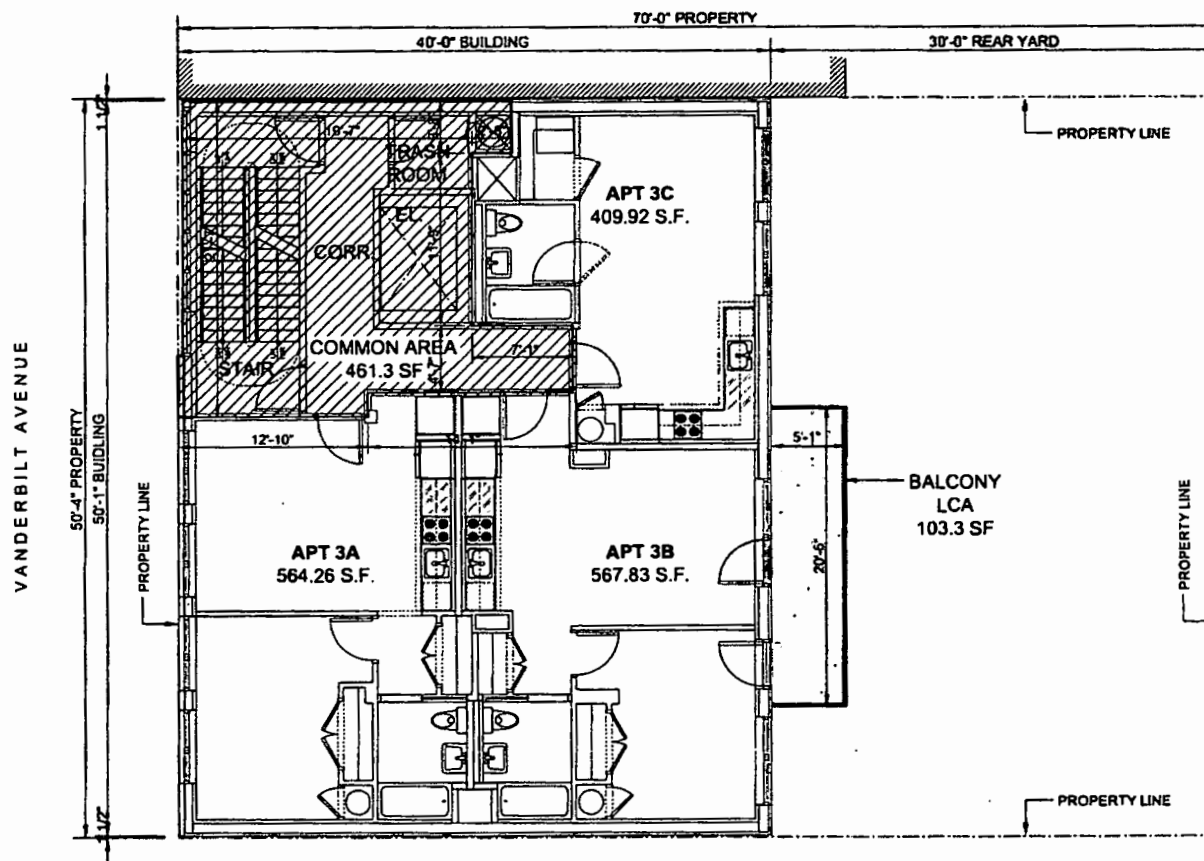
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

SECOND FLOOR
APT. 2C
0 BED / 1 BATH
AREA = 409.92 S.F.
EXTERIOR AREA = 0 S.F.

0' 8' 16' 24'
SCALE:

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DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.



VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

THIRD FLOOR PLAN
GROSS AREA = 2,003.33 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

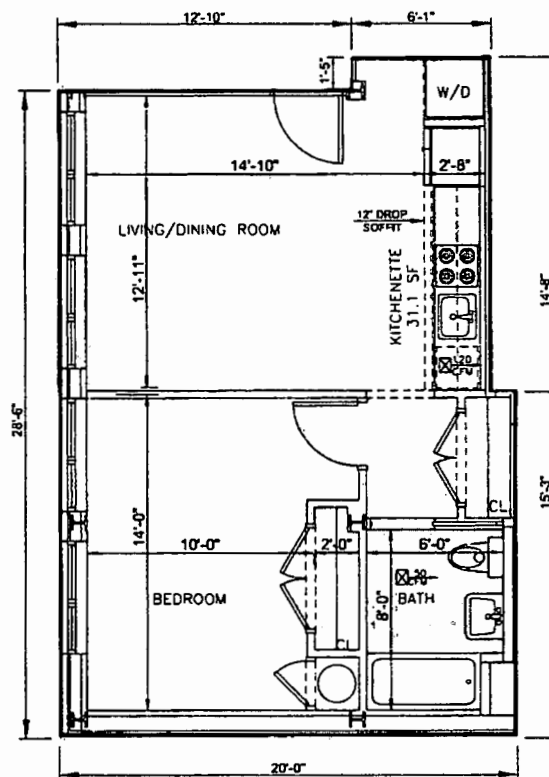


COMMON AREA = 461.3 S.F.



LIMITED COMMON AREA = 103.3 S.F.

SCALE: 0' 8' 16' 24'



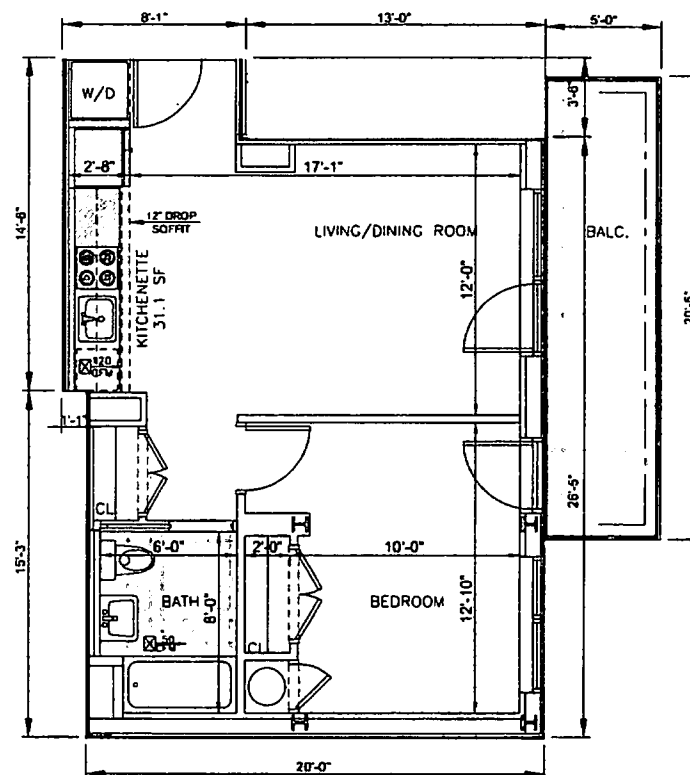
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

THIRD FLOOR
APT. 3A
1 BED / 1 BATH
AREA = 584.26 S.F.
EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

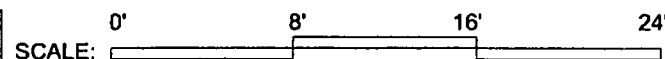
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.



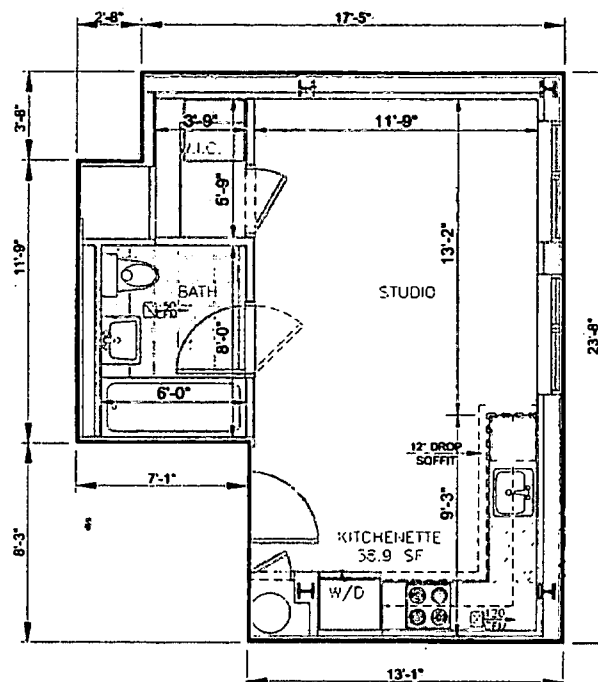
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

THIRD FLOOR
APT. 3B
1 BED / 1 BATH
AREA = 567.83 S.F.
EXTERIOR AREA = 103.3 S.F.

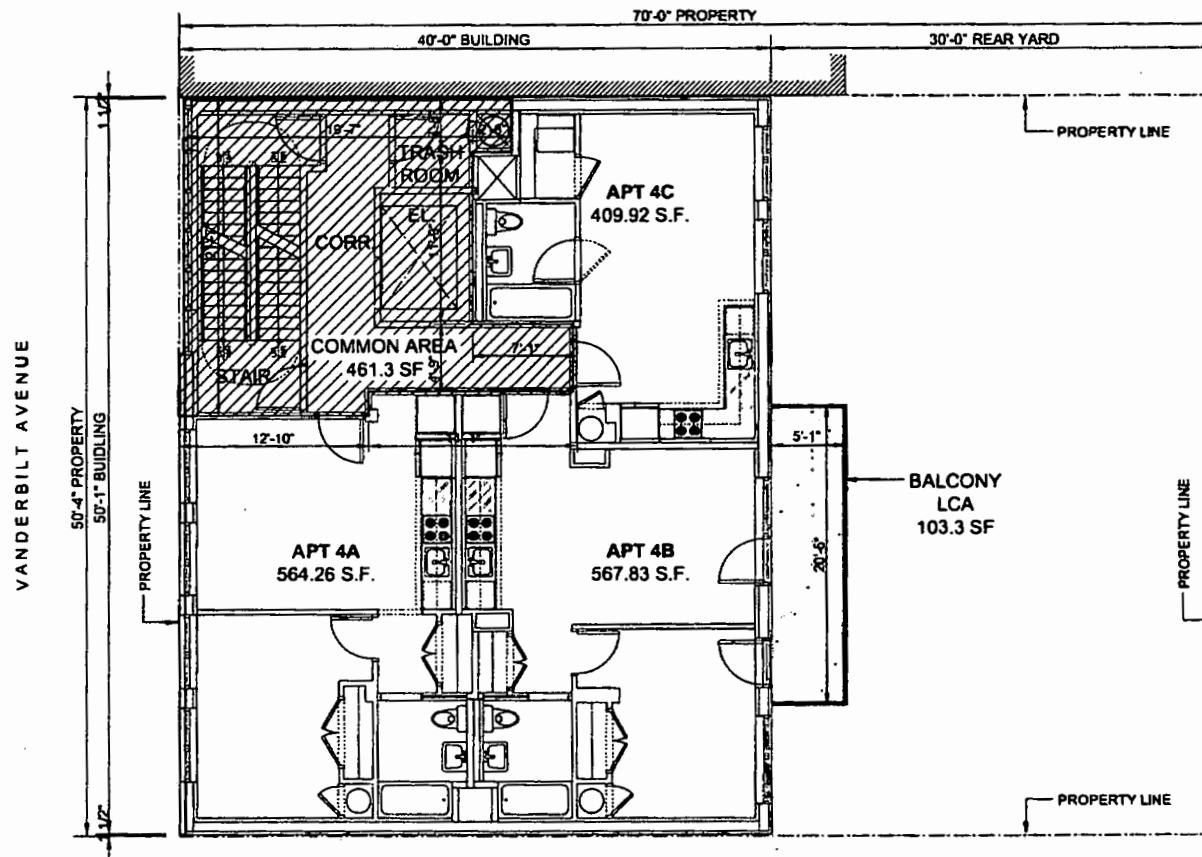


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DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.



VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

FOURTH FLOOR PLAN
GROSS AREA = 2,073.33 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.

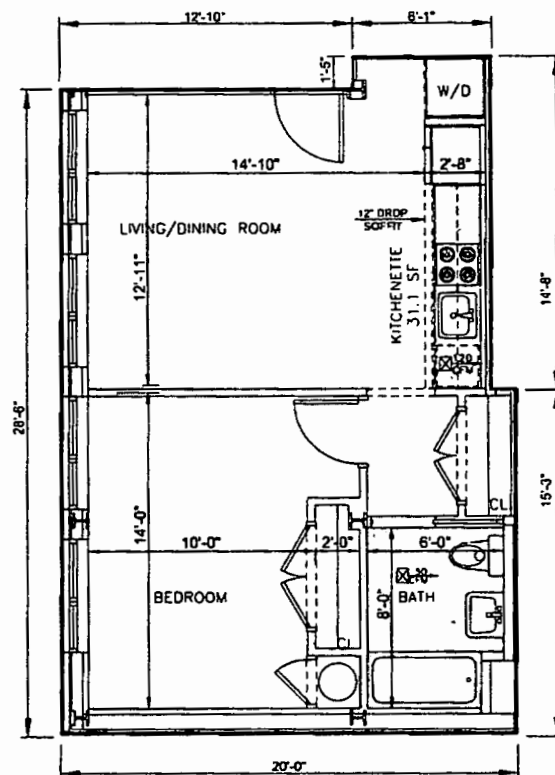


COMMON AREA = 461.3 S.F.



LIMITED COMMON AREA = 103.3 S.F.

SCALE: 0' 6' 16' 24'



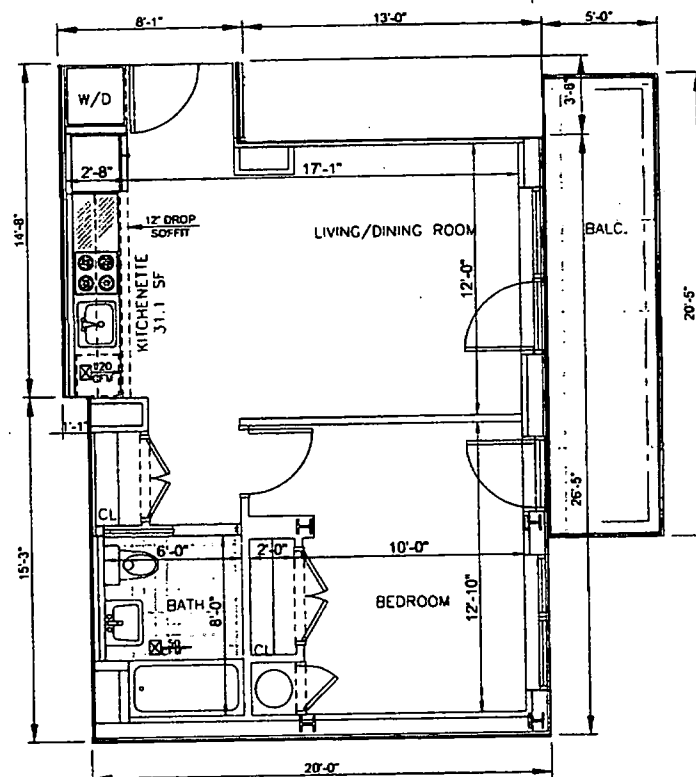
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FOURTH FLOOR
APT. 4A
1 BED / 1 BATH
AREA = 564.26 S.F.
EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

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DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.



BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FOURTH FLOOR

APT. 4B

1 BED / 1 BATH

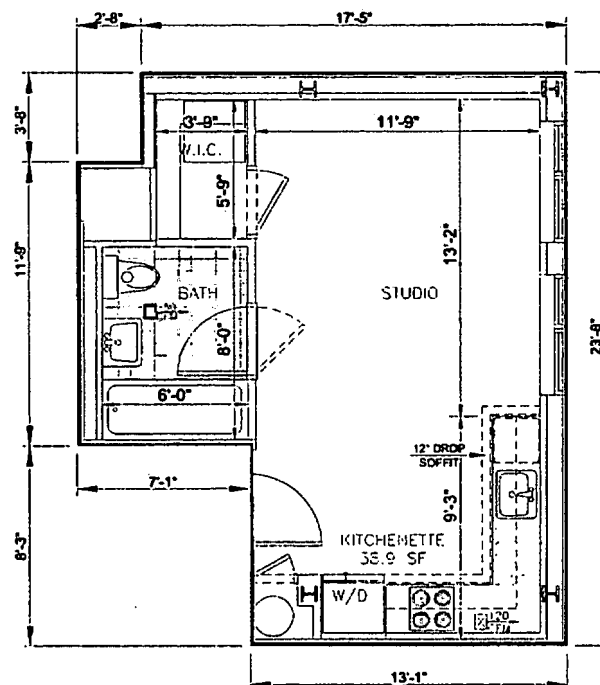
AREA = 587.83 S.F.

EXTERIOR AREA = 103.3 S.F.

SCALE: 0' 8' 16' 24'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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BRENT M. PORTER ARCHITECT & ASSOC.

DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM

531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FOURTH FLOOR

APT. 4C

0 BED / 1 BATH

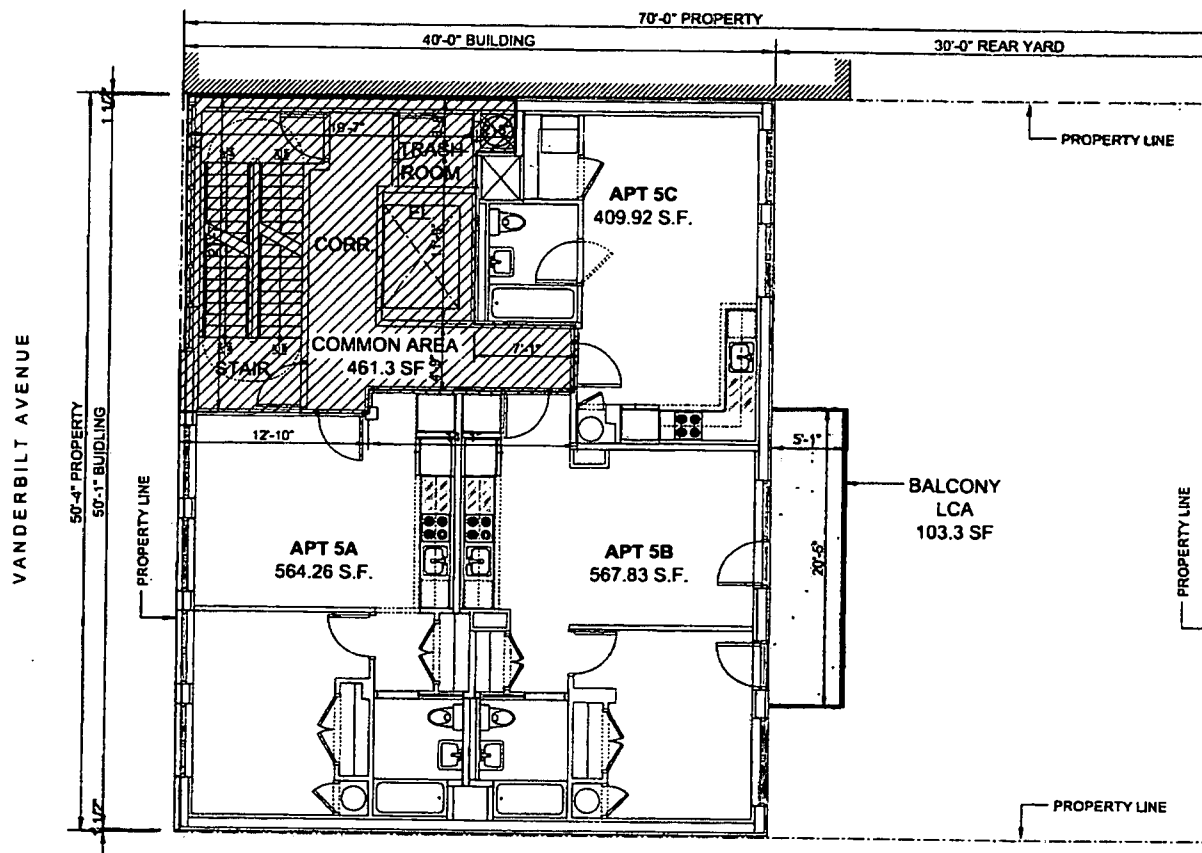
AREA = 409.92 S.F.

EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

FIFTH FLOOR PLAN
GROSS AREA = 2,003.39 S.F.

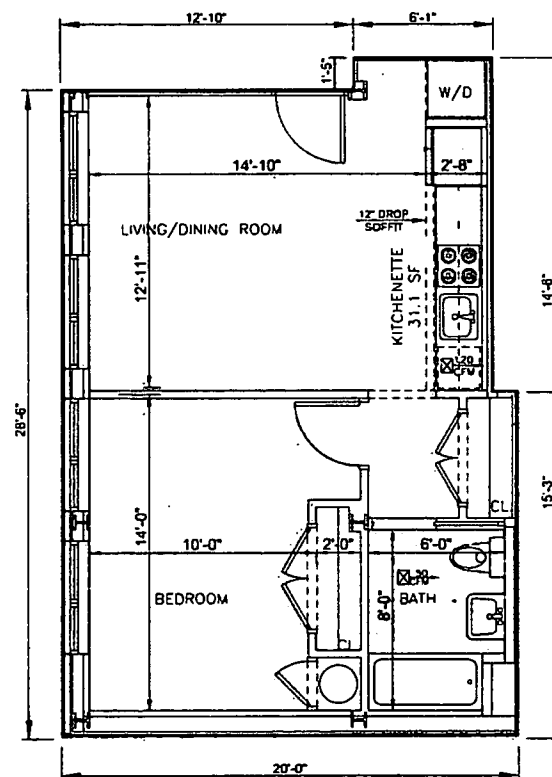
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OF EXTERIOR WALLS.



COMMON AREA = 461.3 S.F.

LIMITED COMMON AREA = 103.3 S.F.

SCALE: 0' 8' 16' 24'



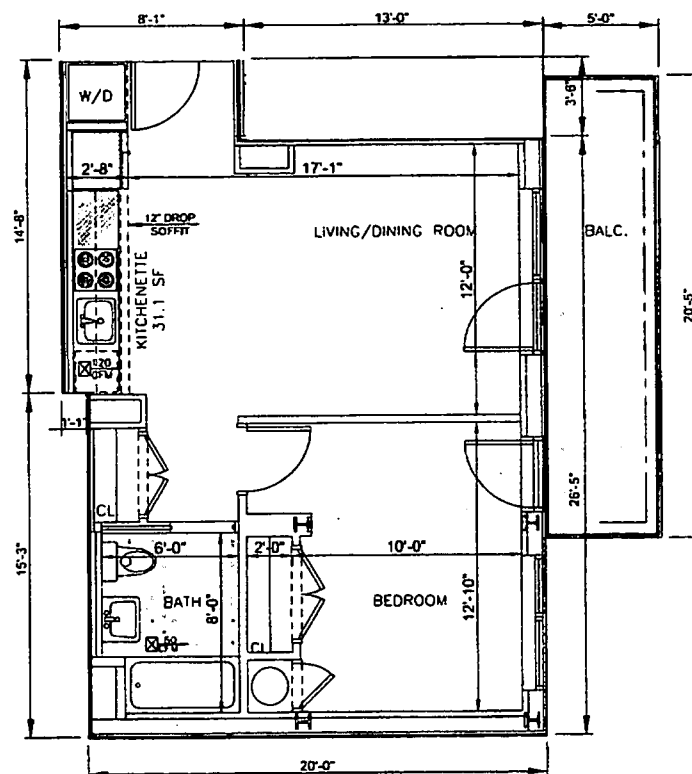
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FIFTH FLOOR
APT. 5A
1 BED / 1 BATH
AREA = 564.26 S.F.
EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

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BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FIFTH FLOOR

APT. 5B

1 BED / 1 BATH

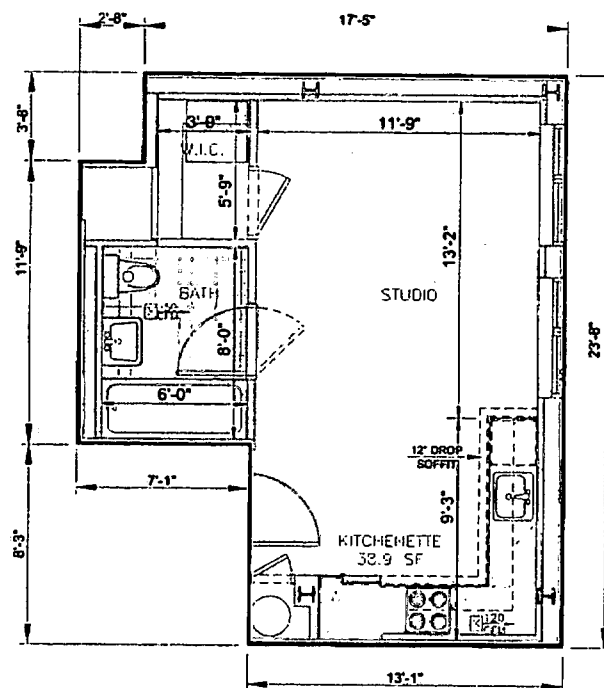
AREA = 567.83 S.F.

EXTERIOR AREA = 103.3 S.F.

SCALE: 0' 8' 16' 24'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

FIFTH FLOOR

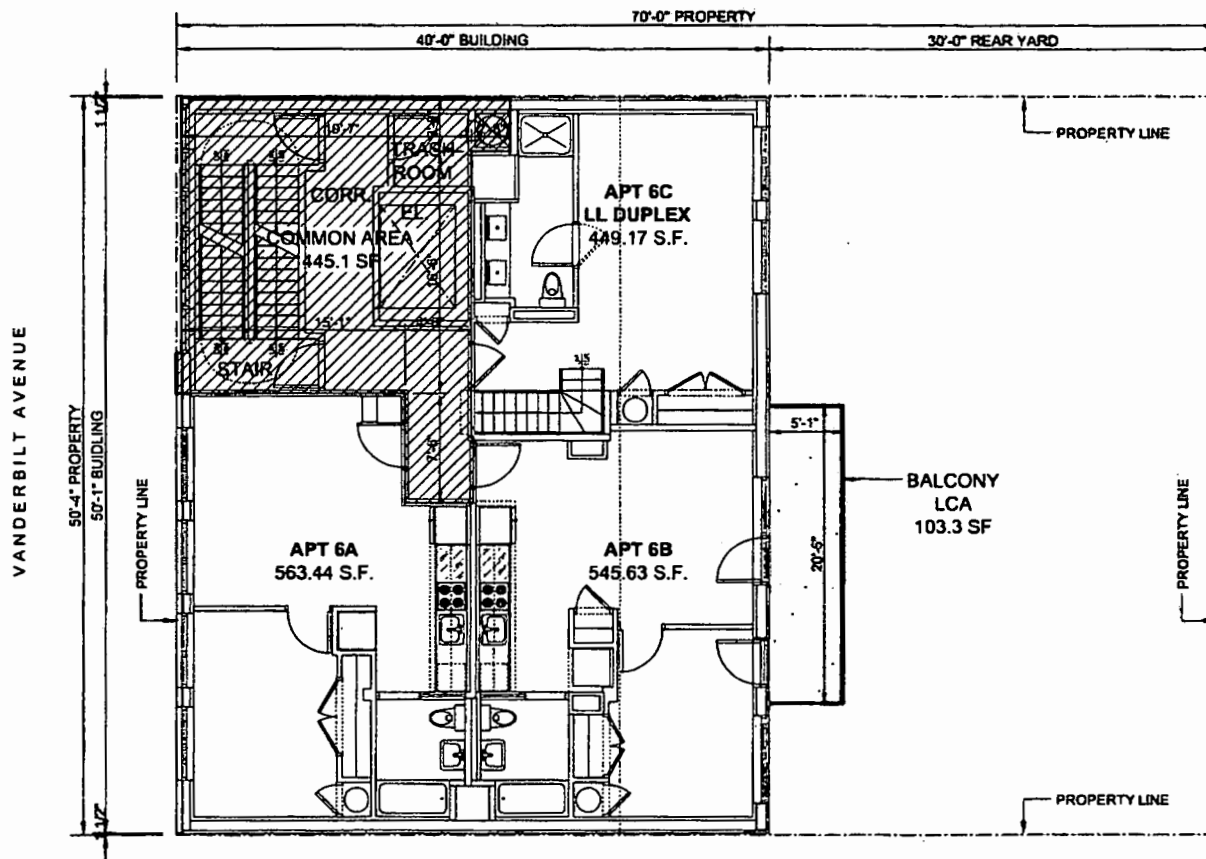
APT. 5C

0 BED / 1 BATH
AREA = 409.92 S.F.

EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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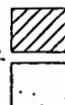
VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

SIXTH FLOOR PLAN
GROSS AREA = 2,003.33 S.F.

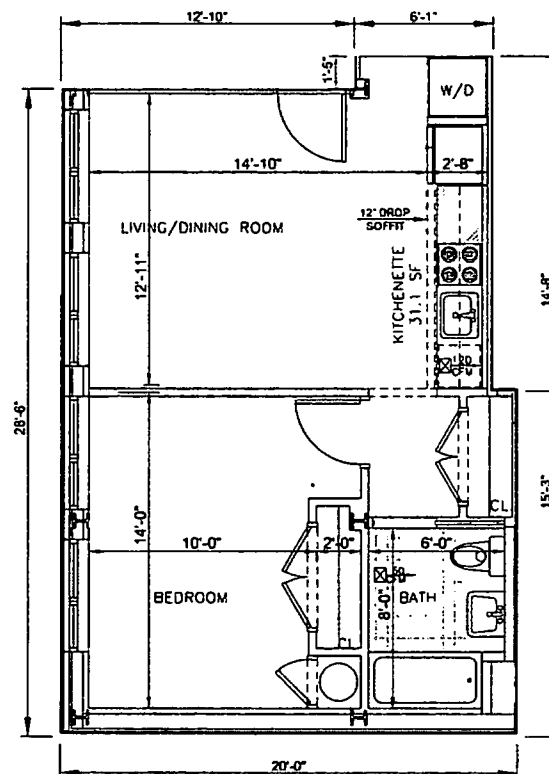
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OF EXTERIOR WALLS.



COMMON AREA = 445.1 S.F.

LIMITED COMMON AREA = 103.3 S.F.

SCALE: 0' 8' 16' 24'



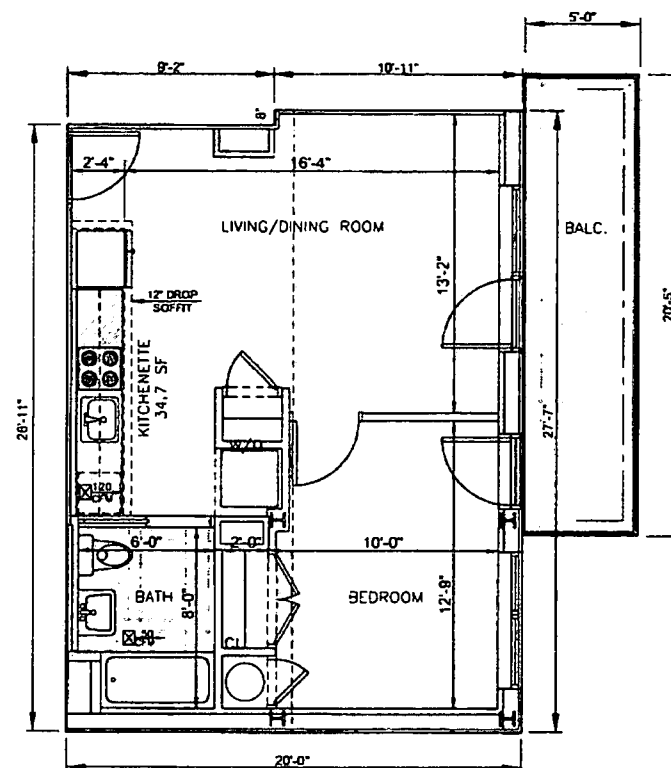
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

SIXTH FLOOR
APT. 6A
1 BED / 1 BATH
AREA = 563.44 S.F.
EXTERIOR AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

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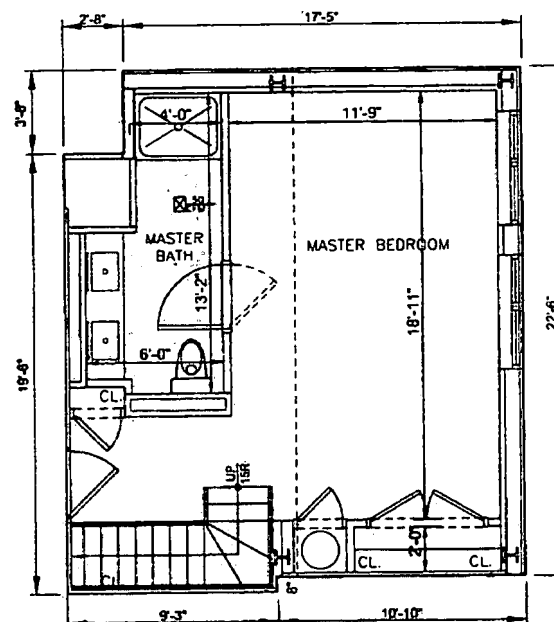
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

SIXTH FLOOR
APT. 6B
1 BED / 1 BATH
AREA = 545.63 S.F.
EXTERIOR AREA = 103.3 S.F.

SCALE: 0' 8' 16' 24'

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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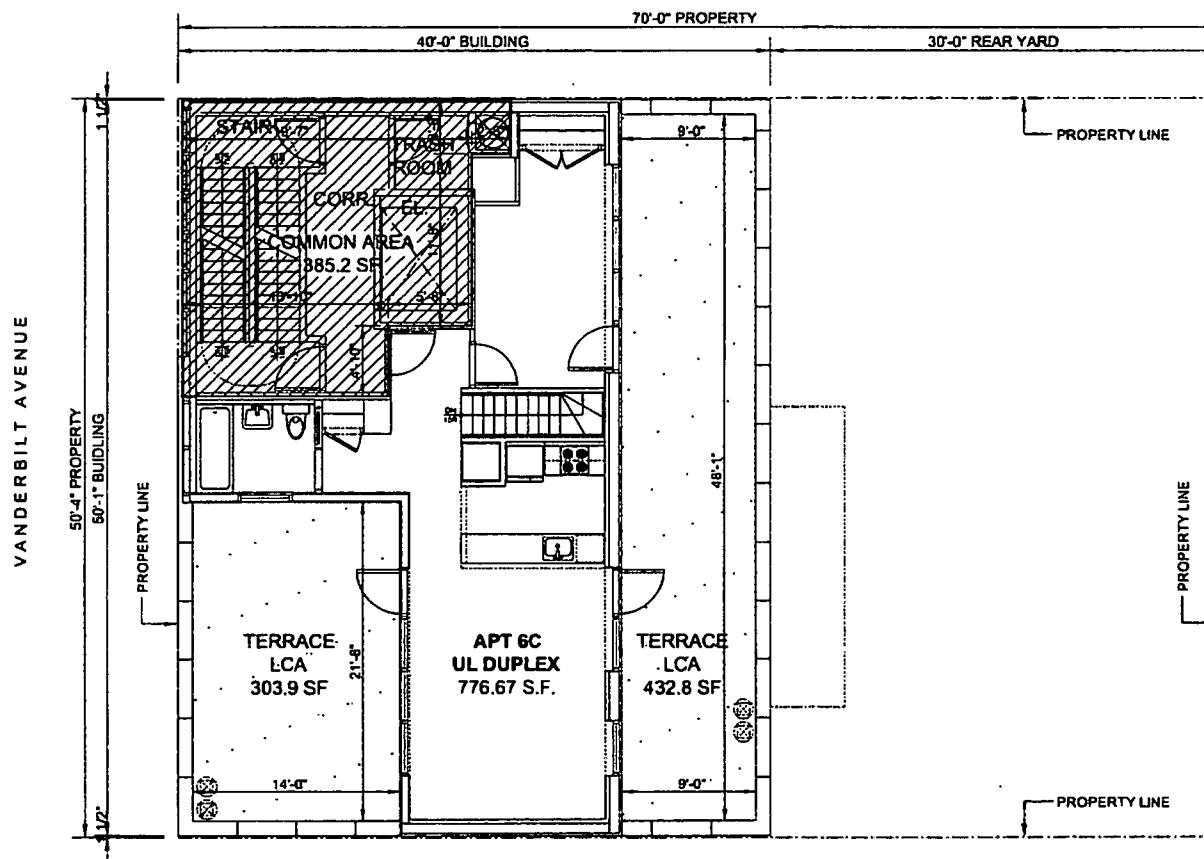
BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

SIXTH FLOOR
APT. 6C LOWER LEVEL DUPLEX
1 BED / 1 BATH
AREA = 449.17 S.F.
EXTERIOR AREA = 0 S.F.

0' 8' 16' 24'
SCALE:

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.



VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

SEVENTH FLOOR PLAN
GROSS AREA = 1,181.87 S.F.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR.
DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.



COMMON AREA = 385.2 S.F.



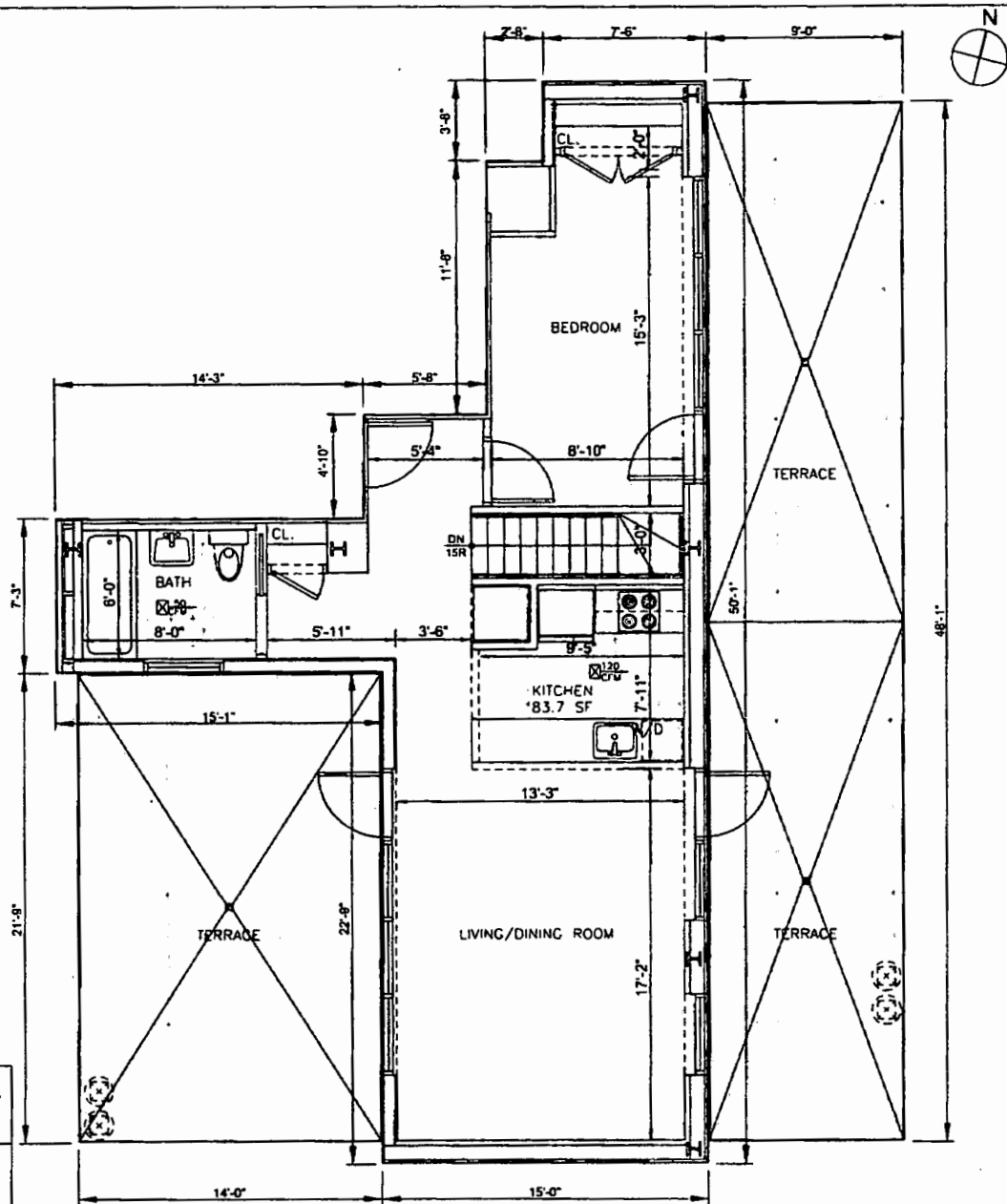
LIMITED COMMON AREA = 736.7 S.F.

SCALE: 0' 8' 16' 24'

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER, 2014

VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN, NY 11238

SEVENTH FLOOR
APT. 6C UPPER LEVEL DUPLEX
1 BED / 1 BATH
AREA = 776.67 S.F.
EXTERIOR AREA = 736.7 S.F.

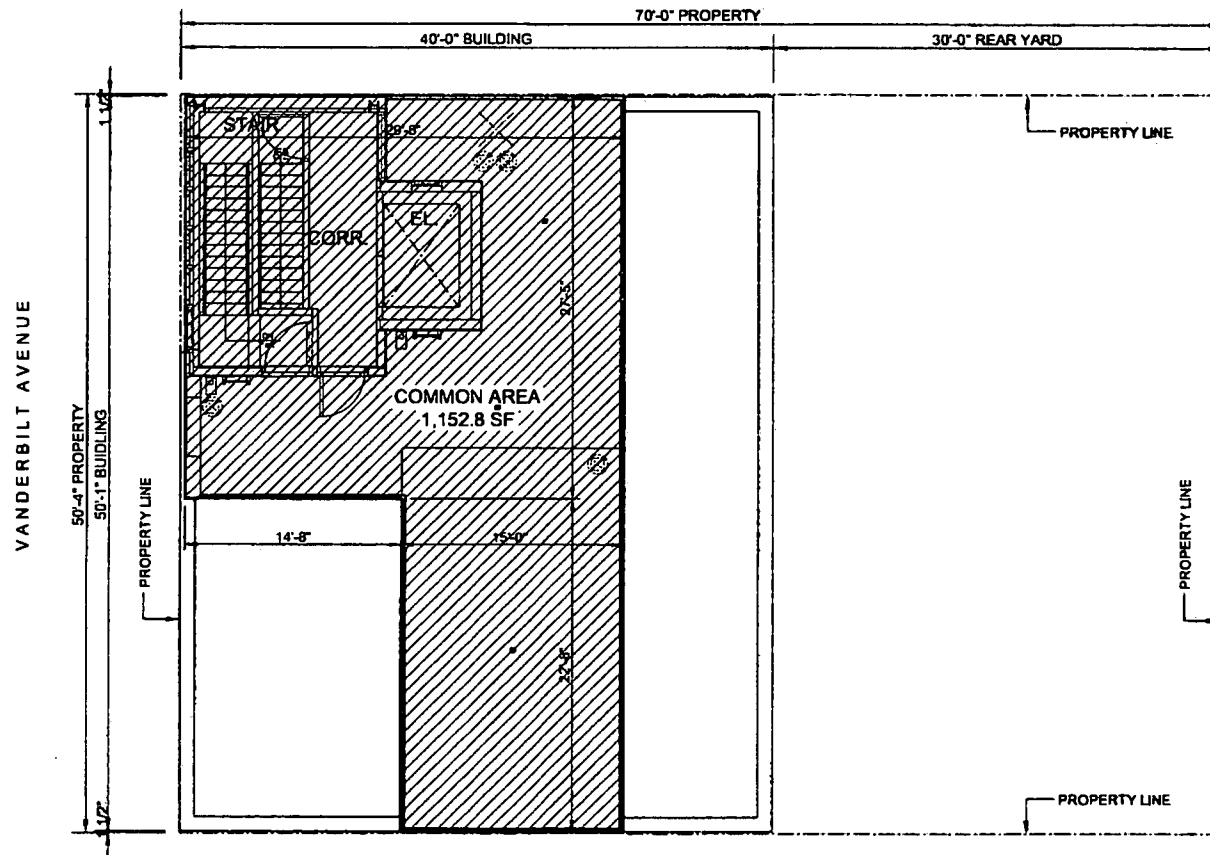


0' 8' 16' 24'

SCALE:

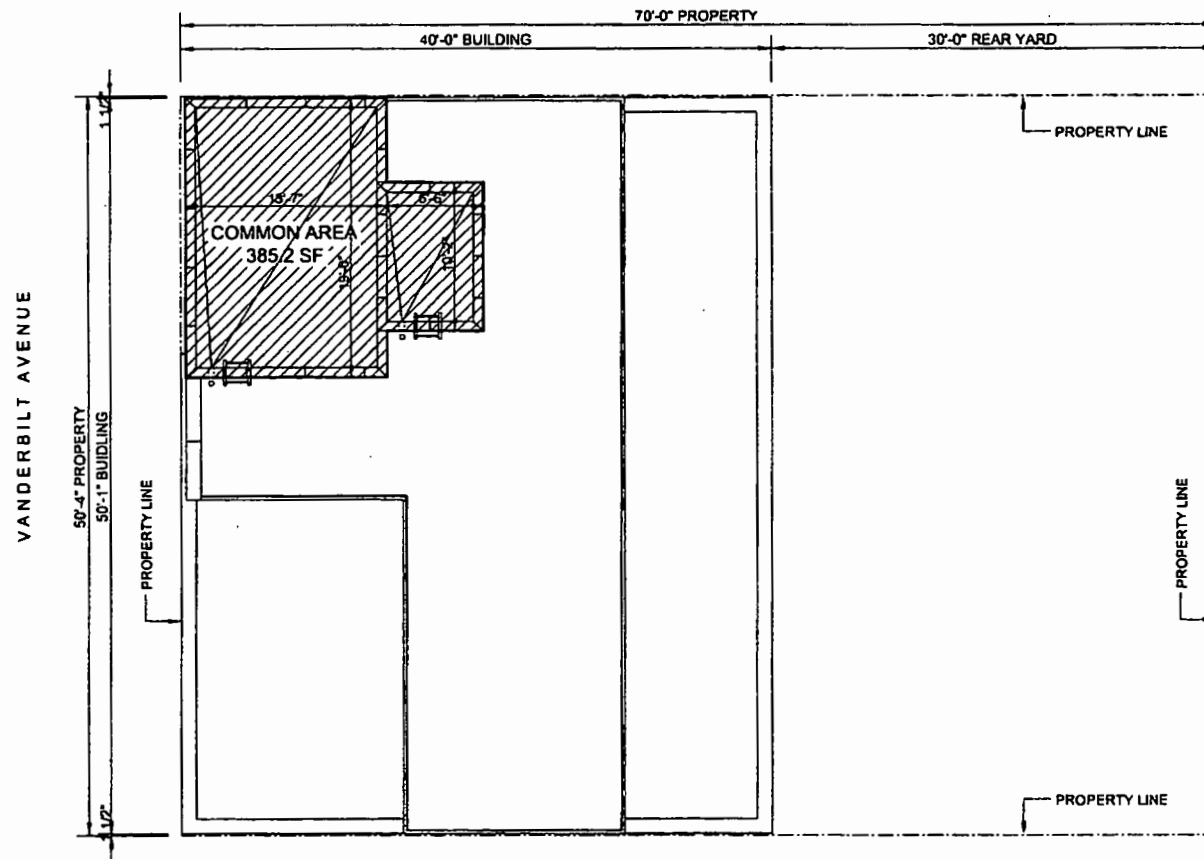
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DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE OF EXTERIOR WALLS.



0' 8' 16' 24'

SCALE:



VANDERBILT UPREAL, LLC

531 VANDERBILT CONDOMINIUM
531 VANDERBILT AVENUE, BROOKLYN N.Y.

BRENT M. PORTER ARCHITECT & ASSOC.
DATE: SEPTEMBER 2014

BULKHEAD ROOF PLAN
GROSS AREA = 0 SF.

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES
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DIMENSIONS ARE TAKEN FROM CENTERLINE OF DEMISING WALLS TO FACE
OF EXTERIOR WALLS.



COMMON AREA = 385.2 S.F.

LIMITED COMMON AREA = 0 S.F.

SCALE: 0' 8' 16' 24'

DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF
PREMISES LOCATED AT 531 VANDERBILT AVENUE, IN THE BOROUGH OF
BROOKLYN, COUNTY OF KINGS, CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE
OF NEW YORK

NAME: **THE 531 VANDERBILT AVENUE CONDOMINIUM**

SPONSOR:

VANDERBILT UPREAL, LLC
306a – 308 Malcolm X Boulevard
Brooklyn, New York 11233

DATE OF DECLARATION: _____, 2015

The Land affected by the within instrument lies in Block 2010, F/K/A Lot 5 N/K/A Lots
_____ on the Tax Map of the Borough of Brooklyn, County of Kings, State of
New York.

MARANS WEISZ & NEWMAN, LLC
Attorney(s) for Sponsor
29 Broadway Suite 2400
New York, New York 10006

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**DECLARATION OF THE 531 VANDERBILT AVENUE CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE
REAL PROPERTY LAW OF THE STATE OF NEW YORK**

In the Borough of Brooklyn, County of Kings, and City and State of New York on this ____ day of _____ 2015, VANDERBILT UPREAL, LLC (the "Owner" or the "Sponsor"), a limited liability company existing under the laws of the State of New York, whose office is situated at 306a – 308 Malcolm X Boulevard Brooklyn, New York 11233 represented in this Declaration by Boaz Gilad, who is fully empowered to and qualified to execute this Declaration on behalf of the said company does hereby state:

**ARTICLE 1
SUBMISSION OF PROPERTY**

1.1 Declarant hereby submits Declarants fee interest in the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9 B 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 "The 531 Vanderbilt Avenue Condominium" (the "Condominium")

1.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (these By-Laws as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By Laws.

1.3 Included in the Property described above is all Declarant's fee interest in that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the Kings County, City and State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof.

ARTICLE 2 DEFINITIONS

"Board of Managers" sometimes also referred to as "Board" or "Managers" shall refer to the individuals elected at the annual meeting of Unit Owners or representatives of the Sponsor that manage the operation of the Condominium.

"Building" as hereinafter referred to shall be defined as, the seven (7) story and cellar building containing the Units, the Common Elements (except the Land) and the Limited Common Elements known by the street address 531 Vanderbilt Avenue Brooklyn, New York.

"Common Charges" shall be defined as all charges assessed by the Board of Managers against the Unit Owner.

"Common Elements" shall be depicted as those areas intended to be devoted to the common use and enjoyment of all Unit Owners, including the following:

- i. Land;
- ii. Foundations, columns, girders, beams, supports, exterior walls of the Building and all joists;
- iii. The central and appurtenant installations and equipment for services such as power, light, telephone, hot and cold water, sewer and fire safety, including all pipes, ducts, wires, cables and conduits used in connection therewith, the meter rooms, the stair well from the cellar to the roof and the roof deck; and
- iv. Roof and the Bulkhead Roof.

"Common Interest." shall refer the percentage interest in the Common Elements held by each Owner.

"Condominium" as hereinafter referred to shall mean The 531 Vanderbilt Avenue Condominium that is composed of the Units and the Common Elements, as shown in Schedule B.

"Documents" shall refer to Part II of the Offering Plan indicating this Declaration and the By-Laws attached hereto as Schedule C.

"Limited Common Elements" shall refer to those Common Elements that a Unit Owner(s) will have the exclusive right to use.

"Mortgagee" shall mean a mortgagee that holds a mortgage on a Unit.

"Owner" or sometimes also referred to as "Unit Owner" shall mean the Owner of each Unit. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety, and a Unit Owner's single vote referred to in paragraph eight of this Declaration.

"Party Wall" as hereinafter referred to shall be defined as a wall that is common to and separates two Units.

"Plan" the documents submitted to the Office of the Attorney General required in order to be able to sell units in a condominium.

"Registered Guarantor" a guarantor on a Registered Mortgage who has registered with the Board of Managers by supplying the Board with the name and address of the guarantor.

"Registered Mortgagee" a mortgagee that holds a mortgage on a Unit that has provided notice to the Board indicating they hold a mortgage on a Unit which notice has a copy of the mortgage along with contact information for the mortgagee.

"Registered Mortgage" the mortgage held by a Registered Mortgagee.

"Unit" shall mean the floor area of each Unit calculated based on the Floor Plans included in Part II of this Plan. Units are measured horizontally from the exterior side of the exterior walls(columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, or the exterior of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit. Each Residential Unit consists of the area measured vertically from the top of the concrete floor slab below to the underside of the finished ceiling.

"Unit" and "Unit Owner" as used herein shall be construed to mean Unit and Unit owner as defined in Section 339-e of Article 9-B of the Real Property Law of the State of New York.

"Unsold Unit" Any Unit owned by Sponsor or its designee at the time in question.

ARTICLE 3

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Declarant renovated an existing building on the parcel of land described above, to be converted to a Condominium known as The 531 Vanderbilt Avenue Condominium according to the floor plans filed simultaneously with the recording of this Declaration in the New York City Register's Office, which plans set forth a description of the Building, stating the number of stories, the number of Units and the layout of the Units, Common Elements and Limited Common Elements.

The Condominium will consist of one building containing a total of eighteen (18) residential units as set forth on the floor plans filed simultaneously with this Declaration. Each Unit has access to the other Unit or to any other portion of the Condominium by means of hallways and stairways which form a part of the Common Elements of the Condominium. For the purposes of describing the location of the Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, the Units are described on that certain Condominium Map filed with the Kings County Office of the City Register and on Schedule B hereto. Each Unit will be sold to one or more Owners, each Owner obtaining fee ownership in, and exclusive right of occupancy and possession of the Unit, together with an undivided interest in the Common Elements of the Condominium, as hereinafter set forth in this Declaration, and referred to as "the Common Elements," all in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities in a Unit may be changed by mutual consent of the Sponsor (which for the purposes herein is the Declarant) and a Unit Owner and reflected in an amendment to the Declaration.

The Condominium has a total land area of 3,523 square feet and the Building is 15,509 square feet.

ARTICLE 4

COMMON ELEMENTS

The Common Elements of the Condominium will consist of all of the Condominium, except the Units, including without limitation, exterior walls, common walls, exterior doors, windows, flooring and ceiling excluding interior finish and the bulkhead roof of the building and improvements (other than the Units) comprising the Condominium, including the land, the land under the Building, all utility and other pipes and material located outside of the Units.

The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law. Each Unit Owner shall have the right to use the Common Elements, other than such portion, if any, which are by the terms of this Declaration or the annexed By-Laws irrevocably restricted in use to other Unit Owners, in accordance with the purpose for which such elements are intended, without hindering the exercise of or encroaching upon the rights or other Unit Owners.

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

ARTICLE 5 USE OF BUILDINGS AND UNITS

5.1 As more particularly set forth in the By-Laws, Units may be used for residential purposes only and "home occupation" uses as defined in Section 12-10 of the Zoning Resolution of the City of New York. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

5.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Board, (1) grant permission for the use of any Unsold Unit owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the existing certificate of occupancy for such Unit or any other governmental regulations and (2) use any Unsold Unit owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with Law.

ARTICLE 6 CHANGES IN RESIDENTIAL UNITS

6.1 Residential Units

Except to the extent prohibited by applicable Laws, Declarant, Sponsor, their respective designees and any other owner of an Unsold Unit shall have the right pursuant to the terms of the Condominium By-Laws, as the same may be amended from time to time, without the approval of the Condominium Board, or any other Unit Owner

or any Person to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit; (b) change the layout of, or number of rooms in, any Unsold Unit; (c) change the size and/or number of Unsold Units by subdividing one (1) or more such Units into two (2) or more separate Units, combining separate Unsold Units into one (1) or more Units, altering any boundary walls between Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alteration); (d) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Units Common Interest will be made without obtaining the prior consent of sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees affected by such change and (e) change the permitted use of some or all of the Unsold Units. None of the foregoing changes will be made unless such changes are in compliance with Section 339 of the New York Condominium Act. The Declarant, Sponsor, or other such owner of an Unsold Unit, as the case may be, shall have the right, without the consent of the Board, Unit Owner or person to amend the Declaration, the Condominium By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes.

ARTICLE 7 IRREVOCABLY RESTRICTED AREAS

No portions of the Common Elements are irrevocably restricted in use to specified Unit Owners except with respect to certain terraces and balconies (see Schedule B)

ARTICLE 8 EASEMENTS

(a) All pipes, wires, conduits and public utility lines located within each Unit shall be owned by such Unit Owner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the Owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvement to any pipes, wires, conduits and public utility lines located in any home

and servicing any other Unit. The cost of such repair shall be a Common Expense. Except as otherwise provided in the Declaration and these By-Laws, the terms "Common Expense" and "Common Expenses" shall mean any and 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 which are provided 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, working capital and/or replacement of the Common Elements. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

(b) The Sponsor, on behalf of itself and its successors and assigns who may take title to portions of the Condominium for purposes of development and sale, reserves the easements, licenses, rights and privileges of right-of-way in, through, over, under and across the Common Elements of the Condominium. For the purpose of completing the construction and sale of Units and facilities in the Condominium and, towards this end, Sponsor reserves the right to grant and reserve easements and rights of ways, in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, on behalf of itself and said successors and assigns, also reserves the right to connect with and make use of the utility lines, wires, pipe, conduits, cable lines, sewers and drainage lines which may from time-to-time be in or along the streets and roads or other areas of the Common Elements. The Sponsor, on behalf of itself and said successors and assigns, also reserves the right to continue to use the Common Elements and any facilities, rental offices, model units and signs located on the Common Elements to market and sell Units constructed in the Condominium and on the balance of the overall development. This paragraph shall not be amended without the written consent of the Sponsor.

ARTICLE 9

SERVICE OF PROCESS AND BUILDING CODE VIOLATIONS

Service of process on the Unit Owners in any action with relation to the Common Elements or more than one Unit shall be made upon the Board of Managers of The 875 St. Marks Avenue Condominium, at the office of the Secretary of State of the State of New York in the manner provided by applicable law. The Board of Managers shall have the principal responsibility for curing any violations of such building or zoning laws and service upon the Board of Managers shall be deemed service upon the Owner or

Owners of the Condominium Unit or Units in which any such violations exist. The provisions of this Article shall not be amended without the consent of the Department of Buildings or any City agency successor thereto.

ARTICLE 10 COMMON INTEREST

Each Unit Owner shall have such percentage interest in the Common Elements as is set forth on Schedule B attached hereto and shall bear such percentage of the Common Expenses of the Condominium. Each Unit Owner shall have one (1) vote per .01 % of Common Interest held by the Unit Owner for all voting purposes at any meeting of the Unit Owners unless otherwise mandated by law or expressly provided for herein. The percentage of interest of each Unit in the Common Elements has been determined by the Declarant based upon floor area subject to the location of such space and additional factors of relative value of such space to other space in the Condominium, uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The percentage interest of all of the Units in the Condominium totals one hundred percent (100%).

ARTICLE 11 ADMINISTRATION

The administration of the Condominium shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws, which are made a part of this Declaration and are attached hereto as Schedule C.

ARTICLE 12 AMENDMENT AND WITHDRAWAL

The Property shall not be withdrawn from Condominium ownership unless sixty seven percent (67%) of the Unit Owners in number and fifty-one percent (51%) of the Registered Mortgagees first agree to such removal by duly recorded instruments. Such withdrawal of the property from Condominium ownership shall not take effect until it is duly recorded in the Office of the Clerk of the County of Kings. The provisions of this Declaration can be materially amended by an instrument executed by the Board of Managers upon a vote of sixty-seven percent (67%) of the Unit Owners in number and, if such a change would have a material adverse impact on Registered Mortgagees, fifty one percent (51%) of the Registered Mortgagees, provided however, that:

- (i) No amendment shall alter the percentage in the Common Elements

appurtenant to any Unit or alter any rights or obligations respecting the Common Elements without the consent of the affected Unit Owners and the Registered Mortgagees holding a mortgage on the Unit.

(ii) No amendment shall add any parcel of land to or divest any parcel of land from the Condominium properties unless sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees agree to such change.

Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Clerk of the County of Kings.

Notwithstanding anything to the contrary stated sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees must consent to any change in the Plan, By-Laws or Declaration (the "Documents") that would have a material impact on:

- (a) Voting
- (b) Assessments
- (c) Priority of liens
- (d) Reserves for maintenance or replacement
- (e) Insurance or fidelity bond requirements
- (f) Rights to use of common elements
- (g) Responsibility for maintenance and repair for the Condominium
- (h) Expansion or contraction of the Condominium
- (i) Boundaries of any Unit
- (j) Common Interests
- (k) Conversion of Units into Common Elements or vice versa
- (l) Leasing of Units
- (m) Change in right of first refusal requirements
- (n) Establishment of self management
- (o) Any provision of the Documents which are for the express benefit of Registered Mortgagees

Registered Mortgagees holding mortgages on Units that constitute a majority of the common interests (except where noted otherwise) of the Units that are subject to Registered Mortgages must consent to: (ii) any restoration or repair of the Building after a partial condemnation or damage due to an insurable hazard which is not done in accordance with the Documents (iii) any election to terminate the condominium after substantial destruction or substantial taking in a condemnation said consent to be given by fifty-one percent (51%) of the Registered Mortgagees; and (iv) any reallocation

of common interests resulting from a partial condemnation or destruction.

A written notice will be sent certified or registered mail with a "return receipt" requested to Registered Mortgagees and Registered Guarantors notifying them of any material change to the Documents listed in this Article Twelfth.

Approval or consent to any change to the Documents by a Registered Mortgagee will be implied if the Registered Mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.

ARTICLE 13 SUBJECT TO DECLARATION, BY-LAWS etc.

All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units shall signify that the provisions of the Declaration and the By-Laws and Rules and Regulations or the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

ARTICLE 14 COMMON CHARGES

All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid, together with interest at the maximum legal rate thereon, chargeable to any Unit Owner shall constitute a lien on his Unit prior to all other liens except: (a) tax or assessment liens on the Unit by any governmental taxing authority, including but not limited to, State, County, and City taxing agencies, if any; and (b) all sums unpaid on any mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York by the Condominium in like manner as a mortgage on real property, and costs incurred including reasonable attorney's fees (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. However, the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale, his successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such

Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of Common Charges shall be charges to all other Unit Owners as a Common Expense. The term "institutional mortgage" used herein shall mean a mortgage granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, pension fund, trust company, real estate investment trust, real estate mortgage investment conduit, agency of the United States Government or of the City or State of New York, or other similar institutional lender or a purchase money mortgage granted by the Seller or any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans.

Every Unit Owner shall pay the Common Charges assessed against his Unit when due and no Unit Owner may exempt himself from liability for the payment of his Common Charges by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by him of such Unit made in accordance with Section 339-x of the Real Property law or in accordance with the provisions of this Declaration and the By-Laws.

ARTICLE 15 UNITS ACQUIRED BY THE BOARD

In the event any Unit Owner shall convey his Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

In order to carry out the provisions of this paragraph, each Unit Owner shall, upon taking title to his Unit, grant an irrevocable power of attorney coupled with an interest, to the Board of Managers and their successors to acquire title or lease any such Unit under whatever terms the Board may, in its sole discretion, deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board, in its sole discretion, shall deem proper.

ARTICLE 16 ENCROACHMENTS

The Unit Owners agree that if any portion of a Unit or the Common

Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforescribed due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist as long as the Building or reconstructed building shall stand.

ARTICLE 17 UNIT OWNERSHIP

Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain a Unit Owner until such time as he ceases to own the Unit for any reason.

ARTICLE 18 CONVEYANCE OF A UNIT

Upon any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceedings in accordance with this Declaration or the By-Laws, the grantee of the Unit shall be jointly and severally liable with the grantor for any unpaid Common Charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Any such grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the grantor and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien, for any unpaid Common Charge against the grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

ARTICLE 19 COVENANTS AND RESTRICTIONS

The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations, and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

- (a) The Unit and area restricted to the Unit Owner's use shall be maintained in good repair and overall appearance.
- (b) No alterations to the exterior of the Unit or any part of the Common Elements may be made without the written consent of the Board of Managers. No alterations to the inside of a Unit that would impair the structural soundness of the Building may be made without the written consent of the Board of Managers. Consent may be requested by mailing a letter, certified mail, return receipt requested to the President of the Board of Managers, who shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.
- (c) Any Unit Owner who mortgages or sells his Unit shall notify the Board of Managers and provide the name and address of his mortgagee or purchaser.
- (d) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit
- (e) No nuisances shall be allowed upon the Property and no use or practice shall be allowed which interfere with the peaceful possession and proper use of the Property by its residents.
- (f) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.
- (g) Regulations promulgated by the Board of Managers concerning the use of the Property shall be observed by the Unit Owners; provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.
- (h) The Common Charges shall be paid when due.
- (i) The use for which the Building is intended is for residential

ARTICLE 20 UTILITIES

Electricity consumed in or on the Common Elements and water consumed in the Common Elements shall be paid for by the Board of Managers as items of Common Expense. Each Unit shall be individually metered for electricity and gas, and the expense of such utility consumed within the Unit shall be paid for by the Owner of said Unit.

ARTICLE 21 INVALIDITY

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no way affect any remaining part or parts hereof, and the same shall continue in full force and effect.

ARTICLE 22 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.

ARTICLE 23 CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24 CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein", "hereof", or "hereunder" or similar terms in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25 SEVERABILITY

If any provision of this Declaration or the application thereof to any person, entity or circumstance, is determined to be invalid or unenforceable to any extent, the remainder of this Declaration, and the application of such provision to persons, entities or circumstances other than those as to which it is specifically determined to be invalid or unenforceable, shall not be affected thereby, and each provision of this Declaration shall be valid and enforced to the fullest extent permitted by law, provided that under all circumstances, the provisions hereof are required to be interpreted and applied so that there will be no adverse effect on Declarant or any other person governed by or otherwise affected by this Declaration in any material respect as a result of any invalidity or unenforceability referred to above in this Article 25.

ARTICLE 26 COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this 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 or otherwise, shall upon prior reasonable written request at the expense of any such other party requesting the same, 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 party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within sixty (60) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board 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 or other party and such document or action shall be binding on such Unit Owner or other party.

26.3 If any Unit Owner, the Board or any other party which is subject to the

terms of this Declaration fails, within sixty (60) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney in fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or take such instrument or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

26.4 Without intending to limit the generality of the foregoing, each Board and each Unit Owner shall be required, upon the request of Declarant, to execute and delivery any documents or applications reasonably required in connection with any merger, any declaration of zoning lot restrictions or any zoning lot development agreement.

ARTICLE 27 SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant and its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28 CONSENTS

Whenever the consent, approval satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 29 INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Schedule A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the By-Laws annexed hereto as

Schedule C; and (iv) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 30 AUTHORIZATION TO BORROW

The Board is authorized to incur debt on behalf of Unit Owners to provide for major and minor maintenance, repairs, additions, improvements, replacements, working capital, bad debts and unpaid Common Expenses, insurance, depreciation, obsolescence and similar purposes. The repayment of any and all such debt may be secured and paid as provided in Section 339-jj of the New York Real Property Law.

ARTICLE 31 POWER OF ATTORNEY

31.1 Each Unit Owner shall grant to the Board of Managers an irrevocable power of attorney, coupled with an interest (in such form and content as the Board of Managers shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interest (as defined hereinafter) whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, 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 such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other action which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Building or the Property, respectively or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property which the Board deems necessary or appropriate.

31.2 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the _____ day of _____, 200____.

DECLARANT:

VANDERBILT UPREAL, LLC

By: _____
Boaz Gilad, Managing Member

STATE OF NEW YORK)
)ss.:
COUNTY OF)

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

Notary Public

SCHEDULE A
DESCRIPTION OF THE LAND

The land on which the Building is located is described as follows:

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

BEGINNING at a point on the easterly side of Vanderbilt Avenue, distant 131 feet 8 inches northerly from the corner formed by the intersection of the easterly side of Vanderbilt Avenue with the northerly side of Atlantic Avenue;

RUNNING THENCE northerly along the easterly side of Vanderbilt Avenue, 50 feet 4 inches;

THENCE easterly at right angles to Vanderbilt Avenue, and part of the distance through a party wall, 70 feet;

THENCE southerly parallel with Vanderbilt Avenue, 50 feet 4 inches;

THENCE westerly at right angles to Vanderbilt Avenue, 70 feet to the easterly side of Vanderbilt Avenue at the point or place of BEGINNING.

SAID premises being known as and by the street number 531 Vanderbilt Avenue, Brooklyn, New York 11238;

SCHEDULE B

SCHEDULE C
BY-LAWS

BY-LAWS
THE 531 VANDERBILT AVENUE CONDOMINIUM

ARTICLE I
PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the 531 Vanderbilt Avenue Condominium (the "Condominium"). The Condominium covers the fee interests in the property (the "Property") consisting of approximately 3,523 square feet of land (the "Land") formerly designated as Block 2010 Lot 5 on the Tax Map of the Borough of Brooklyn, Kings County, City and State of New York, the Building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9 B of the Real Property Law of the State of New York by the recording of the Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the Kings County Office of the Register of the City of New York ("City Register's Office"), together with these By-Laws.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium and the Common Elements and the use and occupancy thereof.

Section 3. Personal Application. All present and future Unit Owners, mortgagees, lessees, or their employees, guests, invitees or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, by the Board of Managers or in a proper case, an aggrieved Unit Owner. In the case of flagrant or repeated violation the Board of Managers may ask the offending Unit Owner for sufficient surety for future compliance.

Section 4. Definitions. Any capitalized words herein that are undefined in these By-Laws shall have the same definitions as listed in the Declaration.

Section 5. Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of

Manhattan reasonably convenient thereto, as may be designated from time to time by the Board.

ARTICLE II

CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean the owners of a Unit.

Section 2. Voting.

2.1. Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Registered Mortgagee to act as the proxy of its mortgagor.

2.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001 % (rounded off to the nearest .01 %) of Common Interest attributable to such Unit Owner's Unit.

2.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Unit Owners as a group, (as proposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

Section 3. Quorum. So many Unit Owners as shall represent fifty-one (51%) percent of the total authorized votes of all Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time-to-time, without notice, other than announcement at the meeting until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might

have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Notwithstanding anything to the contrary stated herein, sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees must consent to any change in the Plan, By-Laws or Declaration that would have a material impact on:

- (a) Voting;
- (b) Assessments;
- (c) Priority of Liens;
- (d) Reserves for maintenance or replacement;
- (e) Insurance or fidelity bond requirements;
- (f) Rights to use of common elements;
- (g) Responsibility for maintenance and repair for the Condominium;
- (h) Expansion or contraction of the Condominium;
- (i) Boundaries of any Unit;
- (j) Common Interests;
- (k) Conversion of Units into Common Elements or vice versa;
- (l) Leasing of Units;
- (m) Change in right of first refusal requirements; and
- (n) Establishment of self management.

Section 5. Right to Vote. At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. No Unit Owner may vote at any meeting of Unit Owners if the Board of Managers has perfected a lien against such Unit Owner's Unit and the amount necessary to discharge such lien has not paid prior to such meeting.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners

may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings. The first annual meeting of the Unit Owners shall be called for a date which is no more than one year after the first Unit Closing. Such meeting shall be held not less than ten (10) days nor more than thirty (30) days after such date. At such meeting, the incumbent Board shall resign and the Unit Owners shall elect a Board consisting of three (3) members. Thereafter, annual meetings shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign and the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

Section 10. 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 Unit Owners representing a majority in interest of the Common Elements having been presented to the Secretary.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as 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 mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Report of officers;
- (e) Report of committees (if applicable)
- (f) Election of inspectors of election (if applicable)
- (g) Election of Managers (in the event there is an election);
- (h) Unfinished business; and
- (i) New business.

ARTICLE III

BOARD OF MANAGERS

Section 1. Control By Declarant. Within the later of (a) one hundred twenty (120) days after the date by which seventy-five percent (75%) of the Units have been conveyed to Unit Owners or (b) three (3) years from the date of conveyance of title to the first Unit, the Declarant, as Owner of Unsold Units, will relinquish voting control of the Board of Managers.

1.1 Number of Board Members. The affairs of the Condominium shall be governed by a board of managers of the Condominium. From and after the first annual meeting of the Unit Owners the Condominium Board shall consist of three (3) persons elected or designated by the Unit Owners.

Section 2. Vacancy and Replacement. If the office of any Manager or Managers becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Managers, though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. If the vacancy occurs with respect to any member of the first Board of Managers (see Section 4 of this Article III) who has been designated by the Sponsor, the Sponsor shall have the sole right to choose such Manager's successor to fill the unexpired portion of his term.

Section 3. Removal. Managers, other than Managers elected by the Sponsor or Sponsor's designee, may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Manager, other than a member of the first Board of Managers or a Manager elected or designated by the Sponsor or Sponsor's designee, shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner.

Section 4. First Board of Managers. The First Board of Managers shall consist of individuals designated by Sponsor, who may be officers or employees of Sponsor, and shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article III.

Section 5. Powers. The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these By-Laws directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

- (a) To determine and levy monthly assessments ("Common Charges") to cover the cost of common expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, if

required, to meet any additional necessary expenses, but said increase can only be assessed among the Unit Owners, pro rata, according to their respective Common Interests, including the right to accumulate a reserve for capital replacements;

- (b) To collect, use and expend the Common Charges and assessments collected, to maintain, care for and preserve the Units, Buildings, and other Common Elements;
- (c) To make repairs, restore or alter any Units or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
- (d) To enter into and upon the Units when necessary and with as little inconvenience to the Unit Owner as possible in connection with the maintenance, care and preservation of the property, including emergency repairs at all times whether or not the Unit Owner is present;
- (e) To open and maintain bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;
- (f) To insure and keep insured the Common Elements and Units in accordance with Article VII of these By-Laws;
- (g) To collect delinquent Common Charges and/or assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules and regulations herein referred to;
- (h) To purchase any Unit at a foreclosure sale on behalf of all Unit Owners;
- (i) To make reasonable rules and regulations and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and regulations and all amendments shall be delivered to each Unit Owner;
- (j) To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of manager in connection with the matters hereinabove set forth;
- (k) To bring and defend actions by or against more than one Unit Owner and pertinent to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the Common Charge and/or assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of Condominium and these By-Laws and may fund the

cost of any such litigation out of the Common Charge and/or assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the enforcement of the Sponsor's obligations, as such obligations are set forth in the Declaration of Condominium and these By-Laws, and to the maintenance and operation of the Common Elements;

- (l) To acquire Units in foreclosure or as a result of abandonment and to take any and all steps necessary to repair or renovate any Unit so acquired and to vote as Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;
- (m) To grant utility or other easements as may, at any time, be required for the benefit of the Condominium and Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners;
- (n) To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least one-hundred (100%) percent in number of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of Five Thousand (\$5,000.00) Dollars 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 written consent of the Owner of said Unit;
- (o) To act 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 single 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 charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees for which charges the Board of Managers shall have a lien pursuant to Article VI of these By-Laws;
- (p) To sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by Sponsor or its designee to any Unit, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the signing of the application or such other document. A copy of any such application or other document will be furnished to the Board of Managers.

- (q) To accumulate reserves for capital replacements in sufficient amounts to be in compliance with FHA requirements. The Board shall collect a replacement reserve equal to ten (10%) percent of the Common Charges each year in compliance with FHA requirements (the "Replacement Reserve"). The Replacement Reserves shall be used for the periodic maintenance, repair and replacement of the common elements.

Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Unit Closing of a sale made under the Plan, neither the Board nor the Board of Managers may, with Declarant's prior written approval: (i) make any alteration or improvement to the Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except to reflect normal annual increase in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacement of the Common Elements of the property, including, but not limited to, exterior walls, roof and roof members as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Expense. Except as is otherwise specifically provided, all maintenance to the Units, including electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the Units, except for painting of the exterior surfaces of doors and windows which open from a Unit, which painting is performed by the Board of Managers, repairs and replacement to the Units including windows and doors (including all glass breakage), and repairs to pipes, wires and conduits located in and servicing the same Unit other than as set forth above, shall be made by the respective Unit Owners at their own expense. All irrevocably restricted Unit elements shall be maintained and repaired by the Unit Owner to whom such Common Element is restricted in use. However, the Board of Managers shall repair and replace any pipes, wires, conduits and public utility lines located underground or overhead of any irrevocably restricted Common Element and shall make all necessary structural repairs to any irrevocably restricted Common Element and the cost thereof shall be a Common Expense, except where such repair or replacement is necessitated by the negligence, misuse or neglect of a Unit Owner to whom the Common Element (i.e. a Limited Common Element) is restricted in use, in which event such cost and expense shall be assessed to and paid for by such Unit Owner. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the Common Elements. The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of

carrying out any of its obligations under these By-Laws or the Declaration of Condominium. All repairs, painting or maintenance, whether made by the Unit Owner or by the board of Managers to the doors, windows or the exterior surface of any Building, including roofs or to any generally visible portion of the Common Elements, shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor. In the event that a Unit Owner fails to make any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements, any other Unit or, in the event of service of a Building Department violation notice covering the Unit upon the Board of Managers, the Board of Managers shall have the right to make such maintenance or repair (after the failure of the Unit Owner to do so after ten (10) days' written notice or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs or maintenance to his Unit or for repairs to any Common Elements restricted to use to such Unit Owner, and the Unit Owner fails to make prompt payment, such charges shall be considered as additional Common Charges due from said Unit Owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board brings such a suit, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with the interest on all sums due.

Section 7. Meetings.

(a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners' meetings, and immediately after the adjournment of same, at which time the date, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Manager either personally or by telephone, mail or telegram. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) Manager.

(d) At all meetings of the Board, a majority of the Managers shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Managers present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by Statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of Managers, the Managers present thereat may adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Managers or members of any committee of the Board of Managers may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 8. Fidelity Bonds. The Board of Managers shall obtain and maintain to the extent obtainable (a) Fidelity Insurance covering all employees of the Condominium who handle Condominium funds in an amount not less than \$5,000.00 for each loss. The premiums on such bonds shall be a Common Expense.

Section 9. Management Agent. At its discretion, the Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

Section 10. Liability of the Board of Managers and Unit Owners. Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent, for the Unit Owners as a group only and that no member of the Board of Managers or individual Unit Owners shall be liable for such contract, agreement or commitment. The Unit Owners shall be liable as a group under such contract, agreement or commitment but the liability of each Unit Owner shall be limited to such proportion of the total liability thereunder as his Common Interest bears to the Common Interest of all Unit Owners. The Board of Managers shall have no liability to the Unit Owners in the management of the Condominium except for gross negligence or willful misconduct or acts made in bad faith and the Unit Owners shall jointly and severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member except acts of gross negligence or willful misconduct or acts made in bad faith. Such joint and several liability of the Unit Owners shall, however, be limited as to each Unit Owner to such proportion of the total liability thereunder as such Unit Owners' Common Interest bears to the Common Interest of all Unit Owners.

ARTICLE IV

OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. All officers must be designees of the Unit Owners or members of the Board of Managers. The Board of Managers may also choose such other officers as in their judgment may be necessary. Two or more offices may be held by the same person so long as there are at least 3 officers.

Section 2. Election. All elections of Board members shall be determined by plurality vote.

2.1. When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Article II Section 2.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.2 Notwithstanding any other provisions of this Section 2 or any other provisions of these By-Laws to the contrary, commencing with the first annual meeting of the Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it so that none of them remain Unsold Units. Declarant shall hold a majority of seats on the Board until the latest to occur of Within the later of (a) one hundred twenty (120) days after the date by which seventy-five percent (75%) of the Units have been conveyed to Unit Owners or (b) three (3) years from the date of conveyance of title to the first Unit ("Control Period"). Notwithstanding the foregoing, Declarant may, at its discretion, relinquish voting control of the Board prior to the end of the Control Period. So long as Declarant owns Unsold Units having a percentage of Common Interest in the Units in the aggregate of at least fifteen (15%) percent as the case may be, (a) Declarant shall have the right to designate two (2) members of the Board, or one less than a majority of the Board, as the case may be and for so long as Declarant owns at least one (1) Unsold Unit, Declarant shall have the right to designate one (1) member of the Board. For so long as Declarant owns at least one (1) of the Unsold Units, the number of members of the Board may not be increased without the consent of Declarant.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary that shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The term of office of the Managers shall be fixed

for at one (1) year. At the expiration of the initial term of office of each respective Manager, his/her successor shall be elected to serve a term of one (1) year.

Section 5. Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him or her, any office may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

Section 6. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and Managers, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The 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 and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. The Secretary. The Secretary shall attend all sessions of the Board and all Unit Owners' meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notices of all Unit Owners' meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President under whose supervision he shall be.

Section 9. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all moneys and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers. He shall disburse the funds of the Condominium as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Managers, at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

He shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 10. Execution of Documents. Unless otherwise delegated by the Board all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof, or by such other person or persons as may be designated by the Board. However, the Board can, by resolution, determine that any expenditure in excess of a specified amount by the Board must be countersigned by two members of the Board.

Section 11. Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE V **NOTICES**

Section 1. Definition. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners and to all Registered Mortgagees, as the case may be, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Board. All notices by Registered Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

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

Section 3. Notice to Registered Mortgagee or Registered Guarantor

The Board shall provide timely written notice to a Registered Mortgagee or Registered Guarantor for the following:

- (A) Notice of unpaid Common Charges and default notice of any default or violation by the Unit Owner in the payment of Common Charges or the observance or performance of any of the provisions of the Condominium Documents as to which the Board has actual knowledge then exists which remains uncured for a period of sixty (60) days; and when giving notice of any default or violation to such mortgagor Unit Owner, the board shall also send a copy of such notice to such Owner's Registered Mortgagee and/or Permitted Guarantor.
- (B) Notice of Condemnation or Casualty Loss. Notice of any condemnation or casualty loss which affects a material portion of the Property or a Unit on which there is a Registered Mortgage held, insured or guaranteed by such Registered Mortgagee or Registered Guarantor, as applicable.
- (C) Notice as to Insurance Policy or Fidelity Bond. Notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Board.
- (D) Other Notices: Whenever Notice of any proposed action under the Documents which would: (i) change the boundaries of any Unit; (ii) change the interests in the common elements pertaining to a Unit; (iii) change the number of votes pertaining to a Unit; (iv) change the use restrictions of any Unit; (iv) any proposed termination of the condominium.
- (E) Oversight or Negligence. In no event, however, shall the Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any Claims or Liabilities and Expenses for any failure, through oversight or negligence, in giving a Registered Mortgagee or Registered Guarantor of any notice required under subsections (A) through (D) above. Nonetheless: (a) the Board shall give such missed notice with reasonable promptness after discovering such failure; and (b) if the Board shall foreclose its lien on such mortgagor's Unit hereof by reason of the mortgagor-Unit Owner's default or violation, the Board shall pay to such Registered Mortgagee the extent of any undistributed net proceeds of said foreclosure sale of such Unit then held by the Board (subject to an in accordance with the lien priority), but not more than the sum as shall be due and owing to such Registered Mortgagee.

ARTICLE VI FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and such other person or persons as the Board of Managers, may from time to time, designate.

Section 2. Assessments. The Board of Managers shall from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and any supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, water, sewer, repairs, reserves, and betterments, maintenance of the Common Elements and other operating expenses as well as charges to cover deficits from prior years, if any. The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective Common Interests appurtenant to such Units. This prorating of assessments shall remain constant regardless of the percentage of the building's square footage included in each Unit or the Common Elements restricted to the use of the Owner of said Unit. All of said assessments deemed to be Common Charges shall be payable monthly in advance as ordered by the Board of Managers.

In the event of a default in the payment of any monthly Common Charge assessment by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default, the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make his payment. The Board may charge the delinquent Unit Owner a fee of not more than One Hundred Fifty (\$150.00) Dollars to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the Board on the Common Charge assessment from its due date to the date payment is actually received from the Unit Owner. Special assessments, should such be required, shall be levied and paid in the same manner as hereinabove provided for regular assessments. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his Unit. Any Unit Owner who fails to pay the monthly assessment imposed by the Condominium to meet any Common Expense shall be liable for any expenses incurred by the Condominium in collecting said monthly Common Charge assessment, including interest at the highest legal rate and reasonable attorneys' fees. The Board shall take action to collect any Common Charges due from any Unit Owner which remain unpaid ninety (90) days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law, or otherwise. Under Section 339-aa of the Condominium Act, a lien for non-payment of Common Charges will be subordinate only to liens for real estate taxes and to sums unpaid on a first mortgage of record on the Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the office of the

County Clerk in Kings County, and until all sums secured thereby, with the interest accrued thereon at twelve percent (12%) per annum shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever is earlier. The lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners, similar to a foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the unpaid Common Charges, without necessarily filing the lien

No Unit Owner shall be liable for any Common Charges that accrue against his Unit subsequent to a sale, transfer or other conveyance by him of his Unit in accordance with these By-Laws and the Declaration. A purchaser of a Unit (other than a mortgagee or a purchaser at a foreclosure sale) shall be liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon notice in writing, all rental payments from the tenant shall be directly payable to the condominium association.

If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the Board of Managers has been elected by and from among the unit owners who are in occupancy, the Board of Managers may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim. Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement. Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

Any first mortgagee who obtains title to a Condominium Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid common charges before acquisition of the title to the Unit by the mortgagee. The lender will be liable for any fees or costs related to the collection of the unpaid Common Charges

Section 3. Foreclosure of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, sell, vote or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit.

Section 4. Statement of Common Charges. Upon the written request of any Unit Owner or his mortgagee, the Board shall promptly furnish such Unit Owner or his mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 5. Liability for Water, Sewage, Gas and Electricity. All electricity and gas consumed in the Common Elements and all water consumed in the Units and on the Common Elements and all sewage charges shall be a common expense. Electricity and gas consumed in each Unit shall be individually metered and paid for by the respective Unit Owner.

Section 6. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 7. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE VII

INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: All risk or fire insurance with extended coverage, loss of business, income/extra expense, boiler and machinery, insuring the Building in the Condominium, including all of the Units and the bathrooms and fixtures initially installed therein by the Sponsor, together with all heating, air conditioning and other

service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as its interest may appear, in an amount equal to at least one hundred percent (100%) of the replacement value of the Building exclusive of the land, foundation, excavation and other items normally excluded from coverage.. Each of such policies shall contain 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; and such other insurance as the Board of Managers may determine. The Board of Managers is hereby irrevocably appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium property to adjust all claims arising under insurance policies purchased by the Board of Managers and to execute and deliver releases upon the payment of claims. 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 that the proceeds thereof, if \$100,000 or less, shall be paid to the Board of Managers, and if in excess of \$100,000 shall be paid to the Insurance Trustee. The Board of Managers is hereby appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon a Unit and for each owner of any interest in the Condominium property to adjust all claims arising under insurance policies purchased by the Board of Managers and to execute and deliver releases upon the payment of claims.

The fire insurance will commence with the closing of title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners' Meeting, such amount to be no less than one hundred percent (100%) of the replacement value of the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rate liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from acts of the insured or any Unit Owners, 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 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.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, general comprehensive liability insurance 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 comprehensive general liability insurance shall also cover cross-liability claims of one insured against another and shall be in a single limit of not less than One Million Dollars (\$1,000,000) covering all claims for bodily injury and for

property damage arising out of one occurrence. Such comprehensive general liability insurance shall commence on the closing of title to the first Unit. The Board shall also be required to carry workmen's compensation insurance should it be required by law.

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

If the Condominium insurance policy does not include interior unit coverage, including replacement or interior improvements and betterment coverage to insure improvements that the Unit Owner may have made to the Unit, the Unit Owner must obtain a "walls-in" coverage policy.

Section 2. The Insurance Trustee. The Insurance Trustee shall be a bank or trust company located in the State of New York designated by the Board of Managers. All fees and disbursements of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee that shall be a bank or trust company located in the State of New York.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), subject to the provisions of any mortgage covering the Premises, the Board of Managers or the Insurance Trustee shall arrange for the prompt repair and restoration of the Building (including all kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance, but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the 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 all the Unit Owners for such deficit as part of the Common Charges.

ARTICLE VIII

OPERATION OF PROPERTY

Section 1. Restriction on Use of Units.

1.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used for residential purposes only, except as otherwise herein expressly provided.

1.2 The Board of Managers, may, in its discretion, grant permission for the use of a Unit as a professional office or for any other purpose, provided such use (1) is permitted by Law, (2) does not violate then existing certificate of occupancy for such Unit, (3) does not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) complies with all applicable governmental regulations. Such permission by the Board of Managers shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board of Managers before using such Unit as professional office or for any other purpose.

1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this subsection) may be accommodated therein.

1.4 No Unit may be used as a dormitory or similar arrangement.

1.5 Each Unit owner is obligated to notify the Board or the managing agent (if applicable) in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner is obligated to install at such Unit Owner's expense, the required window guards in all windows of the Unit, to maintain all window guards installed in the Unit and not to remove same until permitted by Law and in any event, without full knowledge of the Board or the managing agent.

1.6 Notwithstanding the provisions of subsection 1.1, Declarant or its designee may without the permission of the Board of Managers use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable law.

1.7 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable law. "Hazardous Substances" means any pollutants, chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos containing materials, construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants,

explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law.

1.8 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, no Unit can be used for any unlawful, illegal, or extra hazardous business, use or purpose or in such a manner as to constitute a nuisance of any kind (private or public).

Section 2. Use of Common Elements

2.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

2.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the General or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Board. The lobbies, vestibules, public halls, and stairways shall be used only for normal passage through them.

2.3 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear expected, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

Section 3. Other Provisions as to Use. No nuisance shall be allowed in the Building nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Building or any portion thereof. All valid Laws, zoning

ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain such part of the Property.

Section 4. Right of Access.

4.1 Each Unit Owner grants a right of access to such Unit Owners Unit to the Board, the managing agents, managers, and/or any other person authorized by any of the foregoing. In case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit owner is present.

4.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Board shall grant rights of access to the Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

Section 5. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and the Limited Common Elements. The Board of Managers may from time to time, modify, amend or add to the Rules and Regulations except that a majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Board of Managers shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners. Copies of any newly adopted Rules and Regulations or any modifications, amendment or additions thereto, shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

Section 6. Gas and Water/Sewer. Gas for each Unit will be supplied by the utility company servicing the gas distribution system and separately metered or sub-metered for each Unit. Each Unit Owners shall be required to pay the bills for gas consumed or used in such Unit Owners Unit(or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to utility company or as directed by the Board. Water and sewer charges for water consumed in the Building will be paid by the Board and borne by the Unit Owners as a Common Charge.

Section 7. Electricity. Electricity for each Unit will be supplied by the utility company servicing the gas distribution system and separately metered or sub-metered for each Unit. Each Unit Owners shall be required to pay the bills for gas consumed or used in such Unit Owners Unit(or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to utility company or as directed by the Board.

Section 8. Utilities Servicing the General Common Elements. Except as otherwise provided in this Article 8, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any General Common Element shall be (a) considered part of the expense of maintaining such General Common Element, (b) determined by the Board and (c) charged to the Unit Owners as a Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

Section 9 Abatement and Enjoinment of Violations by Unit Owners

9.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

9.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

9.3 In the event the Board and/or the Declarant (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (excluding Declarant) (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of the Condominium Documents, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys fees, together with all reasonable out of pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5 % per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owners Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

ARTICLE IX DEFAULT

In the event any Unit Owner fails to make payment of Common Charges or Assessments when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of \$150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date thereof, together with all expenses, including, without limitation, attorney's fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition, the Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Assessments due.

In any action brought by the board 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 and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owner's, shall have the power to purchase any such Unit, at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). 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 sale (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 deficit. Notwithstanding anything to the contrary set forth above, the Board, at the request of Declarant, will enter into a recognition agreement with any tenant with which Declarant has entered into a lease. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle the Declarant or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board lien on such Unit for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenants use, possession, or enjoyment of the Unit in question be interfered with, nor shall the fee estate granted by the lease be affected in any manner, nor shall

any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of the Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that the Board or any other party succeeds to the interests of the Declarant under the lease, the tenant will agree to be bound to the Board or party under all of the terms, covenants and conditions of the lease and will satisfy the obligations of the Unit Owner under the Declaration, by-Laws and Lease, and that the tenant will attorn to the Board or party as its landlord and comply with all of the obligations of the Unit Owner under the lease.

Each Unit Owner, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default, regardless of the harshness of the remedy available to the Condominium and regardless of the availability of other equally adequate legal procedures. It is the intent of all Unit Owners to give the Condominium a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the Unit Owners and to preserve each Unit Owner's right to enjoy his Unit free from unreasonable restraint.

ARTICLE X **AMENDMENTS**

These By-Laws may be altered, amended or added to at any duly called Unit Owners' meeting provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-seven percent (67%) of the Unit Owners and if material in nature by fifty one (51%) percent of the Registered Mortgagees; and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment shall affect or impair the validity or priority of the Unit Owner's interests and the interests of holders of a mortgage encumbering a Unit or Units, or adversely affect Sponsor's rights.

A written notice will be sent certified or registered mail with a "return receipt" requested to Registered Mortgagee's and Registered Guarantor's notifying them of any material change to the Documents.

Approval or consent to any change to the Documents by a Registered Mortgagee will be implied if the Registered Mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested

ARTICLE XI **SELLING, MORTGAGING AND LEASING UNITS**

Section 1. Selling and Leasing of Units.

No Unit Owner, other than the Sponsor, may convey his Unit or any interest therein by sale or lease except in the manner set forth in this Section.

1.1 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Unit Power of Attorney required under the Declaration, in the form set forth in Part II of the Plan.

1.2 Payment of Assessments. Any Unit may be conveyed or leased by its owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until all unpaid Common Charges assessed against his Unit shall have been paid to the Board Managers. However, such unpaid Common Charges can be paid out of the proceeds from the sale of a Unit or by the grantee. Sponsor makes no representation as to the availability of any such financing. Purchasers are advised that even if they receive a financing commitment, its term may be limited and it may expire prior to the Unit Closing Date unless extended by Purchaser. The Purchaser must make a good faith effort to extend the financing commitment. If the financing commitment expires prior the Unit Closing Date the Sponsor will grant the Purchaser a right of rescission. The Purchaser will be allowed ten (10) business days to exercise the right of rescission. If the Purchaser does not timely exercise this right of rescission then Purchaser shall be deemed to have waived the right to cancel the Purchase Agreement.

Further, a Unit Owner may convey his Unit and his Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this Section shall be voidable at the election of the Board. The provisions of this Section shall not apply to the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagee. The provisions of this section shall not apply to a Unit owned by the Sponsor or its designee until a deed to such Unit has been delivered to a purchaser thereof.

Whenever the term "Unit" is referred to in this Section, it shall include the Unit, the Unit Owner's undivided interest in the Common Elements and the Unit Owner's interest in any Units acquired by the Board of Managers.

Section 2. Waiver of Partition Rights. The Unit Owners waive all rights to partition their Unit except as otherwise set forth herein.

Section 3. Mortgaging of Units. No Unit Owner may mortgage his Unit except by a mortgage loan granted by a federal or state savings and loan association, savings or commercial

bank, life insurance company, pension fund, trust company, agency of the United States Government or of the City or State of New York or other similar institutional lender provided that (i) the mortgage shall be substantially in the form of the New York statutory mortgage, (ii) the Board of Managers is notified in writing of the making of the mortgage and receives a conformed copy of the mortgage and note, (iii) the mortgage states that if consent by the mortgagee is required to any amendment to the Condominium Declaration and By-Laws such consent will not be unreasonably withheld or delayed, and (iv) the Unit Owner making such mortgage first pays all assessments and Common Charges previously assessed by the Board of Managers against the Unit, and satisfies all unpaid liens against the Unit, except for the lien of a permitted mortgage. Notwithstanding the foregoing, the Sponsor and Sponsor's designee shall have the right to mortgage their Units without restrictions or limitation, but any such mortgage shall contain the representations in clauses (iii) and (iv) of this paragraph (if applicable).

Registered Mortgagees holding mortgages on Units that constitute a majority of the common interests (except where noted otherwise) of the Units that are subject to Registered Mortgages must consent to: (i) any change in the Plan, or the Documents that might have an adverse material impact on the Registered Mortgagees are expressly for the benefit of holders of first mortgages on the Units; (ii) any election to terminate the condominium after substantial destruction or substantial taking in a condemnation said consent to be given by fifty-one (51%) of the Registered Mortgagees; (iii) any reallocation of common interests resulting from a partial condemnation or destruction; and (iv) any material change in the Documents affecting:

- (a) Voting;
- (b) Assessments;
- (c) Priority of Liens;
- (d) Reserves for maintenance or replacement;
- (e) Insurance or fidelity bond requirements;
- (f) Rights to use of common elements;
- (g) Responsibility for maintenance and repair for the Condominium;
- (h) Expansion or contraction of the Condominium;
- (i) Boundaries of any Unit;
- (j) Common Interests;
- (k) Conversion of Units into Common Elements or vice versa;
- (l) Leasing of Units;
- (m) Change in right of first refusal requirements; or
- (n) Establishment of self management

Section 4. Gifts, etc. Any Unit Owner may convey or transfer his Unit by gift during his lifetime or devise his Unit by will or pass same by intestacy without restriction.

Section 5. Leasing. Leases on Units owned by the Declarant or Unit Owner shall have a minimum term of thirty (30) days. All leases shall be in writing and are subject to these By-Laws.

ARTICLE XII **CONDEMNATION**

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than \$60,000.00, and to the Board of Managers if the award is \$60,000.00 or less, to be distributed in accordance with Section 3 of ARTICLE VII but in the following amounts:

(a) So much of the award as is applicable to unrestricted Common Elements, to the Unit Owners pro rata according to their respective Common Interests appurtenant to the Units owned by such Unit Owners.

(b) So much of the award as is applicable to irrevocably restricted Common Elements, to the Unit Owners having general use of such Common Elements. Any change in the provisions of this Article shall not be valid unless a majority of the Registered Mortgagees approve such a change.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted Common Elements and to each irrevocably restricted Common Element. In the event the award does not set forth such allocation, then the question of such allocation shall be submitted to arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XIII **RECORDS AND AUDITS**

Section 1. Records The Board or the Managing Agent shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Units Owners for whom the Board serves and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board of Managers shall keep a separate account for each Unit, which among other things, shall contain the amount of each assessment of Common Charges made by the Board of Managers against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

Section 2. Audits Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public

accountant shall be submitted by the Board of Managers to all Unit Owners and, if so requested, to any Registered Mortgagee. The cost of such report submitted by the Board of Managers shall be paid by the Unit Owners as a Common Charge.

Section 3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE XIV ARBITRATION

Section 1 General Procedure. Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of Kings having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any arbitration under this Article 14 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

Section 2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne by the losing party in the arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses will constitute Common Charges.

Section 3 Agreement by Parties. The parties to any dispute required or permitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 9.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE XV

MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in his Unit that will increase the insurance rates on his Unit or any other Unit or on the Common Elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. A Unit Owner who mortgages his Unit shall notify the Condominium through the Managing Agent, if any, or the President of the Board of Managers in the event there is no Managing Agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Units."

Section 4. Notice of Unpaid Assessments. The Board of Managers will report any unpaid assessments after sixty (60) days delinquency due from the Unit Owner of such Unit to Registered Mortgagee, the Registered Guarantor and the Unit Owner.

Section 5. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Section 6. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

Section 7. Condominium Plan. In the event of any conflict between the provisions herein and those of the Offering Plan filed by Sponsor (the Declarant under the Declaration of Condominium), and any amendment thereto, the provisions of the Offering Plan shall govern.

Section 8. Encroachments. In the event any portion of the Common Elements encroaches upon any Unit or a Unit encroaches upon a Common Element (the "Encroachment") and such Encroachment does not materially affect either the Unit or the Common Element, the Encroachment shall be a valid easement against the encroached owner with the maintenance for the Encroachment being the responsibility of the encroaching party.

Section 9. Depository. The Depository shall be a savings bank, a savings and loan association or a commercial bank or trust company designated by the Board to serve as

Depository, provided all funds held by such Depository shall be held in New York City or Kings County. In the event the Depository resigns or the Board wishes to replace it, the Board shall promptly appoint a new Depository in accordance with the terms of this Section. The Board shall pay the fees and disbursements of any Depository and such fees and disbursements shall constitute a Common Charge. The Depository shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, and subject to the foregoing requirements, such lender shall be the Depository until its release of all Units from the lien of its mortgage.

Section 10. Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Units then owned by Declarant or its designee as the case may be. Subject to the foregoing, Declarant and its designee shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

Section 11. Covenant of Further Assurances.

Section 11.1 Any party which is subject to the terms of these By-Laws, 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, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, 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 party may reasonably request to effectuate the provisions of these By-Laws 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.

Section 11.2 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgement or delivery, and to the Board, stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instruments or take such action, then the Board which represents such Unit Owner, Board 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 or other party and such document or action shall be binding on such Unit Owner, Board or other party.

Section 11.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or take such action, in the name of such Unit Owner, the board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

Section 12 First Mortgagees Rights Confirmed No provision of the Documents gives a Condominium Unit Owner or any other party priority over any rights of the first mortgagee of the Condominium Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or common elements.

SCHEDULE A
RULES AND REGULATIONS

In addition to the other provisions of these By-Laws, the following House Rules and Regulations, together with such additional Rules and Regulations as may hereafter be adopted by the Board of Managers, shall govern the use of the Units and the conduct of all residents thereof:

1. Owners of a Unit, their employees, licensees and guests shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium.

2. The Common Elements shall not be obstructed, littered, defaced or misused in any manner, except as may be provided for herein.

3. Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct he is legally responsible.

4. Every Unit Owner must perform promptly all maintenance and repair work to its own Unit, which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which its Unit forms a part, such Unit Owner being expressly responsible for the damages and liabilities that its failure to do so may engender. All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations, shall be at the Unit Owner's expense.

5. Intentionally Omitted

6. No Unit Owner shall paint the exterior surfaces of the windows and doors opening out of his Unit.

7. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom or from the doors or windows thereof, any dirt or other substance.

8. Nothing shall be installed in or be projected from any window, balcony or wall of the Building by a Unit Owner without similar approval.

9. No Unit Owner or any of his agents, servants, employees, licensees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except for normal household use.

10. No Unit Owner shall make or permit any disturbing noises in his Unit or do or

permit anything to be done therein which will interfere with the rights, comforts or conveniences of other Units Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument or operate or permit to be operated a CD player, radio or television set or other loud speaker in such Owner's Unit between the hours of twelve o'clock midnight and the following seven o'clock A.M. if the same shall disturb or annoy other occupants of the Building and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of ten o'clock P.M. and the follow nine o'clock A.M.

11. No garments, rugs or similar items shall be hung from the windows or from any other part of the Building or balconies or clotheslines strung on or over the Common Elements (including any irrevocably restricted areas).

12. No sign of any kind shall be displayed to the public view on or in any Unit.

13. No birds, animals or reptiles, except dogs or cats, shall be permitted in any Unit unless the same shall have been expressly permitted in writing by the Board of Managers or the Managing Agent, and such permission shall be revocable at any time by the Board of Managers or Managing Agent in their sole discretion. No pet shall be permitted in the Common Elements, including dogs and cats, unless carried or on a leash.

14. No Unit Owner shall leave any personal property (i.e. bicycles, carriages etc.) to be left in the hallways, corridors, lobby or other common areas.

15. No one shall ride bicycles, mopeds or skateboards on any portion of the Common Elements.

16. Every Unit Owner shall comply with the recycling laws of the City of New York or any other governmental entity having jurisdiction thereof.

THE 531 VANDERBILT AVENUE CONDOMINIUM

CERTIFICATIONS

CERTIFICATION BY SPONSOR

Vanderbilt Upreal LLC
306a-308 Malcolm X Blvd
Brooklyn, New York 11223

October 15, 2014

Department of Law
120 Broadway, 23rd Floor
New York, NY 10271

Re: 531 Vanderbilt Avenue Brooklyn, New York,

The 531 Vanderbilt Avenue Condominium

To whom it may concern:

We are the sponsor and the principals of sponsor of the condominium offering for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, 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 this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate

basis upon which to form their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false
pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future that is
beyond reasonable expectation or unwarranted by existing
circumstances; and

(vii) not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

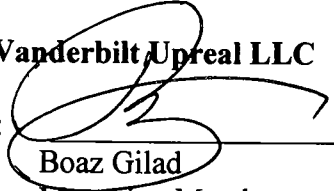
(d) did not have knowledge concerning the representations or
statements made.

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 the civil
and criminal penalties of the General Business Law and Penal Law.

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Very truly yours,

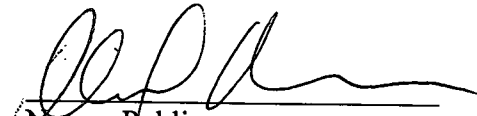
Vanderbilt Upreal LLC

By: 

Boaz Gilad

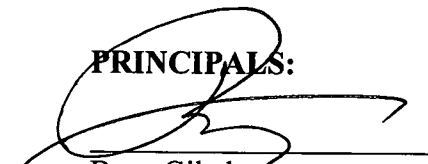
Managing Member

Sworn to me this 11 day of Oct, 2014

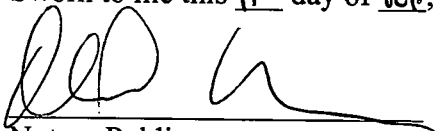

Notary Public

RICHARD D MARANS
Notary Public, State of New York
No. 02MA4951292
Qualified in New York County
Commission Expires July 31, 2015

PRINCIPALS:


Boaz Gilad

Sworn to me this 11 day of Oct, 2014


Notary Public

RICHARD D MARANS
Notary Public, State of New York
No. 02MA4951292
Qualified in New York County
Commission Expires July 31, 2015

CERTIFICATION BY ARCHITECT

Dated: Aug 6, 2014

Department of Law
120 Broadway, 23rd FL
New York, NY 10271

Re: **531 Vanderbilt Avenue Brooklyn, New York**

Gentlemen and Ladies:

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). I visually inspected existing portions of the renovated property, if any, on Feb. 21, 2013, and I examined the building plans and specifications that were prepared by Ramy Issac, R.A., dated Monk. 20, 2013 and prepared the Report dated Aug. 6, 2014, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered architect in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning

the description and/or physical condition of the property as it will exist upon the completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my firm's 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.

Very truly yours,

By: Brent M. Porter
Brent M. Porter



Seal

Sworn to before me this

6th day of Aug, 2014

Lesley Liarikos
Notary Public

LESLEY LIARIKOS
Notary Public, State of New York
No. 01LI61922080
Qualified in New York County
Commission Expires Aug. 25, 2016



196 BEDFORD AVE.
BROOKLYN NY 11249

OFFICE: 718-388-0023
FAX: 718-388-0063

BEDFORDMANAGEMENT.COM

**CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET FOR THE FIRST YEAR OF
CONDOMINIUM OPERATION**

June 5, 2014

The 531 Vanderbilt Avenue Condominium
c/o Vanderbilt Upreal LLC
306A-308 Malcolm X Boulevard
Brooklyn, New York 11233

Re: The 531 Vanderbilt Avenue Condominium
531 Vanderbilt Avenue
Brooklyn, New York

Ladies/Gentlemen:

The undersigned certify as follows:

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to review Schedule B and Schedule B-1, containing projections of income and expenses for the condominium operation of the 531 Vanderbilt Avenue Condominium for the first year of condominium operation. Our experience in the field includes the management of real estate properties in New York City for over 25 years. We currently manage approximately 100 properties, comprising approximately 700 residential and commercial units.

I 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 Schedules B and B-1.

I have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience as a residential real estate broker, consultant, appraiser and the management of residential buildings.

I certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.



196 BEDFORD AVE
BROOKLYN NY 11249
OFFICE: 718-386-0025
FAX: 718-386-0065
BEDFORDMANAGEMENT.COM

I certify that the Schedules:

- (i) set forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth;
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that we are not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation. This certification is made under penalty or perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Matthew W Gelfand

Sworn to before me this

5 day of June, 2014

Notary Public

BOGUMILA T. ROSEBURG
NOTARY PUBLIC - STATE OF NEW YORK
NO. 01RC5071459
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JANUARY 13, 2015

