CONDOMINIUM OFFERING PLAN FOR

280 ST. MARKS AVENUE CONDOMINIUM

280 ST MARKS AVENUE

280 St. Marks Avenue | Brooklyn, New York 11238 | Kings County

Offering Price of all 32 Units	$62,338,000
Offering Price of all 32 Parking Licenses	$3,320,000
Offering Price of all 32 Storage Licenses	$410,000
Total Offering Price	**$66,068,000**

SPONSOR:

ESCORIAL 280 SMA, LLC
c/o DNA Development LLC
41 Union Square West, #1423
New York, New York 10003

SELLING AGENT:

TOWN NEW DEVELOPMENT SALES & MARKETING LLC
25 West 39th Street, 10th Floor
New York, New York 10018

DATE OF ACCEPTANCE FOR FILING: September 9, 2015

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER CONSUMMATION OF THIS PLAN, THIS 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 SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

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

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(i) Sponsor and Sponsor's Principal
(ii) Sponsor's Architect
(iii) Sponsor's Expert Concerning Adequacy of Budget

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SPECIAL RISKS

The special risks summarized below are explained more fully in other Sections of the Plan. Prospective Purchasers should therefore read the entire Plan to completely understand these and other material aspects of this offering. See the Section of the Plan entitled "**Certain Definitions**" for the meanings of the capitalized words used in this Section of the Plan and not defined herein.

1. No Financing Contingency

Although a Purchaser may obtain financing from any lending institution or other source, the Purchaser's obligation to purchase a Unit pursuant to a Purchase Agreement will not be contingent upon the Purchaser's obtaining such financing, so that a Purchaser will remain obligated under the Purchase Agreement whether or not such Purchaser has been able to obtain financing. Prospective Purchasers who are unable to complete their purchases because they are unable to obtain financing and are otherwise unable to obtain the funds necessary to pay the balance of the Purchase Price will be subject to forfeiture of their Down Payments. Neither Sponsor nor the Selling Agent makes any representation whatsoever as to the availability or cost or other terms of any mortgage or other financing. Prospective Purchasers who require financing are advised to consult with a representative of a lending institution before executing a Purchase Agreement. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date; and Sponsor shall have no obligation to schedule or conduct any closing prior to the expiration of any loan commitment and shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment. See the Section of the Plan entitled "**Procedure to Purchase.**"

2. Sponsor's Remedies on Purchaser's Default Under Purchase Agreement; 30-day "Time-of-the-Essence" Period for Purchaser to Cure Default

Any Purchaser who defaults under his or her Purchase Agreement must be given written notice and the opportunity to cure such default within thirty (30) days from the sending of the default notice. If a defaulting Purchaser does not remedy the default within such thirty (30)-day grace period, with **TIME BEING OF THE ESSENCE**, Sponsor will have the right to cancel such defaulting Purchaser's Purchase Agreement and retain as liquidated damages the Down Payment, together with any interest earned thereon, plus the cost of any special work in the Unit ordered by Purchaser. Purchaser and Sponsor will thereupon be relieved of all further liabilities and obligations thereunder and under the Plan. If the Purchase Agreement is canceled, Sponsor will have the right to sell the Unit to others as if the Purchase Agreement had never been made, without accounting to the Purchaser for the proceeds of such sale. See the Section of the Plan entitled "**Procedure to Purchase.**"

3. Purchaser's Delinquency Closing Costs

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 0.0411% 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 date on which the closing occurs, (b) reimburse Sponsor for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay and (c) pay the service fees of Sponsor's attorneys of $250 if the closing is adjourned for any reason other than at Sponsor's request. All of these and other closing costs to be paid by a Purchaser are described in the Section of the Plan entitled "**Unit Closing Costs and Adjustments.**"

4. Purchaser's Payment of Transfer Taxes

At the closing of title to his or her Unit, each Purchaser will be required to pay New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax. The New York City Real Property Transfer Tax is currently imposed at a rate of 1% of the Purchase Price for an individual residential condominium unit if the Purchase Price is $500,000 or less and 1.425% if the Purchase Price is more than $500,000. The New York State Real Estate Transfer Tax is currently imposed at a rate equal to $2.00 for each $500 (or fractional part thereof) of the Purchase Price. Prospective Purchasers are advised that both New York State and New York City have taken the position that where a purchaser pays either or both of these taxes, the amount of such taxes that would have been paid by the seller but is instead paid by the purchaser constitutes additional consideration to the seller and must be considered in calculating the tax due. New York law also imposes a so-called "mansion tax" (equal to 1% of the purchase price of the Unit) that is required to be paid by purchasers of Units having a purchase price of $1,000,000 or more. The amount of New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax that would have been paid by the seller but is instead paid by the purchaser is included in determining the purchase price of a Unit for the purpose of determining whether any "mansion tax" is due and payable and for the purpose of calculating the amount of such "mansion tax."

5. Down Payment Equal to Twenty Percent of Purchase Price

When he or she executes and delivers to the Selling Agent a copy of the Purchase Agreement, each Purchaser will be required to pay a first installment of the Down Payment equal to ten percent (10%) of the Purchase Price (or, if an amendment declaring the Plan effective or confirming that the Plan has been declared effective has previously been accepted for filing by the Department of Law, a sum equal to twenty percent (20%) of the Purchase Price, representing both the first and second installments of the Down Payment). Unless it has already been paid, each Purchaser will be required to pay a second installment of the Down Payment in an amount equal to ten percent (10%) of the Purchase Price on or before the earlier of the date that is (a) six (6) months from the date of the Purchase Agreement or (b) fifteen (15) days after the date of presentation of an amendment declaring the Plan effective or confirming that the Plan has been declared effective. Accordingly, the total Down Payment will be twenty percent (20%) of the Purchase Price. The failure of a Purchaser to pay the second installment of the Down Payment when due is an event of default under the Purchase Agreement, which if not cured within thirty (30) days following written notice of such default will result in Sponsor's canceling the Purchase Agreement and retaining, as liquidated damages, all sums paid on account of the Down Payment.

6. Bank Account for Down Payment is Federally Insured to Maximum of $250,000

Each Down Payment will be kept in a segregated attorney's special escrow account at Citibank, N.A., 666 Fifth Avenue, New York, New York 10103 (the "**Bank**"). The Bank is covered by federal bank deposit insurance to a maximum of $250,000 in the aggregate with respect all funds deposited by any Person in one or more deposit accounts. If a Purchaser's Down Payment, together with any other funds of such Purchaser in deposit accounts at the Bank, exceeds $250,000, the excess above $250,000 will not be federally insured. Neither Sponsor, the Selling Agent nor the Escrow Agent holding the Down Payment will be liable for any losses resulting from the failure of the Bank. See the Section of the Plan entitled "**Procedure to Purchase.**"

7. Sponsor's Inability to Convey Title

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit.

8. Unit Measurements

The approximate square footage (within reasonable tolerances) of each unit as set forth in Schedule A is measured horizontally from the exterior side of the exterior walls at the building line to the midpoint of the interior walls and partitions separating one Unit from the another Unit, or the exterior face of the interior walls separating a Unit from Common Elements such as common areas, public corridors, stairs, elevators and other mechanical spaces. Columns and mechanical pipes and chases within the Unit are not deducted from the square-foot area of the Unit. Since they are not based upon measurements from interior surfaces of interior walls, the actual useable areas comprising the Units are significantly less than the areas set forth on Schedule A.

9. Delay of First Closing

Sponsor anticipates that the First Closing will occur on or about January 1, 2017. If the First Closing is delayed twelve (12) months or more beyond such date, Purchasers will be offered the right, for a period of at least fifteen (15) days from the Presentation Date of an amendment in which Sponsor discloses that the First Closing has not occurred within such twelve (12)-month period, to rescind their Purchase Agreements and have their Down Payments refunded promptly.

Even if the First Closing occurs before January 1, 2018, Sponsor may schedule the closing of title to other Units significantly later than such date. Unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule the closing of title to a particular Unit to be within any specified time frame or to ensure that closing of title to such Unit will occur by any date certain. Prospective Purchasers should therefore carefully consider such risks in their determination as to whether to purchase a Unit.

10. Occupancy of Units by Renters

Sponsor intends to sell the Units to Purchasers who are buying for their or their families' personal occupancy. Sponsor reserves the unconditional right, however, to sell Units to investors who intend to rent and not to occupy their Units personally. In addition, Sponsor reserves the unconditional right to freely rent from time to time after consummation of the Plan any Unsold Units without charge or limitation whatsoever and without the consent of the Condominium Board or any other Unit Owner. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts as to how the Condominium should be managed because of their different purposes in owning Units (i.e., for use as a home as opposed to a business or investment).

11. Certificate of Occupancy

Prospective 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 covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary certificates of occupancy and final certificates of occupancy are issued by the DOB (the "**DOB**"). A temporary certificate of occupancy is intended to indicate that the property conforms substantially to plans and specifications approved by the DOB and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the temporary certificate of occupancy. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy for a building 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 temporary certificate of occupancy rather than a final certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof and, ultimately, for obtaining a final certificate of occupancy covering the entire building within two years from the date of the issuance of the first temporary certificate of occupancy. Sponsor and its principals make no representation or guarantee, however, that the DOB will issue a final certificate of occupancy within such two-year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE A FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING AND SHALL EXERCISE BEST EFFORTS TO OBTAIN A FINAL CERTIFICATE OF OCCUPANCY WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT. The Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a final certificate of occupancy, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the final certificate of occupancy.

If any Units are to be occupied prior to the issuance of a final certificate of occupancy, Sponsor will be required by Section 28-104.8.4 of the Administrative Code of the City of New York to cause to be filed with the DOB a tenant-protection plan that contains a statement that the Building contains dwelling units that will be occupied during construction and indicates the specific Units that are or may be occupied during construction, the means and methods to be employed to safeguard the safety and health of the occupants, including, where applicable, details such as temporary fire-rated assemblies, opening protectives and dust-containment procedures. A copy of the current tenant protection plan shall be distributed to each such occupant.

Prospective Purchasers are advised to visit the DOB web site for further recommendations when purchasing a unit in a building that does not have a final certificate of occupancy. A fact sheet on Certificates of Occupancy is available on the DOB website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

12. Real Estate Taxes and Section 421-a Benefits.

Sponsor will apply for a partial exemption pursuant to Section 421-a of the New York Real Property Tax Law from any increase in the assessed value of the Property above the assessed value of the Land and any improvements thereon during the tax year preceding the commencement of construction of the Building. There can be no assurance that such exemption will be granted. Such exemption if granted, will be for a limited period of 15 years, and will decrease progressively during such period. If for any reason, however, such partial tax exemption is not granted, the Units will subject to full taxation. Purchasers will have no right to rescind their Agreements in such event, will continue to be obligated to pay the full Purchase Price without any offset or credit and will have no claim against Sponsor by reason of the same. See the Section of the Plan entitled **"Real Estate Taxes."**

Although the Building is located in a "geographic exclusion area" within which building projects must provide on-site affordable housing to be eligible for Section 421-a benefits, Sponsor has satisfied the satisfied the statutory requirement for the construction of affordable housing units by purchasing negotiable 421-a certificates issued by the New York City Department of Housing Preservation and Development. Further, because the Building will contain fewer than 50 residential units, it is exempt from the requirement that building service employees must be paid a prevailing wage for the duration of the period of the partial tax exemption.

It should be noted that although Sponsor intends that the Building shall be exempted from its obligation under Section 421-a to register the Units as rent stabilized by reason of the Building's condominium status, if prior to consummation of the Plan, Sponsor rents all or any portion of any Unit to any person other than, pursuant to an interim lease, to a Purchaser who has executed a Purchase Agreement, Sponsor will be required to abandon the Plan in accordance with the provisions of Section 20.1(l)(2) of the Regulations promulgated by the Attorney General in Title 13 NYCRR.

Sponsor has 15 months from the date of issuance of a final certificate of eligibility by the New York City Department of Housing Preservation and Development to declare the Plan effective. Thereafter, Sponsor will be required to register Units as rent stabilized as they become occupied.

Because of the limited number of negotiable 421-a certificates issued by the New York City Department of Housing Preservation and Development that Sponsor was able to acquire, the application for Section 421-a benefits can include only 31 Units. Consequently, if the application is granted, one of the Units, Unit 4G, will nevertheless be ineligible for the partial tax exemption, and real estate taxes assessed against Unit 4G during the 15-year exemption period will be higher than the real estate taxes assessed against similar Units that are eligible for the exemption.

13. Warranties

Because the Building consists of five stories, Article 36-B of the General Business Law, known as the "Housing Merchant Implied Warranty Law," applies to the Units being sold pursuant to the Plan. The warranties set forth in the plan must comply with the requirements of Section 777-a (Housing Merchant Implied Warranty) and Section 777-b (Exclusion or Modification of Warranties). In the offering made pursuant to the Plan, the Housing Merchant Implied Warranty is limited. The limitations are set forth in the Limited Warranty annexed to the Purchase Agreement. Certain of the limitations contained in the Limited Warranty are noted as follows: (a) the Limited Warranty provides coverage only for the first Purchaser of a particular Unit; (b) Sponsor's liability is limited to 25% of the Purchase Price of the Unit; (c) any claim for damages made by a Purchaser is to be reduced by any insurance proceeds received by such Purchaser with respect to that claim; (d) incidental, special, indirect, consequential and other similar damages are excluded; and (e) detailed procedures must be followed for giving notice to Sponsor of a warranty claim and for commencing a lawsuit against Sponsor.

14. Sponsor Control

Sponsor will control the Condominium Board until the expiration of the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Units having more than ninety percent (90%) of the aggregate Common Interests appertaining to all Units or (ii) the fifth (5th) anniversary of the First Closing. See the Section of the Plan entitled **"Control by Sponsor."**

15. Window Guards

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of 11 years live or reside (even temporarily) in the Unit owned by such Unit Owner. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit owned by such Unit Owner. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove them until permitted by Applicable Law and, in any event, without the prior written approval of the Managing Agent.

16. Lot-Line Windows

Several Units on the east and west sides of the Property have lot-line windows as follows: Units 2E, 3E, 4A and 4E (each having two in the master bedroom), Units 3H and 4H, PH-C and PH-E (each having one in the secondary bedroom), Unit PH-A (two in the living/dining room and one in the secondary bedroom). The lot-line windows are more particularly described in the **"Description of Property and Specifications"** included in Part II of the Plan. Lot-line windows are windows located on an exterior wall abutting a property line. While such windows provide

light and air to the interior of the Unit, the lot-line windows cannot be used to meet the light and ventilation requirements of the Building Code of the City of New York. Units having lot-line windows have other windows that satisfy those requirements and permit the lawful use of such Units for habitation. Lot-line windows are an amenity that could be lost should the neighboring property develop a building that covers up the window. In such event, the lot-line window would need to be sealed in a manner acceptable to the DOB. Lot-line windows are an amenity that could be lost if any building neighboring the Building is hereafter constructed or altered so as to come within 60 feet in a direct line (whether horizontally, vertically or diagonally) of any of the lot-line windows. In such event, any lot-line windows that fall within such distance limitation must be closed promptly by construction that complies with the Administrative Code of the City of New York and all other Applicable Law. The cost to seal a window opening, depending on the size of the window and the nature of the adjacent interior finishes in the Unit, is currently estimated to be approximately $2,500. The Unit Owner, and not the Condominium, would be responsible for this cost.

17. Window Treatments

In order to preserve the architectural harmony of the Building, the By-Laws provide that all Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or the curtains are drawn, the effect from the outside of the Building is a visually harmonious white appearance.

18. Parking Licenses and Storage Licenses

There will be 32 parking spaces in the cellar-level parking garage and 32 storage units located in portions of the cellar available to be licensed to Purchasers. There will be two types of Parking Licenses:

(a) Restricted Parking Licenses – There will be 24 Restricted Parking Licenses for sale exclusively to Unit Owners. Once a Restricted Parking License is purchased by a Unit Owner, it can be bought and sold amongst Unit Owners and the parking space may be sublicensed only to another Unit Owner. When a Unit Owner who owns a Restricted Parking License sells his or her Unit, the Restricted Parking License must be sold to the purchaser of the Unit or to another Unit Owner.

(b) Unrestricted Parking Licenses – There will be eight Unrestricted Parking Licenses for sale to Unit Owners or to people outside the Building. A Unit Owner who purchases an Unrestricted Parking License can sell the license or sublicense the parking space to another Unit Owner or to a person outside the Building.

Owners of Unrestricted Parking Licenses and sublicensees of parking spaces who are not Unit Owners will not have access to any parts of the Building other than the parking garage. They will have access to the parking garage with a garage-door opener and a key fob that only opens the stairwell door that leads directly into the garage. The other doors in the garage will be controlled by an electrified lock that the key fob will not be programmed to open. After the

expiration of the Initial Control Period, the Condominium Board may elect to alter the restrictions on the Parking Licenses.

Eight of the Parking Licenses will include storage areas appurtenant to the parking spaces covered by those Parking Licenses.

The Storage Licenses will be for sale exclusively to Unit Owners. When a Unit Owner who owns a Storage License sells his or her Unit, the Storage License must be sold to the purchaser of the Unit or to another Unit Owner.

Sponsor intends to sell 32 Parking Licenses for the prices listed on Schedule A-1 and 32 Storage Licenses for the prices listed on Schedule A-2.

The owners of Parking Licenses and a Storage Licenses will pay license fees to the Condominium on a monthly basis. The amounts of the license fees for the Parking Licenses and the Storage Licenses are set forth on Schedule A-1 and Schedule A-2, respectively. Any increase or decrease in the Common Charges payable by the Unit Owners will result in an increase or decrease in the monthly license fees in the same percentage.

19. Wood Materials

The Units will be delivered with floors, cabinetry and millwork made of wood, which should not be washed with water and need to be maintained according to the manufacturers' recommendations. Wood is also subject to changes as a result of humidity and is vulnerable to chipping, scratching and cracking; and because wood is subject to natural variation, it may not be uniform in appearance. Instructions for the maintenance and care of wood flooring are currently available on the web site of the National Wood Flooring Association at http://woodfloors.org.

20. Marble Counters

The kitchen counters are made of natural marble stone. Purchasers are advised that the counters may experience staining or discoloring from items ordinarily found in the kitchen. Sponsor will not be responsible or liable for any such staining or discoloring whether resulting from daily kitchen use or otherwise. It is recommended that Purchaser seal the marble counters with water-based stone and marble sealant from time to time in accordance with recommendations made by the sealant manufacturer.

INTRODUCTION

Purpose of the Plan

Escorial 280 SMA, LLC ("**Sponsor**"), presents this offering plan (the "**Plan**") for the conversion of the Property to condominium ownership.

The purpose of the Plan is to set forth all of the material terms of the offer to convert the Property to condominium ownership.

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

The Plan may be amended from time to time upon the filing of an amendment with the Department of Law of the State of New York (the "**Department of Law**"). Amendments will be served on offerees as defined in Section 20.1(d) of the Regulations promulgated by the Attorney General in Title 13 NYCRR, by either personal delivery or certified mail.

The Condominium

The Condominium will be known as 280 St. Marks Avenue Condominium. The Condominium will be organized to comply with and will be subject to Article 9-B of the Real Property Law of the State of New York, as amended (the "**Condominium Act**").

Sponsor

Sponsor is a Delaware limited liability company having an office c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003. Sponsor acquired fee title to the Land by deed dated November 3, 2014.

The Offer

Sponsor hereby offers 32 Units, 34 Parking Licenses and 41 Storage Licenses for sale under the Plan.

The initial purchase prices for the Units and the estimated Common Charges for the Units are set forth in the Section of the Plan entitled "**Schedule A - Offering Prices and Related Information**" ("**Schedule A**"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

The Building will consist of five stories and a cellar. The Building is more fully described in the "**Description of Property and Specifications**" included in Part II of the Plan. The Property and the Units are being offered and sold in their "as is" condition on the date on which the closing of title occurs, and Sponsor will not have any obligation to make any repairs or improvements,

except as expressly provided in the Section of the Plan entitled "**Sponsor's Statement of Specifications.**"

Occupancy of Units by Renters

Sponsor intends to sell the Units to Purchasers who are buying for their or their family's personal occupancy. Sponsor reserves the unconditional right, however, to sell Units to investors who intend to rent and not to occupy their Units personally. In addition, Sponsor reserves the unconditional right to freely rent from time to time after consummation of the Plan any Unsold Units in accordance with Applicable Law, without charge or limitation whatsoever and without the consent of the Condominium Board or any other Unit Owner. Sponsor makes no representation that it will endeavor in good faith to sell Units rather than rent them as they become vacant.

Because the Plan can be declared effective based on sales of 15% of the Units, Purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time. Moreover, owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts as to how the Building should be managed because of their different purposes in owning Units (i.e., for use as a home as opposed to a business or investment).

Sponsor has not determined whether it will obtain a construction loan or other financing secured by a mortgage on the Property. If construction financing is obtained, the construction lender may impose requirements regarding sales by Sponsor and the ability of Sponsor to rent Units, in which event Sponsor will amend the Plan to disclose the relevant terms of the construction loan agreement.

Offer of Parking Licenses and Storage Licenses

The Condominium Board will license to Sponsor (a) 32 parking spaces located in the cellar of the Building and designated on the Floor Plans in Part II of the Plan as parking spaces 3 through 34, pursuant to the terms of a either a Restricted Parking License Agreement, the form of which is set forth in Part II of the Plan as Document Number 9, or an Unrestricted Parking License Agreement, the form of which is set forth in Part II of the Plan as Document Number 10, and (b) 32 storage units located in portions of the cellar of the Building identified as "Storage Units" on the Floor Plans in Part II of the Plan and designated on such Floor Plans as storage units 1 through 32, pursuant to the terms of a Storage License Agreement the form of which is set forth in Part II of the Plan as Document Number 1. Sponsor intends to sell the Parking Licenses for the prices listed on Schedule A-1 and the Storage Licenses for the prices listed on Schedule A-2. Eight of the Parking Licenses, those designated on the Floor Plans in Part II of the Plan as parking spaces 4,8, 9, 10, 11, 12, 25 and 26, will include storage areas appurtenant to the parking spaces covered by those Parking Licenses. The purchase prices and license fees for the right to use such storage areas are included in the purchase prices and license fees payable with respect to such Parking Licenses.

There will be two types of Parking Licenses:

(a) There will be 32 Parking Licenses, 24 of which will be for sale exclusively to Unit Owners ("**Restricted Parking Licenses**"). Once a Restricted Parking License is purchased by a Unit Owner, it can be bought and sold amongst Unit Owners and the parking space may be sublicensed only to another Unit Owner. When a Unit Owner who owns a Restricted Parking License sells his or her Unit, the Restricted Parking License must be sold to the purchaser of the Unit or to another Unit Owner.

(b) There will be eight Parking Licenses for sale to Unit Owners or to people outside the Building ("**Unrestricted Parking Licenses**"): those Parking Licenses for the parking spaces designated on the Floor Plans in Part II of the Plan as parking spaces 13, 14, 15 16, 17, 18, 19 and 20. The purchaser of an Unrestricted Parking License can sell the license or sublicense the parking space to a Unit Owner or to a person outside the Building.

Owners of Unrestricted Parking Licenses and sublicensees of parking spaces who are not Unit Owners will not have access to any parts of the Building other than the parking garage. They will have access to the parking garage with a garage-door opener and a key fob that only opens the stairwell door that leads directly into the garage. The other doors in the garage will be controlled by an electrified lock that the key fob will not be programmed to open.

When Sponsor no longer controls the Condominium Board, the Condominium Board may elect to alter the restrictions on the Restricted Parking Licenses.

The Storage Licenses will be for sale exclusively to Unit Owners. When a Unit Owner who owns a Storage License sells his or her Unit, the Storage License must be sold to the purchaser of the Unit or to another Unit Owner.

Each sale of a Parking License or a Storage License will be effectuated by Sponsor and the purchaser entering into an Assignment and Assumption of Parking License the form of which is set forth in Part II of the Plan as Document Number 12 or an Assignment and Assumption of Storage License the form of which is set forth in Part II of the Plan as Document Number 13, as the case may be.

A Purchaser who purchases a Parking License or a Storage License will be required to complete such purchase simultaneously with the closing of title to his or her Unit, even if a temporary or final certificate of occupancy has not been issued (and use for parking or storage, as the case may be, is not permitted) with respect to the portion of the cellar of the Building in which the parking space or storage unit is located. If at the time of such closing of title, a temporary certificate of occupancy permitting such portion of the cellar of the Building to be used for parking or storage, as the case may be, has not been issued, the Escrow Agent shall, until the issuance of such temporary or final certificate of occupancy, retain in the escrow account described in the section of the Plan entitled "**Procedure to Purchase**" a portion of such Purchaser's Down Payment equal to the purchase price for such Parking License or Storage License.

Sponsor reserves the right to offer as many Parking Licenses and Storage Licenses as it determines and to withhold one or more for future sale. In addition, Sponsor has the right to limit the number of Parking Licenses and Storage Licenses sold to any single Purchaser of a Unit or to

make bulk sales, as it determines in its sole and absolute discretion. A parking space or a storage unit licensed by a Unit Owner may be used only for the purpose set forth in the Parking License agreement or the Storage License Agreement, as the case may be. Notwithstanding the foregoing sentence, parking spaces and storage units licensed by Sponsor may be used for any lawful purpose. Neither a Parking License nor a Storage License may be sold, transferred, assigned or licensed independently of the ownership of a Unit.

While Sponsor currently intends to offer the Parking Licenses and the Storage Licenses for sale, Sponsor reserves the right, prior to declaring the Plan effective, to modify the use of the portion of the Building currently intended to contain the parking spaces or the storage units, provided that such portions of the Building remain General Common Elements for the exclusive use of the Unit Owners. In such case, the Plan will be amended and, unless Sponsor offers the Purchaser a Parking License or a Storage License at the same price, for a parking space or a storage unit in a different location from, but no smaller than, the parking space or storage unit that has been affected by such change, the right of such Purchaser to purchase a Parking License or a Storage License for a parking space or a storage unit that has been affected by such change will be terminated, and such Purchaser will be offered a right to rescind his or her Purchase Agreement by notice of rescission personally delivered or sent to Sponsor by certified or registered mail, return receipt requested, within fifteen (15) days after Sponsor notifies the Purchaser that his or her right to purchase a Parking License or a Storage License has been terminated.

ADA Parking

In order to be in compliance with the requirements of the Americans with Disabilities Act, the garage will include two additional parking spaces (parking spaces number 1 and 2 on the Floor Plans in Part II of the Plan) designated for use by those eligible to use such parking spaces. These parking spaces, which will be General Common Elements, may be made available for use for such fees and upon such conditions as the Condominium Board may determine, provided that such use is at all times in compliance with the requirements of the Americans with Disabilities Act and other Applicable Law.

Features of Condominium Ownership

Ownership of a Unit is similar in many respects to ownership of a private home. Each Unit Owner owns fee title to his or her Unit and is entitled to the exclusive possession thereof. In addition, each Unit Owner also owns, in common with every other Unit Owner, an undivided percentage interest in the Common Elements. Further, each Unit Owner has the right to use, in common with all other Unit Owners, the Common Elements. Moreover, appurtenant to certain Units is the exclusive right to use certain portions of the Common Elements, such as terraces, which are called Limited Common Elements.

The undivided interest in the Common Elements appurtenant to a Unit, expressed as a percentage (the "**Common Interest**"), has been determined upon the basis of each Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to the Condominium Act. The

aggregate Common Interests of all Units is 100%. Each Unit's Common Interest is listed in Schedule A.

The authority to manage the Condominium is vested in the Condominium's Board of Managers (the "**Condominium Board**"), the members of which are elected, basically, by vote of the Unit Owners in accordance with their respective Common Interests (with the exception of Sponsor, who will maintain certain control beyond that to which it would be entitled as an ordinary function of its ownership interest). Each Unit Owner is obligated to comply with the Declaration, the By-Laws, the Rules and Regulations of the Condominium and any other requirements lawfully imposed by the Condominium Board. See the Section of the Plan entitled "**Board of Managers.**"

The cost of operating and maintaining the General Common Elements will generally be shared by all Unit Owners in proportion to their respective Common Interests, except as may otherwise be provided in the Section of the Plan entitled "**Schedule B - Projected Budget for First Year of Condominium Operation**" ("**Schedule B**") or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with the provisions of Applicable Law. Each Unit Owner will be solely responsible for the payment of all Common Charges and any Special Assessments assessed against his or her Unit. See the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers.**" An estimate of Common Charges that will be payable by each Unit Owner during the first year of condominium operation of the Property is set forth in Schedule A.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit with such lender and in such amount as the Unit Owner chooses; although Sponsor makes no representation as to the ability of any Unit Owner to obtain financing. See the subsection entitled "Mortgages of Units by Unit Owners" in the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers.**" Each Unit is separate and is not subject to the lien of any mortgage on any other Unit.

Any Unit Owner may sell or lease his or her Unit to anyone, without restriction or limitation, subject only to the right of first refusal in favor of the Condominium Board to acquire or lease such Unit upon the same terms offered to the prospective buyer or tenant. Units owned by Sponsor are not subject to this right of first refusal. See the subsection entitled "Sales and Leases of Units" in the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers**" for further discussion.

Because the Condominium Board does not have the right to approve or disapprove purchasers of Units in the Condominium, there is no limit on the number of Unit Owners who may have purchased for investment rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are non-residents.

Each Unit will be taxed as a separate tax lot for real estate tax and assessment purposes, and each Unit Owner will be solely responsible for the payment of all real estate taxes and assessments on his or her Unit. An estimate of the real estate taxes and assessments that will be

payable by each Unit Owner during the first year of condominium operation of the Property is listed in Schedule A. See the Footnotes to Schedule A for further discussion. No Unit Owner will be liable for the payment of, and no Unit will be subject to, any lien arising out of the non-payment of real estate taxes or assessments levied against any other Unit. See the Section of the Plan entitled "**Income Tax Deductions to Unit Owners and Tax Status of the Condominium**" for a discussion of additional tax aspects of condominium ownership.

Each Unit Owner may decorate the interior of his or her Unit in any desired manner, subject to compliance with the By-Laws and the Rules and Regulations, and will be solely responsible for the cost and expense of maintaining, repairing and painting his or her Unit. See the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers.**"

Although the Condominium Board will maintain fire insurance policies with all risk extended coverage insuring the Building and covering the interests of the Condominium, the Condominium Board, the Unit Owners and the Permitted Mortgagees, and the cost of such policies will be borne by the Unit Owners as part of the Common Charges, each Unit Owner will be required to maintain, at his or her own expense, liability insurance against claims for personal injury or property damage resulting from occurrences in his or her Unit and should consider maintaining, at his or her own expense, separate insurance on the contents of his or her Unit. See the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers.**"

Summary of Contents of the Plan

The agreement to purchase a Unit is called a "**Purchase Agreement,**" the general form of which is set forth in Part II of the Plan as Document Number 1. The procedure to purchase is summarized in Part I of the Plan in the Section entitled "**Procedure to Purchase.**"

A detailed description of the physical condition of the Property, prepared by DXA Studio Architecture PLLC and included as part of the "**Description of Property and Specifications**" set forth in Part II of the Plan as Document Number 4, should be reviewed carefully by prospective Purchasers. Floor Plans of the Units are set forth in Part II of the Plan as Document Number 5.

The salient provisions of the Declaration of the Condominium (the "**Declaration**"), which establishes condominium ownership of the Property, the By-Laws of the Condominium (the "**By-Laws**"), which govern the operation of the Condominium, and the Rules and Regulations of the Condominium promulgated pursuant to the By-Laws (the "**Rules and Regulations**"), are partially summarized below in the Sections entitled "**Rights and Obligations of Unit Owners and Board of Managers**" and "**Board of Managers**" and are reproduced in full in Part II of the Plan as Document Number 7 and Document Number 8, respectively.

The form of deed that Sponsor will issue to Purchasers of the Units and the form of power of attorney that each Unit Owner will be required to give to the Condominium Board (the "**Unit Owner's Power of Attorney**") are set forth in Part II of the Plan as Document Number 3 and Document Number 2, respectively.

The Certifications of Sponsor, Sponsor's Architect, Sponsor's Expert Concerning Adequacy of Budget are set forth in Part II of the Plan.

Copies of the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge and copying at a reasonable charge at the office of the Selling Agent, by appointment, to prospective Purchasers and their attorneys.

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

CERTAIN DEFINITIONS

For convenience of presentation, general definitions of certain terms used in Part I of the Plan are set forth below. These definitions are subject to the more particular definitions of such terms set forth in Exhibit C of the Declaration in Part II of the Plan.

"**Affiliate**" means any Person who is a Family Member or who controls, is controlled by, or is under common control with the named Person or a Family Member of the named Person. The terms "**control**," "**controlled**" or "**controlling**" shall mean direct or indirect ownership of more than fifty percent (50%) of the outstanding voting capital stock of a corporation or of more than fifty percent (50%) of the beneficial interests of any other entity.

"**amend**," "**amended**" or "**amendment**" refers to any amendment, whether by deletion of any existing provision, modification of any existing provision, or inserting a new provision.

"**Applicable Law**" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Sponsor or the Condominium Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction (including Applicable Rent Laws and those pertaining to health, safety or the environment) now or hereafter in effect.

"**Appurtenant Interest**" means the undivided interest of the owner of a Unit, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (a) the Common Elements; (b) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (c) any proceeds of the sale or lease of Units of the nature described in subdivision (b) above; and (d) any other assets of the Condominium.

"**Attorney General**" means the Office of the Attorney General of the State of New York.

"**BCL**" means the Business Corporation Law of the State of New York, as amended from time to time.

"**Building**" means the building situated on the Land and having the street address 280 St. Marks Avenue, Brooklyn, New York 11238.

"**By-Laws**" means the By-Laws of the Condominium, in the form set forth as Document Number 8 in Part II of the Plan, including the Rules and Regulations, as amended from time to time pursuant to the terms thereof.

"**Claim**" or "**Claims**" shall include any claims, counterclaims, suits, actions or proceedings and any other liabilities, losses, damages, penalties, charges, costs and expenses and attorneys' fees and expenses incurred in connection with any of the foregoing.

"**closing**," "**closing of title**" and words of similar import are used synonymously and mean the settlement of the mutual obligations of Sponsor and a Purchaser under such Purchaser's

Purchase Agreement, including the payment to Sponsor of the Purchase Price and the delivery to such Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in the Purchase Agreement.

"**Common Charges**" means assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses.

"**Common Elements**" means all parts of the Property other than the Units; the Common Elements consist of the General Common Elements and the Limited Common Elements.

"**Common Expenses**" means costs and expenses incurred or projected and attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and as otherwise provided in the Declaration and the By-Laws.

Common Interest" means the undivided interest in the Common Elements appurtenant to a Unit, expressed as a percentage.

"**Condominium**" means 280 St. Marks Avenue Condominium, which is to be established pursuant to the terms of the Declaration and governed pursuant to the terms of the By-Laws.

"**Condominium Act**" means Article 9-B of the Real Property Law of the State of New York, as amended from time to time.

"**Condominium Board**" means the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 3 of the By-Laws.

"**Condominium Documents**" means, collectively, the Declaration, the By-Laws (including the Rules and Regulations) and the Floor Plans, all as may be amended from time to time.

"**Declaration**" means the declaration executed by Sponsor for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof and includes any duly adopted amendments thereto.

"**Department of Law**" means the Department of Law of the State of New York.

"**Down Payment**" means the payment on account of the Purchase Price, payable in two installments in an aggregate amount equal to twenty percent (20%) of the Purchase Price.

"**Effective Date**" means the date upon which the Plan is declared effective by Sponsor in accordance with the terms of the Plan.

"**Escrow Agent**" means the law firm of Herrick, Feinstein LLP, having an office at 2 Park Avenue, New York, New York 10016.

"**Facilities**" means all personal property and fixtures now or hereafter existing in, on or under the Land or the Building and either existing for the common use of two or more Units or

Unit Owners or necessary or convenient for the existence, maintenance or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "**Facilities**" shall include all equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing, fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wall coverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"**Family Members**" means, with respect to any natural person, such person's spouse, parents, grandparents, children, grandchildren and siblings (in each case, including by adoption).

"**Filing Date**" means the date on which a letter is issued by the Department of Law advising that the Plan has been filed or accepted for filing by the Department of Law.

"**First Closing**" means the date upon which fee title to a Unit is first conveyed to a Purchaser pursuant to the Plan.

"**Floor Plans**" means the floor plans of the Building (showing, among other things, the layout, location and approximate dimensions of the Units) to be filed in the Register's Office simultaneously with the recording of the Declaration, together with any amendments and supplements thereto.

"**GBL**" means the General Business Law of the State of New York, as amended from time to time.

"**General Common Elements**" shall have the meaning ascribed to such term in Section 6.4 of the Declaration.

"**Governmental Authority**" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

"**Hazardous Materials**" means chemicals, pollutants, contaminants, wastes and toxic substances, including solid or hazardous waste, hazardous substances, toxic substances, insecticides, fungicides, rodenticides, gasoline or any other petroleum product or byproduct, polychlorinated biphenols, asbestos and urea formaldehyde to the extent any such substances are described as hazardous in any federal, state or local laws and regulations relating to pollution or protection of human health or the environment including but not limited to the Comprehensive

Environmental Response, Compensation and Liability Act of 1980, as amended; the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; the Resource Conservation and Recovery Act, as amended; the Superfund Amendments and Reauthorization Act of 1986, as amended; and the Toxic Substances Control Act, as amended.

"**Initial Control Period**" means the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Units having more than ninety percent (90%) of the aggregate Common Interests appertaining to all Units or (ii) the fifth (5th) anniversary of the First Closing.

"**Institutional Lender**" means (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, (ii) a federal, state, municipal, teachers' or union employee, welfare, pension or retirement fund or system having assets in excess of $300,000,000, in each case doing business in the State of New York, or (iii) any Governmental Authority

"**Insurance Trustee**" means a bank or a trust company in the State of New York having a capital surplus and undivided profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

"**Land**" means the parcel of land upon which the Building is situated, as more fully described in Exhibit A of the Declaration.

"**Limited Common Elements**" shall have the meaning ascribed to such term in Section 6.5 of the Declaration

"**Liquidated Sum**" means the Down Payment under the Purchase Agreement, together with any interest earned thereon.

"**Managing Agent**" means the Person engaged by the Condominium Board as a managing agent or manager pursuant to Section 2.4 of the By-Laws who undertakes to perform such duties and services as the Condominium Board shall authorize or direct. The initial Managing Agent initially will be FirstService Residential New York, Inc., having an address at 622 Third Avenue, New York, New York 10017.

"**Mortgage Representatives**" means the representatives of the holders of all Permitted Mortgages encumbering Units, designated by the holders of Permitted Mortgages in accordance with the terms of Section 7.6 of the By-Laws.

"**Parking License**" means a written agreement pursuant to which the purchaser of a Unit has the exclusive right to use a designated parking space.

"**Permit**" or "**Permits**" means any action, approval, consent, waiver, exemption, variance, franchise, order, permit, authorization, certificate of occupancy, right or license, building notices, alteration applications or other form of legally required permission, of or from a Governmental Authority, including any zoning, environmental protection, pollution, sanitation, safety, siting or building permit that is necessary to operate and maintain the Property or any part thereof or to perform any Work on any part of the Property.

"**Permitted Encumbrances**" means those title encumbrances subject to which a Purchaser under the Plan agrees to take title to a Unit, as more particularly itemized in the Section of the Plan entitled "**Terms of Sale.**"

"**Permitted Mortgage**" shall have the meaning ascribed to such term in Section 7.6.1 of the By-Laws.

"**Permitted Mortgagee**" means the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute holders of mortgages given by Sponsor to acquire or construct the Property.

"**Person**" means any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity.

"**Plan**" means this offering plan to convert the Property to condominium ownership filed with the Department of Law pursuant to Section 352-e of the General Business Law of the State of New York, as amended from time to time.

"**Plans and Specifications**" means the plans and specifications prepared by DXA Studio Architecture PLLC described in the Section of the Plan entitled "**Description of Property and Improvements.**"

"**Presentation Date**" means the date of personal delivery or (if mailed) the fifth day after mailing (whichever is the last to occur) of the Plan or any amendment to the Plan, as the context may require, to those Persons required to receive same pursuant to the GBL and the regulations of the Department of Law promulgated thereunder.

"**Property**" means the Land, the Building, all other improvements erected or to be erected on the Land, all easements, rights, and appurtenances pertaining thereto and all other property, real, personal or mixed, used or intended to be used in connection therewith.

"**Purchase Agreement**" means the agreement between Sponsor and a Purchaser under the Plan in the form set forth as Document Number 1 in Part II of the Plan.

"**Purchase Price**" means the purchase price of a Unit as set forth on Schedule A, and shall include the purchase price of any Parking License and Storage License as set forth on Schedule A being purchased by the Purchaser of such Unit.

"**Purchaser**" means a Person or Persons buying a Unit under a fully executed Purchase Agreement, whether for personal occupancy or use of the Purchaser or a Family Member or for rental or other investment purposes.

"**Register's Office**" means the Office of the Register of The City of New York.

"**Restricted Parking License**" means a certain type of Parking License as more particularly described in the subsection entitled "Offer of Parking Licenses and Storage Licenses" in the Section of the Plan entitled "**Introduction.**"

"**Rules and Regulations**" means the rules and regulations of the Condominium annexed to the By-Laws as Schedule A, adopted by the Condominium Board pursuant to the By-Laws, as amended, modified, deleted from or added to from time to time, pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration or the By-Laws.

"**Selling Agent**" means Town New Development Sales & Marketing LLC, having an address at 25 West 39th Street, 10th Floor, New York, New York 10018.

"**Special Assessments**" means the charges allocated and assessed against the Units by the Condominium Board and payable by the Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with Section 6.1.5 of the By-Laws.

"**Sponsor**" means, collectively, (a) Escorial 280 SMA, LLC, a Delaware limited liability company, having an office c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003, and (b) any Sponsor Successor, as the context may require.

"**Sponsor's Counsel**" means the law firm of Herrick, Feinstein LLP, having an office at 2 Park Avenue, New York, New York 10016.

"**Sponsor Successor**" means (i) any corporation, partnership, limited liability company or other entity that through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of Escorial 280 SMA, LLC, or (ii) any Person who, at any time, (a) purchases from Escorial 280 SMA, LLC or otherwise succeeds to the ownership of (x) ten or more Units or (y) one or more Units then owned by Sponsor and is designated as a Sponsor Successor by Sponsor, and (b) is not purchasing such Units for his, her or its own occupancy or for occupancy by one or more of such Person's Family Members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or (ii) above. The phrase "owned by" shall include owned by any such nominee.

"**Storage License**" means a written agreement pursuant to which the purchaser of a Unit has the exclusive right to use a designated storage unit.

"**Structural**" when applied to any Work performed in or to a Unit or the Property means and refers to any Work affecting the foundations, columns, girders, beams, supports, concrete slabs and other such structural members of the Building, those portions of the exterior walls of the Building lying beyond the interior face of the brickwork, and all building systems, including without limitation, the mechanical, electrical, water-supply and return (sewer), gas-supply and heating systems.

"**Unit**" means a space designated in the Declaration as a Unit, consisting, generally, of a specific apartment in the Building.

"**Unit Owner**" means any record owner of a Unit.

"**Unrestricted Parking License**" means a certain type of Parking License as more particularly described in the subsection entitled "Offer of Parking Licenses and Storage Licenses" in the Section of the Plan entitled "**Introduction**."

"**Unsold Unit**" means any Unit owned at the time in question by Sponsor. An Unsold Unit shall retain its status and character as an Unsold Unit until: (i) it is no longer owned by Sponsor; (ii) it is occupied by a Unit Owner or a Family Member of a Unit Owner; or (iii) it is conveyed to a bona fide Purchaser for occupancy by the Purchaser or by a Family Member of the Purchaser. Further, a Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the Purchase Price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Unit.

"**Work**" means and includes demolitions, alterations, installations, additions and improvements, repairs, replacements, substitutions, restorations and any other work performed in or to the Units or the Common Elements.

All other capitalized terms used in Part I of the Plan that are not separately defined in Part I shall have the meaning ascribed thereto in Exhibit C of the Declaration.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Land

The Land is located on St. Marks Avenue, between Vanderbilt and Underhill Avenues, in the Borough of Manhattan, in the City and State of New York. The Property is known as 280 St. Marks Avenue, Brooklyn, New York 11238. A metes and bounds description of the Land is set forth in the Declaration. The Property is currently designated as Block 1152, Lot 35, on the Tax Map of the Borough of Brooklyn.

The Building and Improvements

The Building will contain five above-grade levels and one cellar level.

Sponsor intends to build the Building in accordance with the plans and specifications prepared by DXA Studio Architecture PLLC, copies of which are available for examination by prospective Purchasers at the Selling Agent's office. Such plans and specifications as the same may be amended from time to time by Sponsor are referred to in this Plan as the "**Plans and Specifications**."

A general description and outline of the specifications of the Building, equipment, furnishings and facilities is set forth in the Section of the Plan entitled "**Description of Property and Specifications**" in Part II of the Plan.

The improvements described in the Plans and Specifications shall, upon issuance of a final certificate of occupancy for the Building, be in compliance with New York City Zoning Resolution and all other Applicable Law.

Construction Schedule

Construction of the Building commenced on June 8, 2015, and will be substantially complete on or about December 31, 2016. Purchasers will be required to close title to their respective Units in accordance with the Sections of the Plan entitled "**Procedure to Purchase**" and "**Terms of Sale**" even if their respective Units are completed earlier or later than such date. The obligations of Sponsor under this Plan and any Purchase Agreement are subject to delay resulting from acts of God, strikes, lockouts, weather, floods, epidemics, quarantine restrictions, freight embargo, shortages of or inability to obtain adequate materials, equipment or labor, governmental restrictions or preemptions, damage by fire or the elements or any other cause over which Sponsor does not have control.

Construction of the Building shall be deemed fully completed in accordance with the Plans and Specifications when (a) a temporary or final certificate of occupancy for the Units shall have been issued by the Department of Buildings of the City of New York and (b) Sponsor's architect or engineer shall have certified that the construction has been substantially completed in accordance with the Plans and Specifications except for (i) work in Units to be done by or for the account of Purchasers, (ii) work in the Building customarily left incomplete until after occupancy and (iii) punch-list items. Issuance of a temporary or final certificate of occupancy and the

certification of Sponsor's architect or engineer shall be deemed and considered conclusive evidence that the Building and any other improvements have been completed in accordance with the Plans and Specifications, subject, however, to any obligations of Sponsor to cause defects in construction or materials to be corrected as hereinafter may be set forth in this Plan. See the Section of the Plan entitled "**Rights and Obligations of Sponsor.**"

Units and Common Elements

It is anticipated that the Condominium will contain 32 Units. A summary description of the Units offered for sale under this Plan is set forth in the Section of the plan entitled "**Introduction**" and in Schedule A. The Floor Plans are set forth in Part II of the Plan. The legal description of the Units and the Common Elements are set forth in the Declaration.

Recreation Areas; Other Amenities

It is anticipated that there will be a fitness center in the cellar, with a maximum occupancy of 15 people, containing treadmills, exercise machines and benches, and there will be an adjacent powder room for use by residents and Building staff. There will also be a laundry room in the cellar with one commercial-sized clothes washer and dryer for use by residents.

The first-floor lobby will have a seating area, a desk for an attendant and two storage areas, one equipped for refrigerated food storage, for package deliveries. There will also be a bicycle storage room on the first floor, with space for at least 36 bicycles.

It is further anticipated that there will be a community room located adjacent to the lobby, providing a large communal table, a common seating area, bookshelves and other furnishings, including a bioethanol fireplace. There will be an adjacent pantry area with a sink, dishwasher, refrigerator and microwave. The community room will connect to a common outdoor landscaped backyard with various seating areas, a water feature and a gas grill.

On the second floor, above the lobby, there will be a children's playroom equipped with toys, a television, wi-fi, an audio-visual system, a small powder room with changing table and a small pantry. The playroom will afford residents the ability to prepare and coordinate the hosting of birthday parties, rainy-day activities, play dates and the like.

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services may not be available until the later of (a) twelve months after the First Closing or (b) the closing of title to and occupancy of at least 50% of the Units.

Certificate of Occupancy

Prospective 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 covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary certificates of occupancy and final certificates of

occupancy are issued by the DOB. A temporary certificate of occupancy is intended to indicate that the property conforms substantially to plans and specifications approved by the DOB and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the temporary certificate of occupancy. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy for a building 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 temporary certificate of occupancy rather than a final certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof and, ultimately, for obtaining a final certificate of occupancy covering the entire building within two years from the date of the issuance of the first temporary certificate of occupancy. Sponsor and its principals make no representation or guarantee, however, that the DOB will issue a final certificate of occupancy within such two-year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE A FINAL CERTIFICATE OF OCCUPANCY FOR THE ENTIRE BUILDING AND SHALL EXERCISE BEST EFFORTS TO OBTAIN A FINAL CERTIFICATE OF OCCUPANCY WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TEMPORARY CERTIFICATE OF OCCUPANCY CURRENT. The Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a final certificate of occupancy, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the final certificate of occupancy.

If any Units are to be occupied prior to the issuance of a final certificate of occupancy, Sponsor will be required by Section 28-104.8.4 of the Administrative Code of the City of New York to cause to be filed with the DOB a tenant-protection plan that contains a statement that the Building contains dwelling units that will be occupied during construction and indicates the specific Units that are or may be occupied during construction, the means and methods to be employed to safeguard the safety and health of the occupants, including, where applicable, details such as temporary fire-rated assemblies, opening protectives and dust-containment procedures. A copy of the current tenant protection plan shall be distributed to each such occupant.

Prospective Purchasers are advised to visit the DOB web site for further recommendations when purchasing a unit in a building that does not have a final certificate of occupancy. A fact sheet on Certificates of Occupancy is available on the DOB web site at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

LOCATION AND AREA INFORMATION

Location and Surrounding Area:

The Property is centrally located at 280 St Marks Avenue, between Vanderbilt Avenue and Underhill Avenue, in the Prospect Heights section of Brooklyn, in the City and State of New York.

Prospect Park, a 585 acre public park designed by Frederick Law Olmsted and Calvert Vaux, who also designed Central Park, is located five blocks south of the Property. Neighborhood attractions within a short distance include: the Brooklyn Botanic Garden, the Prospect Park Zoo, the Brooklyn Museum, the Brooklyn Academy of Music (BAM) and Barclay's Center. On Saturdays there is a Greenmarket at Grand Army Plaza on Prospect Park West.

Prospect Heights has become an extremely convenient and central destination with unique character, providing access to several boutiques, coffee shops, gourmet food shops and notable restaurants. Prospect Heights and neighboring areas, including Park Slope, Fort Greene, Crown Heights and Gowanus, each contain their own unique histories, architecture and attractions.

Transportation:

The Building is conveniently located between the B and Q subway lines at Flatbush and Seventh Avenues and the 2 and 3 subway lines at Bergen Street. Additional subway stations are a short walk north to the Barclay's Center, where the 2, 3, 4, 5, B, D, N and Q trains can all be found, as can the Long Island Railroad. A short walk south is the Grand Army Plaza station (2, 3 and 4 trains), and the Clinton Avenue/Washington Avenue station (C train) is located several blocks to the north, across Atlantic Avenue.

Schools:

The Building is located in Public School District 13. P.S. 9 (the Teunis G. Bergen School), P.S. 282 Park Slope, P.S. 133 (the William A. Butler School), and Brooklyn Technical High School are located within this zone. Charter schools in this district include the Academy of Arts and Letters, the Community Roots Charter School, the Brooklyn Prospect Charter School and the Compass Charter School.

Nearby private institutions include the Poly Prep Country Day School Lower School, the Berkeley Carroll School, the Brooklyn Friends School, the Packer Collegiate Institute and Saint Ann's School.

Institutes of higher learning based in the area include Brooklyn College, Pratt Institute, St. Joseph's College, New York City College of Technology, S.U.N.Y. Downstate Medical Center and Brooklyn Law School.

The above listing is by no means inclusive. No representation is made that the children of Unit Owners will be entitled to attend any particular school.

Public Libraries:

The Central Library of the Brooklyn Public Library is located at 10 Grand Army Plaza.

Medical Facilities:

A number of medical centers, including New York Methodist Hospital, The Brooklyn Hospital Center, Beth Israel Medical Center, Interfaith Medical Center, NYU Langone Medical Center, and Maimonides Medical Center are readily accessible.

Municipal Services:

Police, fire protection, water, sanitation, snow removal and street maintenance services are all provided by the City of New York, and all charges are incorporated in the local taxes.

The Property is located in the 77th Police Precinct; the police station is located at 127 Utica Avenue. The nearest fire house, occupied by Engine Co. No. 219 and Ladder Co. No. 105, is located at 494 Dean Street, between Sixth Avenue and Carlton Avenue.

The nearest United States Post Office is located at 950 Fulton Street

Zoning:

The Property is located in an R6B Zoning District, which permits the residential uses and accessory parking contemplated by the Plan.

SCHEDULE A

OFFERING PRICES AND RELATED INFORMATION

(Estimated charges and real estate taxes are for the fiscal year commencing January 1, 2017)

280 Saint Marks Avenue Condominium

280 Saint Marks Avenue

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (1/1/17-12/31/17)

Unit Number	Number of Bedrooms (BR) / Bathrooms (BA) (1)	Approximate Square Footage of Terrace / Balcony / Private Garden (1)	Approximate Square Footage of Unit (1)	Offering Price (2)	Common Interest (3)	Projected Monthly Common Charges (4)	Projected Monthly Real Estate Taxes With Section 421-a Benefits (5)	Projected Annual Real Estate Taxes With Section 421-a Benefits (5)	Projected Monthly Real Estate Taxes Without Section 421-a Benefits (5)	Projected Annual Real Estate Taxes Without Section 421-a Benefits (5)	Projected Monthly Carrying Charges With Section 421-a Benefits (6)	Projected Monthly Carrying Charges Without Section 421-a Benefits (6)
TH-A (DUPLEX)	3BR/3BA	117	1,585	$1,799,000	3.0035%	$1,409.73	$581.93	$6,983.14	$1,003.21	$12,038.55	$1,991.66	$2,412.95
TH-B (DUPLEX)	3BR/3BA	117	1,461	$1,619,000	2.7399%	$1,285.99	$530.85	$6,370.17	$915.15	$10,981.83	$1,816.84	$2,201.14
TH-C (DUPLEX)	3BR/3BA	117	1,434	$1,619,000	2.7139%	$1,273.80	$525.82	$6,309.79	$906.48	$10,877.73	$1,799.62	$2,180.26
TH-D (DUPLEX)	3BR/3BA	117	1,565	$1,799,000	2.9843%	$1,400.71	$578.20	$6,938.41	$996.79	$11,961.45	$1,978.91	$2,397.49
TH-E (DUPLEX)	4BR/3BA	1,638	1,857	$2,499,000	4.1945%	$1,968.71	$812.67	$9,752.03	$1,401.00	$16,811.97	$2,781.38	$3,369.71
TH-F (DUPLEX)	4BR/3BA	1,848	2,475	$3,199,000	5.4069%	$2,537.75	$1,047.57	$12,570.80	$1,805.95	$21,671.37	$3,585.32	$4,343.70
1G	3BR/2.5BA	603	1,621	$1,999,000	3.3175%	$1,557.12	$642.77	$7,713.21	$1,108.10	$13,297.15	$2,199.88	$2,665.21
TH-H (DUPLEX)	3BR/3BA	400	1,599	$1,979,000	3.2315%	$1,516.74	$626.10	$7,513.22	$1,079.36	$12,952.38	$2,142.85	$2,596.11
2E	3BR/3BA	1,275	1,702	$2,299,000	3.7977%	$1,782.47	$735.79	$8,829.49	$1,268.46	$15,221.56	$2,518.26	$3,050.93
2G	3BR/2.5BA	64	1,641	$1,949,000	3.1517%	$1,479.27	$610.63	$7,327.57	$1,052.69	$12,632.32	$2,089.90	$2,531.96
3A	2BR/2BA	35	1,141	$1,429,000	2.2600%	$1,060.74	$437.87	$5,254.39	$754.86	$9,058.28	$1,498.61	$1,815.60
3B	2BR/2BA	64	1,072	$1,299,000	2.0963%	$983.92	$406.16	$4,873.87	$700.19	$8,402.29	$1,390.08	$1,684.11
3C	2BR/2BA	64	1,059	$1,299,000	2.0838%	$978.05	$403.73	$4,844.80	$696.01	$8,352.17	$1,381.79	$1,674.07
3D	2BR/2BA	35	1,239	$1,499,000	2.4104%	$1,131.34	$467.01	$5,604.09	$805.09	$9,661.14	$1,598.34	$1,936.43
3E	3BR/2.5BA	237	1,635	$1,999,000	3.2430%	$1,522.13	$628.32	$7,539.89	$1,083.20	$12,998.36	$2,150.45	$2,605.33
3F	3BR/2.5BA	214	1,777	$2,149,000	3.5004%	$1,642.93	$678.19	$8,138.26	$1,169.16	$14,029.92	$2,321.11	$2,812.09
3G	1BR/1BA	136	870	$899,000	1.5985%	$750.27	$309.71	$3,716.46	$533.92	$6,406.98	$1,059.97	$1,284.18
3H	4BR/3BA	356	1,899	$2,649,000	4.0529%	$1,902.26	$785.24	$9,422.89	$1,353.71	$16,244.54	$2,687.50	$3,255.97
4A	2BR/2BA	35	1,141	$1,459,000	2.2840%	$1,072.03	$442.53	$5,310.33	$762.89	$9,154.73	$1,514.56	$1,834.93
4B	2BR/2BA	64	1,072	$1,329,000	2.1204%	$995.22	$410.82	$4,929.82	$708.23	$8,498.73	$1,406.03	$1,703.44
4C	2BR/2BA	64	1,059	$1,329,000	2.1079%	$989.35	$408.40	$4,900.74	$704.05	$8,448.62	$1,397.74	$1,693.40
4D	2BR/2BA	35	1,239	$1,529,000	2.4344%	$1,142.63	$471.67	$5,660.03	$813.13	$9,757.58	$1,614.30	$1,955.76
4E	3BR/2.5BA	237	1,635	$2,049,000	3.2831%	$1,540.95	$636.09	$7,633.13	$1,096.59	$13,159.10	$2,177.05	$2,637.54
4F	3BR/2.5BA	214	1,777	$2,199,000	3.5405%	$1,661.75	$685.96	$8,231.50	$1,182.55	$14,190.66	$2,347.71	$2,844.30
4G*	1BR/1BA	136	870	$919,000	1.2939%	$607.32	$436.11	$5,233.35	$432.19	$5,186.27	$1,039.51	$1,039.51
4H	4BR/3BA	356	1,899	$2,699,000	4.0930%	$1,921.09	$793.01	$9,516.13	$1,367.11	$16,405.29	$2,714.10	$3,288.19
PH-A	4BR/3.5BA	1,286	2,153	$3,499,000	5.1966%	$2,439.08	$1,006.83	$12,082.00	$1,735.73	$20,828.70	$3,445.91	$4,174.80
PH-B	2BR/2BA	513	1,212	$1,749,000	2.5786%	$1,210.30	$499.60	$5,995.22	$861.29	$10,335.44	$1,709.90	$2,071.58
PH-C	3BR/2.5BA	1,530	1,688	$2,549,000	4.0460%	$1,899.05	$783.91	$9,406.95	$1,351.42	$16,217.07	$2,682.96	$3,250.47
PH-E	3BR/2.5BA	1,164	1,472	$2,199,000	3.4695%	$1,628.46	$672.22	$8,066.60	$1,158.86	$13,906.38	$2,300.68	$2,787.32
PH-F	3BR/2.5BA	1,328	2,110	$2,999,000	4.7643%	$2,236.17	$923.08	$11,076.91	$1,591.33	$19,095.99	$3,159.25	$3,827.50
PH-G	2BR/2BA	987	1,321	$1,849,000	3.0010%	$1,408.55	$581.44	$6,977.27	$1,002.37	$12,028.44	$1,989.99	$2,410.92
	TOTALS	15,386	48,280	$62,338,000	100.0000%	$46,935.86	$19,560.20	$234,675.39	$33,401.08	$400,813.00	$66,492.14	$80,336.94

* Unit 4G will not receive the 421-a Tax Abatement (See Footnotes)

Neither terraces, balconies nor private gardens may be legally used as bedrooms or living rooms. Such use may result in building code violations being issued for the Building.

280 Saint Marks Avenue Condominium

280 Saint Marks Avenue

Schedule A-1: Purchase Prices for Parking License Agreements and Related Information for the Projected First Year of Condominium Operation (1/1/17-12/31/17)

Parking Unit	Parking Unit Square Footage	Purchase Price	License Fee Per Month	License Fee Per Year
3	153	$ 100,000	$ 91.80	$ 1,101.60
4+ storage	206	$ 115,000	$ 123.60	$ 1,483.20
5	153	$ 100,000	$ 91.80	$ 1,101.60
6	153	$ 100,000	$ 91.80	$ 1,101.60
7	153	$ 100,000	$ 91.80	$ 1,101.60
8 + storage	242	$ 115,000	$ 145.20	$ 1,742.40
9 + storage	242	$ 115,000	$ 145.20	$ 1,742.40
10 + storage	242	$ 115,000	$ 145.20	$ 1,742.40
11 + storage	242	$ 115,000	$ 145.20	$ 1,742.40
12 + storage	242	$ 115,000	$ 145.20	$ 1,742.40
13/UR	153	$ 100,000	$ 91.80	$ 1,101.60
14/UR	153	$ 100,000	$ 91.80	$ 1,101.60
15/UR	153	$ 100,000	$ 91.80	$ 1,101.60
16/UR	153	$ 100,000	$ 91.80	$ 1,101.60
17/UR	153	$ 100,000	$ 91.80	$ 1,101.60
18/UR	153	$ 100,000	$ 91.80	$ 1,101.60
19/UR	153	$ 100,000	$ 91.80	$ 1,101.60
20/UR	153	$ 100,000	$ 91.80	$ 1,101.60
21	153	$ 100,000	$ 91.80	$ 1,101.60
22	153	$ 100,000	$ 91.80	$ 1,101.60
23	153	$ 100,000	$ 91.80	$ 1,101.60
24	153	$ 100,000	$ 91.80	$ 1,101.60
25 + storage	317	$ 115,000	$ 190.20	$ 2,282.40
26 + storage	292	$ 115,000	$ 175.20	$ 2,102.40
27	153	$ 100,000	$ 91.80	$ 1,101.60
28	153	$ 100,000	$ 91.80	$ 1,101.60
29	153	$ 100,000	$ 91.80	$ 1,101.60
30	153	$ 100,000	$ 91.80	$ 1,101.60
31	153	$ 100,000	$ 91.80	$ 1,101.60
32	153	$ 100,000	$ 91.80	$ 1,101.60
33	153	$ 100,000	$ 91.80	$ 1,101.60
34	153	$ 100,000	$ 91.80	$ 1,101.60
TOTAL	**5,697**	**$ 3,320,000**	**$ 3,418**	**$ 41,018**

Parking spaces may not be legally used as bedrooms or living rooms. Such use may result in building code violations being issued for the Building.

280 Saint Marks Avenue Condominium

280 Saint Marks Avenue

Schedule A-2: Purchase Prices for Storage Locker License Agreements and Related Information for the Projected First Year of Condominium Operation (1/1/17-12/31/17)

Storage Locker	Storage Unit Square Footage	Purchase Price	License Fee Per Month	License Fee Per Year
1	18	$ 10,000	$ 18.00	$ 216.00
2 - ADA	18	$ 10,000	$ 18.00	$ 216.00
3	38	$ 16,000	$ 38.00	$ 456.00
4	18	$ 10,000	$ 18.00	$ 216.00
5	18	$ 16,000	$ 18.00	$ 216.00
6	38	$ 16,000	$ 38.00	$ 456.00
7	38	$ 15,000	$ 38.00	$ 456.00
8	27	$ 10,000	$ 27.00	$ 324.00
9	27	$ 10,000	$ 27.00	$ 324.00
10	18	$ 10,000	$ 18.00	$ 216.00
11	18	$ 20,000	$ 18.00	$ 216.00
12	18	$ 10,000	$ 18.00	$ 216.00
13 - ADA	18	$ 10,000	$ 18.00	$ 216.00
14	18	$ 10,000	$ 18.00	$ 216.00
15	18	$ 10,000	$ 18.00	$ 216.00
16	18	$ 10,000	$ 18.00	$ 216.00
17	18	$ 10,000	$ 18.00	$ 216.00
18	18	$ 10,000	$ 18.00	$ 216.00
19	18	$ 16,000	$ 18.00	$ 216.00
20	34	$ 16,000	$ 34.00	$ 408.00
21	34	$ 10,000	$ 34.00	$ 408.00
22	20	$ 10,000	$ 20.00	$ 240.00
23	20	$ 10,000	$ 20.00	$ 240.00
24	20	$ 20,000	$ 20.00	$ 240.00
25	38	$ 10,000	$ 38.00	$ 456.00
26	18	$ 10,000	$ 18.00	$ 216.00
27	18	$ 20,000	$ 18.00	$ 216.00
28	40	$ 10,000	$ 40.00	$ 480.00
29	20	$ 10,000	$ 20.00	$ 240.00
30	20	$ 10,000	$ 20.00	$ 240.00
31	20	$ 10,000	$ 20.00	$ 240.00
32	72	$ 35,000	$ 72.00	$ 864.00
TOTAL	**794**	**$ 410,000**	**$ 794**	**$ 9,528**

Storage lockers may not be legally used as bedrooms or living rooms. Such use may result in building code violations being issued for the Building.

FOOTNOTES TO SCHEDULE A

(1) Square footages indicated are calculated from dimensions of the Unit that are measured horizontally from the exterior side of the exterior walls at the building line to the midpoint of the interior walls and partitions separating one Unit from the another Unit, or the exterior face of the interior walls separating a Unit from Common Elements such as common areas, public corridors, stairs, elevators and other mechanical spaces. Columns and mechanical pipes and chases within the Unit are not deducted from the square-foot area of the Unit. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. The balconies and terraces are measured from the masonry walls to the brick exterior and the sill of the glazing walls. Floor Plans for each Unit appear as Document Number 5 in Part II of the Plan. All square footages are approximate (within reasonable tolerances) and will vary from Unit to Unit of the same type. Since they are not based upon measurements from interior surfaces of interior walls, the actual areas comprising the Units are significantly less than the areas set forth on Schedule A. Any floor plan or sketch shown to a prospective Purchaser is only an approximation (within reasonable tolerances) of the dimensions and layout of the Unit. The actual layout of the Unit may be altered.

(2) Sponsor has reserved the right to change the Purchase Price of any Unit from time to time in the manner set forth below. See the Section of the Plan entitled "**Changes in Prices and Units.**"

The Purchase Prices set forth in Schedule A will be decreased or increased by a duly filed amendment to the Plan when the change in price is (a) an across-the-board change affecting one or more lines of Units or Unit models; (b) a price change that is to be advertised; or (c) a price increase for an individual Purchaser. Purchase Prices are negotiable. Accordingly, Sponsor may enter into a Purchase Agreement with a Purchaser to sell a particular Unit at prices less than those set forth in Schedule A without filing an amendment beforehand.

In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of closing, such as legal fees, title insurance premiums, transfer taxes and recording charges. If a Purchaser obtains a mortgage loan, such Purchaser will also be responsible for the payment of additional closing costs and expenses relating to such loan. Finally, the apportionment of certain charges relating to the Unit at the time of the closing of title will be reflected as adjustments to the Purchase Price. See the Section of the Plan entitled "**Unit Closing Costs and Adjustments.**"

(3) The Common Interest allocated to each Unit is based upon floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to the terms of Section 339-i(1)(iv) of the Condominium Act. The aggregate Common Interest of all Units equals one hundred percent (100%).

(4) These estimates were based upon Schedule B, which was prepared for the year January 1, 2017, to December 31, 2017. This period is used only for purposes of projection and illustration. Sponsor does not warrant that condominium operation will commence on January 1,

2017. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Because of the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that the operating expenses, including fuel costs, utilities, maintenance and repairs, labor and other related expenses, will increase in the future.

In addition to these estimated charges, each Unit Owner will be responsible for paying, among other things: (i) the cost of electricity used in the Unit, which will be separately sub-metered for each Unit (except that the cost of electricity consumed by each Unit for the use of the rooftop heating and cooling equipment will be billed to each Unit Owner according to a software system that measures each Unit's actual usage); (ii) mortgage payments under any loan or loans obtained to finance the acquisition of 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); (iv) charges for telephone, internet access and cable television; and (v) the cost of any insurance covering (a) furniture, belongings, equipment and other personal property and (b) liability to others for personal or property damage as a result of occurrences in the Unit.

The projected cost of electrical service to the individual Units during the first year of condominium operation is set forth in Schedule B-1.

(5) The columns under the headings "Projected Monthly Real Estate Taxes With Section 421-a Benefits" and "Projected Monthly Real Estate Taxes Without Section 421-a Benefits" contain an estimate of the real estate taxes that will be payable monthly by Unit Owners for the first year of condominium operation. The first such column estimates the real estate taxes on the basis that the Property will qualify for an exemption under Section 421-a of the Real Property Tax Law ("**Section 421-a**"), and the second column estimates the real estate taxes with the assumption that the Property will not qualify for such an exemption. This estimate is based upon an opinion of counsel set forth in a letter prepared by Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, Sponsor's real estate tax counsel, a copy of which is set forth in Part II of the Plan as Document Number 6, and takes into account the following assumptions and projections:

(a) The first year of condominium operation will be January 1, 2017, to December 31, 2017;

(b) The first full tax year following completion of construction of the Building will be July 1, 2017, to June 30, 2018;

(c) an approximate assessed value of the Property of $300,000 during the 2016/17 tax year (which will be applicable during the first six months of the first year of condominium operation), and an approximate assessed value of the Property of $5,750,000 during the 2017/18 tax year (which will be applicable during the last six months of the first year of condominium operation); and

(d) an assumed tax rate in effect for the 2016/17 and 2017/18 tax years of $13.25 for each $100 of assessed value of the Property.

Based on those assumptions and other assumptions set forth in the letter of Sponsor's real estate tax counsel described above, Sponsor's real estate tax counsel has made the following estimates of the real estate taxes (prior to any tax exemptions or abatements) for the first year of condominium operation and the first full tax year following completion of construction of the Building.

January 1, 2017, through June 30, 2017 (six months of 2016/17 Tax Year)

Assessed Value	Tax Rate	Tax (six months)
$300,000	13.25%	$19,875

July 1, 2017, through December 31, 2017 (six months of 2017/18 Tax Year)

Assessed Value	Tax Rate	Tax (six months)
$5,750,000	13.25%	$380,938

Total estimated real estate tax for first year of condominium operation:	$400,813
Total estimated real estate tax for first full tax year following completion of construction of the Building:	$761,875

The total estimated real estate tax with Section 421-a benefits for the first year of condominium operation is $234,675, and the total estimated real estate tax with Section 421-a benefits for the first full tax year following completion of construction of the Building is $413,518. It should be noted that because of a cap that places a limitation on the maximum Section 421-a exemption that results in the exemption not being available to that part of the assessed value of a dwelling unit that exceeds a certain amount ($84,810 in the 2017/18 tax year, with an inflation factor of 3% per year thereafter), the total exemption will not be apportioned equally. The exemption cap is likely to affect the larger Units, so that the Section 421-a tax savings to the larger Units may be disproportionately smaller than the Section 421-a tax savings to the smaller Units.

It should be noted that no assurances can be given that the assessed valuations or the tax rates estimated herein will be the same as finally determined by the New York City Department of Finance. If the assessed valuations or tax rates are greater than estimated or assumed, the real estate taxes payable will be higher.

No representation is made that the provisions of law or New York City Department of Finance policies or practices will apply at the time the construction of the Building is complete. The foregoing discussions are based on the Real Property Tax Law, the Administrative Code of the City of New York, and the applicable regulations in effect as of the date hereof. Each Purchaser should be aware that the laws, regulations, practices and positions of the Department of

Buildings and the Department of Finance may in the future be revised in a manner adverse to a Purchaser's interests or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York or courts of competent jurisdiction.

If on the date of the First Closing, the Units have not been separately assessed as independent tax lots, then until such time as the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

After the Units are separately assessed as independent tax lots, each Unit will be taxed separately for real estate tax purposes, and each Unit Owner will be solely responsible for the payment of all real estate taxes on his or her Unit, but such Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units.

In the opinion of Sponsor's Counsel, the tax laws in effect on the date of this Plan generally permit an individual Unit Owner who itemizes deductions on his or her tax returns to deduct from income for the purpose of federal, New York State and New York City income taxes, any real estate taxes paid by such Unit Owner on his or her Unit. The amount of such tax deductions, however, may vary in future years because of changes in the interest rate on the Unit Owner's mortgage, if any, or changes in the allocation of constant debt service payments on such mortgage to interest and principal, or because of changes in real estate taxes resulting from changes in the assessed value of such Unit, the tax rate or the method of assessing real property. See the Sections of the Plan entitled "**Income Tax Deductions to Unit Owners and Tax Status of Condominium**" and "**Opinion of Counsel**" for further discussion.

No warranties or assurances are given that the Governmental Authorities involved will assess the Units in the manner stated above or that the law on which the same is based will not change.

SCHEDULE B

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

Projected Budget for the Projected First Year of Condominium Operation (See Note 1)
January 1, 2017, to December 31, 2017

ESTIMATED INCOME

Common Charges (Note 2)	$	563,231
License Fees – Storage Units (Note 3)	$	9,528
License Fees – Parking Spaces(Note 4)	$	41,018
Other Income from Parking Spaces (Note 5)	$	6,600
Electric Charges - Sub-Metered and Software-Allocated Electricity (Note 8)	$	129,769
Total Estimated Income:	$	750,146

ESTIMATED EXPENSES

Payroll and Related Expenses (Note 6)	$	216,955
Gas (Hot Water, Heat, Dryers and Cooking) (Note 7)	$	17,672
Electricity (Note 8)	$	240,682
Water Charges and Sewer Rent (Note 9)	$	26,537
Repairs and Maintenance (Note 10)	$	36,500
Service Contracts (Note 11)	$	56,000
Insurance (Note 12)	$	42,000
Management Fee (Note 13)	$	35,000
Legal and Audit Fees (Note 14)	$	15,000
Other Expenses (Note 15)	$	15,000
Contingencies (Note 16)	$	20,000
Replacement Reserve (Note 17)	$	28,800
Total (Note 18)	$	750,146

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

FOOTNOTES TO SCHEDULE B

(1) Projected First Year of Condominium Operations

Amounts are projected on the assumption that the first year of condominium operation will be the year from January 1, 2017, to December 31, 2017. The actual first year of condominium operation may be earlier or later than projected.

Sponsor anticipates that the First Closing will occur on or about January 1, 2017. If the First Closing is delayed twelve (12) months or more beyond such date, Purchasers will be offered the right, for a period of at least fifteen (15) days from the Presentation Date of an amendment in which Sponsor discloses that the First Closing has not occurred within such twelve (12)-month period, to rescind their Purchase Agreements and have their Down Payments refunded promptly.

If the actual or anticipated date of commencement of condominium operations is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, the Plan will be amended to include an updated budget with revised projections, if revised projections are necessary. If the aggregate of the revised projections exceeds the aggregate of the original projections by 25% or more, Sponsor will offer all purchasers the right, for a period of at least fifteen (15) days, to rescind their Purchase Agreements and have their Down Payments refunded promptly.

(2) Common Charges: $563,231

These amounts represent the total Common Charges to be levied against and collected from the Unit Owners during the anticipated first year of condominium operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated among the Unit Owners based on anticipated usage and benefits derived by such Unit Owners and on the basis of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes.

(3) License Fees – Storage Units: $9,528

There are a total of 32 storage units located on the cellar level. The Condominium will charge a monthly license fee for the use of the individual storage units to the licensees thereof. The monthly license fees projected herein are based upon estimated expenses for the projected first year of condominium operation. The Common Charges will be offset by the income derived from the storage unit license fees in the amount of $9,528.

The storage unit license fees will be subject to increases based on the percentage increases in subsequent budgets approved by the Condominium Board.

(4) License Fees – Parking Spaces: $41,018

There are 34 parking spaces, all of which are located on the cellar level. Thirty-two of these parking spaces will be licensed to licensees, The Condominium will charge a monthly license fee for the use of the individual parking spaces to the licensees thereof. The monthly license fees projected herein are based upon estimated expenses for the projected first year of condominium operation. The Common Charges will be offset by the income derived from the parking space license fees in the amount of $41,018.

The parking space license fees will be subject to increases based on the percentage increases in subsequent budgets approved by the Board of Managers.

(5) Other Income from Parking Spaces: $6,600

Two of the 34 parking spaces have been designated for use by those eligible to use such parking spaces pursuant to the Americans with Disabilities Act. Sponsor will permit these parking spaces to be retained by the Condominium. They will be made available for monthly parking to Unit Owners on a first-come, first-served basis (subject to compliance at all times with the requirements of the Americans with Disabilities Act). The Condominium will initially charge a parking fee of $275 a month for the use of each of these parking spaces. The monthly income from such parking fees projected herein is based upon estimated expenses for the projected first year of condominium operation. The Common Charges will be offset by the income derived by the parking fees in the amount of $6,600.

The parking fees will be subject to increases based on the subsequent budgets approved by the Condominium Board.

(6) Payroll and Related Expenses: $216,955

The Building staff will consist of:

Position and Number	Annual Wages
Full-Time Superintendent (1) (40 hours per week)	$ 60,000
Lobby Attendants (2.8) (16 hours per day, 7 days per week)	$ 116,480
Total Base Wages:	**$ 176,480**
Overtime (2% of Base Wages)	$ 3,529
Vacation, Sick & Holiday (5% of Base Wages)	$ 8,824
Total Wages:	**$ 188,834**

Payroll taxes and other costs:

FICA Employer	7.65% of Wages	$ 14,446
NY State Unemployment	4.025% of first $10,300 of Wages	1,575
Federal Unemployment	6% of first $7,000 of Wages	1,596
State Disability Insurance	$0.60 per week per employee	118
Workers Compensation	5.5% of Wages	$ 10,386
Total Payroll Taxes and Other Expenses:		**$ 28,121**
TOTAL:		**$216,955**

There will be a combination of full-time and part-time employees, and the Building is classified as Class "A" for the purpose of defining the wage scale. The Building's staff will be non-union, and wages will meet state minimum wage laws. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, FirstService Residential New York, Inc., in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

(7) Gas (Hot Water, Heat, Dryers and Cooking): $17,672

Based on an estimate dated July 1, 2015, by 2LS Consulting Engineering (the "**2LS Estimate**"), located at 150 West 30th St, New York, New York 10001, it is anticipated that natural gas for hot water, dryers and cooking (including cooking on exterior gas-fired barbecue grills that are provided for certain Units), as well as for operating the gas-fired kitchen make-up air heating systems installed in certain Units, will be provided to the Units by Con Edison, and the estimated cost for the first year of condominium operation is $17,672. This estimate is based on a projected usage of 12,933 therms of gas per year at an anticipated average cost of $1.30 per therm. A 6% inflation factor has been added.

(8) Electricity: $240,682

All electricity for the Building will be supplied through a single Con Edison meter and paid for by the Condominium Board as a Common Expense. There will be three general uses of electricity in the Building: (a) light and power for the Common Elements, (b) light and power used in the Units (excluding electricity necessary to operate the rooftop VRF units for the HVAC systems) and (c) power to operate the rooftop VRF units for the HVAC system. Each use is described in more detail below.

Based on the 2LS Estimate, it is anticipated that light and power usage for the Common Elements, including mechanical equipment, during the first year of condominium operation will be approximately 475,611.56 KW/HR/YR. At the current rate of $.22 per KW/HR, and including a 6% inflation factor, the annual cost of such electricity is

estimated to be $110,913.

The cost of electricity consumed or used in each Unit and any Limited Common Elements appurtenant thereto (excluding electricity necessary to operate the rooftop VRF units for the HVAC systems) will be measured by a sub-meter installed in each Unit. Each Unit will be billed for its sub-metered use, and the Condominium Board will use this income to offset Common Charges. Based on the 2LS Estimate, the aggregate approximate cost of such all such electricity during the first year of condominium operation, including a 6% inflation factor, will be $73,510.

A VRF HVAC split-type system will provide heating and cooling to each Unit, and the cost of the electricity necessary to power such system will be separately billed by the Condominium Board to each Unit Owner pursuant to a software system that measures each Unit Owner's actual usage. The Condominium Board will use this income to offset Common Charges Based on the 2LS Estimate, the aggregate approximate cost of all such electricity during the first year of condominium operation, including a 6% inflation factor, will be $56,260.

See Schedule B-1 for the estimated cost of electricity used in the individual Units and their appurtenant Common Elements. Based on the 2LS Estimate, the aggregate cost of electricity used in all the individual Units during the first year of condominium operation (including electricity necessary to operate the rooftop VRF units for the HVAC systems) will be $129,769. This amount includes a 6% inflation factor. As described above, the Condominium Board will collect such amount from the Unit Owners based on sub-metering or software allocation and use the income to offset Common Charges.

(9) Water Charges and Sewer Rent: $26,537

Based on the 2LS Estimate, it is anticipated that water usage for the Units and all Common Elements will be approximately 285,137.70 cubic feet of water per year at a combined rate of $8.78 per 100 cubic feet of water used. A 6% inflation factor has been added.

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building.

(10) Repairs and Maintenance: $36,500

This estimate includes painting, maintenance and repair costs of General Common Elements and Residential Common Elements only. Unit Owners will be responsible for the cost of repairs and painting in the interiors of their Units. No provision has been made to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of building supplies provided to and for the benefit of the Units.

Supplies and Hardware	$ 12,000
Plumbing	$ 2,500
Electrical	$ 2,500

Window, Lock and Doors	$ 2,000
Intercom	$ 1,000
Plastering and Painting	$ 5,000
Elevator Repairs (Not Covered by Contract)	$ 1,500
General Repairs	$ 10,000
Total	**$ 36,500**

This estimate is based on the experience of Sponsor's budget expert, FirstService Residential New York, Inc., in operating comparable buildings.

(11) Service Contracts: $56,000

This estimate includes the cost of various services used in or for the Common Elements, including but not limited to elevator service, fire systems and landscaping.

Elevator Maintenance	$ 17,000
Exterminating	$ 1,500
Landscaping	$ 10,000
Central Station Monitoring	$ 2,000
Fire Extinguishers	$ 500
Fire Alarm	$ 3,500
Sprinkler	$ 1,500
HVAC Service	$ 5,000
Telephone/Internet	$ 10,000
Uniforms	$ 5,000
Total	**$ 56,000**

No maintenance or service contracts have been entered into as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor's budget expert, FirstService Residential New York Inc., in operating comparable buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty or guarantee is made that the actual cost for these services or other services will be in accordance with this projection.

(12) Insurance: $42,000

The insurance premiums are based on a letter dated April 30, 2015, from Genatt V LLC, located at 3333 New Hyde Park Road, Suite 400, New Hyde Park, New York, New York 11042. The fire, casualty and general liability are on the terms set therein:

	COVERAGES	LIMITS OF LIABILITY
A.	Property (Building Limit)	$ 20,300,000
	Business Personal Property Limit	$ 50,000
	Loss of Maintenance Fee	$ Included

	Demolition and Increased Cost	$	1,000,000
	Flood	$	1,000,000
	Earthquake	$	1,000,000
	Deductibles		
	Building, Underground Water & Sewer	$	10,000
	Earthquake	$	50,000
	Flood	$	50,000
B.	General Liability		
	(General Aggregate)	$	2,000,000
	Each Occurrence	$	1,000,000
	Fire Damage Liability	$	50,000
	Personal and Advertising Injury	$	1,000,000
	Medical Expenses	$	5,000
	Hired/Non Owner Auto Liability	$	1,000,000
C.	Directors & Officers Liability	$	1,000,000
	Deductible	$	5,000
D.	Umbrella Liability	$	100,000,000
	Self Insured Retention	$	10,000
	Included Excess Director's & Officers		
E.	Crime		
	Employee Dishonesty Limit	$	500,000
	Managing Agent's Rider	$	500,000
F.	Boiler & Machinery or Equipment Breakdown Limit	$	20,300,000

The total premium for these various coverages is estimated at $42,000, inclusive of all taxes and commissions.

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

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of any Unit (as such term is more particularly described in the Plan and the Declaration).

The proposed insurance provides property coverage on an All Risk/Replacement Cost basis. The building limits and business income limits are based on an agreed amount, which is a waiver of coinsurance.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of condominium operation. Purchasers should be aware of the possibility of rate increases. The insurance is adequate for the replacement of the Building in the event of a total loss. The carrier will be selected at the time the coverage is bound. This will occur prior to the First Closing.

Sponsor will procure, on behalf of the Condominium Board, on or before the date of the First Closing, the general liability insurance that is required to be carried by the Condominium.

(13) Management Fee: $35,000

Based on the management agreement to be entered into with FirstService Residential New York Inc., 622 Third Avenue, New York, New York 10017, at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of $35,000 for the first year of condominium operation. Reference should be made to the Section of the Plan entitled "**Management Agreement, Contracts and Leases** for further details concerning the Management Agreement.

(14) Legal and Audit Fees: $15,000

Based upon the estimate set forth in a letter dated April 2, 2015, from Wilkin & Guttenplan P.C., located at 5 Penn Plaza, New York, New York 10001, Sponsor has budgeted $7,500 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the first year of condominium operation and federal, state and city income tax returns. The balance of the budgeted amount ($7,500) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at meetings of the Condominium Board, preparation of minutes of such meetings and the negotiation of minor agreements.

(15) Other Expenses: $15,000

Other Expenses covers telephone, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

Printing and Postage	$ 1,500
Payroll Processing	$ 5,000
Sprinkler Permit Fees	$ 750
General	$ 7,750

(16) **Contingencies: $20,000**

This fund may be used at the discretion of the Board toward unforeseen expenses or other appropriate Condominium expenses. The purpose of the contingency is to provide for unanticipated expenses or unanticipated increases in projected expenses.

(17) **Replacement Reserve $28,800**

The funds collected under this line item are for deposit into an account established by the Condominium Board to hold the replacement reserve, which is to be funded out of Common Charges and used for periodic maintenance, repair and replacement of the Common Elements in accordance with the By-Laws.

(18) **Total Expenses: $750,146**

IN THE OPINION OF FIRSTSERVICE RESIDENTIAL NEW YORK, INC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JANUARY 1, 2017. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

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The foregoing projected budget may be modified from time to time prior to commencement of and during the first year of condominium operation, to add or delete or increase or decrease one or more items of operating expenses. If additional funds are required to pay expenses, it may be necessary to increase Common Charges or specially assess Unit Owners.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium upon commencement of condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially (i.e. by 25% or more) increase the first year's projected Common Charges or that will be binding on the Condominium for a period of more than two (2) years, unless the Plan is amended.

SCHEDULE B-1

ESTIMATE OF UNIT ELECTRICAL USAGE FOR FIRST YEAR OF CONDOMINIUM OPERATION

January 1, 2017 - December 31, 2017

Based on an estimate dated July 1, 2015, by 2LS Consulting Engineering, electrical costs for the individual Units for the first year of condominium operation will be as follows:.

APT TH-A Apartment Loads:	Connected Load	Demand Load	Hours/Day	Days/Year	kWh/Year	$/kWh	$/Year
General Lighting and Receptacles	4.68 kW	1.64 kW	6	335	3292.38		
Major Appliances	6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer	3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)	0.88 kW	0.88 kW	6	280	1478.40		
Supplemental Baseboard Heating	3.14 kW	2.04 kW	8	80	1306.24		
HVAC Equipment (Rooftop Units)*	Total kW/h per Year =	245700.00	APT % of Total =	3.29%	8080.19		
TOTAL:					17910.21	$0.22	$3,940.25

APT TH-B Apartment Loads:	Connected Load	Demand Load	Hours/Day	Days/Year	kWh/Year	$/kWh	$/Year
General Lighting and Receptacles	4.23 kW	1.48 kW	6	335	2973.69		
Major Appliances	6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer	3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)	0.88 kW	0.88 kW	6	280	1478.40		
Supplemental Baseboard Heating	3.2 kW	2.08 kW	8	80	1331.20		
HVAC Equipment (Rooftop Units)*	Total kW/h per Year =	245700.00	APT % of Total =	2.97%	7298.07		
TOTAL:					16834.37	$0.22	$3,703.56

APT	**TH-C**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.2 kW	1.47 kW	6	335	2954.70		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.88 kW	0.88 kW	6	280	1478.40		
Supplemental Baseboard Heating		3.14 kW	2.04 kW	8	80	1306.24		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.95%	7251.45		
TOTAL:						16743.79	$0.22	$3,683.63
APT	**TH-D**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.66 kW	1.63 kW	6	335	3279.72		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		1.32 kW	1.32 kW	6	280	2217.60		
Supplemental Baseboard Heating		3.14 kW	2.04 kW	8	80	1306.24		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.28%	8049.11		
TOTAL:						18605.67	$0.22	$4,093.25
APT	**TH-E**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		5.47 kW	1.91 kW	6	335	3847.44		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		

HVAC Equipment (Fan Coil Units)		1.32 kW	1.32 kW	6	280	2217.60		
Supplemental Baseboard Heating		3.72 kW	2.42 kW	8	80	1547.52		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.84%	9442.43		
TOTAL:						20807.99	$0.22	$4,577.76
APT	**TH-F**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		7.41 kW	2.59 kW	6	335	5212.94		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		1.4 kW	1.4 kW	6	280	2352.00		
Supplemental Baseboard Heating		5.47 kW	3.56 kW	8	80	2275.52		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	5.21%	12793.64		
TOTAL:						26387.09	$0.22	$5,805.16
APT	**1G**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.78 kW	1.67 kW	6	335	3362.03		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		3.14 kW	2.04 kW	8	80	1306.24		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.36%	8251.12		
TOTAL:						18285.19	$0.22	$4,022.74

APT	**TH-H**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.71 kW	1.65 kW	6	335	3311.37		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.88 kW	0.88 kW	6	280	1478.40		
Supplemental Baseboard Heating		3.2 kW	2.08 kW	8	80	1331.20		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.31%	8126.81		
TOTAL:						18000.78	$0.22	$3,960.17
APT	**2E**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		5.1 kW	1.79 kW	6	335	3587.85		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.88 kW	0.88 kW	6	280	1478.40		
Supplemental Baseboard Heating		2.85 kW	1.85 kW	8	80	1185.60		
HVAC Equipment(Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.58%	8805.34		
TOTAL:						18810.19	$0.22	$4,138.24
APT	**2G**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		5.02 kW	1.76 kW	6	335	3530.87		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		

Supplemental Baseboard Heating		2.68 kW	1.74 kW	8	80	1114.88		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.53%	8665.49		
TOTAL:						18677.03	$0.22	$4,108.95
APT	**3A**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.41 kW	1.19 kW	6	335	2399.64		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.85 kW	1.85 kW	8	80	1185.60		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.40%	5889.22		
TOTAL:						14101.06	$0.22	$3,102.23
APT	**3B**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.19 kW	1.12 kW	6	335	2243.46		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
SupplementalBaseboard Heating		2.91 kW	1.89 kW	8	80	1210.56		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.24%	5505.93		
TOTAL:						13586.55	$0.22	$2,989.04
APT	**3C**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.15 kW	1.1 kW	6	335	2213.91		

Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.91 kW	1.89 kW	8	80	1210.56		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.21%	5433.41		
TOTAL:						13484.49	$0.22	$2,966.59
APT	**3D**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.71 kW	1.3 kW	6	335	2608.58		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.91 kW	1.89 kW	8	80	1210.56		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.61%	6402.00		
TOTAL:						14847.74	$0.22	$3,266.50
APT	**3E**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.87 kW	1.7 kW	6	335	3423.23		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment(Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		2.68 kW	1.74 kW	8	80	1114.88		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.42%	8401.33		
TOTAL:						18305.24	$0.22	$4,027.15

APT	**3F**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		5.33 kW	1.86 kW	6	335	3748.25		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		4.07 kW	2.65 kW	8	80	1693.12		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.74%	9198.99		
TOTAL:						20006.16	$0.22	$4,401.35
APT	**3G**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		2.58 kW	0.9 kW	6	335	1812.92		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.6 kW	0.6 kW	6	280	1008.00		
Supplemental Baseboard Heating		1.46 kW	0.95 kW	8	80	607.36		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	1.81%	4449.29		
TOTAL:						11630.56	$0.22	$2,558.72
APT	**3H**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		5.63 kW	1.97 kW	6	335	3961.41		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.88 kW	0.88 kW	6	280	1478.40		

Supplemental Baseboard Heating		3.84 kW	2.5 kW	8	80	1597.44		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.96%	9722.13		
TOTAL:						20512.38	$0.22	$4,512.72
APT	**4A**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.41 kW	1.19 kW	6	335	2399.64		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.85 kW	1.85 kW	8	80	1185.60		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.40%	5889.22		
TOTAL:						14101.06	$0.22	$3,102.23
APT	**4B**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.19 kW	1.12 kW	6	335	2243.46		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.91 kW	1.89 kW	8	80	1210.56		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.24%	5505.93		
TOTAL:						13586.55	$0.22	$2,989.04
APT	**4C**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.15 kW	1.1 kW	6	335	2213.91		

Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.91 kW	1.89 kW	8	80	1210.56		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.21%	5433.41		
TOTAL:						13484.49	$0.22	$2,966.59
APT	**4D**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.71 kW	1.3 kW	6	335	2608.58		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		2.91 kW	1.89 kW	8	80	1210.56		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.61%	6402.00		
TOTAL:						14847.74	$0.22	$3,266.50
APT	**4E**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.87 kW	1.7 kW	6	335	3423.23		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		2.68 kW	1.74 kW	8	80	1114.88		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.42%	8401.33		
TOTAL:						18305.24	$0.22	$4,027.15

APT	4F	Connected Load	Demand Load	Hours/Day	Days/Year	kWh/Year	$/kWh	$/Year
Apartment Loads:								
General Lightingand Receptacles		5.33 kW	1.86 kW	6	335	3748.25		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		4.07 kW	2.65 kW	8	80	1693.12		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.74%	9198.99		
TOTAL:						20006.16	$0.22	$4,401.35

APT	4G	Connected Load	Demand Load	Hours/Day	Days/Year	kWh/Year	$/kWh	$/Year
Apartment Loads:								
General Lighting and Receptacles		2.58 kW	0.9 kW	6	335	1812.92		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.6 kW	0.6 kW	6	280	1008.00		
Supplemental Baseboard Heating		1.46 kW	0.95 kW	8	80	607.36		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	1.81%	4449.29		
TOTAL:						11630.56	$0.22	$2,558.72

APT	4H	Connected Load	Demand Load	Hours/Day	Days/Year	kWh/Year	$/kWh	$/Year
Apartment Loads:								
General Lighting and Receptacles		5.63 kW	1.97 kW	6	335	3961.41		
Major Appliances		6.6 kW	4.95 kW	2.5	280	3465.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.88 kW	0.88 kW	6	280	1478.40		

Supplemental Baseboard Heating		3.84 kW	2.5 kW	8	80	1597.44		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.96%	9722.13		
TOTAL:						20512.38	$0.22	$4,512.72
APT	**PHA**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		6.23 kW	2.18 kW	6	335	4385.62		
Major Appliances		8.4 kW	6.3 kW	2.5	280	4410.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		10.58 kW	6.88 kW	8	80	4401.28		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	4.38%	10763.23		
TOTAL:						25860.93	$0.22	$5,689.40
APT	**PHB**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		3.38 kW	1.18 kW	6	335	2376.42		
Major Appliances		8.4 kW	6.3 kW	2.5	280	4410.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.52 kW	0.52 kW	6	280	873.60		
Supplemental Baseboard Heating		7.85 kW	5.1 kW	8	80	3265.60		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.37%	5832.24		
TOTAL:						17045.86	$0.22	$3,750.09
APT	**PHC**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.82 kW	1.69 kW	6	335	3391.57		

Major Appliances		8.4 kW	6.3 kW	2.5	280	4410.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.6 kW	0.6 kW	6	280	1008.00		
Supplemental Baseboard Heating		7.97 kW	5.18 kW	8	80	3315.52		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	3.39%	8323.63		
TOTAL:						20736.73	$0.22	$4,562.08
APT	**PHE**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		4.2 kW	1.47 kW	6	335	2952.59		
Major Appliances		8.4 kW	6.3 kW	2.5	280	4410.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.88 kW	0.88 kW	6	280	1478.40		
Supplemental Baseboard Heating		7.68 kW	4.99 kW	8	80	3194.88		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.95%	7246.27		
TOTAL:						19570.14	$0.22	$4,305.43
APT	**PHF**	**Connected Load**	**Demand Load**	**Hours/Day**	**Days/Year**	**kWh/Year**	**$/kWh**	**$/Year**
Apartment Loads:								
General Lighting and Receptacles		6.0 kW	2.1 kW	6	335	4218.89		
Major Appliances		8.4 kW	6.3 kW	2.5	280	4410.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.96 kW	0.96 kW	6	280	1612.80		
Supplemental Baseboard Heating		4.59 kW	2.98 kW	8	80	1909.44		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	4.21%	10354.04		
TOTAL:						22793.17	$0.22	$5,014.50

APT	PHG	Connected Load	Demand Load	Hours/Day	Days/Year	kWh/Year	$/kWh	$/Year
Apartment Loads:								
General Lighting and Receptacles		3.71 kW	1.3 kW	6	335	2612.80		
Major Appliances		8.4 kW	6.3 kW	2.5	280	4410.00		
Washer/Dryer		3.0 kW	2.4 kW	1	120	288.00		
HVAC Equipment (Fan Coil Units)		0.84 kW	0.84 kW	6	280	1411.20		
Supplemental Baseboard Heating		7.1 kW	4.62 kW	8	80	2953.60		
HVAC Equipment (Rooftop Units)*		Total kW/h per Year =	245700.00	APT % of Total =	2.61%	6412.36		
TOTAL:						18087.96	$0.22	$3,979.35

*** The electricity for the rooftop condenser units will come from the common building electric meter; however, the usage of the system will be measured pursuant to a software system so that the Condominium can bill each apartment for their actual usage. The Condominium will be able to bill all other electricity used in the apartments pursuant to sub-meters.**

The projected electric costs set forth above are based on projected rates of Con Edison. It is not possible to predict how closely the projected figure will reflect the actual expense for electricity to be incurred by Unit Owners during the first year of condominium operation, in part because such expenses will vary with the level of consumption and the applicable electric rates. Many factors affect the cost of electricity, (which has in the past been highly volatile and unpredictable). Historically, electric rates have been steadily increasing and the cost of electricity is likely to increase, although it is not possible to forecast with certainty the amount or timing of such increases.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i



FirstService
RESIDENTIAL

OPINION OF LICENSED REAL ESTATE BROKER RE: COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

April 29, 2015

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: 280 St. Marks Avenue Condominium
280 St. Marks Avenue, Brooklyn, New York 11238

Ladies and Gentlemen:

All capitalized terms used but not otherwise defined herein shall have the same meanings ascribed to them in the offering plan for the above-referenced property (the "Plan").

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

FirstService Residential New York, Inc., is a licensed real estate broker whose principals have been engaged in the business of real estate brokerage and the operation and management of residential buildings in the greater New York area for more than 25 years. We currently manage over 250 residential buildings in New York City.

In connection with this opinion, we have reviewed Schedule A set forth in the Plan and the proposed Declaration and the Floor Plans included in Part II of the Plan; and we have assumed that the statements and information contained therein are correct and accurate. We have not reviewed or verified the calculations of floor areas used in determining the sizes of Units or the Limited Common Elements.

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 11 of the Declaration (Section 339-i(1)(iv)).

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

The opinion is confined to the matters addressed herein with respect to Section 339-i and is not intended, nor should be construed, as an opinion on any other aspects of the Plan. Further, we assume no

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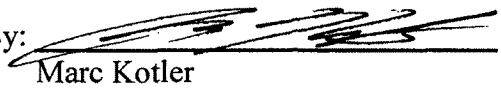
obligation to update or supplement this opinion to reflect any changes in statutory law or judicial precedent, or any changes in fact or circumstances, that may hereafter come to our attention pertaining to the subject matter hereof.

We certify that we are not owned or controlled by Sponsor and that we have no financial interest in the offering other than our fee for services rendered in connection with the preparation of this letter and schedules included in the Plan (and acting as the Managing Agent under the Plan).

We consent to the incorporation of this opinion in the Plan and to the references to our name in the Plan in the connection with this opinion.

Very truly yours,

FIRSTSERVICE RESIDENTIAL NEW YORK, INC.

By: 

Marc Kotler
Senior Vice President
New Development Group



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CHANGES IN PRICES AND UNITS

Changes in Price and Terms of Sale

Sponsor reserves the right to change the Purchase Price, the manner of payment thereof and any other term of sale of any Unit, at any time and from time to time, both before and after the recording of the Declaration, without prior notice or prior amendment to the Plan, except as set forth below, and without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party.

Changes in the Purchase Prices set forth in Schedule A will be made pursuant to a duly filed amendment to the Plan when such change in price is (a) an across-the-board increase or decrease affecting one or more lines of Units or Unit models, or (b) is to be advertised, or (c) is a price increase for an individual Purchaser. As set forth in the Footnotes to Schedule A, Purchase Prices are negotiable, and Sponsor may enter into an agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

If Sponsor changes the Purchase Price of one or more Units, the Purchaser of such Unit may pay, or may have paid, more or less than other Purchasers of comparable Units having the same Common Interest. Such a price change, however, will not alter the Common Interest of, or the amount of the Common Charges payable by, the Unit Owners.

Changes in Size, Layout and Number of Units

Except to the extent prohibited by law, Sponsor shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) change the use (subject to Section 6.13 of the By-Laws and provided that such use is permitted by law and does not violate the then-existing certificate of occupancy covering such Unsold Unit or any other governmental regulations) or layout of, or number of rooms in, any Unsold Units from time to time; (b) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units; by combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units; by converting a Unit or any portion thereof to a General Common Element or a Limited Common Element; or by altering the boundary walls between any Unsold Units, or otherwise, including incorporating into an Unsold Unit those Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) that exclusively benefit such Unsold Unit; (c) designate a General Common Element or a Limited Common Element as part of a newly created Unit, General Common Element or Limited Common Element, or (d) designate all or part of a Unit as a newly created General Common Element or Limited Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (a) through (d) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Unit shall not be changed by reason thereof unless the owner of such Unit shall consent thereto; (ii) Sponsor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and

all other Unit Owners harmless from any liability arising therefrom; and (iii) the soundness or structural integrity of any part of the Building or the safety of any Unit Owner, tenant or other Person shall not be jeopardized by reason thereof. No reapportionment of the Common Interests appurtenant to any Units shall be made unless there is first delivered to the Condominium Board a written certification stating that the Common Interest appurtenant to each Unit immediately after such reapportionment will be 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.

Such rights may be exercised by Sponsor from time to time, both before and after the recording of the Declaration, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party. Sponsor, however, will first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by Applicable Law. In addition, if a Purchase Agreement has been executed and delivered to Sponsor with respect to a Unit and the Purchaser thereunder is not in default, Sponsor will not materially change the size or layout of such Unit or the percentage of its Common Interest without the written consent of such Purchaser. Further, Sponsor will not cause any material change to be made in the size or any material adverse change to be made in the quality of the Common Elements without the consent of all Purchasers affected by such change who are not then in default under their Purchase Agreements.

It should be noted that as long as the layout and dimensions of a Unit conform to the Floor Plans, subject to minor inaccuracies, a Purchaser will not be excused from purchasing his or her Unit for such reason and will not have any claim against Sponsor as a result of such deviation.

If Sponsor changes the size or number of Unsold Units, Sponsor will increase or decrease the Common Interests appurtenant thereto accordingly. The aggregate amount of the Common Interests of all the Units, however, will always remain at 100%. As a result of any reapportionment of the Common Interests appurtenant to Unsold Units, the amount of the Common Charges and the real estate taxes and assessments payable by the owners of the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments payable by the owners of Units unaffected thereby will not vary.

The Plan and, when applicable, the Declaration will be amended to reflect any change in the size or number of Units or their respective Common Interests, or any material change in the size or quality of the Common Elements; however, the layout and number of rooms in Unsold Units may be changed without prior notice or amendment of this Plan.

Once the Declaration is recorded, any change in the number of Units or number of rooms within a Unit, or in the size of any Unit resulting from a subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, or in the Common Interest of any Unit, shall be reflected in a duly recorded amendment to the Declaration. As more particularly provided in the Declaration, Sponsor, as the owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, any other Unit Owners, any mortgagee or any other party consenting to or executing such amendment.

To the extent permitted by Applicable Law, if the size or configuration of a Unit is changed in compliance with the Plan and the Condominium Documents and, in connection therewith, a wall, space or other area forming a part of the Common Elements servicing and benefiting only such Unit is razed or incorporated in the Unit, then such Common Element shall be deemed for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain unchanged.

PROCEDURE TO PURCHASE

General

A Person wishing to purchase a Unit will be required to execute, in triplicate, a Purchase Agreement in the form set forth as Document Number 1 in Part II of the Plan. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and, before being executed, should be read carefully by the prospective Purchaser and his or her legal or financial representative.

Unless a Purchaser has been afforded at least three (3) business days in which to review the Plan and all filed amendments prior to executing a Purchase Agreement, such Purchaser shall have seven (7) days after delivering an executed Purchase Agreement, together with the required Down Payment, to rescind the Purchase Agreement and have the amount paid on account of the Down Payment refunded promptly. Such Purchaser must either personally deliver a written notice of rescission to Sponsor or the Selling Agent within the seven (7)-day period or mail the notice of rescission to Sponsor or the Selling Agent and have the mailing postmarked within the seven (7)-day period.

Delivery of Purchase Agreement

A prospective Purchaser wishing to purchase a Unit should deliver to the Selling Agent at the sales office, 631 Vanderbilt Avenue, Brooklyn, New York 11238, three (3) copies of the executed Purchase Agreement, together with such prospective Purchaser's unendorsed personal check, drawn on a bank to which checks are presented for payment through the New York Clearing House Association, in a sum equal to ten percent (10%) of the Purchase Price, representing the first installment of the Down Payment (or, if an amendment declaring the Plan effective or confirming that the Plan has been declared effective has previously been accepted for filing by the Department of Law, a sum equal to twenty percent (20%) of the Purchase Price, representing both the first and second installments of the Down Payment). Said check is to be made payable to the order of "Herrick, Feinstein, LLP, as Escrow Agent."

Acceptance of Purchase Agreement

Within twenty (20) days after said delivery to the Selling Agent by the prospective Purchaser of three (3) copies of the executed Purchase Agreement, together with the required installment or installments of the Down Payment, Sponsor shall either accept the Purchase Agreement by returning a fully executed counterpart thereof to the prospective Purchaser or reject the Purchase Agreement and refund the installment or installments of the Down Payment

previously tendered. If Sponsor takes no action to accept or reject the Purchase Agreement within said twenty (20)-day period, the Purchase Agreement shall be deemed to have been rejected and the prospective Purchaser shall be entitled to receive immediately a full refund of the installment or installments of the Down Payment previously tendered. Upon such refund being made, neither party will have any further rights, obligations or liabilities hereunder with respect to the other or any other party connected with the Plan. Sponsor has the right, without incurring any liability, to reject any Purchase Agreement without cause or explanation, so long as such rejection is not based upon race, creed, color, national origin, ancestry, sex or other ground prohibited by Applicable Law.

Delivery of Second Installment of Down Payment

Unless the Purchaser has previously delivered both the first and second installments of the Down Payment, on or before the earlier to occur of the date that is (a) six (6) months from the date of the Purchase Agreement or (b) fifteen (15) days after the date of presentation of an amendment declaring the Plan effective or confirming that the Plan has been declared effective, the Purchaser will be required to pay a second installment of the Down Payment in the amount of ten percent (10%) of the Purchase Price by delivering to the Selling Agent Purchaser's unendorsed personal check made payable to "Herrick, Feinstein, LLP, as Escrow Agent" in such amount, and drawn on a bank to which checks are presented for payment through the New York Clearing House Association. THE FAILURE TO MAKE SUCH PAYMENT IN A TIMELY MANNER WILL BE AN EVENT OF DEFAULT UNDER THE PURCHASE OPTION AGREEMENT. IF SUCH DEFAULT IS NOT CURED WITHIN THIRTY DAYS FOLLOWING WRITTEN NOTICE THEREOF, AS TO WHICH TIME IS OF THE ESSENCE, SPONSOR SHALL HAVE THE RIGHT TO CANCEL THE PURCHASE OPTION AGREEMENT AND RETAIN AS AND FOR LIQUIDATED DAMAGES, ALL SUMS PREVIOUSLY PAID BY PURCHASER ON ACCOUNT OF THE DOWN PAYMENT. The amounts delivered as the first installment and the second installment of the Down Payment shall, together, constitute the "**Down Payment**" under the Purchase Option Agreement.

Closing of Title

After an amendment declaring the Plan effective or confirming that the Plan has been declared effective has been accepted for filing, Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving on each Purchaser a notice stating the date of the First Closing and setting the date, time and place (within the City of New York) of closing of title to the Unit to be acquired by such Purchaser. Such notice will be served no less than thirty (30) days before the date set for the closing of title to such Unit. A Purchaser who wishes to waive this thirty (30)-day notice requirement may do so in writing. The closing of title to each Unit will occur in accordance with the terms of the applicable Purchase Agreement. See the Sections of the Plan entitled "**Terms of Sale**" and "**Unit Closing Costs and Adjustments**" for a more complete discussion of the events that will occur at each such closing of title.

Sponsor anticipates that the First Closing will occur on or about January 1, 2017. If the First Closing is delayed twelve (12) months or more beyond such date, Purchasers will be offered the right, for a period of at least fifteen (15) days from the Presentation Date of an amendment in

which Sponsor discloses that the First Closing has not occurred within such twelve (12)-month period, to rescind their Purchase Agreements and have their Down Payments refunded promptly.

Even if the First Closing occurs before January 1, 2018, Sponsor may schedule the closing of title to other Units significantly later than such date. Unless a Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule the closing of title to a particular Unit to be within any specified time frame or to ensure that closing of title to such Unit will occur by any date certain. Prospective Purchasers should therefore carefully consider such risks in their determination as to whether to purchase a Unit.

Terms of Purchase Agreement

The following is a summary of certain material provisions of the Purchase Agreement, but it is not intended as a complete statement of these or other important provisions of the same. For a complete statement of these provisions, please refer to the form of Purchase Agreement set forth as Document Number 1 in Part II of the Plan:

(a) Incorporation of Plan

The Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) as well as all amendments to the Plan duly filed by Sponsor (including, but not limited to, amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by the Purchaser, or Schedule B) are incorporated into each Purchase Agreement by reference. Any conflict between the Purchase Agreement and the Plan will be resolved in favor of the Plan. The execution and submission of a Purchase Agreement constitutes the Purchaser's acceptance of the Plan and his or her agreement to be bound by the terms of the Plan, including all duly filed amendments thereto. Any such amendments shall not excuse the Purchaser from performing the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the performance of the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the Purchase Price. Any such amendments may be made by Sponsor without the Purchaser's consent or approval; subject to the Purchaser's right to rescind in the event of a material amendment to the Plan or the Condominium Documents that adversely affects in any material respect the Purchaser's rights, obligations or liabilities under his or her Purchase Agreement or under the Plan as more specifically set forth in the Section of the Plan entitled "**General.**"

Nothing contained in the Plan, the Purchase Agreement or any modifications thereto shall be deemed to constitute a waiver of the Purchaser's rights or an abrogation of Sponsor's obligations under Article 23-A of the GBL. The Purchase Agreement to be used by Eligible Tenants who purchase during the Exclusive Purchase Period may not be modified except by a duly filed amendment to the Plan.

(b) Payment of Purchase Price

As provided above, each Purchaser shall deliver his or her check in the amount of the first installment of the Down Payment (or, if an amendment declaring the Plan effective or confirming

that the Plan has been declared effective has previously been accepted for filing by the Department of Law, both the first and second installments of the Down Payment) simultaneously with the execution and delivery of the Purchase Agreement. Further, unless the second installment of the Down Payment has been previously paid, each Purchaser shall deliver his or her check in the amount of the second installment of the Down Payment on or before the earlier of the date that is (a) six (6) months from the date of the Purchase Agreement or (b) fifteen (15) days after the date of presentation of an amendment declaring the Plan effective or confirming that the Plan has been declared effective. The balance of the Purchase Price will be paid to Sponsor at the closing.

Except for the Down Payment, which is to be paid as provided above, any payments to be made by the Purchaser under the Purchase Agreement (including, without limitation, the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Sponsor, must be made by unendorsed certified check, or official bank check, drawn in either case on a bank to which checks are presented for payment through the New York Clearing House Association and made payable to the order of Sponsor; except that at the request of Sponsor made at or prior to the closing, the Purchaser will pay the balance of the Purchase Price to such payees as Sponsor directs.

If any check for any payment to be made by the Purchaser under the Purchase Agreement (including, without limitation, either installment of the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by the Purchaser under the Purchase Agreement and Sponsor may, in that event, cancel the Purchase Agreement and, notwithstanding such cancellation, be entitled to recover the amount of such check in addition to, without limiting the foregoing provisions, the costs and expenses (including, but not limited to, reasonable attorneys' fees and expenses) of collection of any such check or other instrument so dishonored.

(c) No Financing Contingency

Although a Purchaser may obtain financing from any lending institution or other source, the Purchaser's obligation to purchase a Unit pursuant to a Purchase Agreement will not be contingent upon the Purchaser's obtaining such financing, so that a Purchaser will remain obligated under the Purchase Agreement whether or not such Purchaser has been able to obtain financing. Prospective Purchasers who are unable to complete their purchases because they are unable to obtain financing and are otherwise unable to obtain the funds necessary to pay the balance of the Purchase Price will be subject to forfeiture of their Down Payments. Neither Sponsor nor the Selling Agent makes any representation whatsoever as to the availability or cost or other terms of any mortgage or other financing. Prospective Purchasers who require financing are advised to consult with a representative of a lending institution before executing a Purchase Agreement. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date; and Sponsor shall have no obligation to schedule or conduct any closing prior to the expiration of any loan commitment and shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment.

(d) The Escrow Agent

The law firm of Herrick, Feinstein LLP, 2 Park Avenue, New York, New York 10016, and whose telephone number is (212) 592-1400 (the "**Escrow Agent**"), shall serve as escrow agent for Sponsor and the Purchaser.

(e) The Escrow Account

The Escrow Agent has established an escrow account (the "**Escrow Account**") at Citibank, N.A., located at 666 Fifth Avenue, New York, New York 10103 (the "**Bank**"), a bank authorized to do business in the State of New York. The name of the Escrow Account is "Herrick, Feinstein LLP, as escrow agent." The signatories on the Escrow Account, each of whom is admitted to practice law in the State of New York, are Harvey S. Feuerstein, Therese M. Doherty, John R. Goldman, Arthur Jakoby, Irwin A. Kishner, Scott E. Mollen, Richard M. Morris, John C. St. Jeanos, Christopher J. Sullivan and Louis H. Tuchman. Neither the Escrow Agent nor any signatory on the Escrow Account is the Sponsor, the Selling Agent, the Managing Agent or a principal of any of the foregoing, or has any beneficial interest in any of the foregoing.

The Bank is insured by the Federal Deposit Insurance Corporation generally to a maximum of $250,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limitation, amounts deposited directly by such person and the Down Payment held in escrow for such person by the Escrow Agent). If a Purchaser makes a Down Payment in excess of $250,000 for the purchase of a Unit, or if the amount of such Purchaser's deposits at the Bank and such Down Payment exceed $250,000, the aggregate of such Down Payment and all other such deposits will generally not be federally insured in excess of $250,000. No representation or guaranty is made by the Escrow Agent or Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

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 a written agreement between the Purchaser and Sponsor. Such deposits shall otherwise be treated in the same manner as Down Payments.

The Escrow Account will be interest bearing, and the interest rate to be earned on the Down Payment will be the rate paid from time to time by the Bank for the same type of account as the Escrow Account, which was 0.05% per annum as of April 30, 2015. Interest will begin to accrue when the check for a Down Payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited. Each Purchaser must indicate his or her social security or its federal taxpayer identification number on the Purchase Agreement and on Internal Revenue Service form W-9 (or in the alternative deliver a duly completed and signed Internal Revenue Service form W-8). If there is more than one Purchaser, the social security or federal taxpayer identification number of each Purchaser who will be receiving any interest earned on a Down Payment must be noted on the Purchase Agreement. A Purchaser's failure to provide this information with the Purchase Agreement will be deemed a waiver of such Purchaser's right to receive interest on such Down Payment. Any interest earned on the Down Payment shall be delivered to the Purchaser at the closing of title to his or her Unit or other termination of the

Purchase Agreement, unless the Purchaser has defaulted thereunder beyond any applicable grace periods, in which event Sponsor shall be entitled to retain the Down Payment and any interest earned thereon. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

(f) Trust Fund Provisions in Purchase Agreement

The relevant escrow trust fund provisions are included in Paragraphs 11 and 12 of the Purchase Agreement, which must be executed by the Escrow Agent.

(g) Notification to Purchasers

Within five (5) business days after the Purchase Agreement has been tendered to the Escrow Agent together with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment in the Escrow Account. Within ten (10) business days after the Down Payment has been placed in the Escrow Account, the Escrow Agent shall notify the Purchaser and Sponsor that such funds have been deposited into the Escrow Account and shall provide the account number and the initial interest rate to be earned on the Down Payment. Subject to the provisions of the next sentence, if such Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Down Payment to the Escrow Agent, then such Purchaser may rescind his or her Purchase Agreement, so long as such right to rescind is exercised within ninety (90) days after the tender and delivery of the Down Payment and Purchase Agreement to the Escrow Agent. Complaints concerning the failure to honor any such rescission requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. A Purchaser shall not, however, be entitled either to rescind his or her Purchase Agreement or to receive a refund of his or her Down Payment where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited and notice as provided above was timely given to such Purchaser in conformity with the Attorney General's Regulations. The receipt of the Down Payment by the Escrow Agent and the deposit of the Down Payment in the Escrow Account will not be deemed acceptance of the Purchase Agreement by Sponsor, which acceptance can only occur as provided in the subsection entitled "Acceptance of Purchase Agreement" above.

(h) Release of Funds

As provided in Section 352-h of the GBL, all Down Payments (but not 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 commingled with any other money or pledged or hypothecated by Sponsor.

Under no circumstances shall Sponsor apply for release of the Down Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance by the Department of Law of a post-closing amendment. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to Section 352-e(2-b) or Section 352-h of the GBL.

The Escrow Agent shall release the Down Payment if so directed: (a) pursuant to the terms and conditions set forth in the Purchase Agreement upon the closing of title to the Unit; (b) in a

subsequent writing signed by both Sponsor and Purchaser; or (c) by a final, non-appealable judgment or order of a court of competent jurisdiction. If the Escrow Agent is not directed to release the Down Payment pursuant to clause (a), (b) or (c) above and receives a request by either party to release the Down Payment, then the Escrow Agent shall give both the Purchaser and Sponsor prior written notice of not less than thirty (30) days before releasing the Down Payment. If the Escrow Agent has not received notice of objection to the release of the Down Payment prior to the expiration of said thirty (30)-day period, the Down Payment 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 Down Payment within said thirty (30)-day period, the Escrow Agent shall continue to hold the Down Payment until otherwise directed pursuant to clause (a), (b) or (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment contained in the Escrow Account (together with any interest earned thereon) with the clerk of the county in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release to any Purchaser of the Down Payment paid by such Purchaser, provided that such Purchaser has timely rescinded such Purchaser's Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; nor shall Sponsor object to the release of their Down Payments to 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.

(i) Waiver Void

Any provision of a Purchase Agreement or any other contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent shall be 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.

(j) Events of Default

If a Purchaser (i) defaults in paying the balance of the Purchase Price on the date scheduled by Sponsor for closing title to his or her Unit, (ii) defaults in performing some other obligation under the Purchase Agreement, or (iii) is or becomes a tenant or occupant of the Building and is evicted for failure to pay rent or to perform some other lease or tenancy obligation (whether by voluntary removal or by court order), Sponsor's sole remedy under the Purchase Agreement is to cancel said Purchase Agreement by sending written notice to such Purchaser and, if such Purchaser shall fail to cure such default within thirty (30) days after the giving of such notice, to retain, as and for liquidated damages, the Liquidated Sum. Any payments received by Sponsor in excess of the Liquidated Sum, together with interest earned on such excess payments, if any, shall be refunded to the Purchaser with reasonable promptness after cancellation. **THE CURING OF SUCH DEFAULT WITHIN SAID THIRTY (30)-DAY PERIOD IS OF THE ESSENCE OF THE PURCHASE AGREEMENT. THIS MEANS THAT, UPON THE PURCHASER'S FAILURE TO CURE SUCH DEFAULT WITHIN SUCH PERIOD, THE**

PURCHASE AGREEMENT SHALL BE DEEMED CANCELED AND SPONSOR MAY RETAIN THE LIQUIDATED SUM AS DAMAGES. If a Purchaser is or becomes a tenant or occupant of the Building and fails to pay rent or otherwise to comply with his or her lease or tenancy obligations or vacates or abandons the Unit, then Sponsor may cancel the Purchase Agreement as set forth above whether or not such Purchaser is evicted from the Building by reason thereof. If, however, such person is not evicted from the Building by reason of such default, vacating or abandonment, Sponsor shall return to such Purchaser all monies deposited under the Purchase Agreement, together with the interest earned thereon, if any.

If a Purchase Agreement is canceled, both Sponsor and the Purchaser shall be relieved of all further obligations and liabilities thereunder and under the Plan, and Sponsor shall be free to sell the Unit to another as though such Purchase Agreement had never been made and without accounting to the Purchaser for the proceeds received on such sale.

(k) Purchaser's Delinquency Closing Costs

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 0.0411% 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 date on which the closing occurs, (b) reimburse Sponsor for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay and (c) pay the service fees of Sponsor's attorneys of $250 for each time the Closing is adjourned for any reason other than at Sponsor's request.

(l) Fixtures, Appliances and Personal Property

Only those appliances, fixtures, furnishings and items of personal property that are described in the Plan as being part of the Unit and are actually located in the Unit on the Closing Date are included in the sale of the Unit. Furniture, wall coverings, furnishings, decorations and the like in or about any model apartment are for display purposes only and are not included in the sale. Any floor plans or sketches shown to a Purchaser are only approximations of the Unit's dimensions and arrangement, and the Purchaser should not rely thereon. There shall be no modifications or extras unless agreed to in writing by both the Purchaser and Sponsor. All modifications, alterations and additions to the Unit must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at the Purchaser's expense (payable in the manner to be set forth in an addendum to the Agreement or in a separate agreement).

(m) Access to Unit

A Purchaser of a Unit shall not be entitled to have access thereto prior to the closing of title without obtaining Sponsor's prior written consent. A Purchaser permitted such access shall release Sponsor and the Selling Agent from any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from any injuries sustained by any person or damage to any property resulting from such access, even if such injury results from the negligence of Sponsor, the Selling Agent or any of their respective agents, employees, contractors or representatives. In addition, any such Purchaser shall indemnify and hold Sponsor and the Selling Agent and their

respective agents, employees, contractors and representatives harmless from and against any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from such access, including without limitation reasonable attorneys' fees and expenses.

(n) Delivery of Deed

Upon delivery to Sponsor at the closing of (i) the balance of the Purchase Price, (ii) a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, (iii) transfer tax returns in the forms required to be filed with the City and State of New York, (iv) any real estate reporting return or statement required by the Internal Revenue Code or the regulations thereunder, (v) all other documents required by Applicable Law, and (vi) all other documents reasonably required by Sponsor, all of which documents must be executed, and, if required, acknowledged, sworn to or affirmed by the Purchaser, Sponsor will execute, acknowledge and deliver to the Purchaser the Unit Deed (which shall be countersigned and acknowledged by the Purchaser), conveying title to the Unit subject only to the Permitted Encumbrances and such other title conditions as consented to by the Purchaser, if any.

(o) Risk of Loss or Damage to Units Prior to Closing

As set forth in more detail in the subsection entitled "Risk of Loss or Damage to Units Prior to Closing" in the Section of the Plan entitled "**Terms of Sale**," the risk of loss from fire or other casualty remains with Sponsor unless and until the Purchaser becomes the tenant or occupant of a Unit before legal title to the Unit has been conveyed to the Purchaser. Prior to the First Closing, the entire Building will be insured by Sponsor and from and after the First Closing the entire Building will be insured by the Condominium. A Purchaser who becomes the tenant or occupant of a Unit before legal title to the Unit has been conveyed to the Purchaser assumes the risk of damages not covered by such insurance. Any such Purchaser should consider maintaining, at his or her own expense, separate insurance on the contents of the Unit.

(p) Broker

The Purchaser shall represent to Sponsor that he has not dealt with any broker in connection with the acquisition of his or her Unit other than the Selling Agent and the co-broker, if any, identified in the Purchase Agreement and approved and consented to in writing by Sponsor; and the Purchaser shall indemnify Sponsor against the claims of any other broker.

(q) No Lien

Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Unit or any other part of the Property.

ASSIGNMENT OF PURCHASE AGREEMENTS

A Purchaser may not assign his or her Purchase Agreement without first obtaining the express written consent of Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion.

EFFECTIVE DATE

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

(a) The Plan may be declared effective by (i) an amendment to the Plan or (ii) by service on each Purchaser, by personal delivery or mail, of notice stating that the Plan is declared effective and by submitting an amendment to the Department of Law within five (5) days thereafter confirming that the Plan was declared effective on a specified date. The First Closing shall not occur until the amendment declaring the Plan effective or confirming that the Plan has been declared effective is accepted for filing by the Department of Law.

(b) The Plan may not be declared effective until written Purchase Agreements have been executed and delivered by bona fide purchasers, including investors, for at least fifteen percent (15%) of all Units offered under the Plan, i.e., at least five (5) Units.

(c) The Plan may not be declared effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Plan.

(d) The Plan will not be declared effective based on Purchase Agreements:

(i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or

(ii) if the Purchaser was not afforded the seven (7)-day 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) with any Purchaser who is Sponsor, the Selling Agent or the Managing Agent, or who is a principal of Sponsor, the Selling Agent or the Managing Agent, or is related to Sponsor, the Selling Agent or the Managing Agent or to any principal of Sponsor, the Selling Agent or the Managing Agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder, a member or a limited partner, except that such a Purchaser other than Sponsor or a principal of Sponsor may be included if Sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide.

(e) When Purchase Agreements have been executed and accepted for sale to Purchasers of at least eighty percent (80%) of the Units offered under the Plan, Sponsor must declare the Plan effective.

(f) Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever, provided that the Plan has not been declared effective and the Plan is not required to be declared effective as set forth in paragraph (d), above. After the Plan is declared effective or so required to be declared effective, but before the First Closing, Sponsor may not abandon the Plan except if (i) one or more defects in title exist that cannot reasonably be cured without litigation or cannot be cured for less than one-half of one percent of the total offering price, in the aggregate (as

reasonably estimated by Sponsor); or (ii) there is any substantial damage to or destruction of the Building by fire or other casualty; or (iii) there is a taking of any material portion of the Property by condemnation or eminent domain. The aforementioned one-half of one percent of the total offering price does not include any attorneys' fees or any title defect, violation or determination of any authority or regulatory association that exists on the Presentation Date of the Plan and that is either known to Sponsor or a matter of public record.

(g) If the Plan is withdrawn or abandoned, all Purchasers will be so notified in writing. Additionally, after the withdrawal or abandonment of the Plan, Sponsor shall promptly file an amendment disclosing such withdrawal or abandonment, together with form RS-3 as required by Section 20.1(l)(2) of the Regulations. Within five (5) days after Sponsor's receipt of a letter issued by the Department of Law advising that such amendment has been accepted for filing, all Down Payments paid to Sponsor pursuant to Purchase Agreements then in effect (together with any interest earned thereon) will be returned to the Purchasers thereunder.

(h) Although not all Purchasers counted towards declaring the Plan effective may actually close title to the Units that they were to purchase, if after the Plan has been declared effective all Purchase Agreements are rescinded or otherwise terminated prior to the First Closing, the Plan will not be effective unless Sponsor again declares the Plan effective in accordance with the provisions set forth in this Section of the Plan.

TERMS OF SALE

Prerequisites to Closing of Title

The closing of title to a Unit shall take place only after, or concurrently with, the latest of the following events to occur:

(a) The Plan having been declared effective by Sponsor and an amendment to the Plan stating that it has been declared effective having been accepted for filing;

(b) The recording and filing in the Register's Office of the Declaration, By-Laws and Floor Plans in accordance with the Condominium Act or other Applicable Law and such other documents as may be required by Applicable Law in connection with the submission of the Property to condominium ownership pursuant to the Condominium Act;

(c) The issuance of a temporary or final certificate of occupancy for the entire Building or the issuance of a partial, temporary or final certificate of occupancy for such Unit or the portion of the Building in which such Unit is located;

(d) The release of such Unit and its appurtenant Common Interest from the lien of all mortgages, unless Sponsor has obtained from the holders of all such mortgages an agreement pursuant to which each such mortgage holder has either (i) consented to the formation of the Condominium and acknowledged that its lien will be limited to Unsold Units or (ii) subordinated the lien of its mortgage to the Declaration;

(e) If the Purchaser of such Unit so requests, the issuance of a title insurance binder insuring fee title to such Unit in the Purchaser, at the Purchaser's expense, subject only to the Permitted Encumbrances and any other title matters subject to which Purchaser consents to take title, which binder will also insure that a valid condominium has been created pursuant to the terms of the Condominium Act (see the Section of the Plan entitled "**Unit Closing Costs and Adjustments**" for an estimate of the cost to the Purchaser to obtain such title insurance); and

(f) Delivery to the Purchaser, in proper form for recording, of a duly executed bargain and sale deed with covenant against grantor's acts conveying title to such Unit (the "**Unit Deed**"). A form of the Unit Deed is set forth in Part II of the Plan as Document Number 3.

State of Title

Title to each Unit and its Common Interest will be conveyed at the closing of title to such Unit free and clear of all liens, encumbrances, and title exceptions other than those described in the proposed Unit Deed and the title exceptions and other matters set forth below (collectively the "**Permitted Encumbrances**"):

(a) State of facts shown on survey made by Apple Surveying dated July 30, 2013, and any additional state of facts that an accurate survey and inspection made on the date of closing of title to such Unit would show; provided such additional state of facts does not prohibit the existence and use of such Unit;

(b) Zoning regulations, ordinances, building restrictions and regulations;

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

(d) Encroachments of the Building, walls, stoops, steps, balconies, ornamental columns, windows, door caps, keystones, ledges, pilasters, coping, trim and cornices, and any other part thereof, if any, upon any street or highway or upon any adjoining property and similar encroachments upon the Property;

(e) Sewer, water, electric, plumbing, heating, gas, telephone and other utility easements and consents, if any, then or thereafter recorded, including the right to maintain and operate lines, wires, cables, amplifiers, transformers, pipes, conduits, poles, meters and distribution boxes in, over, under and upon the Property and the Building;

(f) The lien of any mortgage, lien or other encumbrance granted, created, or obtained by the Purchaser;

(g) Boundary Line Agreement recorded in the Register's Office in Reel 2114, at page 1196.

(h) Declaration of Zoning Lot Restrictions recorded in the Register's Office as City Register File No. 2015000020609.

(i) Zoning Lot Development and Easement Agreement recorded in the Register's Office as City Register File No. 2015000020610.

(j) Certification Pursuant To Zoning Lot Subdivision D of Section 12-10 recorded in the Register's Office as City Register File No. 2015000122652.

(k) Zoning Lot Description and Ownership Statement recorded in the Register's Office as City Register File No. 2015000122653.

(l) Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

(m) Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence or residential use of such Unit, including without limitation, (i) use easement agreements, to be recorded, for the benefit of properties adjacent to the Property, permitting the respective owners of such benefitted properties to use as a backyard area certain portions of the Property, as the burdened property (i.e., granted in exchange for temporary construction access license agreements for the benefit of the Property), (ii) unrecorded temporary construction access license agreements for the benefit of the Property, along with any memorandums of such agreements to be recorded; (iii) any other agreements for the benefit of the Property, recorded or unrecorded, providing for the right to enter any other property to underpin, tie back, shore, stabilize, protect, repair, maintain, alter, support or strengthen any foundations, basements or structures constructed, installed, altered or improved in connection with or as part of the Building.

(n) Revocability or rights, if any, to maintain vaults or chutes under any sidewalks or streets;

(o) The lien of any Common Charges and Special Assessments, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items is made as provided in the Section of the Plan entitled "**Unit Closing Costs and Adjustments**";

(p) Service, labor, concessionaire and maintenance agreements contemplated under the Plan;

(q) Any leases, tenancies and occupancies permitted by the Purchase Agreement for such Unit;

(r) Any lien, notice of pendency or other encumbrance either (i) for which the instrument required to remove said lien, notice of pendency or other encumbrance of record is delivered at or prior to the date of closing of title to the Unit, together with the required recording or filing fee, to the proper party or to the Purchaser's title insurance company, or (ii) as to which the Purchaser's title insurance company will insure that the lien, notice of pendency or other encumbrance will not be collected out of or enforced against the Unit;

(s) The lien of any assessment or assessments that are or may become payable in annual installments of which any installment is then a charge or a lien, provided that

apportionment thereof is made as provided in the Section of the Plan entitled "**Unit Closing Costs and Adjustments**";

(t) Party wall agreements, if any;

(u) Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of Sponsor or any of its principals, provided Sponsor or any such principals, as the case may be, deliver to the Purchaser or the Purchaser's title insurance company an affidavit showing that such judgments, bankruptcies or other returns are not against Sponsor or any such principals, as the case may be;

(v) Uniform Commercial Code financing statements or conditional bills of sale, provided that (i) such statements were filed on a date more than five years prior to the closing of title to the Unit, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

(w) Sidewalk violations and any other violations against the Property that are the obligation of the Condominium Board or another Unit Owner to correct.

(x) All of the terms, burdens, easements, covenants, restrictions, conditions and rules and regulations set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Unit Owner's Power of Attorney and the Floor Plans, all as may be amended from time to time; and

(y) The standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring Purchaser's title to the Unit.

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit.

Except as otherwise provided in the Plan, all personal property that is owned by Sponsor and that is located within a Unit on the date the Purchase Agreement for such Unit is signed or is located within the Common Elements on the date the Declaration is recorded, is included in the conveyance.

Risk of Loss or Damage to Units Prior to Closing

Except as set forth in the next paragraph, all risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. If Sponsor or (in the event the Declaration has been filed) the Unit Owners do not elect to repair the damage (except for damage that is the Purchaser's obligation to repair as provided above), the Purchase Agreement will be canceled and be of no further force or effect. Thereafter, the Down Payment, together with interest earned thereon, if any, shall be disbursed as discussed in the subsection entitled "Trust Funds" in the Section of the Plan entitled "**Procedure to Purchase.**" If Sponsor (or the Unit Owners, if the Declaration has been filed) elects to repair or replace the loss or damage so as to restore the Unit substantially to its condition immediately

preceding such loss or damage, the Purchase Agreement shall continue in full force and effect; in which event the 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 (or the Unit Owners) shall be entitled to a reasonable period of time to complete such repairs or replacement.

If the Purchaser becomes the tenant or occupant of a Unit before the closing of title thereto and before such closing the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts or omissions of such Purchaser or other occupant of the Unit or such Purchaser's or other occupant's guests, invitees or workmen. Prior to the First Closing, the entire Building will be insured by Sponsor and from and after the First Closing the entire Building will be insured by the Condominium. A Purchaser who becomes the tenant or occupant of a Unit before the closing or legal title to the Unit has been conveyed to the Purchaser assumes the risk of damages not covered by such insurance. Any such Purchaser should consider maintaining, at his or her own expense, separate insurance on the contents of the Unit.

UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit are set forth below. SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO SUCH COSTS, WHICH ARE ONLY ESTIMATES AND WHICH ARE SUBJECT TO CHANGE.

At the closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the closing: (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, and any escrows for real estate taxes; (ii) Common Charges for the month in which title closes; and (iii) rent and other charges, if any, pursuant to the lease for, or tenancy of, such Unit. If the Unit has not been separately assessed for the then-current fiscal tax year at the time of closing title, the apportionment of real estate taxes shall be based on the Unit's *pro rata* share (in proportion to its Common Interest) of the then-current real estate taxes assessed against the Property. Installments for tax assessments due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

At the time of title closing, each Purchaser of a Unit will pay certain closing costs in addition to any legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are subject to change without prior notice or amendment (except for fees required to be paid to Sponsor's counsel as set forth in subdivision (g), below, the amount of which fees may only be changed by a duly filed amendment):

(a) If the Purchaser elects to obtain fee title insurance, he will pay a premium therefor, which will vary depending upon the Purchase Price. The premium for fee title insurance, if ordered from Fidelity National Title Insurance Company, 485 Lexington Avenue, New York, New York 10017, telephone: (212) 471-3700, will be in accordance with the schedule of rates

filed with the New York State Insurance Department. The rates for fee title insurance in effect as of April 2015 are listed below. Additionally, if the Purchaser obtains a mortgage, the lender will most likely require the Purchaser to pay the cost of mortgage title insurance. The rates for mortgage title insurance currently in effect (assuming that the Purchaser elects to obtain both fee title insurance and mortgage title insurance simultaneously, and further assuming that the amount of the mortgage policy does not exceed the amount of the fee policy) are also listed below. SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO SUCH COSTS, WHICH ARE ONLY ESTIMATES AND ARE SUBJECT TO CHANGE.

Amount of Insurance	Owner's Policy	Mortgage Policy
FIRST $35,000 OR LESS (minimum premium):	$281.40	$72.24
For each $1,000 of insurance (or part thereof), add:		
$35,001-$50,000	$4.67	$1.17
$50,001-$100,000	$3.81	$0.96
$100,001-$500,000	$3.06	$0.77
$500,001-$1,000,000	$2.79	$0.70
$1,000,001-$5,000,000	$2.57	$0.64

Each Purchaser is free to obtain title insurance from a title insurance company other than Fidelity National Title Insurance Company; however, Sponsor makes no representation or warranty as to the cost, terms or availability of such other title insurance.

(b) Each Purchaser will, in all events, pay a fee for recording the Unit Deed and the Unit Owner's Power of Attorney (at present, such fee is $50.00 for each instrument plus $5.00 per page]), together with a service charge to the title company for such recording.

(c) If the Purchaser obtains a mortgage loan, such Purchaser will pay a mortgage recording tax in the amount provided by Applicable Law (at present, the rate is 2.05% of the principal amount of the mortgage for mortgages of less than $500,000.00 and 2.175% for mortgages of $500,000.00 or more; the lender will be required to pay a portion of the mortgage recording tax equal to 0.25% of the principal amount of the mortgage, and the borrower will be entitled to a credit of $30.00) and a fee and service charge to the title company for recording the mortgage at the same rates given above for recording the Unit Deed and the Unit Owner's Power of Attorney; and will also pay to Sponsor a sum equal to the partial mortgage tax credit, if any, to which the Purchaser is entitled under Section 339-ee(2) of the Condominium Act.

(d) Each Purchaser will be required to pay the New York City Real Property Transfer Tax (the rate of which is, at present, 1% of the purchase price if the purchase price is $500,000 or

less, or 1.425% of the purchase price if the purchase price is greater than $500,000), and New York State Real Estate Transfer Tax (the rate of which is, at present, $2.00 per $500.00 of purchase price); additionally, if the purchase price is greater than $1,000,000, the Purchaser will be required to pay an additional New York State Real Estate Transfer Tax known as the "mansion tax," the rate of which is, at present, 1% of the purchase price.

(e) Each Purchaser will be required to pay an amount equal to two months' Common Charges as a contribution to the Working Capital Fund.

(f) If the Purchaser obtains a mortgage loan, then the Purchaser will be responsible for paying all closing costs and expenses in connection therewith in amounts determined by the lender. Generally, such costs include but are not necessarily limited to: a fee charged by the lender's attorney; an appraisal fee; an inspection fee; a fee for recording the mortgage; and an origination fee, or "points." Sponsor makes no representation or warranty as to such closing costs and expenses or as to the availability of such financing.

(g) If the Purchaser has dealt with any broker in connection with the purchase of his or her Unit other than the Selling Agent or any other broker engaged in writing by Sponsor, then the Purchaser will be required to pay the commission of such broker unless Sponsor expressly agrees otherwise in writing.

(h) Each Purchaser shall pay the fees and expenses of Sponsor's counsel, as follows:

(i) Basic fee for closing of sale, with or without financing (including, without limitation, preparation of the Unit Deed and Unit Owner's Power of Attorney, and coordinating and attending the closing as set forth in the Plan) -- $3,000.

(ii) Administrative expenses of $200, including payment for the cost of preparing and filing of the applicable real estate transfer tax returns on the Automated City Register Information Service forms required by the Register's Office.

(iii) Additional fee if Purchaser finances the purchase of the Unit -- $350.

(iv) Additional fee if the closing is adjourned for any reason other than at Sponsor's request -- $250 for each time the closing is so adjourned.

(v) Additional fee if the Purchaser assigns the Purchase Agreement (which assignment cannot be made without Sponsor's consent) -- $300 for each time the Purchase Agreement is so assigned.

(vi) Additional attendance fee if the closing does not occur at the office of Sponsor's attorney -- $450 (in no event shall Sponsor or Sponsor's attorneys be required to close at a location other than the office of Sponsor's attorneys).

(vii) Additional fee if (A) the Purchaser or its lender fails at the request of Sponsor's counsel at the commencement of the closing or at any time thereafter to produce the requisite certified or official bank checks necessary for payment in full of the balance of the Purchase Price, or (B) the Purchaser's lender fails to have in its possession at the commencement

of the closing execution copies of all of the documents it requires in order to make its loan to the Purchaser -- $250.

Certain of the foregoing closing costs, such as the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax, are customarily borne by the seller. Under the Plan, however, they are required to be paid by the Purchaser. For the purpose of determining the amount of the New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax and any "mansion tax" to be paid by the Purchaser (and solely for such purpose), the amount of the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax that Sponsor would have been required to pay if Sponsor were paying such taxes will be added to the purchase price for the Unit as set forth in the Purchase Agreement.

By way of example, with respect to a typical Unit having a Purchase Price of $1,304,000, a mortgage of $1,040,000 and a Common Interest of 2.2171%, a Purchaser may estimate his or her closing costs as follows (all amounts are approximate):

Premium for fee and mortgage title insurance, assuming the discount for obtaining both policies simultaneously:	$4,860
Miscellaneous fees charged by the title company for departmental searches, lien searches, bankruptcy searches and service charges:	$750
Recording fees for the Unit Deed and the Unit Owner's Power of Attorney:	$400
New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax:	$24,245
Mortgage recording tax:	$19,990
Fee for recording mortgage:	$250
Fee to Sponsor's attorney:	$3,050
Contribution to Working Capital Fund:	$2,120
TOTAL:	$55,665

Mortgage Tax Credit

If a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit will inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and will pay Sponsor an amount equal to any mortgage tax credit allowed.

Purchaser's Delinquency Closing Costs

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 0.0411% 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 date on which the closing occurs, and (b) reimburse Sponsor for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay.

Amounts Subject to Change

Note should be taken that the recording charges, fees and taxes above are based on rates in effect on the date the Plan was accepted for filing and are subject to change without notice (except for Sponsor's counsel's fees, which may be changed only by amendment to the Plan). Premiums for title insurance will vary depending upon the Purchase Price and the amount of any mortgage loan. No representations are made as to the amounts of any charges, fees and taxes at the time of closing or as to the availability, cost or terms of financing.

RIGHTS AND OBLIGATIONS OF SPONSOR

Reservation by Sponsor of the Right to Rent Units; Sale to Investors

Although Sponsor intends to sell the Units to Purchasers who are buying for their or their families' personal occupancy, Sponsor is reserving the unconditional right to rent rather than sell Units after consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell the Units, Sponsor is not committed to sell more than the fifteen percent (15%) of the Units necessary to declare the Plan effective. Furthermore, because Sponsor has reserved the right to rent Units, this 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 Sponsor.

Sponsor also reserves the unconditional right to sell Units to investors who intend to rent and not to occupy their Units.

Sponsor has not determined whether it will obtain a construction loan or other financing secured by a mortgage on the Property. If construction financing is obtained, the construction lender may impose requirements regarding sales by Sponsor and the ability of Sponsor to rent Units, in which event Sponsor will amend the Plan to disclose the relevant terms of the construction loan agreement.

Sponsor's Work

No bond or other security has been furnished to secure performance of the following obligations.

Sponsor has undertaken the following obligations in connection with the construction of the Building:

(1) Sponsor will, at Sponsor's sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials, which are necessary to complete the construction of the Building in accordance with the Plans and Specifications. Notwithstanding the foregoing, Sponsor reserves the right to modify the Plans and Specifications and to substitute equipment or materials and make modifications of layout or design, provided, however, that Sponsor may not: (i) substitute equipment or materials of lesser quality or design; or (ii) change the size or the location of the Building or any Unit, other capital improvements or any of the Common Elements if any such change would affect the Common Interest of any Unit or adversely affect 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 and Purchasers under any such Purchase Agreements consent in writing to such change. All such modifications, substitutions and changes may be made without prior notice or, except to the extent that they would materially adversely affect the size or quality of the Common Elements, amendment to this Plan.

(2) Sponsor will cause any mechanic's liens arising out of the construction of the Building that affect a Unit to be discharged prior to the date of closing of title to such Unit, or in the alternative, Sponsor may elect to make arrangements with the title company insuring the Purchaser's title to the Unit to affirmatively insure against collection thereof out of or enforcement against the Unit or any portion thereof by providing an indemnity, posting a bond or escrowing a sum deemed sufficient by such title company or otherwise causing such title company to omit any exception in its title insurance policy relating to such mechanic's lien.

(3) Prospective 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 covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary certificates of occupancy and final certificates of occupancy are issued by the DOB. A temporary certificate of occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and inspections have been performed, or that not all of the required documents have been submitted to the DOB. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy for a building 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 temporary certificate of occupancy rather than a final certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof and, ultimately, for obtaining a final certificate of occupancy covering the entire building within two years from the date of the issuance of the first temporary certificate of occupancy. Sponsor and its principals make no representation or guarantee, however, that the DOB will issue a final certificate of occupancy within such two-year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure a final certificate of occupancy for the entire building and shall exercise best efforts to obtain a final certificate of occupancy within such two-year period while keeping the temporary certificate of occupancy current. The Unit Owners and the Condominium Board shall

be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Prospective Purchasers are advised to visit the DOB web site for further recommendations when purchasing a unit in a building that does not have a final certificate of occupancy. A fact sheet on Certificates of Occupancy is available on the DOB web site at *http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf*. If any Unit Owner is performing or causing to be performed any work in his or her Unit, Sponsor shall have no obligation to obtain or renew a partial, temporary, or final certificate of occupancy with respect to such Unit if the issuance of such certificate of occupancy is delayed or prevented by such work.

(4) If a final certificate of occupancy for the Building has not been issued as of the date of the First Closing and Sponsor has obtained at least a temporary certificate of occupancy for the Building, Sponsor will cause to continue to be held in escrow all monies previously deposited and being held in escrow pursuant to Section 352-e(2-b) of the General Business Law, unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a final certificate of occupancy. Any sum of money exceeding the amount certified by Sponsor's engineer or architect will be released to Sponsor. Upon the issuance of the final certificate of occupancy, such escrow deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent any one or a combination of the following: cash or an unconditional, irrevocable letter of credit or Sponsor may post a surety bond or maintain unfunded a portion of the construction loan available to Sponsor for construction purposes (each of which shall be deemed to be acceptable alternate collateral) or other collateral acceptable to the Department of Law in an amount, in the aggregate, equal to or greater than the amount certified by Sponsor's engineer or architect. Sponsor shall have the right to draw down the remaining portions of any such letter of credit, cash, construction loan or other collateral, provided the amount thereof is at all times no less than the amount that Sponsor's architect or engineer from time to time certifies is adequate to complete the work necessary to obtain a final certificate of occupancy.

(5) Sponsor will deliver and assign to the Condominium Board upon the recording of the Declaration all manufacturers' and contractors' heating, electrical, plumbing, roofing and appliance warranties and bonds relating to the Common Elements, if any, to the extent made by such manufacturers and contractors and to the extent such warranties and bond are assignable. Sponsor will deliver to the Condominium Board a copy of the "as-built" plans for the Building filed with the Department of Buildings and a copy of the Floor Plans filed with the recording of the Declaration. At or prior to the closing of each Unit, Sponsor shall deliver and assign to each Purchaser any manufacturer's warranties with respect to equipment and appliances installed in such Purchaser's Unit to the extent made by the manufacturer and to the extent such warranties are assignable.

SPONSOR'S OBLIGATION TO THE CONDOMINIUM BOARD WITH RESPECT TO THE COMMON ELEMENTS AND TO EACH UNIT OWNER WITH RESPECT TO HIS OR HER UNIT SHALL BE LIMITED TO AN OBLIGATION TO CORRECT MATERIAL DEFECTS IN THE CONSTRUCTION OF THOSE COMMON ELEMENTS OR SUCH UNIT THAT ARE REQUIRED TO BE CONSTRUCTED IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS.

Because the Building consists of five stories, Article 36-B of the General Business Law, known as the "Housing Merchant Implied Warranty Law," applies to the offering made pursuant to the Plan. The warranties set forth in the plan must comply with the requirements of Section 777-a (Housing Merchant Implied Warranty) and Section 777-b (Exclusion or Modification of Warranties).The following is a brief summary of that law. The full text of the law appears as Document Number 14 in Part II of the Plan.

A. Housing affected: Newly constructed single-family homes and cooperative and condominium units in buildings of five stories or less.

B. Coverage:

(a) For one year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered by code, the construction must be in accordance with locally accepted building practices.

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

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

C. Not covered:

(a) A defect not caused by defective workmanship, materials or design.

(b) A patent defect that was obvious or would have been obvious upon inspection.

(c) Defects in items sold with the home, such as stoves, refrigerators, air conditioners, etc. There are implied warranties from the manufacturers of such goods, which are described in other laws.

D. Notice: Buyers must give notice of defects in their home in writing no later than 30 days after the end of the warranty period.

E. Limitation of Warranty: The Housing Merchant Implied Warranty can be limited. The limited warranty may not, however, permit construction that is below locally accepted building practices, and the limited warranty time periods may not be shorter than those described above. In the offering made pursuant to the Plan, the Housing Merchant Implied Warranty is limited. The limitations are set forth in the Limited Warranty annexed to the Purchase Agreement. Certain of the limitations contained in the Limited Warranty are noted as follows: (a) the Limited Warranty provides coverage only for the first Purchaser of a particular Unit; (b) Sponsor's liability is limited to 25% of the Purchase Price of the Unit; (c) any claim for damages made by a Purchaser is to be reduced by any insurance proceeds received by such Purchaser with respect to that claim; (d) incidental, special, indirect, consequential and other similar damages are excluded; and (e) detailed procedures must be followed for giving notice to Sponsor of a warranty claim and for commencing a lawsuit against Sponsor.

EXCEPT AS EXPRESSLY PROVIDED IN THE PLANS AND SPECIFICATIONS, SPONSOR SHALL HAVE NO OBLIGATION TO PERFORM ANY CONSTRUCTION OR ANY OTHER WORK IN OR TO THE BUILDING, THE COMMON ELEMENTS, OR ANY UNIT.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE PLAN OR THE PURCHASE AGREEMENT, SPONSOR SHALL NOT BE RESPONSIBLE FOR CORRECTING OR REPAIRING ANY DEFECTS IN CONSTRUCTION (INCLUDING, WITHOUT LIMITATION, DEFECTIVE MATERIALS OR DEFECTIVELY CONSTRUCTED COMPONENTS OR PORTIONS OF THE BUILDING OR UNIT) OR DEFECTS IN THE INSTALLATION OR OPERATION OF ANY APPLIANCES (INCLUDING, WITHOUT LIMITATION, KITCHEN APPLIANCES), EQUIPMENT OR FIXTURES, TO THE EXTENT COVERED BY ASSIGNABLE WARRANTIES OR OTHER UNDERTAKINGS (HOWEVER DENOTED) FROM MANUFACTURERS, CONTRACTORS, MATERIALMEN, OR OTHERS, THAT ARE ASSIGNED TO EITHER ONE OR MORE PURCHASERS OR THE CONDOMINIUM BOARD.

Except as expressly set forth above in this subsection (5), Sponsor has no obligation to correct or repair any other defect or conditions in the Units, the Common Elements or the Building, or any other installations, apparatuses, fixtures or appurtenances. The foregoing sets forth the entire obligation of Sponsor to correct any defects and none other shall be implied. Except as provided in this Plan or under Applicable Law, each Purchaser of a Unit shall be required to complete the payment of the purchase price (without the provision of an escrow) and accept title at the time of closing, notwithstanding Sponsor's failure to complete the construction, finishing and decorating of such Unit or other Units or hallways or the Common Elements, so long as a temporary or final certificate of occupancy has been issued covering such Unit and such Unit's kitchen and bathroom appliances and fixtures are operable and its windows, interior walls and floors are installed in accordance with this Plan.

Regardless of any limitations set forth in the Limited Warranty annexed to the Purchase Agreement or elsewhere in this Plan, Sponsor shall be obligated to construct the Building in accordance with the Plans and Specifications and otherwise in accordance with Applicable Law, and any conflict between any such limitations and the Plans and Specifications or Applicable Law shall be resolved in favor of the latter.

Notwithstanding any provisions to the contrary herein, Sponsor shall not be obligated to correct, and shall not be liable to any Purchaser as a result of (a) any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Section entitled "**Description of Property and Specifications**" contained in Part II of this Plan or (ii) variations from the Plans and Specifications or description of the Building or a Unit set forth in the Section entitled "**Description of Property and Specifications**" contained in Part II of this Plan that neither are in violation of applicable building codes nor require approval of any governmental authority having jurisdiction, provided such variations are of substantially equal or better quality and design.

In addition, in no event shall Sponsor or any contractor or supplier be responsible for correcting or repairing any of the following: (i) any condition resulting from normal wear and tear

or natural deterioration or from the normal settling or shifting of the Building, (ii) defects of an insubstantial nature, such as, without limitation, nail pops, ridging on sheet-rock walls and ceilings, lumber shrinkage, door or window sticking due to weather, door warpage, including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size, weight and quality, slight scratches in plastic laminate, porcelain, or other surfaces, imperfect bath and kitchen tile grouting, adjustment of bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation in joints of flooring or between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom, including, without limitation, cracks in concrete roof pavers (if any), or concrete cracks (if any) which do not impair the structural soundness of the Building, (iv) variations in floor levels, (v) ceiling imperfections, (vi) painting defects, (vii) alignment of bathroom finishes, (viii) air infiltration from windows, (ix) normal plumbing, elevator, trash chute, heating and air-conditioning noises, (x) normal floor noises and creaking, (xi) floor discoloring, (xii) variations in width, length or tone of wood floors, (xiii) repair of chips, scratches, mars, breaks or other defects in any windows, window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, ceramic tile, marble floors and walls, resilient flooring, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the closing of title to the Unit, paint touch-ups, repairs of dented appliances, carpet discoloration, stretching or shrinkage, or replacement of fluorescent light ballasts in such Unit, (xv) variations in tone or color of marble or stone used in bathrooms or variations in tone or color of vanity tops or other marble or stone aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding or controlled drainage on the roof surface, (xviii) cracks in pressure treated wood used or intended for use outside the Building, (xix) seepage through masonry walls, (xx) the partial or total death of any trees, shrubs, bushes, ground cover, grass or other landscape improvements including any such landscape improvements in the garden, (xxi) damage to walkways or other concrete areas caused by the application of deicers, (xxii) water problems caused by ice dams, normal plumbing and heating noises, (xxiii) carpet stretching, normal settlement cracks on concrete foundations, patios, terraces, sidewalks and other flat work, (xxiv) basement leaks resulting from acts of God or alteration of landscaping or grading, leakage resulting from "ice dams" forming on roofs, shading variations of the exterior siding straining (on the face surface or grooves), and shading variations on fascias from staining. Sponsor shall be obligated to repair abnormal scratches by filling any plastic laminate scratches or refinishing any porcelain scratches but Sponsor shall not be obligated to replace such plastic laminate or porcelain surfaces. References in this Section or elsewhere this Plan to excluded repairs or excluded conditions with respect various items listed shall not be construed to imply an obligation on the part of Sponsor to do any work or construction or to install any equipment, fixtures or appliances or other items except, in each case, as expressly provided in the Section entitled "**Description of Property and Specifications**" contained in Part II of this Plan.

Nothing contained herein shall be construed to render Sponsor liable for consequential damages (whether based on negligence, breach of contract, warranty or otherwise), it being intended that Sponsor's sole obligations pursuant to this Section of the Plan shall be to repair or replace, at Sponsor's option, any defective item of construction (arising as a result of substantial and material defects in material or as a result of improper workmanship substantially at variance

with the Plans and Specifications) subject to the terms and conditions (and within the time limits) set forth in this Section of the 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, ceiling heights 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 Sponsor shall be determinative.

The foregoing undertakings set forth the entire obligations of Sponsor hereunder with respect to completion of construction and repair of any defects, and no other warranties or undertakings shall be implied. The construction obligations of Sponsor under this Section of the Plan shall survive the transfer of the Units to the Unit Owners until the expiration of the periods heretofore set forth. Sponsor shall not be liable for, or obligated to defend, any suits with respect to the Building or any Unit arising out of any occurrence taking place after the closing of title to such Unit, except claims stemming from the negligence of Sponsor or its agents, employees, or contractors. All construction and other obligations of Sponsor shall be enforceable only by the Condominium Board and not by the individual Unit Owners, unless the alleged construction defect relates to one (1) Unit only and is not a common defect affecting two (2) or more Units or the Common Elements.

Damage Prior to Closing

Sponsor shall have no obligation or liability to repair or restore damage to a Unit resulting from casualty or other cause prior to the closing of title to such Unit. If Sponsor or (in the event the Declaration has been filed) the Unit Owners do not elect to repair the damage (except for damage that is the Purchaser's obligation to repair as provided in in the subsection entitled "Risk of Loss or Damage to Units Prior to Closing" in the Section of the Plan entitled "**Terms of Sale**," the Purchase Agreement will be canceled and be of no further force or effect. Thereafter, the Down Payment, together with interest earned thereon, if any, shall be disbursed as discussed in the subsection entitled "Trust Funds" in the Section of the Plan entitled "**Procedure to Purchase**." If Sponsor (or the Unit Owners, if the Declaration has been filed) elects to repair or replace the loss or damage so as to restore the Unit substantially to its condition immediately preceding such loss or damage, the Purchase Agreement shall continue in full force and effect; in which event the 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 (or the Unit Owners) shall be entitled to a reasonable period of time to complete such repairs or replacement.

Sponsor's Right of Access

Sponsor and its contractors, subcontractors, agents and employees will have a right of reasonable access to each Unit and to the Common Elements for purposes of completing construction of the Building or performing certain alterations and repairs in or about Units owned by Sponsor and in fulfilling Sponsor's obligations under the Plan, provided (i) Sponsor repairs

any resulting damage to the Unit and restores it to substantially the condition it was in prior to Sponsor's entry, and (ii) Sponsor provides reasonable prior notice to the Owner of the Unit to which access is required.

Sponsor and its invitees, licensees, contractors, subcontractors, agents and employees will have a right of access to each Unit and all of the Common Elements for purposes of completing construction of the Building or performing repairs in or about Units owned by Sponsor or in fulfilling Sponsor's obligations under the Plan or for any lawful purpose, provided (i) Sponsor repairs any resulting damage to the Unit or the Common Elements, as the case may be, and restores the Unit or the Common Elements, as the case may be, to substantially the condition they were in prior to Sponsor's entry and (ii) Sponsor provides reasonable prior notice to the owner of the Unit to which access is required or the Condominium Board in the case of the Common Elements.

For additional special rights of Sponsor under the Declaration with respect to the combining and subdividing of Units, designation of any of the Common Elements and other matters, please see the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws**" and the copy of the Declaration and By-Laws contained in Part II of the Plan.

Sponsor's Liability

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to the Unsold Units that it owns, the foregoing sets forth the entire extent of the obligations of Sponsor under this Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers relative to their Units under their respective Purchase Agreements.

Sponsor makes no undertakings or warranties except as hereinabove set forth and none should be implied. Sponsor does not warrant or guarantee the materials, workmanship or any other aspect of the Units or the Common Elements, any personal property or any portion thereof, except to the extent expressly provided in this Plan.

Indemnification by Sponsor

Sponsor agrees to defend any suits and proceedings arising out of Sponsor's acts or omissions and to indemnify the Condominium Board and the Unit owners against any claims or losses arising out of any such acts or omissions.

Survival of Sponsor's Obligations

Sponsor's obligations and representations under the Plan or under the GBL that are to be performed subsequent to the closing of title to a Unit shall survive delivery of the deed to the Unit affected by such obligation for the limited time periods set forth in the Plan. However, except for those obligations and representations under the Plan or under the GBL that are to be performed subsequent to the closing of title to a Unit as described in the preceding sentence, all obligations of Sponsor under the Plan with respect to any Unit or Unit Owner and under the Purchase

Agreement for such Unit with such Unit Owner shall not survive, and shall be deemed satisfied upon, the delivery of the deed for such Unit, unless otherwise expressly provided in the Plan or such Purchase Agreement.

Sponsor's Obligations for Retained Units

So long as Sponsor retains title to any Units, Sponsor shall pay all Common Charges, Special Assessments and real estate taxes with respect to such Units. Sponsor represents that its financial resources will be sufficient to meet its obligations described above and its other obligations described in this Plan. Sponsor intends at present to meet its financial obligations under the Plan through profits generated from sales of Unsold Units and income generated from the rental of Unsold Units. Sponsor has not furnished any bond or other security for the performance of its obligations under the Plan. No warranty is made that Sponsor will be financially able to perform any or all of such obligations, provided that if at any time while Sponsor is making an offering or making sales pursuant to the Plan Sponsor's financial condition does not permit it to perform its obligations hereunder, Sponsor will amend the Plan to disclose such change in financial condition and to offer Purchasers with outstanding Purchase Agreements a right to rescind such Purchase Agreements and will cease making sales pursuant hereto until Sponsor's financial condition shall again permit it to perform its obligations hereunder. If Sponsor shall be dissolved or liquidated or shall transfer in bulk ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the Condominium, whichever is less, Sponsor shall provide one or more financially responsible entities or individuals who will assume the status and obligations of Sponsor under the Plan and Applicable Law.

Insurance Described in Condominium Budget

Sponsor shall cause the Condominium to obtain and have in effect as of the date of the First Closing the insurance described in the Footnotes to Schedule B. As reflected in Schedule B, Sponsor shall procure fire and casualty insurance pursuant to an agreed-amount, replacement cost policy in an amount sufficient to avoid coinsurance.

CONTROL BY SPONSOR

Sponsor will control the Condominium Board until the expiration of the Initial Control Period. The By-Laws provide that after the expiration of the Initial Control Period a majority of the members of the Condominium Board must be Unit Owners who occupy their Units or members of such Unit Owners' households who are unrelated to Sponsor or its principals.

Until Sponsor no longer designates a majority of the Condominium Board, Sponsor, through its control of the Condominium Board, will have control of the maintenance and operation of the Condominium and the services to be provided by the Condominium Board to the Unit Owners and will determine the Common Charges and any Special Assessments to be paid by the Unit Owners.

Under the By-Laws, owner-occupants of Units will be unable to control the Condominium Board until the Initial Control Period has expired; moreover, owner-occupants and non-resident

owners, including Sponsor, may have inherent conflicts as to how the Condominium should be managed because of their different purposes in owning Units (i.e., for use as a home as opposed to a business or investment).

After the Initial Control Period has elapsed, so long as Sponsor owns Units to which are appurtenant 10% or more of the Common Interests, Sponsor will have the right to designate two members of the Condominium Board, and so long as Sponsor owns one Unit, Sponsor will have the right to designate one member of the Condominium Board.

Within 30 days after the expiration of the Initial Control Period, the appropriate number of members of the Condominium Board designated by Sponsor shall resign and their replacements shall be selected by a majority vote of the members of the Condominium Board (excluding members of the Condominium Board designated by Sponsor) at a regular meeting of the Condominium Board or at a special meeting of the Condominium Board held for such purpose.

As long as Sponsor continues to own at least 25% of the Common Interests appurtenant to all Units, during the five (5) years following the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(a) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(b) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of five percent in the aggregate of the estimated Common Expenses for any one fiscal year of operation, provided the same does not violate Applicable Law, in which event the maximum assessment permitted hereunder shall equal the minimum required by Applicable Law;

(c) increase the number or change the type of employees of the Condominium from that described in Schedule B;

(d) enter into any service or maintenance contracts for work, labor or services not covered in Schedule B;

(e) borrow money on behalf of the Condominium; or

(f) exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, Sponsor may neither exercise a veto over nor direct any member of the Condominium Board appointed or otherwise chosen by Sponsor to vote against expenditures that: (a) conform to Schedule B and are for the period covered by Schedule B Budget; or (b) are required to comply with Applicable Law, including expenditures necessary to cure any notices of violations; or (c) are necessary to remedy any work order by an insurer that is the responsibility of the Condominium Board to remedy. See also the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers.**"

BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Condominium Board. The duties of the Condominium Board are set forth in the By-Laws. The Condominium Board shall initially consist of three members designated by Sponsor. At present, Sponsor anticipates that the initial members of the Condominium Board will be David Berger, Alexander Sachs and Jordan Rogove. Mr. Berger is a principal of Sponsor, Mr. Sachs is an employees of Sponsor and Mr. Rogove is a principal of DXA Studio Architecture PLLC, which prepared the report on the physical condition of the Building and the floor plans included as part of the "**Description of Property and Specifications**" contained in Part II of this Plan, but is otherwise unaffiliated with Sponsor. The three initial members of the Condominium Board will be designated by Sponsor after the Plan is declared effective and prior the First Closing and will, thereafter, be identified in an amendment to the Plan. Within 180 days after the date of the First Closing, the Condominium Board will call for the first annual meetings of the Unit Owners for the purpose of electing a new Condominium Board in accordance with the provisions of Section 3.1 of the By-Laws.

At the first annual meeting of the Unit Owners and at each annual meeting of the Unit Owners thereafter, the incumbent Condominium Board shall resign and the Unit Owners shall elect a new Condominium Board consisting of five (5) members. Except for members of the Condominium Board designated by Sponsor, all members of the Condominium Board must be either Unit Owners or interested parties (e.g., partners, members, directors or shareholders of Unit Owners) as described in the By-Laws. After the expiration of the Initial Control Period, a majority of the Condominium Board must be Unit Owners who own Units and who occupy their Units or members of such Unit Owners' households and must not be related to Sponsor or its principals. Except for members designated by Sponsor, no member of the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Unit Owner or an interested party.

Regular meetings of the Condominium Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Special meetings of the Condominium Board may be called by the president or vice president of the Condominium or the written request of at least two members of the Condominium Board.

The terms of each member of the Condominium Board shall expire annually, except that members of the Condominium Board shall serve until their respective successors shall be duly elected and qualify. There shall be no limit on the number of successive terms a member of the Condominium Board may serve. All members of the Condominium Board shall serve without compensation for their services in such capacity. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the president or secretary of the Condominium. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified in such notice of resignation.

A member of the Condominium Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of Unit Owners having more than 50% of the total authorized votes of all Unit Owners who are present at a meeting of the Unit Owners at

which a quorum is present; provided, however, that a member of the Condominium Board designated by Sponsor may be removed only for cause, in which event he shall be replaced by another Sponsor designee. No member of the Condominium Board shall continue to serve thereon if, during such Unit Owner's term of office, said member shall cease to be a Unit Owner or an interested party as described in Section 2.1 of the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor.

The number and composition of the Condominium Board may not be changed except in accordance with the procedures described in the By-Laws. The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall, with certain exceptions, be made by a majority of the votes cast at any meeting at which a quorum is present.

Annual meetings of the Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the five-member Condominium Board, subject to any rights of Sponsor to designate members of the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings of the Unit Owners may be held from time to time pursuant to the By-Laws. The secretary of the Condominium shall mail a notice of each annual or special meeting of the Unit Owners to all Unit Owners of record. The notice, which shall be given at least five business days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or the Declaration, at all meetings of the Unit Owners, the presence in person or by proxy of Unit Owners owning Units to which are appurtenant, in the aggregate, more than 50% of the Common Interests shall constitute a quorum, and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Sponsor with respect to Unsold Units) shall be entitled to cast one vote for each 0001% of Common Interest attributable to such Unit Owner's Unit or Units.

The principal officers of the Condominium shall be a president, a vice president, a treasurer and a secretary, all of whom shall be elected by the Condominium Board. All officers of the Condominium shall be elected annually at the annual meetings of the Condominium Board. Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer of the Condominium or by such other person or persons as may be designated by the Condominium Board.

As set forth in the subsection entitled "Liability of Condominium Board and Unit Owners" in the Section of the Plan entitled "**Rights and Obligations of Unit Owners and Board of Managers**," every contract made by or on behalf of the Condominium Board shall state that it is made only as agent for all Unit Owners, and the members of the Condominium Board shall have

no personal liability thereon (except in their capacities as Unit Owners). To the extent permitted by Applicable Law, members of the Condominium Board shall have no liability to Unit Owners, except that a member of the Condominium Board shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim arising out of or relating to such member's actions in his or her capacity as a member of the Condominium Board, except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected at any regular meeting of the Condominium Board or at any special meeting of the Condominium Board called for such purpose.

Generally, subject to certain exceptions concerning, among other things, Sponsor and Unsold Units, and provided that the required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to a Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Sponsor with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor, or otherwise adversely affecting Sponsor or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Sales and Leases of Units

Each Unit Owner may sell his or her Unit, together with its Appurtenant Interest, or lease its Unit, provided such Unit Owner (the "**Offeree Unit Owner**") first gives the Condominium Board written notice of such Offeree Unit Owner's intention to sell or lease such Unit accompanied by a fully-executed, original counterpart of the contract of sale for the Unit or lease, as the case may be, and an opportunity for the Condominium Board, on behalf of all Unit Owners,

to purchase or lease such Unit at the same price or rental and on the same terms as are contained in such contract of sale or lease with such prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws.

If a Unit is to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital or expense accounts of the Condominium Board. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner), and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interest. In addition, if the prospective purchaser was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the contract of sale, the Condominium Board may purchase the Condominium Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be.

The Condominium Board may not discriminate against any person because of sex, race, creed, color, national origin, ancestry, or other ground prohibited by Applicable Law in connection with the exercise of its option to purchase or lease any Unit.

If the Condominium Board fails to accept the offer made by the Offeree Unit Owner pursuant to Article 8 of the By-Laws or does not notify the Offeree Unit Owner of its election to purchase or lease the Unit within thirty (30) days after receipt of the notice of such Offeree Unit Owner's intention to sell or lease such Unit and such additional information as the Condominium Board may request, the Offeree Unit Owner will have ninety (90) days after the expiration of the thirty (30)-day period to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to the notice. After the expiration of the ninety (90)-day period, the Offeree Unit Owner will again be required to offer the Unit to the Condominium Board as provided above; provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such periods. The Condominium Board may not exercise its option to purchase or lease any Unit without the prior approval of Unit Owners having more than 50% of the total authorized votes of all Unit Owners who are present at a meeting of the Unit Owners at which a quorum is present. The Offeree Unit Owner shall have the right to vote in any such vote of Unit Owners held for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase or lease the Offeree Unit Owner's Unit. Any deed given by an Offeree Unit Owner in connection with such sale shall provide that the acceptance of such deed by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Applicable Law, shall have the power to terminate such lease or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease.

The form of any such lease shall be the then-current form of apartment lease recommended by the Real Estate Board of New York, Inc., except for such changes therein as provided in the By-Laws, and must expressly provide that such lease may not be amended, modified or extended without the prior written consent of the Condominium Board and that the tenant thereunder may not assign his or her interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board; and that the Condominium Board will have the power to terminate such lease or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act. Under Applicable Law in effect on the Presentation Date of this Plan, such lease will not be subject to rent control, rent stabilization or any other state or local law or regulation as to rentals or continued occupancy.

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

A Unit Owner, without complying with the foregoing restrictions, may: (i) lease, sell or convey its Unit to a spouse, adult child or grandchild, parent, grandparent, or adult sibling, or any other related or controlled individual or entity, as more particularly set forth in the By-Laws; (ii) convey its Unit by gift; (iii) devise its Unit by will; or (iv) have its Unit pass by intestacy; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall be subject to, the Condominium Board's right of first refusal and the procedures relating thereto, as set forth above and more particularly in Article 8 of the By-Laws.

The foregoing restrictions upon the sale and lease of Units shall not apply to the Condominium Board or Sponsor or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure.

A Unit Owner may sell his or her Unit only if such sale includes the Unit's Appurtenant Interest.

A Unit Owner may not convey or lease his or her Unit unless he has paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed by the Condominium Board against such Unit and has satisfied all unpaid liens against such Unit, other than liens of Permitted Mortgages. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit for which a signed Purchase Agreement for a Unit has been submitted to Sponsor under this Plan, the Purchaser may not, under the terms of such Purchase Agreement, list such Unit for resale with any broker or advertise or otherwise offer, promote or publicize the availability of the Unit for sale, without Sponsor's prior written consent.

The Condominium Board shall have the right to impose a reasonable charge to cover its expenses, including payment of any fees due to the Managing Agent or any attorney retained by

the Condominium Board, in connection with the sale or lease of a Unit. If such charge is adopted, it shall be added to and constitute Common Charges payable by the transferor Unit Owner.

If not prohibited by Applicable Law, the Condominium Board, with the consent of two-thirds or more of its members, shall have the right to impose a transfer fee (or so-called "flip-tax") to be payable upon the sale of a Unit, in such amount as shall be determined from time to time by the Condominium Board, with the consent of two-thirds of its members, except that no such fee shall be payable on a sale or transfer that is exempted under Article 8 of the By-Laws. If any such fee is adopted, it shall be added to and constitute Common Charges payable by the transferor Unit Owner.

No transfer fee or other charge payable to the Condominium Board or the Managing Agent as described above shall be payable in connection with a sale or lease of a Unit by Sponsor or in connection with any other sale or lease of a Unit with respect to which the Condominium Board does not have a right of first refusal.

Use of Units.

As more particularly set forth in the By-Laws, and except as expressly provided therein and below, Units may be used for residential purposes only. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government or any instrumentality thereof and foreign governments or any embassy, consulate or other instrumentality thereof), may be occupied only by such individual; or by an officer, director, stockholder, or employee of such corporation; or by a partner or employee of such partnership; or by a member or employee of such limited liability company; or by such fiduciary, if an individual (or by an officer, director, stockholder, or employee of a corporate fiduciary, or by a partner or employee of a partnership fiduciary, or by a member or employee of a limited-liability-company fiduciary), or by the beneficiary of any such fiduciary; or by a principal or employee of such other entity; or by Family Members or guests of any of the foregoing. A Unit may be used for lawful purposes that are not residential purposes, subject, however, to (1) the terms and conditions of the then-existing certificate of occupancy covering such Unit, (2) Applicable Law, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes or imposing undue burdens on any building systems or staff, and (4) the prior written permission of the Condominium Board, which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in clauses (1) through (3) above have been met.

Notwithstanding the foregoing, the owner of an Unsold Unit may, without the permission of the Condominium Board, (1) grant permission for the use of such Unsold Unit as a professional office or for any other purpose, provided that such use is permitted by law, and does not violate the then-existing certificate of occupancy covering such Unit or any other governmental regulations and (2) use such Unsold Unit as a model unit or sales or promotion office in connection with the sale or rental of the Units, subject only to compliance with Applicable Law.

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of 11 years live or reside (even temporarily) in the Unit owned by such Unit Owner.

Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit owned by such Unit Owner. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove them until permitted by Applicable Law and, in any event, without the prior written approval of the Managing Agent.

The current New York City Zoning Resolution permits a person who resides in a Unit to use up to 25% of the floor area of such Unit Owner's Unit (but in no event to exceed 500 square feet) for certain home occupations.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in 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 sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

Rules and Regulations

No Unit Owner will cause or permit any Hazardous Materials to be used, stored, transported, released, handled, produced or installed in, on or from its Unit or the Property, other than substances used in *de minimis* quantities in household cleaning products and generated, stored, handled and used in compliance with Applicable Law. It will be the obligation of each Unit Owner to comply (at its sole cost and expense) with all Applicable Law with respect to Hazardous Materials in its Unit or in connection with any Work performed by or on behalf of such Unit Owner at the Property.

The Rules and Regulations are annexed to the By-Laws and contain rules and regulations governing the among other things, the conduct of Unit Owners and the their Family Members and guests in the General Common Elements, including the lobby, entranceway and hallways, restriction on use of window guards and decorations, limitations on pets, restriction on additional air-conditioning, heating or ventilation equipment, persons required to use service elevators for ingress and egress to the Units, disposal of refuse, restrictions on flammable substances, signage, telecommunications aerials and other receivers, velocipedes, bicycles, scooters and similar vehicles. The following is a summary of illustrative rules and regulations:

No pets other than dogs, caged birds, cats and fish shall be permitted, kept or harbored in a Unit, nor shall any Unit Owner maintain more than two (2) pets in a Unit, without the same in each instance having been expressly permitted in writing by the Condominium Board or the Managing Agent employed by the Condominium. Although pets are permitted to be kept in Units, each Unit Owner (other than Sponsor) who keeps any type of pet in his or her Unit will be required to (a) indemnify and hold harmless the Condominium, all other Unit Owners and the Managing Agent from all claims and expenses resulting from the acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium adopted with respect thereto. The Condominium Board may require that pet owners enter into an agreement with the Condominium Board confirming such owners' obligations with respect to their pets and, in any event, the Condominium Board may require the removal of a pet that causes a nuisance, health hazard or unsanitary condition.

No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs, or placed upon the window sills of the Building.

The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Building.

No window guards or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Condominium Board or the Managing Agent employed by the Condominium Board, which approval shall not be unreasonably withheld or delayed. Without limiting the foregoing, all window curtains or shades shall be white-backed.

All refuse from the Units must be deposited by Unit Owners in those areas of the Building provided for that purpose at such times and in such manner as the Condominium Board directs. Nothing may be hung or shaken from any doors, windows or roofs, or placed upon the window sills of the Building, and no Unit Owner may sweep or throw or permit to be swept or thrown, any dirt, debris or other substance therefrom.

There will be no playing or lounging in the entrances, passages, public halls, vestibules, corridors or stairways of the Building, except in recreational areas or other areas designated as such in the Declaration or by the Condominium Board.

All service and delivery persons shall be required to use the service entrance and deliver all packages, whenever feasible to the package room in the lobby, where such packages will be held for pick-up by Unit Owners. Deliveries will be made from the package room to the individual Units by building personnel only. If the Unit is not occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons must first register with building personnel and, upon being approved by the Unit Owner, will be permitted to make deliveries directly to individual Units.

No Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit. Unless expressly authorized by the Condominium Board in each instance, not less than eighty (80%) percent of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the Common Elements that will result in the cancellation of insurance on the

Building or that would be in violation of any law. No waste shall be committed in or to the Common Elements.

Each Unit Owner shall keep such Unit Owner's Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair such Unit Owner's own Unit in accordance with the provisions of the By-Laws, including, without limitation, the Rules and Regulations, as well as the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations Units may be amended from time to time by the Condominium Board in accordance with the By-Laws, provided that copies thereof are furnished to Unit Owners prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by Sponsor). Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

Mortgages of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, provided that he first complies with the conditions with respect thereto set forth in the By-Laws. As more fully set forth in therein, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form customarily used by lenders making loans secured by individual residential condominium units; (b) the Condominium Board is notified in writing of the making of such mortgage; and (c) the owner making such mortgage first satisfies all unpaid liens against such Unit Owner's Unit, other than Permitted Mortgages.

In certain instances the consent of the Mortgage Representative(s) is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that the holders of mortgages (a) that were initially held by (i) Sponsor, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system and (b) which satisfy the general conditions for mortgages set forth in the By-Laws may appoint up to three Mortgage Representatives.

Common Charges: Determination and Assessment

Common Expenses will be determined by the Condominium Board and will be borne by the Unit Owners. Common Expenses will generally be allocated among Unit Owners and in proportion to their respective Common Interests. Common Expenses include, among other things, the costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and certain other expenses, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees. Common Expenses may include amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit.

Further, notwithstanding anything to the contrary set forth above, instead of making allocations based on Common Interests, the Condominium Board may make allocations of

Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with the provisions of Applicable Law.

The Common Interest of 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.

At least annually, the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess the Common Charges to the Unit Owners to meet such expenses.

The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Condominium Board, Common Charges will be payable monthly in advance on the first day of each month. Each Unit Owner will be solely responsible for the payment of all Common Charges and Special Assessments assessed against his or her Unit.

Common Charges: Collection and Lien for Non-Payment; Attachment of Rent

Pursuant to a grant made pursuant to Section 339-z of the Condominium Act, and under the provisions of the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges and Special Assessments, together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by Applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges or Special Assessments against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. If unpaid Common Charges or Special Assessments are due, any member of the Condominium Board may file a notice of lien as described above if no notice of lien has been filed within sixty days after the unpaid Common Charges or Special Assessments became due. Upon such payment of the Common Charges or Special Assessments, the Unit Owner will be entitled to an instrument duly executed and acknowledged by the Condominium Board certifying to the fact of payment. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges or Special Assessments without foreclosing such lien. While Sponsor controls the Condominium Board, it will cause the Condominium Board to file such a lien to file a lien as provided for in Section 339-aa of the Real Property Law on Units with respect to which Sponsor is more than 30 days in arrears of Common Charges or Special Assessments.

No Unit Owner may exempt himself from liability for such Unit Owner's Common Charges by waiving the use of any of the Common Elements or by the abandonment of such Unit

Owner's Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying such Unit, together with its Appurtenant Interest, to the Condominium Board for no consideration and by complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing.

On a resale of a Unit, the purchaser thereof will be liable for the payment of Common Charges and Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement from the Condominium Board, setting forth the amount of the unpaid Common Charges and Special Assessments accrued against the Unit, and neither such seller nor such purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges or Special Assessments against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on a Unit for unpaid Common Charges and Special Assessments, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Notwithstanding anything to the contrary above, however, neither a Permitted Mortgagee acquiring title to a Unit at foreclosure sale nor a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges or Special Assessments assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges and Special Assessments after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in the By-Laws), including the interior side of entrance doors thereto, shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements shall be performed by the Condominium Board, and the cost and expense thereof will be charged to the Unit Owners as a Common Expense, (c) in or to the Limited Common Elements shall be performed either by the Condominium Board, if involving Structural or extraordinary maintenance, repair or replacement, in which event the cost and expense thereof will be charged to all Unit Owners as a Common Expense, or by the Unit Owners who benefit from such Limited Common Elements, if involving painting, decorating and non-Structural ordinary maintenance, repairs and replacements, at such Unit Owners' sole cost and expense.

The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior glass surfaces of all windows may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be charged to the Unit Owners as a Common Expense; otherwise, Unit Owners shall be

obligated to clean such windows at their own cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the negligence of Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such negligent Unit Owner, as the case may be). No replacement of, or modification or alteration to the windows (other than replacement of the window panes) may be made without the written consent of the Condominium Board.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner the Condominium Board, whichever is responsible for the maintenance thereof. If any Unit Owner fails to keep such Unit Owner's Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. See the subsection entitled "Rights of Access," below. A Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit.

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance by such Unit Owner or the Condominium Board in conformity with the dignity and character of the Building.

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any Structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. The Condominium Board may impose fees upon such Unit Owner to obtain reimbursement for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a Structural alteration, addition, improvement or repair in or to a Unit, the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved Structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, Applicable Law. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Condominium Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work with respect to the Unsold Units and the Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Applicable Law (collectively, the "**Required Documentation**"), and the Condominium Board, if requested by Sponsor, is obligated to execute the Required Documentation. In addition, the Unit Owner's Power of Attorney to be executed by each Unit Owner upon acquisition of a Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or final certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

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

Sponsor, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Unit or the Common Elements provided that the work is performed by Sponsor in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of Units for sale or the rental of any Unsold Unit, including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board, the Managing Agent, the superintendent or resident manager and other persons authorized by any of the foregoing, will have a right of access to any Unit for the purposes of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other party of the Property; curing defaults by a Unit Owner; correcting any conditions originating in any Unit and threatening another Unit or any Common Element, or correcting any condition that violates the provisions of any Permitted Mortgage covering another Unit; provided that requests for entry for any such access (except in emergency situations) are made not less than one day in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing punch-list work or for the purpose of performing or completing construction in the Building.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to Section 339-j of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof.

Unless the Unit Owners have elected not to restore the Building as provided below, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the owner of the affected Unit, unless, with respect to any such Limited Common Element, such repair or reconstruction is the obligation of the Condominium Board under the Declaration and the By-Laws. If such Unit Owner fails to repair or reconstruct such Unit Owner's Unit or any such Limited Common Element the repair of reconstruction of which is the obligation of such Unit Owner, the Condominium Board may cause

such Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to such defaulting Unit Owner as a Special Assessment.

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

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to the Insurance Trustee pursuant to the provisions of the By-Laws. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building, together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions hereinafter set forth; (b) loss of income insurance (Common Charges); (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board to be necessary; (f) water damage insurance to the extent, if any, determined by the Condominium Board to be necessary; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board, the Managing Agent and all officers, directors, and employees of the Condominium; (i) directors' and officers' liability insurance; (j) commercial umbrella insurance; and (k) such other insurance as the Condominium Board may from time to time determine to be necessary or appropriate.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

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

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) coinsurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, the officers of the Condominium, the Managing Agent, the employees of the Condominium Board and the Condominium, each member of the Condominium Board and each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of the Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, the combined single limit. The comprehensive general liability insurance discussed in this paragraph shall also cover cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners pro rata in accordance with their respective Common Interests

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. Pursuant to the By-Laws, each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence plus at least $2,000,000 umbrella liability coverage. The limits of liability set forth in clauses (a) and (b) above may be increased by the Condominium Board from time to time.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to the Insurance Trustee pursuant to the provisions of the By-Laws. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law.

Liability of Condominium Board and Unit Owners

Every contract made by or on behalf of the Condominium Board shall state that (a) it is made only as agent for all Unit Owners, and the members of the Condominium Board shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to any contract regarding the Condominium shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) to the extent permitted by law, such Unit Owner's interest in such Unit Owner's Unit and its Appurtenant Interest. To the extent permitted by Applicable Law, members of the Condominium Board shall have no liability to Unit Owners, except that a member of the Condominium Board shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim arising out of or relating to such member's actions in his or her capacity as a member of the Condominium Board, except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

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

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent of all Unit Owners both in number and in aggregate Common Interest. Such vote shall not be effective, however, unless written consent is obtained from the Mortgage Representatives, if any. Sponsor shall not vote the aggregate Common Interests appurtenant to its Units for such withdrawal unless at least 80%, both in number and in aggregate Common Interests, of all other Unit Owners so elect for such withdrawal, at which time Sponsor may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit.

In the event that such withdrawal is so authorized, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such net proceeds, all liens on the Unit Owner's Unit, in the order of priority of such liens.

Units Acquired by Condominium Board

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

The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital or expense accounts of the Condominium Board. If the funds in such accounts are insufficient to effectuate any such purchase, Condominium Board may levy a Special Assessment against the Unit Owners in proportion to their respective Common Interests and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. If any Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, 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 that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Mechanic's Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the individual Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon, but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board for the Common Elements.

Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in

favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use the General Common Elements, provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Sponsor shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs and facade of the Property and elsewhere on the Common Elements that shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "280 St. Marks Avenue Condominium." Any and all rights and interests appurtenant to such name, if they exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building, only Sponsor shall have the right to change the name of the Condominium or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Condominium Board or the Unit Owners.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety, including the Declaration and By-Laws.

REAL ESTATE TAXES

After the Units are separately assessed as independent tax lots, each Unit will be taxed separately for real estate tax purposes, and each Unit Owner will be solely responsible for the payment of all real estate taxes on his or her Unit, but such Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units.

If on the date of the First Closing, the Units have not been separately assessed as independent tax lots, then until such time as the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

The projection of the amount of real estate taxes set forth in Schedule A is based upon the estimates contained in the copy of the opinion of Tuchman, Korngold, Weiss, Liebman & Gelles, LLP, a copy of which is set forth in Part II of the Plan as Document Number 6. According to such estimates, during the first six months of the projected first year of condominium operation, the assessed value of the Property, which will be determined by the New York City Department of Finance, will be $300,000, and during the last six months of the projected first year of

condominium operation, the assessed value of the Property will be $5,750,000. At a projected tax rate of 13.25%, the aggregate amount of real estate taxes payable by Unit Owners during the projected first year of condominium operation, without the Section 421-a exemption described below, will be $400,813. Further, according to such estimates, during the first full tax year following completion of construction of the Building, which is anticipated to be July 1, 2017, to June 30, 2018, the assessed value of the Property will be $5,750,000, the tax rate will be 13.25%, and the aggregate amount of taxes payable by Unit Owners during the first full tax year following completion of construction, without the Section 421-a exemption described below, will be $761,875. The real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Units' assessed valuations and the real estate tax rate. It should be noted that although the projected real estate taxes set forth in Schedule A are based on the assumption that the Units will be assessed in direct proportion to each Unit's percentage of Common Interest, the New York City Department of Finance may apportion them based on a different method.

The tax assessments of condominium apartment buildings are governed by Section 581 of the Real Property Law. This law requires the tax assessor to disregard the condominium form of ownership in valuing such properties and to value the building in the same manner as similar but non-condominium owned, rental buildings.

Sponsor will apply to the New York City Department of Housing Preservation and Development ("**HPD**") for a partial exemption under Section 421-a of the Real Property Tax Law ("**Section 421-a**") from any increase in the assessed value of the Property above the assessed value of the Land and any improvements thereon during the tax year preceding the commencement of construction of the Building. The total estimated real estate tax with Section 421-a benefits for the first year of condominium operation is $234,675, and the total estimated real estate tax with Section 421-a benefits for the first full tax year following completion of construction of the Building is $413,518. It should be noted that because of a cap that places a limitation on the maximum Section 421-a exemption that results in the exemption not being available to that part of the assessed value of a dwelling unit that exceeds a certain amount ($84,810 in the 2017/18 tax year, with an inflation factor of 3% per year thereafter), the total exemption will not be apportioned equally. The exemption cap is likely to affect the larger Units, so that the Section 421-a tax savings to the larger Units may be disproportionately smaller than the Section 421-a tax savings to the smaller Units NEITHER SPONSOR NOR SPONSOR'S COUNSEL, HERRICK, FEINSTEIN LLP, MAKES ANY REPRESENTATION OR WARRANTY THAT A PARTIAL TAX EXEMPTION FROM REAL ESTATE TAXES UNDER SECTION 421-A WILL BE GRANTED OR AS TO THE AMOUNT, IF ANY, OF THE MINIMUM TAX THAT WILL BE ASSESSED AGAINST THE UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY UNIT OWNER. There is no guaranty or assurance that the criteria for Section 421-a benefits will be satisfied and neither Sponsor nor Herrick, Feinstein LLP offers any opinion with respect to the eligibility of the Units for Section 421-a benefits. If, for any reason, an application for Section 421-a benefits is not approved by HPD, the Units will be subject to full taxation and will receive no benefits under Section 421-a. See Schedule A for projected monthly real estate taxes for each Unit with and without the benefits under Section 421-a. See **"Opinion of Real Estate Tax Counsel"** set forth in Part II of the Plan for a discussion by Sponsor's real estate tax counsel of the conditions of eligibility for the Section 421-a real estate tax exemption.

Although the Building is located in a "geographic exclusion area" within which building projects must provide on-site affordable housing to be eligible for Section 421-a benefits, Sponsor has satisfied the satisfied the statutory requirement for the construction of affordable housing units by purchasing negotiable 421-a certificates issued by the New York City Department of Housing Preservation and Development. Further, because the Building will contain fewer than 50 residential units, it is exempt from the requirement that building service employees must be paid a prevailing wage for the duration of the period of the partial tax exemption.

It should be noted that although Sponsor intends that the Building shall be exempted from its obligation under Section 421-a to register the Units as rent stabilized by reason of the Building's condominium status, if prior to consummation of the Plan, Sponsor rents all or any portion of any Unit to any person other than, pursuant to an interim lease, to a Purchaser who has executed a Purchase Agreement, Sponsor will be required to abandon the Plan in accordance with the provisions of Section 20.1(l)(2) of the Regulations promulgated by the Attorney General in Title 13 NYCRR.

Sponsor has 15 months from the date of issuance of a final certificate of eligibility by the New York City Department of Housing Preservation and Development to declare the Plan effective. Thereafter, Sponsor will be required to register Units as rent stabilized as they become occupied.

Because of the limited number of negotiable 421-a certificates issued by the New York City Department of Housing Preservation and Development that Sponsor was able to acquire, the application for Section 421-a benefits can include only 31 Units. Consequently, if the application is granted, one of the Units, Unit 4G, will nevertheless be ineligible for the partial tax exemption, and real estate taxes assessed against Unit 4G during the 15-year exemption period will be higher than the real estate taxes assessed against similar Units that are eligible for the exemption.

The By-Laws provide that the Condominium Board has the power to act as an agent of each Unit Owner who has given his or her written authorization to complain or apply to the local and county real estate tax assessment agency or 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 Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements and legal fees paid or incurred in connection with any such complaint or application.

Sponsor reserves the right both (i) to prosecute any tax certiorari proceedings challenging the assessed valuation of the Property, in the tax year in which the First Closing takes place, and any preceding tax year, in its own name or the name of the Condominium, the Condominium Board or the Unit Owners, by attorneys selected by Sponsor and (ii) to settle any such proceedings in its sole discretion and without the consent of the Condominium Board or the Unit Owners. After deducting the cost of such proceedings including, without limitation, attorney's fees, all benefits obtained, including, without limitation, any tax refunds, attributable to either: (a) any tax year ended prior to the date of the First Closing, shall be paid to Sponsor, or (b) any tax year commencing after the Closing Date, may be retained by the Condominium or the appropriate

Unit Owners as the case may be, or (c) the tax year in which the Closing Date occurs shall be apportioned between Sponsor and the Condominium as of the Closing Date.

Sponsor has not instituted a tax certiorari proceeding to protest the assessed valuation for the 2015/16 tax year.

Each Unit Owner is advised to consult with an attorney regarding the advisability of filing real estate tax certiorari proceedings with respect to his or her Unit.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following summary is for informational purposes only and is based upon information provided by Sponsor's counsel, Herrick, Feinstein LLP, in its opinion set forth in the Section of the Plan entitled "**Opinion of Counsel.**"

Internal Revenue Service Circular 230 Disclosure

Any opinion or advice contained in the Plan with respect to United States federal taxes is not intended or written to be used, and may not be used, by a taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. Any such opinion or advice was written to support the promotion or marketing of the transactions or matters addressed in any such opinion or advice. The taxpayer should seek advice based on taxpayer's particular circumstances from an independent tax advisor.

Deductibility of Mortgage Interest and Property Taxes.

Each Unit Owner who owns a Unit will own such Unit, together with its appurtenant Common Interest, in fee simple, and each Unit will be a separate tax lot for purposes of local real estate taxes and assessments. Because each such Unit Owner will own his or her Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Herrick, Feinstein LLP that, under present law, Unit Owners will, for federal income tax purposes, be entitled to a deduction for mortgage interest and property taxes in the taxable year in which the same are paid or accrued. It is also the opinion of Herrick, Feinstein LLP that, under present law, each Unit Owner will, for New York State income tax purposes, be entitled to the same deduction that is allowed for federal income tax purposes for the mortgage interest and property taxes paid or accrued during the taxable year.

The aforesaid deductions, however, are subject to certain exceptions and limitations, which are more particularly discussed in the income tax opinion set forth in the Section of the Plan entitled "**Opinion of Counsel.**"

Tax Status of the Condominium

Under Section 528 of the Internal Revenue Code, a condominium board of managers may be eligible to elect to be exempt from federal income tax on common charges collected from owners of condominium units.

In order for such an election to be made,

(1) the condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

(2) 60% or more of the gross income of the board of managers for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of units in the condominium;

(3) 90% or more of the net expenditures of the board of managers for the taxable year must be for the acquisition, construction, management, maintenance and care of the property;

(4) no part of the net earnings of the board of managers may inure (other than by acquiring, constructing or providing management, maintenance and care of the property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual; and

(5) substantially all of the units must be used by individuals as residences.

According to the Treasury Regulations, substantially all of the Units will be treated as used by individuals for residences if at least 85% of the total square footage of all Units is used by individuals for residences. In its opinion set forth in the Section of the Plan entitled "**Opinion of Counsel,**" Sponsor's counsel states that if the Units are used as contemplated and the Condominium is developed in accordance with the Plan, the 85% test set forth in Treasury Regulations should be satisfied. While it is anticipated that at least 85% of the Building's total square footage will be used for residential purposes, no warranty or guaranty is made to such effect.

It is the opinion of Sponsor's counsel, subject to certain qualifications set forth in the income tax opinion set forth in the Section of the Plan entitled "**Opinion of Counsel,**" that if the Units are used as contemplated and the Condominium is established in accordance with the Plan and the Condominium's income and expenses are substantially as set forth in Schedule B, the Condominium Board should be entitled to elect the benefits of Section 528 during the first year of condominium operation.

It should be noted that if an election were permitted to be made under Section 528 of the Code, the Condominium Board would still be required to pay a tax on any taxable income it may receive. For this purpose, "taxable income" is defined as the excess, if any, of (a) the gross income for the taxable year over (b) the deductions allowed by the Code that are directly connected with the production of such gross income, calculated with certain modifications provided in Section 528. For the purpose of determining "taxable income," excluded from gross

income are amounts received as membership dues, fees or assessments from owners of Units in the Condominium.

If an election under Section 528 is not available, the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528, under which their tax status is uncertain. Because the By-Laws provide that the Condominium Board will act as agent of the Unit Owners they represent, the Condominium Board may take the position that the Condominium Board is not a separate taxable entity. In such a case the Unit Owners would include in their gross income, and be taxed on, income derived by the Condominium Board. This income may include interest earned from investments on the amounts that are assessed and collected from the Unit Owners, or rental income, if any.

The Internal Revenue Service may contend, however, that for purposes of those matters administered through the Condominium Board, such as assessment and expenditure of Common Charges, the Condominium Board constitutes an association separately taxable as a corporation. In that event, the Condominium Board may be deemed to be subject to federal corporate income tax on the amount, if any, by which Common Charges (together with any income earned from other sources, such as interim investments of funds by the Condominium Board) exceed the current expenses paid or incurred by the Condominium Board that are deductible for federal income tax purposes. The Condominium Board may likewise be subject to the New York State corporation franchise tax and the New York City general corporation tax.

For a further discussion of the tax status of the Condominium, see the Section of the Plan entitled "**Opinion of Counsel.**"

NO WARRANTIES ARE MADE THAT THE INTERNAL REVENUE SERVICE OR THE NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK WILL ALLOW INCOME TAX DEDUCTIONS. FURTHER NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE TAX LAWS UPON WHICH SPONSOR'S COUNSEL BASES ITS OPINION WILL NOT CHANGE, AND IN NO SUCH EVENT WILL SPONSOR, THE SELLING AGENT, SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT UNIT OWNERS DO NOT MEET OR AT ANY FUTURE TIME CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE, THE NEW YORK TAX LAW OR ANY AMENDMENT TO EITHER OF THEM. MOREOVER, NONE OF THE AFORESAID MAKES ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF ANY UNIT OFFERED UNDER THE PLAN, EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES OTHER THAN THOSE CONTAINED HEREIN.

EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF UNIT OWNERSHIP.

OPINION OF COUNSEL

HERRICK

NEW YORK
NEWARK
PRINCETON
WASHINGTON, D.C.
ISTANBUL

July 7, 2015

Escorial 280 SMA, LLC
c/o DNA Development LLC
41 Union Square West, #1423
New York, New York 10003

Re: Condominium Offering Plan for 280 St. Marks Avenue, Brooklyn, New York (the "Plan")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the availability of certain deductions for federal, New York State and New York City income tax purposes to individuals (the "Unit Owners") who purchase condominium units (the "Units") in the 280 St. Marks Avenue Condominium (the "Condominium") for use as their primary residence, (ii) the treatment for such income tax purposes of the Common Charges paid or borne by the Unit Owners, and (iii) whether the method used to determine the undivided percentage interest of each Unit in the Condominium's common elements (the "Common Elements") complies with Section 339-i of the Real Property Law ("Section 339-i"). Except where otherwise indicated herein, the capitalized terms used in this opinion have the same meanings as in the Plan.

For purposes of this opinion, we have reviewed the Plan, the relevant sections of the Internal Revenue Code of 1986, as amended (the "Code")[1], the New York State Tax Law (the "Tax Law"), the New York City Administrative Code (the "Administrative Code"), the regulations promulgated thereunder, and such other materials as we deemed relevant. In rendering the opinions set forth herein, we have assumed that (i) the Plan has been accepted for filing by the New York State Department of Law and is consummated in accordance with its terms and (ii) the Plan's legal consequences are as described therein.

This opinion is being issued solely to support the marketing of the Units and for no other purpose. This opinion is not intended to be used, and may not be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer under the U.S. federal tax law. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

[1] Unless otherwise indicated, all "Section" references are to the Code.

A. **Deductibility of Mortgage Interest and Real Estate Taxes.**

Pursuant to the Plan, a Unit Owner will own his Unit and its appurtenant interest in the Common Elements in fee simple and, once each Unit has been separately assessed for real estate taxes as provided in the Plan, each Unit will be taxed as a separate tax lot for real estate tax purposes. Each Unit Owner may, subject to the credit and underwriting approval of such Unit Owner's lending institution, mortgage his Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

Under Sections 163 and 164, respectively, a Unit Owner will, for federal income tax purposes, be entitled to a deduction for interest paid with respect to such mortgage indebtedness and for real estate taxes paid with respect to a Unit during a taxable year, subject, however, to the conditions and limitations discussed below. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Under Section 163(h)(3), an individual Unit Owner who uses such Unit for personal purposes may deduct "qualified residence interest" incurred with respect to the Unit. "Qualified residence interest" is defined under Section 163(h)(3)(A) as any interest which is paid or accrued during the taxable year on "acquisition indebtedness" with respect to any qualified residence of the taxpayer or "home equity indebtedness" with respect to any qualified residence of the taxpayer. "Acquisition indebtedness" is defined under Section 163(h)(3)(B) as any indebtedness which is incurred in acquiring, constructing or substantially improving any "qualified residence" of the taxpayer and is secured by such residence. "Qualified residence" is defined under Section 163(h)(4) as the principal residence of the taxpayer and one other residence of the taxpayer which is selected by the taxpayer for deduction purposes for the taxable year and which is used by the taxpayer as a residence. The taxpayer can deduct only the interest on up to $1,000,000 ($500,000 for married persons filing separately) of acquisition indebtedness. "Home equity indebtedness" is defined under Section 163(h)(3)(C) as any other indebtedness secured by a qualified residence to the extent the aggregate amount of such indebtedness does not exceed the excess, if any, of (i) the fair market value of such qualified residence over (ii) the amount of acquisition indebtedness with respect to such residence. The aggregate amount of home equity indebtedness for any period shall not exceed $100,000 ($50,000 for married persons filing separately).

The deductions for real estate taxes and mortgage interest incurred with respect to a Unit that the Unit Owner uses for personal purposes are itemized deductions that are subject to the overall limitation on itemized deductions imposed by Section 68. Under Section 68, if a taxpayer's adjusted gross income exceeds the applicable amount (as discussed below) set forth in Section 68(b) (the "Applicable Amount"), such person's itemized deductions are reduced by the lesser of (1) 3% of the amount by which such taxpayer's adjusted gross income exceeds the Applicable Amount, or (2) 80% of the amount otherwise allowable as an itemized deduction. As of the date of this opinion, the Applicable Amount is $309,900 in the case of a joint return or a surviving spouse, $284,050 in the case of a head of household (as defined in Section 2(b)), $258,250 in the

case of an individual who is not married and who is not a surviving spouse or head of household and $154,950 in the case of a married individual filing a separate return. The Applicable Amount may be adjusted annually.

A Unit Owner who intends to use a Unit in a trade or business or to hold a Unit for the production of rental income may be subject to the passive activity loss rules of Section 469. A Unit Owner who intends to hold a Unit for investment may be subject to the investment interest rules of Section 163(d). A Unit Owner, who holds his Unit for trade or business purposes, the production of rental income or investment purposes, should consult his personal tax advisers as to the effect of Sections 469 or 163(d) on his deductions.

A taxpayer who owns a Unit may be subject to the alternative minimum tax ("AMT") if the tax computed for such purposes exceeds the regular income tax. Certain deductions are not allowed in computing a taxpayer's income for AMT purposes including, generally, deductions both (1) of mortgage interest on a personal residence that is not "qualified housing interest" and (2) of real estate taxes payable in connection with such residence. Under Section 56(b), "qualified housing interest" can be deducted in computing taxable income for AMT purposes. "Qualified housing interest" is defined under Section 56(e) as qualified residence interest and is paid during the taxable year on indebtedness which is incurred in acquiring, constructing, or substantially improving (a) the principal residence of the taxpayer at the time such interest accrues or (b) a secondary residence which is selected by the taxpayer for deduction purposes for the taxable year and which is used by the taxpayer as a residence.

Under Section 615 of the Tax Law and Section 11-715 of the Administrative Code, respectively, a Unit Owner generally will, for New York State and New York City income tax purposes, likewise be entitled to a deduction equivalent to that which is allowed for federal income tax purposes for such mortgage interest and real estate taxes paid during the taxable year. However, under New York State and New York City income tax laws, itemized deductions, including deductions for acquisition indebtedness and real property taxes, are subject to reduction by as much as 100%. Unit Owners should consult their personal tax advisers to determine their eligibility for claiming itemized deductions for New York State and New York City income tax purposes.

B. **Common Charges.**

As set forth in the By-Laws of the Condominium, Common Charges will be borne by all Unit Owners and assessed and collected by the Board of Managers (the "Condominium Board"). Under Section 528, if certain requirements are met, a condominium board may be eligible to elect to be treated as a "homeowners association" which is exempt from federal income tax on Common Charges collected from the Unit Owners.

Section 528 permits a condominium management association to elect the benefits of that Section and be treated as a "homeowners association" only if (a) substantially all of the condominium units are used by individuals as residences and (b) the following conditions are met:

> (1) the condominium association is organized and operated to provide for the acquisition, construction, management, maintenance and care of association property;
>
> (2) sixty percent or more of the gross income of the association for the taxable year consists solely of amounts received as membership dues, fees, or assessments from owners of residential condominium units;
>
> (3) ninety percent or more of the expenditures of the association for the taxable year consist of expenditures for the acquisition, construction, management, maintenance and care of association property; and
>
> (4) no part of the net earnings of the association may inure (other than by acquiring, constructing, or providing management, maintenance and care of the association property, and other than rebate of excess membership dues, fees or assessments) to the benefit of any private shareholder or individual.

Under Treasury Regulation Section 1.528-8(a), the election must be made for each year that the condominium management association desires to be treated as a homeowners association. The election generally must be made by the time of filing of a properly completed Internal Revenue Service Form 1120-H. Under Treasury Regulation Section 1.528-8(f)(1), the election is binding on the organization for the taxable year and may not be revoked without the consent of the Commissioner.

Treasury Regulation Section 1.528-4(b) provides that substantially all of the units of a condominium management association will be considered as used by individuals for residences if at least 85% of the total square footage of all condominium units is used by individuals for residential purposes (the "85% Test"). According to the Plan, it is anticipated that (a) the Condominium will be developed as a property consisting of 32 Units, all of which are intended for residential occupancy, and (b) that 100% of the total square footage of all condominium units will be used by individuals for residential purposes. Accordingly, if the Units are used as contemplated by the Plan and the Condominium is developed in accordance with the Plan, the 85% Test should be satisfied. If the 85% test is met, the Condominium Board may make the election to apply Section 528. If, however, the Condominium does not satisfy the 85% Test, the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528, under which the tax status of the Condominium Board is uncertain.

We are of the opinion, subject to the qualifications contained herein, that if the Units are used as contemplated, the Condominium is developed in accordance with the Plan and the Condominium's income and expenses are substantially as set forth in the projected budget contained in the Plan, the Condominium Board should be entitled to elect the benefits of Section 528 during the anticipated first year of condominium operation. The foregoing opinion assumes that the Condominium satisfies the 85% Test and that the Condominium Board will properly elect to be classified as a homeowner's association pursuant to Section 528.

It should be noted, however, even if the Condominium Board elects to be classified as a homeowner's association pursuant to Section 528, it will still be required to pay a tax for any taxable income that it may receive. For this purpose, "taxable income" is defined under Section 528(d)(1) as the excess, if any, of (a) the gross income for the taxable year (other than "exempt function income" as defined below) over (b) the deductions allowed by the Code which are directly connected with the production of such gross income (excluding "exempt function income") computed with certain modifications provided in Section 528. "Exempt function income" is defined under Section 528(d)(3) as any amount received as membership dues, fees or assessments from owners of condominium housing units.

C. **Compliance with Real Property Law Section 339-i.**

Section 339-i(1) requires that the Common Interest of each Unit be based on any one of the following methods of calculation:

(i) the approximate proportion that the fair value of the Unit at the date of the Declaration bears to the then aggregate fair value of all the units;

(ii) the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all of the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements;

(iii) in equal percentages, one for each Unit as of the date of filing the declaration, or in equal percentages within separate classifications of Units as of the date of filing the Declaration; or

(iv) 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 11 of the Declaration states that the percentage interest of each Unit in the Common Elements has been calculated in accordance with Section 339-i(1)(iv) and is "based upon floor

space, subject to the location of such space and the additional factors of relative value of such space to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit." The Declaration also provides that the aggregate Common Interests of all Units equal one hundred percent (100%).

In connection with this opinion, we have reviewed the opinion of FirstService Residential New York, Inc., included in Part I of the Plan, the information provided by you on Schedule A and the Floor Plans. We have assumed the statements and information contained therein are correct and accurate. We have not reviewed or verified the calculations of floor areas used in determining the sizes of Units or the Limited Common Elements, which calculations have been furnished by you.

Based on the foregoing factors and the factual opinion of FirstService Residential New York, Inc., with respect to the allocation of the Common Interest among the Units made by the Sponsor, it is our opinion that the requirements of Section 339-i have been met.

We express no opinion with respect to (i) any federal, New York State or New York City tax consequences, (ii) any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (iii) any tax status of the Plan under the laws of any other United States or foreign jurisdiction.

Other than as explicitly discussed in this opinion, we express no opinion with respect to any tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status.

We express no opinion with respect to any tax consequences that may arise if Units are acquired or leased by the Condominium Board. Purchasers must also be aware that under certain circumstances a Unit Owner, by virtue of his ownership of a Unit, may be deemed to become a resident of New York City and that no opinion is expressed herein as to the circumstances under which this may occur, or with respect to the income, estate or other tax consequences that may arise therefrom. Each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

The law covered by this opinion is limited to the federal law of the United States and the laws of the State and City of New York. We express no opinion with respect to the law of any other jurisdiction and no opinion with respect to the statutes, administrative decisions, rules, regulations or requirements of any county, municipality, subdivision or local authority of any jurisdiction. The opinions contained herein are based upon our review of applicable statutory law and judicial precedent existing as of the date hereof. We 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.

WE MAKE NO WARRANTY THAT THE INTERNAL REVENUE SERVICE OR THE NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE WILL ACCEPT ANY OR ALL OF THE VIEWS STATED ABOVE. MOREOVER, THE FEDERAL, STATE AND CITY TAX LAWS AND REGULATIONS (AND THE RULINGS AND DECISIONS THEREUNDER) MAY CHANGE AND THEREBY AFFECT THE VIEWS STATED ABOVE IN WHOLE OR IN PART.

PART C OF THIS OPINION IS EXPRESSLY LIMITED TO THE MATTERS ADDRESSED HEREIN WITH RESPECT TO SECTION 339-i AND IS NOT INTENDED, NOR SHOULD BE CONSTRUED, AS AN OPINION ON OTHER ASPECTS OF THE PLAN, SUCH AS THE VALID CREATION OF A CONDOMINIUM, WHICH IS TO BE DETERMINED BY A TITLE INSURANCE COMPANY.

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

Very truly yours,

Herrick, Feinstein LLP

HERRICK, FEINSTEIN LLP

WORKING CAPITAL FUND; CLOSING ADJUSTMENTS WITH CONDOMINIUM BOARD; RESERVE FUND

Working Capital Fund

At the closing of title to each Unit sold by Sponsor to a Purchaser, such Purchaser shall contribute to the Condominium Board for its working capital a sum equal to two months' Common Charges (the "**Working Capital Fund**").

The Working Capital Fund may be held or used for working capital, to make repairs and for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Condominium Board in its sole discretion. While Sponsor is in control of the Condominium Board, the Working Capital Fund may not be used to reduce projected Common Charges in the Plan.

No representation is made that the Working Capital Fund will be, or is intended to be, adequate to cover the expenses of the Building for the first or any subsequent year of condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges.

THE PROPERTY IS OFFERED IN ITS CURRENT CONDITION AS SET FORTH IN THE PLAN, WITHOUT ANY OBLIGATION ON THE PART OF SPONSOR OR THE SELLING AGENT OR MANAGING AGENT TO MAKE ANY REPAIRS OR IMPROVEMENTS. NO GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

Closing Adjustments with Condominium Board

At the First Closing, Sponsor shall apportion the following items with the Condominium Board as of the day immediately preceding the First Closing:

(a) Employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Building;

(b) Fees for assignable permits and licenses, if any;

(c) Charges for electricity for the Common Elements and gas for the Common Elements and for cooking in the Units;

(d) Water and sewer charges;

(e) Payments under service and maintenance contracts and concession agreements;

(f) Real estate taxes on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(g) Cost of supplies on hand at Sponsor's cost; and

(h) Premiums for transferable insurance policies, provided coverage of the policies conforms to that set forth in Schedule B.

If any of the foregoing items to be apportioned and adjusted cannot be apportioned and adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final apportionment and adjustment will be made as soon thereafter as the undetermined amounts are ascertained. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended, shall apply to the apportionments and adjustments described above, except as otherwise provided herein.

If the result of the closing apportionments and adjustments made with the Condominium Board is a net credit in favor of Sponsor, the amount of such net credit shall be paid to Sponsor by the Condominium Board, without interest, in twelve equal consecutive monthly installments pursuant to the terms of a negotiable promissory note to be executed at the First Closing by the Condominium Board on behalf of all Unit Owners.

If the result of the closing adjustments made with the Condominium Board is a net credit in favor of Sponsor, the amount of such net credit shall be paid to Sponsor at the time of the First Closing, to the extent available, out of the Working Capital Fund. If, because insufficient funds are available from the Working Capital Fund, Sponsor is not paid the full amount of the net credit to which it is entitled at the time of the First Closing, the unpaid balance of the net credit in favor of Sponsor shall be paid to Sponsor by the Condominium Board, without interest, in twelve equal consecutive monthly installments pursuant to the terms of a negotiable promissory note to be executed at the First Closing by the Condominium Board, on behalf of all Unit Owners; except that all contributions to the Working Capital Fund made by Purchasers after the First Closing shall be immediately paid over to Sponsor in repayment of said promissory note and applied to payment of such monthly installments in the inverse order in which they become due.

Reserve Fund

No funds will be set aside by Sponsor as a reserve for capital expenditures. Since no reserve fund is being provided by Sponsor under this Plan, Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within five years following the Closing Date should such capital expenditures be needed. Because the building is being newly constructed, Sponsor does not anticipate that there will be a need for major capital expenditures during such five-year period. It should be noted that Schedule B provides for an amount for contingencies and a replacement reserve, which the Condominium Board may elect to use to apply to some or all of the costs of any needed capital expenditures.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

It is, at present, contemplated that at or before the First Closing, the Condominium Board will enter into a management agreement with the FirstService Residential New York, Inc., having an address at 622 Third Avenue, New York, New York 10017, for an initial term of two years from the date of the First Closing. After the expiration of the initial term, the management agreement will be automatically renewed for successive 60-day periods until canceled by either party at the end of a calendar month on 60 days' prior written notice. The management agreement may be assigned by the Managing Agent under certain circumstances and may be canceled by any party for cause upon 30 days' prior written notice, except in certain instances of failure to comply with law or maintain such insurance as is required under the management agreement, in which case the management agreement may be terminated on five days' prior notice.

The Managing Agent will receive an annual fee of $35,000.00 for the first year of the term, payable in equal monthly installments of approximately $2,916.67. Thereafter, if the management agreement is renewed, the annual fee shall be increased annually by multiplying such annual fee by four percent (4%). The annual fee shall be payable in equal monthly installments in advance on the first day of each month. The Managing Agent will be entitled to additional fees and commissions for certain special services performed by it. All such fees will be paid by the Condominium Board and will be charged to all Unit Owners as a Common Expense.

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

(1) billing and collecting Common Charges;

(2) causing the Common Elements to be serviced, maintained, repaired and altered in the manner deemed advisable by the Condominium Board, except that the Managing Agent shall not, without the prior approval of the Condominium Board, make any expenditure in excess of $2,500 for any one item of ordinary repairs or alterations that is not part of a previously approved operating budget (other than emergency repairs).

(3) entering into any contract in the name of the Condominium Board for electricity, gas, air-conditioning, water treatment, elevator, telephone, window cleaning, rubbish removal, security services, vermin extermination and other essential services,, except that the Managing Agent shall not, without the prior approval of the Condominium Board, enter into any such contract having a term longer than one year or requiring annual payments in excess of $2,500;

(4) hiring in its own name all managerial personnel for the efficient discharge of the duties of the Managing Agent. (Compensation for the services of managerial personnel shall be the responsibility of the Managing Agent. The Managing Agent will be required to appoint a qualified property manager who will have the primary responsibility for the management of the Property.)

(5) hiring and supervising such employees of the Condominium as are charged with operation and management of the Condominium;

(6) maintaining in full force and effect all insurance required by the Condominium Board;

(7) maintaining records of cost and expenses incurred and income and receipts received in connection with the operation of the Property;

(8) furnishing to the Condominium Board statements of operations of the Property and assist the Condominium Board in preparing an operating budget setting forth the anticipated income and expenses of the Condominium for the coming year;

(9) accepting applications and obtain references from all prospective Unit Owners, tenants and subtenants; and obtaining credit reports, if deemed advisable, relating to and at the expense of prospective Unit Owners, tenants and subtenants of proposed space, unless otherwise directed by the Condominium Board;

(10) scheduling the moving in and out of units owners, tenants and subtenants;

(11) paying, out of the Condominium's account, bills and invoices for the costs and expenses of operating the Condominium; and

(12) sending notices to the members of the Condominium Board and the Unit Owners regarding, preparing agendas for, and causing a representative of its own organization to attend meetings of the Condominium Board and the Unit Owners, if requested by the Condominium Board.

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

Other Contractual Agreements

It is anticipated that upon commencement of condominium operation, the Property will be subject only to the maintenance, service and concession agreements described in the Footnotes to Schedule B.

IDENTITY OF PARTIES

Sponsor

Sponsor is Escorial 280 SMA, LLC, a Delaware limited liability company, having an office c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003. The principal of Sponsor is David Berger.

Mr. Berger, who has an office at 41 Union Square West, #1423, New York, New York 10003, has been active in real estate for approximately 14 years. He began his career by gaining employment with a real estate investment fund, where he arranged and negotiated investment and portfolio loans. Mr. Berger, along with several others, founded an investment and development firm that acquired, renovated and developed residential properties into for sale condominiums in Baltimore; Philadelphia; Jersey City; New York City; and Greenwich, Connecticut. He was a principal of the sponsor in the condominium offering of 344 Bowery, New York, New York, in 2007.

Except as set forth aboove, neither Sponsor nor Mr. Berger has previously offered properties for sale in New York as cooperatives, condominiums, planned unit development homes or time shares.

Sponsor's Attorneys

Sponsor has retained the law firm of Herrick, Feinstein LLP, having offices at 2 Park Avenue, New York, New York 10016, to represent it in connection with the Plan. Mitchell G. Bernstein, Esq., of such firm has had primary responsibility for the preparation of the Plan and will represent Sponsor in connection with individual Unit closings.

The Selling Agent

The Selling Agent is Town New Development Sales & Marketing, LLC, having an address at 25 West 39th Street, 10th Floor, New York, New York 10018. The firm is duly licensed under the laws of the State of New York as a real estate broker. The firm and its principals have been operating as selling agents in the New York metropolitan area since 2010. The firm has no financial relationship, past or present, with the Sponsor except as Selling Agent, and will be paid fees by the Sponsor in connection with the sale of Units under the Plan.

The Managing Agent

It is anticipated that FirstService Residential New York, Inc., will be the Managing Agent for the Condominium. The Managing Agent, which has offices at 622 Third Avenue, New York, New York 10017, is a licensed real estate management firm and has been in the business of managing multifamily residential properties, including cooperatives and condominiums, for more than 25 years. Currently, the Managing Agent is the managing agent for more than 500 residential buildings in New York City, including the following cooperatives and condominiums: The Plaza Condominium, 306 West 48th Street, 8 Spruce Street (NY by Gehry), 28 East 10th Street, 141 East 88th Street, Morton Square Condominium, 225 Fifth Avenue Condominium, Greenwich Club Condominium and 515 East 72nd Street Condominium.

Architect

The report on the physical condition of the Building and the floor plans included as part of the "**Description of Property and Specifications**" contained in Part II of this Plan as Document Number 4 were prepared by Sponsor's architect, DXA Studio Architecture PLLC, having an office at 894 Sixth Avenue, Fifth Floor, New York, New York 10001. The principals of DXA

Studio Architecture PLLC have been involved in the design and planning of residential and commercial developments since 1999, and DXA Studio Architecture PLLC has been involved in the design and planning of residential and commercial developments since 2007. Their projects include 7 Harrison Street, 140 West Street and 396 Broadway, New York, New York.

Relationship of Parties

Neither Sponsor nor its principal has any financial affiliation with the Selling Agent, the Managing Agent, Sponsor's architect or any other person or firm who will provide services to the Condominium after the First Closing, other than Sponsor's obligation to pay fees for services rendered.

REPORTS TO UNIT OWNERS

Pursuant to the By-Laws, it is the obligation of the Condominium Board

(a) to submit to the Unit Owners and, if so requested, to any Permitted Mortgagee within four (4) months after the end of each fiscal year of the Condominium an annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant;

(b) to give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting no later than five (5) business days prior to the date fixed for the meeting; and

(c) to prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the coming fiscal year of the Condominium not later than ten (10) days prior to the date upon which the first installment of newly determined Common Charges is due. While Sponsor is in control of the Condominium Board the budget shall be certified in compliance with section 20.4(d) of the Regulations promulgated by the Attorney General in Title 13 NYCRR.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan on file and available for inspection without charge and copying at a reasonable charge at the office of the Selling Agent for a period of six (6) years from the date of the First Closing. Sponsor will deliver to the Condominium Board a copy of all Condominium Documents filed with the appropriate recording office at the time of the First Closing.

The Declaration and the By-Laws will be recorded in the Register's Office prior to or concurrently with the First Closing. In addition, a set of the Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate Governmental Authority as conforming to the official tax lot

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The Declaration and the By-Laws will be recorded in the Register's Office prior to or concurrently with the First Closing. In addition, a set of the Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate Governmental Authority as conforming to the official tax lot

number for each such Unit, will be filed with the Register's Office when the Declaration is recorded.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. The Plan does not contain a full summary of all 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 and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding against Sponsor that could materially affect this offering, the rights of Purchasers, the Property, the Condominium, or the operation thereof.

To Sponsor's actual knowledge, the Property has not been the subject of any prior cooperative or condominium offering plans.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of sex, race, creed, color, national origin, ancestry, or other ground proscribed by Applicable Law in the sale of the Units offered by Sponsor pursuant to the Plan or in the leasing of any such Units or any other portion of the Building.

As of the date the Plan was accepted for filing, Sponsor had not entered into any contract or agreement, written or oral, for the sale or transfer of any of the Units offered under the Plan, and no funds had been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Units.

Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise the Plan, including revisions affecting the rights, obligations and liabilities of Sponsor, Purchasers, or prospective Purchasers, without obtaining the consent of such Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in case of uncured default), nor unilaterally change the Purchase Price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. In the case of a material revision adversely affecting in any material respect the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of Sponsor, such Purchasers will be given the right to rescind their Purchase Agreements and be refunded all monies paid thereunder, with interest earned thereon, if any, within thirty (30) days after the Presentation Date of the amendment.

All statements and representations made in the Plan with respect to items prepared by others have been made by Sponsor in reliance upon the Persons responsible for the preparation of such items and their authority as experts.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine, or neuter, includes the other two.

No Person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

SPONSOR'S STATEMENT OF SPECIFICATIONS

Sponsor adopts the report prepared by DXA Studio Architecture PLLC and included as part of the "**Description of Property and Specifications**" contained as Document Number 4 in Part II of the Plan. Sponsor represents that, to the best of its knowledge, said report accurately states the description and specification or building condition as of the date it was prepared. Sponsor represents that it has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Specifications as of such date.

PART II

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DOCUMENT NUMBER 1

PURCHASE AGREEMENT

ESCORIAL 280 SMA, LLC,
as Seller,

with

_____,
as Purchaser.

For Unit Number _____

at

280 ST. MARKS AVENUE CONDOMINIUM
St. Marks Avenue
Brooklyn, New York 11238

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PURCHASE AGREEMENT

made as of the ___ day of _____, 20__

between

ESCORIAL 280 SMA, LLC, as the Seller

and

_____, as the Purchaser

Recitals:

(A) The name of the Condominium is 280 St. Marks Avenue Condominium.

(B) The name of the Seller is Escorial 280 SMA, LLC.

(C) The name of the Purchaser is _____.

(D) The address of the Property is 280 St. Marks Avenue, Brooklyn, New York 11238.

(E) The condominium unit covered by this Agreement is the condominium unit designated in the Declaration as Unit Number _____ (the "**Unit**").

(F) The Common Interest appurtenant to the Unit is _____%

(G) The parking space covered by the Parking License is the parking space designated on the Floor Plans as parking space __.

(H) The storage unit covered by the Storage License is the Storage area designated on the Floor Plans as storage unit __.

(I) The Purchaser's residence address, if an individual, or business address, if an entity, is _____.

(J) The Purchaser's telephone number is _____.

(K) The Purchaser's facsimile number is _____.

(L) The purchase price for the Unit is $_____.

(M) The purchase price for the Parking License is $_____.

(N) The purchase price for the Storage License is $_____.

(O) The Total Purchase Price (the "**Purchase Price**") is $_____.

(P) The first installment of the Down Payment is $_____ (amount equal to 10% of the Purchase Price) and is payable herewith.[1]

(Q) The second installment of the Down Payment is $_____ (amount equal to 10% of the Purchase Price) and is payable upon the earlier to occur of (i) _____ (the date that is six months from the date of this Agreement or (ii) within fifteen (15) days after the date of presentation of an amendment declaring the Plan effective or confirming that the Plan has been declared effective.[1] Notwithstanding the foregoing, if an amendment declaring the Plan effective or confirming that the Plan has been declared effective has previously been accepted for filing by the Department of Law, the Purchaser shall deliver both the first and second installments of the Down Payment herewith.

(R) The balance of the Purchase Price (the "**Balance**") is $_____.

(S) The Purchaser's attorney is:

(a) Name: _____

(b) Address: _____

(c) Telephone Number: _____

(d) Telecopier Number: _____

(e) E-mail Address: _____

1. The Plan. The Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to the Purchaser's signing this Agreement. The Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to be bound by the terms and conditions thereof, as well as all amendments to, the Plan duly filed by the Seller (including, without limitation, amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by the Purchaser or the section of the Plan entitled "**Schedule B: Projected Budget for the First Year of Condominium Operation.**") Any such amendments shall not excuse the Purchaser from performing the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the performance of the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the Purchase Price. Any such amendments may be made by the Seller without the Purchaser's consent or approval; subject to the Purchaser's right to rescind in the event of a material amendment to the Plan or the Condominium Documents which adversely affects in any material respect the Purchaser's rights hereunder or under the Plan as more specifically set forth in the Plan. The Plan is hereby

[1] The term "**Down Payment**" shall be deemed to include the first installment of the Down Payment and the second installment of the Down Payment described above. In no event shall the term Down Payment be deemed to mean any amounts in excess of the amounts actually paid by the Purchaser.

incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. The Purchaser acknowledges having had a full opportunity to examine all documents and investigate all statements made herein and in the Plan.

2. Definitions.

(a) Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Plan, unless the context otherwise requires.

(b) The terms "**closing,**" "**closing of title**" and words of similar import are used synonymously and mean the settlement of the mutual obligations of the Seller and the Purchaser under this Agreement, including the payment to the Seller of the Purchase Price and the delivery to the Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in this Agreement.

3. Agreement to Purchase. The Seller agrees to sell and convey, and the Purchaser agrees to purchase, the Unit for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement.

4. Payment of the Purchase Price.

(a) The Purchaser shall deliver to the Selling Agent payment of the first and second installments of the Down Payment, in the amounts and at the times set forth in Sections (R) and (S) of the Recitals, by Purchaser's check made payable to "Herrick, Feinstein LLP, as Escrow Agent." Each check for an installment of the Down Payment shall be accepted subject to collection. The Balance shall be paid to the Seller by the Purchaser at the closing. Except for the Down Payment, which is to be paid as provided above, any payments to be made by the Purchaser under this Agreement (including, without limitation, the payment of the Balance), whether to, on behalf of or at the request of the Seller, shall be made by unendorsed certified personal check or official cashier's check, in either event made payable to the order of the Seller and drawn on a bank to which checks are presented for payment through the New York Clearing House Association, or at the Seller's option, by wire transfer to an account designated by the Seller; except that at the request of the Seller made at or prior to the closing, the Purchaser shall pay the Balance to such payees as the Seller may direct.

(b) If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by the Purchaser under this Agreement and shall entitle the Seller to exercise any of the remedies set forth in Paragraph 14 hereof. Notwithstanding the foregoing, if a check representing payment of the Down Payment is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by the Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, the Purchaser and the Seller 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 the Purchaser for any of the proceeds of such sale.

5. No Financing Contingency. While the Purchaser is free to seek mortgage financing from any lending institution to purchase the Unit, the rights and obligations of the Purchaser hereunder (including without limitation, the obligation of the Purchaser to close on this transaction) are not conditioned upon the Purchaser's ability to obtain financing for the purchase of the Unit. Accordingly, in the event that the Purchaser fails to pay the balance of the Purchase Price when due, because the Purchaser has been unable to obtain mortgage financing (or otherwise), the Purchaser will be deemed to be in default under this Agreement. Any references in this Agreement to any loan to finance this purchase shall not be deemed to imply that this transaction is contingent in any manner on the Purchaser's obtaining financing.

6. Closing Date and Place.

(a) The closing of title hereunder shall occur on the date and at the time and place in the City and State of New York as the Seller shall designate in a notice given to Purchaser no less than thirty (30) days prior to such scheduled date of closing. The Seller shall have the right to adjourn the date of closing from time to time by written notice to the Purchaser. If the closing is adjourned by the Seller, then the Seller shall fix a new date and time for the closing and shall give the Purchaser not less than ten (10) days' prior written notice of the new scheduled date and time for closing.

(b) The closing of title shall occur only after or concurrently with compliance with the prerequisites to closing of title in the section of the Plan entitled **"Terms of Sale: Closing of Title to Units"** in Part I of the Plan.

7. Deed and Power of Attorney.

(a) On the Closing Date, upon receipt by the Seller of all payments and documents required hereunder, the Seller shall deliver to the Purchaser (except as set forth in subparagraph (c), below) a bargain and sale deed with covenant against grantor's acts in substantially the form as set forth in Part II of the Plan conveying the Unit, together with its appurtenant Common Interest, to the Purchaser as provided in the Plan, subject to the exceptions referred to in the Declaration, the By-Laws, the Plan and the Exhibits. The deed shall be executed and acknowledged by the Seller and shall be in form for recording.

(b) On the Closing Date and simultaneously with the delivery of the deed conveying the Unit to the Purchaser, the Purchaser shall execute and acknowledge a power of attorney to the Condominium Board, the Residential Board and the Seller, which shall be prepared by the Seller and shall be substantially in the form of the Unit Deed set forth in Part II of the Plan. The Purchaser shall pay all recording or other fees in connection with the recording of the power of attorney.

(c) The deed may be delivered by the Seller to the representative of the title company insuring the Purchaser's title (or if no such representative is present, then to the Seller's attorneys or the Purchaser's attorneys). If the deed is delivered to the Seller's attorneys, then it shall be held until picked up by the Purchaser, the Purchaser's attorneys or a representative of the title company insuring the Purchaser's title. The deed shall be marked for return to the Purchaser or the Purchaser's attorneys after recording. The power of attorney may be delivered to the

Purchaser's title company, if any, for recording and shall be marked for return to the Condominium Board or its attorneys after recording.

8. State of Title. On the Closing Date the Seller shall convey, and the Purchaser shall accept, title in fee simple to the Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan and such other matters as the Purchaser's title insurance company or any other title company licensed to do business in the State of New York shall be willing,, without special or additional premium, to omit as exceptions to coverage or to except with insurance against collection out of or enforcement against the Unit.

9. Closing Adjustments.

(a) The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit, except as otherwise provided in the Plan:

(i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and any escrows for real estate taxes;

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

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

(b) If on the Closing Date the Unit has not been separately assessed for the then-current fiscal tax year, the apportionment of real estate taxes shall be based on the Unit's pro rata share, in proportion to its Common Interest, of the then-current real estate taxes assessed against the Property. If the Unit has been separately assessed but the closing occurs before the tax rate is fixed, the apportionment of real estate taxes shall be based upon the latest tax rate applied to the most recent assessed valuation..

(c) Installments for tax assessments and other such charges due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

(d) In the event a mortgage recording tax credit is available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically agreed that such credit shall inure to the benefit of the Seller. Accordingly, at the closing of title, the Purchaser shall be required to pay the full amount of the mortgage recording tax chargeable on the entire amount of mortgage financing the Purchaser has elected to obtain in connection with the purchase of the Unit and the Seller shall be reimbursed to the extent of any mortgage tax credit allowed.

(e) If the Purchaser fails to close on the Closing Date originally specified by the Seller for any reason, then the Purchaser will (i) pay (in addition to all other closing costs) a late fee equal to 0.0411% 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, (ii) reimburse the Seller for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay and (iii) pay

the service fees of the Seller's attorneys of $250 for each default letter sent to the Purchaser and $250 for each notice sent to the Purchaser to reschedule the closing. The provisions of this subparagraph (e) shall not be applicable if, through no fault of the Purchaser, the Seller postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

(f) Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing.

(g) The "Customs in Respect of 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 otherwise provided herein.

10. Closing Costs. The Purchaser, in addition to the legal fees of the Purchaser's attorneys, if any, and the amount of any net adjustments in favor of the Seller and the other payments required under this Agreement, shall pay at the closing any closing costs specified in the Plan, including, without limitation, any processing fees, closing fees to the Seller's attorneys, the required contribution to the Working Capital Fund in an amount equal to one month's Common Charges and other fees and payments.

11. Down Payment to be Held in Trust.

(a) The law firm of Herrick, Feinstein LLP whose address is 2 Park Avenue, New York, New York 10016, and whose telephone number is (212) 592-1400 (the "**Escrow Agent**"), shall serve as escrow agent for Seller and Purchaser.

(b) The Escrow Agent has established an escrow account (the "**Escrow Account**") at Citibank, N.A., located at 666 Fifth Avenue, New York, New York 10103 (the "**Bank**"), a bank authorized to do business in the State of New York. The name of the Escrow Account is "Herrick, Feinstein LLP as escrow agent." The signatories on the Escrow Account, each of whom is admitted to practice law in the State of New York, are Harvey S. Feuerstein, Therese M. Doherty, John R. Goldman, Arthur Jakoby, Irwin A. Kishner, Scott E. Mollen, Richard M. Morris, John C. St. Jeanos, Christopher J. Sullivan and Louis H. Tuchman. Neither the Escrow Agent nor any signatory on the Escrow Account is the Sponsor, the Selling Agent, the Managing Agent or a principal of any of the foregoing, or has any beneficial interest in any of the foregoing.

(c) The Escrow Agent and all designated signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance or release of the Down Payment from escrow.

(d) The Bank is insured by the Federal Deposit Insurance Corporation generally to a maximum of $250,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limitation, amounts deposited directly by such person and the Down Payment held in escrow for such person by the Escrow Agent). If the Down Payment exceeds $250,000, or if the amount of Purchaser's deposits at the Bank and

the Down Payment exceed $250,000, the aggregate of the Down Payment and all other such deposits will generally not be federally insured in excess of $250,000. No representation or guaranty is made by the Escrow Agent or Seller that the Federal Deposit Insurance Corporation will insure Purchaser's funds, if and when called upon to do so.

(e) The Down Payment is to be paid by Purchaser's unendorsed personal check, drawn on a bank to which checks are presented for payment through the New York Clearing House Association. Said check is to be made payable to the order of "Herrick, Feinstein LLP, as Escrow Agent."

(f) The Escrow Account will be interest bearing, and the interest rate to be earned on the Down Payment will be the rate paid from time to time by the Bank for the same type of account as the Escrow Account. Interest will begin to accrue when the check for the Down Payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited. Purchaser must indicate his or her social security number or its employer identification number on this Agreement and on Internal Revenue Service form W-9 (or in the alternative deliver a duly completed and signed Internal Revenue Service form W-8). If there is more than one Purchaser, the social security number or employer identification number of the Purchaser who will be receiving any interest earned on the Down Payment must be noted herein and on Internal Revenue Service form W-9 (or such Purchaser shall deliver a duly completed and signed Internal Revenue Service form W-8). Purchaser's refusal to provide this information with this Agreement will be deemed a waiver of Purchaser's right to receive interest on such Down Payment. Any interest earned on the Down Payment shall be delivered to Purchaser at the closing or earlier termination of this Agreement, unless Purchaser has defaulted hereunder beyond any applicable grace periods, in which event Seller shall be entitled to retain the Down Payment and any interest earned thereon. No fees of any kind may be deducted from the Escrow Account, and Seller shall bear all costs associated with the maintenance of the Escrow Account.

12. Duties of Escrow Agent.

(a) The Escrow Agent is required to sign this Agreement and place the first installment of the Down Payment in the Escrow Account within five (5) business days after this Agreement is tendered to the Escrow Agent together with the first installment of the Down Payment. Within ten (10) business days after the first installment of the Down Payment has been placed in the Escrow Account, the Escrow Agent is required to notify Purchaser and Seller that such funds have been deposited into the Escrow Account and to provide the account number. Subject to the provisions of the next sentence, if Purchaser does not receive notice of such deposit within fifteen (15) business days after the first installment of the Down Payment has been tendered to the Escrow Agent, then Purchaser may rescind this Agreement, so long as such right to rescind is exercised within ninety (90) days after Purchaser's unconditional tender and delivery of the first installment of the Down Payment to Seller or the Selling Agent. Complaints concerning the failure to honor any such rescission requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, New York 10271. Purchaser shall not, however, be entitled either to rescind this Agreement or to receive a refund of the Down Payment where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited and notice as provided above was timely given to Purchaser in conformity with the Attorney General's Regulations. The

Escrow Agent is required to place the second installment of the Down Payment in the Escrow Account within five (5) business days after the second installment of the Down Payment is tendered to the Escrow Agent.

(b) As provided in Section 352-h of the GBL, the Down Payment (but not advances made for upgrades, extras, or custom work received in connection with this Agreement) are and shall continue to be Purchaser's money and may not be commingled with any other money or pledged or hypothecated by Seller.

(c) Under no circumstances shall Seller apply for release of the Down Payment by reason of Purchaser's default until after consummation of the Plan, as evidenced by the acceptance by the Department of Law of a post-closing amendment. Consummation of the Plan does not relieve Seller of its obligations pursuant to Section 352-e(2-b) or Section 352-h of the GBL.

(d) The Escrow Agent shall release the Down Payment if so directed: (a) pursuant to the terms and conditions set forth in this Agreement upon the closing of title to the Unit; (b) in a subsequent writing signed by both Seller and Purchaser; or (c) by a final, non-appealable judgment or order of a court of competent jurisdiction. If the Escrow Agent is not directed to release the Down Payment pursuant to clause (a), (b) or (c) above and receives a request by either party to release the Down Payment, then the Escrow Agent shall give both Purchaser and Seller prior written notice of not less than thirty (30) days before releasing the Down Payment. If the Escrow Agent has not received notice of objection to the release of the Down Payment prior to the expiration of said thirty (30)-day period, the Down Payment 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 Down Payment within said thirty (30)-day period, the Escrow Agent shall continue to hold the Down Payment until otherwise directed pursuant to clause (a), (b) or (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment contained in the Escrow Account (together with any interest earned thereon) with the clerk of the county in which the Unit is located and shall give written notice to both parties of such deposit.

(e) Seller will not object to the release to Purchaser of the Down Payment, provided that Purchaser has timely rescinded this Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; nor shall Seller object to the release of the Down Payment to Purchaser after an amendment abandoning the Plan is accepted for filing by the Department of Law.

(f) Any provision of this Agreement or any other contract or agreement, whether oral or in writing, by which Purchaser purports to waive or indemnify any obligation of the Escrow Agent shall be 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 this Agreement, the Plan, or any amendment thereto.

(g) The Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

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

(i) The Escrow Agent may rely upon any paper or document that may be submitted to it in connection with its duties under this Agreement and that is believed by the 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.

(j) Seller agrees that it shall not interfere with the Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in Sections 352-e(2-b) and 352-h of the GBL and the Regulations promulgated by the Attorney General in Title 13 NYCRR.

(k) Prior to release of the Down Payment, the Escrow Agent's fees and disbursements shall neither be paid by Seller from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

(l) Seller agrees to defend, indemnify and hold the Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of the Escrow Agent's responsibilities arising in connection with this Agreement or the performance or non-performance of the Escrow Agent's duties under this Agreement, except with respect to actions or omissions taken or suffered by the Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Agreement or involving the gross negligence of the 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 the Escrow Agent to itself.

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

of, the Seller, provided that the Unit is released from, or not subject to, the lien of any such mortgage.

14. Default by Purchaser.

(a) Each of the following shall constitute an "**Event of Default**" hereunder:

(i) The Purchaser's failure to pay the second installment of the Down Payment on the date it is payable as set forth in Section (S) of the Recitals or the Purchaser's failure to pay the Balance on the Closing Date as provided herein or in the Plan (including, without limitation, if any check made or delivered by the Purchaser hereunder is dishonored);

(ii) The Purchaser's failure to execute (and have his signature acknowledged, sworn to or affirmed before a notary public, as and when required) and deliver to the Seller on the Closing Date the Unit Owner's Power of Attorney, the New York City Real Property Transfer Tax return, the New York State Real Estate Transfer Tax return, the New York City Real Property Transfer Report or any other document required herein or in the Plan to be executed and delivered by the Purchaser;

(iii) The Purchaser's failure to pay any closing costs or other amounts due and payable pursuant to this Agreement or the Plan; or

(iv) The Purchaser's failure to pay, perform or observe any of the Purchaser's other obligations hereunder or under the Plan.

(v) The occurrence of an Event of Default under any other Purchase Agreement between the Seller and the Purchaser, or between the Seller and any member of the Purchaser's immediate family or any entity owned or controlled by or under common ownership or control with the Purchaser or any affiliate of the Purchaser.

(b) Upon the occurrence of an Event of Default, the Seller, in its sole discretion, may elect by notice to the Purchaser to cancel this Agreement. If the Seller elects to cancel, the Purchaser shall have thirty (30) days from the giving of the cancellation notice within which the Purchaser must cure the specified default. **TIME SHALL BE OF THE ESSENCE** to remedy the specified default within the thirty (30)-day period. If the specified default is not timely cured, then (i) the Seller shall have the right to retain, as liquidated damages, the Down Payment, together with any interest earned thereon; (ii) the Seller shall have the right to sell the Unit to others as though this Agreement had never been made; and (iii) the Purchaser shall not have any further rights against or obligations to the Seller, the Condominium, the Condominium Board or any subsequent purchaser of the Unit. Whether or not the Seller has canceled this Agreement as provided above, if the Seller has not collected the proceeds of any check for any payments due under this Agreement, then the Seller may take such actions at law and in equity as may be required in order to collect such payments and any and all costs of collection, including, without limitation, all attorneys' fees and expenses incurred by the Seller in connection therewith.

(c) Notwithstanding the occurrence of an Event of Default, the Seller may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing

the Seller's right to recover from the Purchaser damages, losses, costs, expenses and all other lawful sums to which the Seller is entitled (including, but not limited to, legal fees and the costs of collection).

15. Seller's Inability to Convey Title. If the Seller is unable to deliver title to the Unit to the Purchaser subject to the Permitted Exceptions set forth in the Plan in accordance with the provisions of this Agreement and the Plan, the Seller shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If the Seller elects to attempt to cure such inability then it shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete such cure. However, the Seller may notify the Purchaser at any time of its refusal either to cure or to continue to cure, as the case may be, such inability and if the Purchaser is then not in default hereunder beyond any applicable grace period, then the Purchaser's sole right and remedy shall be either: (a) to 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 the Seller for damages or otherwise); or (b) to terminate this Agreement. If the Purchaser so elects to terminate this Agreement, the Seller shall, within fifteen (15) days after receipt of notice of termination from the Purchaser, return to the Purchaser all sums deposited by the Purchaser hereunder, together with interest earned thereon, if any, and upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other under this Agreement and the Plan. The foregoing option must be exercised by notice of the Purchaser in writing to the Seller within ten (10) days after the giving of the Seller's notice of refusal to cure such inability. If the Purchaser fails to give such notice to the Seller within said ten (10) day period, with **TIME BEING OF THE ESSENCE**, it shall be conclusively deemed that the Purchaser has elected to acquire title to the Unit subject to such inability as aforesaid.

16. Transfer Taxes. The Purchaser shall pay all real property transfer taxes (including, without limitation, the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax, and, if applicable, the additional New York State Real Estate Transfer Tax known as the "mansion tax"), recording and other fees in connection with this transaction and the recording of the deed. The Purchaser's responsibility to pay real property transfer taxes shall include any increases or additions to such taxes that are due by reason of the fact that the Purchaser is paying such taxes instead of the Seller. The Seller and the Purchaser shall duly execute and, if and to the extent required, swear to or affirm any transfer tax return and any other form then required by law, all of which shall be prepared by the Seller.

17. Agreement Subject to Plan Being Declared Effective. The performance by the Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned at any time prior to its becoming effective as provided in the Plan and thereafter upon certain terms and conditions as provided in the Plan. If the Plan is abandoned or does not become effective or if after being declared effective the Plan shall not be consummated for any reason, then this Agreement shall be deemed canceled and the Plan terminated on the date specified in a notice thereof by the Seller to the Purchaser. Within forty-five (45) days thereafter, the Purchaser shall receive a refund in full of the Down Payment together with interest earned thereon, if any (except as provided in Paragraph 14 hereof), and,

upon such refund neither party shall have any further rights, obligations, or liability to or against the other or the Condominium under this Agreement and the Plan.

18. Construction.

(a) The Seller shall complete the construction of the Unit and the Building contemplated under the Plan in accordance with the provisions of the Plan. The Purchaser acknowledges and agrees that, among other things, under the Plan, the Seller has the right to modify and amend the Plans and Specifications, including, among other things, in order to substitute materials, equipment or fixtures, all in accordance with the provisions of the Plan. The Purchaser also acknowledges and agrees that (i) completion of the construction will occur in accordance with the provisions of the Plan notwithstanding the fact that there may be any number of items within the Unit or elsewhere on the Property that remain uncompleted as of the Closing Date, and (ii) no escrow will be required in connection therewith. The Seller however will be obligated to complete any such uncompleted items after the closing.

(b) The Purchaser shall permit the Seller and its designees access to the Unit for the purpose of completing any such construction renovations in accordance with the provisions of the Plan or satisfying any of the Seller's other obligations under the Plan or under any Agreement for a Unit other than the Unit.

(c) The Purchaser acknowledges and agrees that: (i) the obligations of the Seller under this Agreement or the Plan, including the obligation to complete the improvements described in the Plans and Specifications are subject to delay resulting from acts of God, strikes, lockouts, weather, floods, epidemics, quarantine restrictions, freight embargo, shortages of or inability to obtain adequate materials, equipment or labor, governmental restrictions or preemptions, damage by fire or the elements or any other cause over which the Seller does not have control, and the period within which the Seller must complete any of its obligations, if any, shall be extended by the period of any such delay; (ii) the Seller will not be liable for and will have no obligation to correct certain variations from the Plans and Specifications as provided in the Plan and will only be responsible to correct certain construction defects to the extent and on the terms and conditions set forth in the Plan; and (iii) the Seller will not be liable to the Purchaser for any delay in completing its obligations hereunder or under the Plan or closing hereunder.

19. Fixtures, Appliances and Personal Property. Only those appliances, fixtures, furnishings and items of personal property that are described in the Plan as being part of the Unit and are actually located in the Unit on the Closing Date are included in the sale of the Unit pursuant to the provisions of this Agreement. The Purchaser acknowledges and agrees that other than as expressly provided in the Plan, the Seller makes no representation in connection with such appliances, fixtures, furnishings and items of personal property, and the Seller expressly disclaims any implied warranties of merchantability or fitness for a particular purpose. Furniture, wall coverings, furnishings, decorations and the like in or about any model apartment are for display purposes only and are not included in the sale. Any floor plans or sketches shown to the Purchaser are only approximations of the Unit's dimensions and arrangement, and the Purchaser should not rely thereon. There shall be no modifications or extras unless agreed to in writing by both the Purchaser and the Seller. All modifications, alterations and additions to the Unit must be

approved by the Seller in writing and, if approved, shall be performed by the Seller at the Purchaser's expense (payable in a manner to be set forth in an addendum to this Agreement or in a separate agreement).

20. Acceptance of Unit. The Purchaser will accept title to the Unit without any reduction or postponement of payment of the Purchase Price even if construction of the Unit is not fully completed although substantially completed as provided in the Plan, and the renovations to the Building, other Units and the Common Elements have not been completed within the time frame (if any) projected in the Plan. The Purchaser agrees to inspect the Unit with the Seller's representative during normal business hours before the Closing Date and to sign and deliver to the Seller before that time an inspection statement in the form attached to this Agreement as Exhibit A (the "**Inspection Statement**"), showing the condition in which the Purchaser has received the Unit. The Purchaser acknowledges and agrees that: (i) acceptance by the Seller of the Inspection Statement shall not constitute an agreement by the Seller to cure the exceptions noted therein, and Seller's sole obligation with respect to the same shall be as provided in the Plan; (ii) notwithstanding the fact that there may be construction items noted on the inspection statement that the Seller has the obligation to correct under the Plan, the Purchaser shall nonetheless be obligated to close on the Closing Date and pay the full Purchase Price without provision for any escrow. The Purchaser shall sign and deliver a separate statement signifying its satisfaction with each item excepted in Exhibit A, if any, immediately upon completion of the repair and adjustment or correction of the same. The Purchaser also acknowledges and agrees that the Seller shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof, or its fixtures, appliances, equipment, etc., contained therein, from and after the date of delivery of possession of the Unit to the Purchaser, except for those items, if any, expressly excepted in Exhibit A to the extent the Seller is required to repair, adjust or correct the same under the Plan, and the Seller's obligation regarding any such excepted items shall cease upon either the completion of the repair, adjustment or correction of the same or the assignment to the Purchaser of any applicable warranty covering the same. Nothing contained herein shall be construed to expand the Seller's obligations to correct defects in design or construction beyond those expressly required under the Plan under "**Rights and Obligations of Sponsor.**"

21. Damage to the Unit.

(a) The Purchaser shall not be entitled to occupy the Unit until the deed is delivered to the Purchaser at closing, unless the Seller, in its sole and absolute discretion, grants possession of the Unit to the Purchaser. If the Purchaser is given possession of the Unit prior to closing then the Purchaser shall assume the risk of loss and the obligation to repair and shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from casualty, the Purchaser's use and occupancy or from the acts or negligence of the Purchaser's guests, contractors, subcontractors, licensees, agents, employees or other invitees or otherwise and the Seller shall not be obligated to make any repairs to the Unit or any fixtures, machinery, equipment, furnishings, appliances, installations or other personal property contained therein.

(b) Except as provided in subparagraph (a), above, all other risk of loss prior to closing shall be assumed by the Seller, but without any obligation or liability of the Seller to repair the damage or restore the Unit. If the Seller or (if the Declaration has been recorded) the

Unit Owners elect, pursuant to the Condominium Documents, to repair or replace the loss or damage, in the event of a fire or other casualty, this Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement of, the Purchase Price, and the Seller shall be entitled to a reasonable period of time to complete (or to permit the Condominium Board to complete) such repairs or replacement. The Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been substantially repaired to as near as reasonably possible its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong entirely to the Seller (subject, if the Declaration has been recorded, to the rights, if any, of the Boards and the other Unit Owners) and if such proceeds are paid to the Purchaser, the Purchaser shall promptly upon receipt turn them over to the Seller.

(c) If the Seller notifies the Purchaser that it does not elect to repair or restore the Unit or (if the Declaration has been recorded) if the Unit Owners do not resolve to make such repairs or restore the Unit pursuant to the Condominium Documents, this Agreement will be deemed canceled and of no further force or effect and the Seller will instruct the Escrow Agent to return to the Purchaser all sums deposited hereunder (with interest, if any, earned thereon) whereupon the parties will be released and discharged from all obligations and liability hereunder and under the Plan, except that if the Purchaser is then in default hereunder (beyond any applicable grace period), the Seller will retain the Down Payment, together with any interest earned thereon, pursuant to Paragraph 14 above.

(d) The Purchaser expressly waives the provisions of Section 227 of the Real Property Law and agrees that the provisions of this Paragraph 21 shall govern and control in lieu thereof.

22. No Representations. Except as set forth in the Plan, the Seller has not made, does not make and is unwilling to make any representations as to the condition, income, expenses, tenants, use, operation or any other matter or thing affecting or relating to the Property or title thereto or the transactions contemplated hereby. The Purchaser acknowledges and represents that, except as expressly set forth in the Plan or in this Agreement, the Seller has not made and the Purchaser has not relied upon any representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by the Seller, whether consisting of or contained in any architect's plans, sales plans, selling brochures, advertisements or otherwise, including, but not limited to, any relating to: (a) the description or physical condition of the Property or the Unit, or the size or the dimensions of the Unit, or any other physical characteristics thereof; (b) the services to be provided to Unit Owners; (c) the estimated Common Charges allocable to the Unit; (d) the right to any income tax deduction for any real estate taxes or mortgage interest paid by the Purchaser; (e) the current or future real estate tax liability, assessment or valuation of the Property or the Unit; (f) the potential qualification of the Property or the Unit for any and all benefits conferred by federal, state or municipal laws, whether for subsidies, special real estate tax treatment, insurance, mortgages, or any other benefits, whether similar of dissimilar to those enumerated; (g) the compliance of the Unit or the Property, in its current or any future state with applicable zoning ordinances and the ability to obtain a variance in respect to any non-compliance, if any, with said zoning ordinances; (h) the

availability of any financing for the purchase, alteration, rehabilitation or operation of the Unit or the Property from any source, including but not limited to the state, city or federal government or any Institutional Lender; (i) the current or future use of the Unit or the Property; (j) the current or future condition and operating state of any and all machinery or equipment in the Unit or on the Property and the current or future structural and physical condition of the Unit, the Building or any other improvements to the Property or their suitability for rehabilitation or renovation; (k) the state of title to the Unit; (l) the availability of any views from the Unit or from any other portion of the Building now or in the future or the ability of any other owner of real property, wherever situated, to erect a structure on such owner's real property which may obstruct the view from the Unit or from the Property or the ability of any other owner of real property wherever situated to change the height, bulk or density of any existing building or to change the zoning so as to permit a change in the height, bulk or density of a building that may be constructed in the future on such owner's property, and (m) the presence or absence of violations of Applicable Law; the Purchaser having relied solely on its own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of the Seller except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. The Purchaser agrees that the Seller and its agents and contractors will have no liability to the Purchaser nor shall the Purchaser be relieved of any of its obligations hereunder if there is a minor error or inaccuracy in the layout or dimensions of the Unit or of the Common Elements of the Condominium, as shown on the Floor Plans.

23. Broker. The Purchaser represents to the Seller that except for any co-broker identified below in this Paragraph 23, the Purchaser has not dealt with any broker other than the Selling Agent in connection with this transaction. The Purchaser agrees that should any claim be made against the Seller for commissions by anyone other than the Selling Agent or any co-broker identified below in this Paragraph 23 based on alleged dealings with the Purchaser or the Purchaser's representatives, the Purchaser shall (i) give testimony to such effect in any case, action or proceeding by any broker other than the Selling Agent (or any such co-broker), and (ii) indemnify and hold the Seller harmless from and against any and all liabilities, claims, damages, costs and expenses (including, but not limited to, reasonable attorneys' fees and expenses) arising out of or in connection with any claim for commissions or other compensation with respect to this transaction or with respect to the Purchaser.

Co-Broker: _____

24. Assignment. The Seller may assign this Agreement without limitation. The Purchaser shall not have the right to assign this Agreement without the prior written consent of the Seller, which may be granted or withheld in the Seller's sole and absolute discretion. If the Purchaser is a corporation, partnership, limited liability company or other entity, the sale, transfer, assignment, pledge, encumbrance or other disposition of an ownership interest in such entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the prohibition set forth above.

25. Purchaser's Representations. The Purchaser represents to the Seller and the Condominium as follows:

(a) If the Purchaser is an individual, the Purchaser is over 18 years of age and resides in the State of New York.

(b) If the Purchaser is an entity, it is legally authorized to acquire the Unit and has an office for the conduct of its business in New York.

(c) The Purchaser is not purchasing as an accommodation to, or for the account or benefit of, the Seller or its principals.

26. Access to Unit. The Purchaser shall not be entitled to have access to the Unit prior to the closing of title thereto without obtaining the Seller's prior written consent. If the Purchaser is permitted such access, the Purchaser shall release the Seller from any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from any injuries sustained by any person or damage to any property resulting from such access, even if such injury results from the negligence of the Seller, the Selling Agent, or any of their respective agents, employees, contractors or representatives. In addition, the Purchaser shall indemnify and hold the Seller, the Selling Agent and their respective agents, employees, contractors and representatives harmless from and against any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from such access, including, without limitation, reasonable attorneys' fees and expenses. If the Purchaser is obligated to repair the damage, then the Purchaser's failure to make such repair shall not excuse the Purchaser from paying the Balance and accepting delivery of the deed.

27. Liability of Seller. The Seller 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, lock-out, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of the Seller. The Seller's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

28. Acceptance of Agreement. No binding obligation will arise hereunder until this Agreement is executed by both the Purchaser and the Seller (or the Seller's duly authorized agent) and one fully executed copy has been delivered to the Purchaser and two fully executed copies have been delivered to the Seller. If within twenty (20) days after the Selling Agent receives this Agreement signed by the Purchaser, a copy of this Agreement signed by the Seller of its authorized agent is not sent or delivered to the Purchaser, then it will be deemed rejected and of no force or effect and all monies paid by the Purchaser shall be refunded, without interest, within ten (10) days thereafter. Upon such refund being made, neither party will have any further rights, obligations or liabilities hereunder with respect to the other or any other party connected with the Plan. This Agreement may not be rejected by reason of the Purchaser's sex, race, creed, color, national origin, ancestry or other ground proscribed by law. The Seller has the right,

without incurring any liability, to reject this Agreement without cause or explanation to the Purchaser.

29. Notices. Notices hereunder shall be in writing and shall be either (i) personally delivered (with receipt acknowledged) or (ii) mailed by registered or certified mail, return receipt requested (or, with respect to notices given pursuant to Paragraph 12(a), by regular, first-class mail) or (iii) sent by overnight courier (with receipt acknowledged), to the parties as follows: to the Purchaser, at the address first stated in this Agreement and to the Seller c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003, (the "Grantor"), with a copy in like manner to Herrick, Feinstein, LLP, 2 Park Avenue, New York, New York 10016, Attention: Mitchell G. Bernstein, Esq. (Telecopier No.-(212) 545-3308; e-mail address-mbernstein@herrick.com. Any of the parties noted in this Paragraph 29 may change his, her or its address for purposes of this Paragraph 29 by giving notice thereof to the other parties in the manner provided above. Herrick, Feinstein LLP may give notices on behalf of the Seller. Notices shall be deemed given on the same day if personally delivered, the next business day if sent by overnight courier, or five (5) days after mailing if sent by registered or certified mail, return receipt requested (or, with respect to notices given pursuant to Paragraph 12(a), by regular, first-class mail). Notwithstanding the foregoing, no notice of change of address shall be deemed given until actually received.

Written adjournments and extensions of time signed by an attorney for a party shall be binding upon that party. Notices may be delivered via electronic mail or by telecopier by and between the parties' attorneys and shall be deemed given on the day of transmission. The attorneys for the parties are authorized to give and receive notices on behalf of their respective clients.

30. Seller's Right to Make Changes in Materials, etc. The Seller reserves the right to make changes or substitutions of materials or construction for items as set forth in the Plan or the Plans and Specifications, provided any such changes are of comparable value and quality.

31. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if there is more than one purchaser, in which case the obligations of the Purchasers shall be joint and several.

32. Limited Warranty.

(a) The limited warranty annexed hereto as Exhibit B and by this reference made a part hereof (the "**Limited Warranty**") is in place of and excludes the Housing Merchant Implied Warranty, as defined in Article 36-B of the New York General Business Law, as the same may be amended from time to time; and also excludes all other warranties, express or implied, including any warranties of merchantability or fitness for a particular purpose in connection with this Agreement and the construction and sale of the Unit. There are no warranties that extend beyond the face hereof

(b) Purchaser acknowledges that prior to the execution of this Agreement by Purchaser, Seller supplied to Purchaser for examination, and Purchaser received, read and understood, a written copy of the express terms of the Limited Warranty.

33. Survival of Seller's and Purchaser's Obligations. All of the obligations of the Seller under this Agreement shall be deemed satisfied upon delivery of the deed to the Unit and the closing of title hereunder, and no obligations of the Seller shall survive delivery of the deed except as otherwise expressly provided in this Agreement or the Plan. Except where the context otherwise requires, all the representations, warranties, and obligations of the Purchaser under this Agreement shall survive delivery of the deed and the closing of title hereunder, whether or not specifically so stated in any particular provision.

34. Further Assurances. The Purchaser shall execute, acknowledge and deliver to the Seller such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as the Seller may reasonably request in order to effectuate the provisions of this Agreement or any transaction contemplated herein or to confirm any of the obligations of the Purchaser hereunder or any right to be created or transferred hereunder or pursuant to any such transaction.

35. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable either 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 Applicable Law.

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

37. Prohibition Against Advertising. Prior to the closing of title, the Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without the Seller's prior written consent, which consent may be withheld or delayed for any reason or no reason.

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

39. Waiver of Jury Trial. Except as prohibited by Applicable Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created hereby. 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.

40. No Recordation. This Agreement shall not be recorded by the Purchaser without the Seller's prior written consent. Any purported recordation thereof by the Purchaser shall be void and constitute an Event of Default by the Purchaser hereunder.

41. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties hereto and constitutes the entire agreement between them. The Purchaser acknowledges and agrees that the Plan may be amended by the Seller from time to time as provided in the Plan and that this Agreement may be amended by the Seller to conform to the provisions of any such amendment by delivering to the Purchaser a notice thereof, subject however to any rights which the Purchaser may have to rescind this Agreement as provided in the Plan.

42. 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 the context otherwise requires. The term **"including"** shall be deemed to mean **"including, without limitation,"** whether or not so stated in the text.

43. 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.

44. Successors and Assigns. Without limiting the provisions of Paragraph 24, the provisions of this Agreement shall bind the Purchaser and its heirs, legal representatives, successors and assigns and inure to the benefit of the Purchaser's heirs, legal representatives and permitted assigns and shall bind and inure to the benefit of the Seller and its successors and assigns.

45. No Oral Changes. This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereof at the time of execution hereof, in a separate written agreement signed by the parties.

[The next page is the signature page.]

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

SELLER: ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

PURCHASER(S):

_____
Name:

_____
Name:

ESCROW AGENT (agreed to as to Paragraphs 11 and 12 only):

Herrick, Feinstein LLP

By: _____
Name:

EXHIBIT A TO PURCHASE AGREEMENT

INSPECTION STATEMENT

Re:

Gentlemen:

This to confirm that based on the undersigned's personal inspection of the above referenced Unit, I (we) have found the Unit, its floors, walls, doors, fixtures, appliances, equipment, hardware and all other items listed below, to be in good and satisfactory condition, free of chips, mars, scratches, breaks or other defects, except for those matters (if any) expressly noted below under "Exceptions" requiring repair, adjustment or correction:

Item	Exceptions (if any)	Purchaser's Initials
1. Unit interior:		
(a) Walls:	_____	_____
(b) Floors:	_____	_____
(c) Ceilings:	_____	_____
(d) Windows:	_____	
(glass, sash, pane, sill, etc.)	_____	_____
(e) Doors:	_____	_____
(f) Electrical Fixtures:	_____	_____
(g) Painted Surfaces:	_____	_____
(h) Kitchen Cabinets:	_____	_____
(i) Appliances:	_____	_____
(j) Kitchen Sink:	_____	_____
(k) Bathroom Cabinets:	_____	_____
(l) Bathroom Mirrors:	_____	_____
(m) Bathroom sinks:	_____	_____

(n) Water closet:_____ _____

(o) Bathtubs:_____ _____

(p) Shower door:_____ _____

(q) Bathroom Floor and Walls:_____ _____

(r) Hardware:_____

(doorbell, doorknob, faucets, locks, etc.)_____ _____

(s) Other: _____ _____

2. General Operating Condition:

All Doors:_____ _____

All Windows:_____ _____

All Plumbing:_____ _____

All Hardware:_____ _____

Other:_____ _____

The undersigned will sign and deliver to you a separate statement signifying my (our) satisfaction with each item excepted above (if any), immediately upon completion of the repair, adjustment or correction of same. The undersigned understands and agrees that you shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or its fixtures, appliances, equipment, etc., contained therein from or after the date of delivery of possession of the Unit to the undersigned, except as to those items (if any) expressly excepted above (and your obligation regarding any such excepted items shall cease upon the completion of the repair, adjustment or correction of same). Nothing contained herein shall be construed to excuse the Seller from its obligations to correct defects in construction to the extent required in the section entitled "Rights and Obligations of Sponsor" contained in the Offering Plan for Condominium Ownership of the captioned premises.

Dated: _____

Very truly yours,

_____
Purchaser's signature

_____
Purchaser's signature

Dated: _____

_____
Seller's Representative

RIDER TO CONTRACT OF SALE

LIMITED WARRANTY

Warranty No. _____

NAME OF PURCHASER(S):

ADDRESS OF PURCHASER(S):

ADDRESS OF UNIT WARRANTED:

NAME OF SPONSOR:

ADDRESS OF SPONSOR:

WARRANTY DATE:

SPONSOR'S LIMIT OF
TOTAL LIABILITY:

THIS LIMITED WARRANTY EXCLUDES ALL CONSEQUENTIAL AND INCIDENTAL DAMAGES EXCEPT AS REQUIRED BY NEW YORK STATE LAW

1. **To Whom Given**. This Limited Warranty is extended to the Purchaser named on the first page of this Rider to Purchase Agreement while the Purchaser owns the Unit. It does not extend to subsequent owners, heirs, tenants or mortgagees in possession of any unit, anyone who may succeed to the rights of the Purchaser or any other persons.

2. **By Whom Made**. This Limited Warranty is made exclusively by the Sponsor whose name and address appear on the first page of this Rider to Purchase Agreement.

3. **Final Inspection of the Unit**. Before the Purchaser moves into the Unit or accepts the deed, the Sponsor will set up an appointment for final inspection of the Unit with the Purchaser. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature--such as mars, chips, dents, cracks, or scratches--that may have occurred during the final stages of finishing the Unit, or any unfinished work caused by back-orders beyond the Sponsor's control. The Sponsor may also point out other defects known to have occurred during the construction process and that remain uncorrected at the time of the inspection.

All defects or flaws found on final inspection of the Unit will be itemized on a Final Inspection Sheet, which will include a schedule for each items that will be corrected. The Final Inspection Sheet will be signed by the Purchaser and the Sponsor before occupancy of the Unit or transfer of the deed.

When the Purchaser moves into the Unit or accepts the deed, the Sponsor's responsibility is limited to:

(a) completion of items shown on the Final Inspection Sheet, as provided in the Final Inspection Sheet, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below. The purpose of the Limited Warranty is to identify the Sponsor's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

4. **Limited Warranty**. This Limited Warranty excludes all other warranties on the construction and sale of the Unit and its components, both express and implied. There are no warranties which extend beyond the fact hereof.

5. **Warranty Coverage and Periods**. The Warranty Period for all coverages begins on the Warranty Date shown on first page of this Rider to Purchase Agreement. (This Warranty Date is the date that the Purchaser, or a member of the Purchaser's family, takes title to the Unit or any person begins residential occupancy of the Unit, whichever date is earlier.) It ends at the expiration of the coverages shown below:

FIRST YEAR BASIC COVERAGE: for one year from the Warranty Date, the Unit will be free from latent defects that constitute:

(a) defective workmanship performed by the Sponsor, an agent for the

Sponsor or subcontractor of the Sponsor;

(b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes in New York City, the Building Code of the City of New York).

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Warranty Date, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Sponsor are warranted to be free from latent defects that constitute defective installation by the Sponsor.

Installation will be considered to be defective if the Sponsor's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes in New York City, the Building Code of the City of New York).

The Plumbing System means: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connections.

The Heating, Cooling and Ventilation System means: all duct work, steam, water and refrigerant lines, registers, connectors, radiation elements and dampers.

All systems are exclusive of appliances, fixtures and items of equipment.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: For six years from the Warranty Date, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

(a) defective workmanship performed by the Sponsor, an agent for the Sponsor or subcontractor of the Sponsor;

(b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for homes in New York City, the Building Code of the City of New York).

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Unit or the Building caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof-framing systems.

Damage to the following non-load bearing portions of the Unit or the Building do not constitute a Material Defect for the Material Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Unit or the Building; electrical, plumbing, hearing, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim cabinets; hardware; insulation.

6. **Exclusions from all Coverages**. The following are excluded from the Basic Coverage, Major System Coverage and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.

(b) Loss or damage caused by defective materials supplied by any person other than the (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.

(c) Loss or damage caused by defective design provided by any person other that a design professional retained exclusively by the Sponsor.

(d) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Unit or the Building prior to acceptance of the deed or occupancy of the Unit ought to have revealed.

(e) Defects in outbuildings (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Unit or the Building); site located recreational facilities; driveways; walkways; patios; boundary wall; retaining wall; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvement or any other improvements not a part of the Unit or the Building itself.

(f) After the first year Basic Coverage, concrete floors of basement that are built separately from foundation walls or other structural elements of the Unit or the Building.

(g) Damage to real property which is not part of the Unit or the Building covered by this Limited Warranty and which is not included in the purchase price of the Unit.

(h) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Sponsor, its employees, agents, or subcontractors; or

(ii) failure by the Purchaser or anyone other than the Sponsor, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Sponsor of any defects or damage within a reasonable time; or

(iv) changes in the grading of the ground by anyone other than the Sponsor, its employees, agents or subcontractors; or

(v) changes, alterations or additions made to the Unit or the Building by anyone after the Warranty Date shown on the first page of this Rider to Purchase Agreement; or

(vi) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Unit or the Building.

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable change in the underground water table.

(k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damages which the Unit Owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage.

(p) Bodily injury or damage to personal property.

(q) Failure of the Sponsor to complete construction of the Unit or the Building.

(r) Loss or damage when which arises while the Unit is being used primarily for nonresidential purposes.

(s) Loss or damage due to abnormal loading floors by the Unit Owner which exceeds design loads as mandated by the Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair.

(u) Consequential damages (except where required by state law).

(v) Any claim not filed in a manner set forth below in Paragraph 8, "Step-by-Step Claim Procedures."

(w) Sheetrock nails popping or seams cracking or bulging.

(x) Small separations in flooring and trim joints.

(y) Tile grout in ceramic work.

(z) Small cracks in concrete floors, sidewalks, parking pads, curbs, porches, walls and other concrete work.

(aa) Curb trees, yard trees, and sod.

(bb) Recaulking and repainting of exterior due to drying, settlement and weather conditions.

(cc) Doors, studs or beams warping as this is to be considered a natural occurrence.

7. **Warranty**. If a defect occurs in an item covered by this Limited Warranty, the Sponsor will repair, replace or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s) within a reasonable time after the Sponsor's inspection or testing discloses the problem. The choice among repairs, replacement or payment is solely that of the Sponsor.

In no event will be Sponsor's total liability for deficiencies under this Limited Warranty exceed the Sponsor's Limit of Total Liability, shown on the first page of this Rider to Purchase Agreement.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (i) the repair of damage to the load-bearing portions of the Unit or the Building themselves which is necessary to restore their load-bearing function; and (ii) the repair of those

items of the Unit or the Building damaged by the Major Structural Defect which made the Unit or the Building unsafe, unsanitary or otherwise unlivable.

When the Sponsor finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed and delivered to the Sponsor.

8. **Step-by-Step Claims Procedures**.

(a) Written notice of any warranty claim must be made on the attached "Notice to Warranty Claim Form" and must be received by the Sponsor, identified on the first page of this Rider to Purchase Agreement, no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Sponsor by that deadline, the Sponsor will have no duty to respond to any complaint or demand, and any or all claims may be rejected. **NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.**

(b) No steps taken by the Sponsor, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Sponsor's response to any complaint or request, other than a timely and properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Sponsor, including but not limited to the Sponsor's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Sponsor and the Sponsor's agent will have the right to inspect and test the portion of the Unit or the Building to which the claim, complaint or request relates. The Purchaser and occupants of the Unit or the Building must provide reasonable access to the Sponsor and the Sponsor's agents during normal business hours to complete inspection, testing and repair or replacement.

(d) The Sponsor will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Sponsor will determine whether to accept or reject the claim. If the Sponsor rejects the claim, the Sponsor will give written notice of that decision to the claimant at the address shown on the Notice of Claim Form. If the Sponsor accepts the claim, the Sponsor will take corrective action within a reasonable time under the circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Claim Form. The Sponsor will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to whether conditions, acts of God, availability of materials, and other events beyond the Sponsor's control.

9. **Legal Claims**.

(a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Sponsor in any Court or forum unless notice of the claim or cause of action has been received by the Sponsor in a timely and properly completed Notice of Warranty Claim Form as provided in Paragraph 8 above.

(b) No suit, action and proceeding against the Sponsor under this Limited Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverage under Paragraph 5 of the Limited Warranty, or (ii) sixty calendar days after the Warrantor has given written notice of rejection of claim or completion of corrective action as provided in Paragraph 8(d) above.

10. **General Provisions**.

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Sponsor and the Purchaser, their heirs, executives, administrators, successors and assigns.

(c) Should any provision of the Limited Warranty be deemed unenforceable by a court of competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes all other genders, and use of the plural includes the singular, as may be appropriate.

(e) This Limited Warranty is to be governed in accordance with the laws of New York State.

SELLER: ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

PURCHASER(S):

_____
Name:

_____
Name:

NOTICE OF WARRANTY CLAIM FORM

Dear Unit Owner:

To ask the Sponsor to correct a defect in your Unit or the Building that you think is covered by the Sponsor's Limited Warranty, you must complete this form and deliver it to the Sponsor. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Sponsor is aware of the problem, fill out this form and deliver it to the Sponsor.

The information you will need to fill out the form will be on page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't Know." Please do not leave any item blank.

Your Name: _____

Mailing Address: _____

_____

Phone: _____

Limited Warranty No.: _____

Warranty Date: _____

Describe the defect(s) that you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem.

_____ _____

(signature) (date)

_____ _____

(signature) (date)

HF 10009253v.1

DOCUMENT NUMBER 2

EXHIBIT E

UNIT OWNER'S POWER OF ATTORNEY

All terms used in Unit Owner's Power of Attorney that are used (a) in the declaration establishing a plan for condominium ownership of the premises known as 280 St. Marks Avenue Condominium (the "Condominium") and by the street number 280 St. Marks Avenue, Brooklyn, New York 11238, under Article 9-B of the Real Property Law of the State of New York, dated _____, 20__, and recorded in the New York County office of the Register of the City of New York, as CRFN _____ (the "Declaration"), or (b) in the by-laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration; shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, [having an office][residing]* at _____, the owner of the condominium unit (the "Undersigned's Unit") known as Unit No.___ in the Condominium, said condominium unit being designated as Tax Lot ___ in Block 1152 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans, [does][do]* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interest, from any Unit Owner so desiring to sell, convey, transfer, assign or lease, (b) to acquire any Unit, together with its Appurtenant Interest, whose owner elects to surrender such Unit pursuant to the terms of Section 6.4.2 of the By-Laws, and (c) to acquire any Unit, together with its Appurtenant Interest, that becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of subdivision 1(a) or 1(c) of this paragraph) at such price or at such rental, as the case may be, as such attorneys-in-fact deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as such attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in such premises that the undersigned could do if the undersigned were personally present, and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium 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, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction,

* Delete whichever is inapplicable.

easement or declaration, or any amendment thereto, affecting the condominium that the Condominium Board deems necessary or appropriate.

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

The undersigned [does][do]* hereby irrevocably nominate, constitute and appoint Declarant as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of such documents, when such amendment (i) shall be required to reflect any changes in Unsold Units or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Declarant in accordance with Article 8 of the Declaration or (ii) shall be required by (A) an institutional lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (B) any governmental agency having regulatory jurisdiction over the Condominium, or (C) any title insurance company selected by Declarant to insure title to any Unit; provided, however, that any amendment made pursuant to the terms of subdivisions (i) or (ii) of this paragraph will not (x) change the Common Interest of the Undersigned's Unit, (y) require a material, physical modification to the Undersigned's Unit, or (z) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivisions (x) or (y) of this paragraph) or the holder of such mortgage (in the event described in (z) of this paragraph) shall consent thereto by joining in the execution of such amendment. 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 Declarant shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned [has][have]* executed this Unit Owner's Power of Attorney as of the ___ day of _____, 20__.

_____

_____

* Delete whichever is inapplicable.

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ___ day of _____ 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) are subscribed to the within instrument, and acknowledged to me that (he) (she) (they) executed the same in (his) (her) (their) capacity, 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 _____ 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) are subscribed to the within instrument, and acknowledged to me that (he) (she) (they) executed the same in (his) (her) (their) capacity, 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

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DOCUMENT NUMBER 3

CONDOMINIUM UNIT DEED

THIS INDENTURE is made as of the __ day of _____ 20__, by and between ESCORIAL 280 SMA, LLC, a Delaware limited liability company, having an address c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003 (the "Grantor"), and _____, [having an office][residing]* at _____ (the "Grantee").

WITNESSETH

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

The Condominium Unit known as Unit __ (the "Unit") in the building known as 280 St. Marks Avenue Condominium and by the street number 280 St. Marks Avenue, Brooklyn, New York 11238 (the "Building"), said Unit being designated and described as Unit No. __ in that certain declaration dated _____, 20__, made by the Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), establishing a plan for condominium ownership of the Building and the land upon which the Building is situated (the "Land"), which Land is more particularly described on Schedule A annexed hereto and by this reference made a part hereof, and which declaration was recorded in the New York County office of the Register of the City of New York (the "Register's Office"), on the ____ day of _____ 20__, as CRFN _____ (such declaration and any amendments thereto being referred to hereinafter, collectively, as the "Declaration"); said Unit also being designated as Tax Lot __ in Block 1152 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of the Building certified by DXA Studio Architecture PLLC on the ____ day of _____ 20__, and filed with the Real Property Assessment Department of the City of New York on _____, 20__, as Condominium Plan No.____ and also filed in the Register's Office on _____, 20__, as Condominium Map No. ____;

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

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

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and in the By-Laws of 280 St, Marks Avenue Condominium, as the same may be amended from time to time (the "By-Laws"), all of which 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 recited and stipulated at length herein; and

---

* Delete whichever is inapplicable.

SUBJECT also to such other liens, agreements, covenants, easements, licenses, restrictions, consents and other matters of record as pertain to the Unit, to the Land or to the Building (the Land and Building being referred to hereinafter, collectively, as the "Property").

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board (as such term is defined in the Declaration) or provided in the Declaration or in the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything to be done whereby the Unit has been encumbered in any way whatever, except as set forth herein or in the Declaration and the By-Laws (and any Rules and Regulations adopted under 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 of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of improvements at the Property and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purpose.

By accepting delivery of this Deed, the Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (including, but not limited to, any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the provisions thereof.

The Grantor herein is the same persons as the grantee in deed dated November 3, 2014, and recorded in the Register's Office on January 13, 2015, as CRFN 2015000015525; and the Unit is the same Unit conveyed to the Grantor herein by said deed.

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

[THE NEXT PAGE IS THE SIGNATURE PAGE]

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

GRANTOR:

ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

GRANTEE:

_____
Name:

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the ___ day of _____ 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) are subscribed to the within instrument, and acknowledged to me that (he) (she) (they) executed the same in (his) (her) (their) capacity, 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 _____ 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) are subscribed to the within instrument, and acknowledged to me that (he) (she) (they) executed the same in (his) (her) (their) capacity, 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 _____ 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) are subscribed to the within instrument, and acknowledged to me that (he) (she) (they) executed the same in (his) (her) (their) capacity, 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

Legal Description

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point

THENCE ... to the point or place of BEGINNING.

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DOCUMENT NUMBER 4

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

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DESCRIPTION OF THE PROPERTY AND SPECIFICATIONS

August 28, 2015

280 St. Marks Avenue
Brooklyn, New York 11238

A. Location and Use of Property:

1. Address:	280 St. Marks Avenue Brooklyn, New York 11238
2. Block / Lot Number:	Block 1152 Lot 35
3. Zoning	R6B District. Property complies with all zoning and use requirements of this designation.
4. Permissible Uses:	Use Groups 1-4 as per New York City Zoning Resolution, which permits residential and community facility uses.
5. Permits:	New York City Department of Buildings ("DOB") Application #320597564 and based on plans and specifications prepared by DXA Studio, LLC.

B. Status of Construction:

1. Year built:	New Building work permit #320597564 was issued June 2, 2015 by the New York City Building Department. Construction start date was June 8, 2015. Estimated completion date is December 31, 2016.
2. Class of Construction:	Construction Classification Type 1B. Class 1B is fireproof construction made of noncombustible materials or assemblies of materials that meets the fire resistive rating required of Class I.
3. Certificate of Occupancy:	The current Certificate of Occupancy # 300709384F on file for this address is for a Commercial Public Parking Garage. A new Certificate of Occupancy will be applied for following substantial completion in December 2016, which Permanent Certificate of Occupancy will provide for residential use and accessory parking use. The New Building application # 320597564 is filed under 2008 New York City Building Code.
4. Description of Work:	The work encompasses a new condominium building consisting of 32 Residential Units. The building will be 5-stories above grade and one cellar level below grade and will comply with Quality Housing requirements set forth in the New York City Zoning Code, which includes indoor and outdoor recreation space for residents, double glazed windows throughout, a minimum of 400 SF dwelling units, an on-site refuse disposal and trash room, and laundry facilities. There is a parking garage in the cellar for 34 cars, including 2 ADA spaces, one of which is for an ADA van. Exterior work includes a communal garden, private gardens and private roof top terraces for the penthouse units.

The interior scope of work includes new concrete structure and floors on the cellar through fifth floors and new sub-flooring on the ground through fifth floors. Other new elements include finish flooring, stairs, traction elevators, non-load bearing gypsum board partitions, mechanical, electrical, and plumbing fixtures. A new fire alarm and sprinkler system will be installed. Plumbing, mechanical, and electrical systems will be described in more detail in this report.

5. Floor Area

Proposed Zoning Floor Area: **51,363 sf**
Gross Floor Area: 79,260 sf
Cellar: 17,910 sf
Ground: 12,663 sf
2nd Flr.: 12,237 sf
3rd Flr.: 11,958 sf
4th Flr.: 11,958 sf
5th Flr.: 10,472 sf
Roof: 2,062 sf

Zoning Floor Area Deductions: 9,987 sf
Cellar: N/A
Ground: 3,180 sf
2nd Flr.: 2,804 sf
3rd Flr.: 852 sf
4th Flr.: 852 sf
5th Flr.: 710 sf
Roof: 1,589

Zoning Floor Area: 51,363 sf
Cellar: N/A
Ground: 9,483 sf
2nd Flr.: 9,433 sf
3rd Flr.: 11,106 sf
4th Flr.: 11,106 sf
5th Flr.: 9,762 sf
Roof: 473

C. Site:

1. Size:

The size of the lot is approximately 22,792 square feet. Site property dimensions are 154'- 6 1/4" x 131'- 0" (Irregular)

2. Number of Buildings and Use:

The project will consist of one new 5-story building with 32 Residential Units on floors Ground through 5. There is a cellar level with parking, residential storage, exercise room and mechanical rooms. There is one residential entrance via a lobby on St. Marks Avenue. The secondary exit is also on St. Marks Avenue. The building lobby, bicycle storage room, and residential community room with adjacent bathroom and pantry as well as Residential Units are on the ground floor. The second floor contains a children's playroom and residential units. Floors 3 through 5 contain Residential Units.

3. Streets:

The property is on St. Marks Avenue, a one-way street, which is owned and maintained by the City of New York. The property has 154.5 feet of frontage.

i. **Paving:** St. Marks Avenue is asphalt topping in good condition.

ii. **Curbing:** The concrete sidewalks and curbs adjacent to the property will be new, with a curb cut on St. Marks

Avenue.

iii. **Catch basins, drainage:** The streets are pitched to drain through existing cast iron catch basins into the New York City storm water drainage system.

iv. **Street lighting:** The street lighting will be provided by the City of New York.

v. **Conformity with local fire district, town, or municipal building codes:** New York City Fire District Codes.

4. Drives, Sidewalks and Ramps: There will be a new concrete sidewalk on St Marks Avenue. There is a 12 foot wide curb cut at the east end of the building that will provide access to the below grade parking garage.

Sidewalks providing access to the building shall be newly poured concrete and shall be free of tripping hazard and ponding.

The Condominium shall be responsible for maintaining the sidewalks per the requirements of the New York City Department of Transportation ("DOT"). Sidewalks will be ADA compliant and sloped to drain away from buildings into streets.

5. Flood Zone: The site is not within a flood zone per FEMA map c.5/2013 panel 3604970212F

6. Subway There are no subways adjacent to the site.

D. Utilities:

1. Electricity: The building will be provided with a new incoming electrical service rated at 120V/208V AC, three-phase, 4-wire, 60 Hz. The service will be divided as follows: 1200A for residential, 1600A for house, and 400A for the fire pump and 60A for the fire alarm. This new service will supply all base building mechanical loads, lighting, and Unit electrical requirements. The local utility (Con Edison) will serve the entire building with one electric meter. The cost of the electric service will be paid by the Condominium. The management company will then sub-meter the electric usage of each Unit and bill each Unit Owner for their actual use. In addition, the cost of the electricity consumed by the rooftop condensers for the heating and cooling of each Unit will be billed to each Unit Owner according to a software system that meters each Unit Owner's actual usage of this system. See section N. below for a more detailed description of the electrical systems.

2. Gas: National Grid will provide gas to the building via a new low pressure gas main entering the Building below grade from St Marks Avenue.

There will be 2 meter rigs for the following uses:

i. Meter 1 - Residential cooking, domestic hot water, exterior barbecue grills and clothes dryers: The cost of this use will be a Common Expense. All Units will use gas for cooking, hot water and clothes dryers. In addition there will be a gas-powered commercial clothes dryer on the Cellar level for use by all the Unit Owners. The Common Interest for the 17 units with exterior barbecue grills (Units TH-E, TH-F, 1G, TH-H, 2E, 3E, 3F, 3H, 4E, 4F, 4H, PH-A, PH-B, PH-C, PH-E, PH-F and PH-G) has been increased to reflect this additional gas usage.

ii. Meter 2 - Heat: The cost of this use will be a Common

Expense. The corridors and certain other common areas are heated via a gas-fired heating unit. In addition Units TH-F, 3F, 3H, 4F and 4H have a gas-fired kitchen make-up air heating system. As a result, the Common Interest for the Units with this system has been increased to reflect this additional use.

The estimated cost of the various gas uses is detailed and further explained in Schedule B.

3. Water and Sewer:

Water will be provided by a new 3" domestic water main from the St. Marks Avenue water main, which is part of the New York City Department of Environmental Protection ("DEP") water system. A new backflow preventer and a new pressure booster pump shall be provided. Water for fire protection use will be provided by a new 6" fire service from the St Marks Avenue water main. A new fire and jockey pump set shall be installed to provide for the required pressure.

Water and sewer usage will be metered in accordance with NYC DEP requirements. The cost of water and sewer will be a common expense that will be apportioned according to each Unit's Percentage Interest. The estimated cost of water and sewer service is detailed in Schedule B.

4. Telephone / Internet:

The telephone service will enter the building below grade from St Marks Avenue to a demarcation panel in the cellar telecom room. Conduit, wires and network interface device (NID) boxes will be installed for distribution throughout the Building to each Unit. Individual Unit Owners will need to arrange for service directly with the telephone company, if desired, and pay the cost of this service directly to the phone company.

The building will have several telephone lines including emergency phone lines in the elevators, a line in the fire department panel, a line in the exercise room and a line for the front desk in the lobby. The monthly cost of these lines will be a common expense that will be apportioned according to each Unit Owner's Common Interest. The estimated cost of these lines is included in the Condominium Budget in Schedule B.

5. Cable Television:

Cable television and internet (CATV) service will enter the building below grade from St Marks Avenue to a demarcation panel in the cellar telecom room. Conduit, cable and outlet boxes will be installed for distribution to each Unit. Individual Unit Owners will arrange for service directly with the cable television and internet service provider company, if desired, and directly pay the cost of this service.

The building will have wireless internet (wi-fi) service available throughout the Common Elements for use by the Unit Owners. The cost of this service will be a Common Expense to be apportioned according to each Unit Owner's Common Interest. The estimated cost of this service is included in the Condominium Budget in Schedule B.

E. Sub-Soil Conditions:

As per the Geotechnical Investigation Report of November 23, 2014 prepared by Pillori Associates, P.A, the natural glacial drift encountered at the anticipated foundation level is suitable for the support of conventional spread footings. The foundation was designed using a maximum bearing pressure of 6 tons per square foot.

F. Landscaping and Enclosures:

1. Grass Cover: A portion of the Private and Public rear yards on the ground floor include grassy areas.

2. Planting:
   - i. Common Front Yard: Fastigiate tree along building facade, e.g. Franz Fontaine 'Carpinus betulus' or similar.
   - ii. Common Rear Yard - Outdoor Garden: This area will be planted with naturalistic combinations of shrubs, ornamental grasses and herbaceous perennials between and beneath a grove of ornamental shade trees, with a hardscape of blue stone and crushed granite stone for seating various wild grasses and flowers.
   - iii. Private Front Yards: A mixture of shade tolerant shrubs and herbaceous perennials.
   - iv. Rooftop: Sedum band around the perimeter of the roof.

3. Trees:
   - i. Street Trees: Six (6) street trees will be planted in 5' x 10' tree pits as directed by the Parks Department of the City of New York.
   - ii. Rear Yard: Multi-trunk Grey Birches "Betula Populifolia" or similar plantings

4. Fencing:
   - i. Rear Yard: Wood privacy fencing between public and private yards, between neighboring properties and yards where necessary, and between private yards
   - ii. Rooftop: Wood privacy fencing between public and private rooftop spaces and between private rooftop spaces. Metal acoustic screen between mechanical areas and rooftop spaces.

5. Gates:
   - i. Rear Yard: Wood gates with locks in fencing between public and private yards.
   - ii. Rooftop Wood fencing with locks between public and private rooftops, and for FDNY access. Metal gate for mechanical areas.
   - iii. Front Gates: TH-A, TH-B, TH-C and TH-D will each have an operable front gate with lock. The gates will be constructed of wood with a metal frame.

6. Garden Walls: Rear Yard: Brick and concrete garden walls in raised planting beds.

7. Retaining Walls: Rear Yard: Brick and concrete retaining walls between certain private yards and neighboring properties and between the common rear yard and neighboring properties to the south and to the west. Portions of this retaining wall are the existing brick walls from the one-story garage that existed on this Property prior to the new Building being built. These walls are held in place by a newly poured concrete retaining wall that ties into the structure of the new cellar level.

8. Reflecting Pools and Fountains: Rear yard: Decorative fountain or other water feature

G. Building Size:

1. Total Height: Total height of the Building from the base plane to the 5th floor roof is 50'-0" in accordance with zoning requirements.

2. Crawl Spaces: There are no crawl spaces.

3. Number of Cellars: There will be one (1) full cellar with utility and mechanical rooms, parking, a residential gym, Unit Owner and Building storage, a staff room, a laundry room and a trash room.

4. Number of Floors: The Building will contain six (6) stories including the cellar, plus elevator and stair bulkheads and a mechanical room on the roof, which are permitted obstructions above the zoning height limit.

5. Equipment Rooms: The electric, gas, water, and telephone rooms are located on the cellar floor. There will also be an enclosed mechanical room on the roof level.

6. Parapets: There is no parapet above the fifth floor roof. There will be a guardrail approximately 5 feet in from the roof edge. The guardrail will be a minimum of 3'-6" high measured from rooftop walking surface as per New York City Building Code.

7. Vaults: None.

H. Building Description:

1. Exterior and Structure of Building:

i. Structural system: The Building's structure will be cast in place concrete floors and columns integrally poured with rebar and wire mesh reinforcing on a spread footing foundation. There are concrete shear walls for additional structural stability.

ii. Walls: Brick, with rigid insulation, exterior sheathing, air space, insulated metal stud backup and gypsum wallboard. Concrete shear walls on the East, West, and South sides to have fascia brick, rigid insulation, air space, insulated metal stud backup and gypsum board wall. Energy performance to be at least 20% above New York State Energy Code requirements.

iii. New York City Local Law 11/98 inspections are not required for this building because the building will be less than six (6) stories.

iv. Windows: Metal with double pane low-E glass. Windows to be Tiltco Aluminum A Series or equivalent, with thermal breaks and will meet or exceed all required energy codes.

There are 7 lot line windows located on the West façade of the building. Unit 4A has (2) 3'-0" x 6'-2" lot line windows in the master bedroom. Units 3H and 4H each have (1) 2'-8" x 6'-4" lot line window in a secondary bedroom. Unit PH-A has (1) 4'-2 1/2" x 5'-7" and (1) 2'-11" x 5'-7" lot line windows in the living room/dining room, and (1) 9'-7 ½" x 5'-7" lot line window in the secondary bedroom.

There are 8 lot line windows on the East façade of the building.

Unit 2E has (2) 3'-4" x 6'-2" lot line windows in the master bedroom.

Units 3E and 4E have (2) 3'-4" x 6'-2" lot line windows in the master bedroom.

Unit PH-C has (1) 6'-5" x 5'-7" lot line windows in the

secondary bedroom.

Unit PH-E has (1) 4'-8" x 5'-7" lot line windows in the secondary bedroom.

All lot line windows will be provided with sprinkler heads in lieu of opening protection as per NYC Building Code. If any neighboring building is later altered or constructed in front of the lot line windows, the affected exterior wall openings shall be immediately closed with construction meeting the fire resistive rating requirements for exterior wall construction of the building in which they are located.

v. Landmark Status: The Building is not in a New York City Landmark Historic District.

2. Parapets and Copings: Terrace/Balcony parapet construction: New masonry block and brick with stone cap.

3. Chimneys and Caps:

i. Boiler Chimney:
Material: double wall stainless steel construction
Dimension: 3" diameter

ii. Domestic Hot Water Heater Chimney:
Material: double wall stainless steel construction
Dimension: 8" diameter

iii. Waste Recycling System:
Wilkinson-Hi-Rise (or equal) waste/recycling system. A 24" aluminized 16 gauge steel chute with intakes in the trash room on each level, discharges in an extruder wastecompactoron the cellar level.

4. Balconies and Terraces:

i. Ground Floor Terraces (Units TH-A, TH-B, TH-C, TH-D):
Stone paver hardscape and sedum landscaping. 6-foot high metal fence surround with gate. Soffit above is stucco finish over exterior sheathing. Doors are metal frame insulated glass doors. Lighting and electrical outlet will be provided

ii. Terraces (Units TH-E, 2E, 2G, 3A, 3B, 3C, 3D, 3H):
Stone pavers on adjustable pedestals over rigid insulation and waterproofing membrane. Parapet is masonry brick and block with stone cap and metal railing. Soffit above, if any, is stucco finish over exterior sheathing. Doors are metal frame insulated glass doors. Lighting and electrical outlet will be provided. Water and gas connections will be provided for 2E only.

iii. Penthouse Terraces (Units PH-A, PH-C, PH-F):
Stone pavers on adjustable pedestals over rigid insulation and waterproofing membrane. Parapet is masonry brick and block with stone cap and metal railing. Doors are metal frame insulated glass doors.

iv. Balconies (Units 3F, 3G, 3H, 4A, 4B, 4C, 4D, 4F, 4G, 4H):
Stone pavers on adjustable pedestals over waterproof membrane. Parapet is masonry brick and block with stone cap and metal railing. Soffit above, if any, is stucco finish over exterior sheathing. Doors are metal frame insulated glass doors. Lighting and electrical outlet will

be provided.

v. Penthouse Balconies (PH-E, PH-G):
Stone pavers on adjustable pedestals over waterproof membrane. Parapet is masonry brick and block with stone cap and metal railing. Doors are metal frame insulated glass doors. Lighting and electrical outlet will be provided.

vi. Rooftop Terraces (PH-A, PH-B, PH-C, PH-E, PH-F, PH-G):
Stone pavers on adjustable pedestals over waterproof membrane. Steel cable guardrails and wood fences separate adjacent rooftop areas. Stair bulkhead for stairs from apartment to rooftop terraces are constructed of metal stud with painted insulated metal panels and insulated glass windows and skylights. Doors are metal frame insulated glass doors. Water connection, gas connection, lighting and electrical outlet will be provided.

All terrace and balcony doors to be Tiltco Aluminum A Series Lift and Slide or equivalent, with thermal breaks, a 10 year warranty and will meet or exceed all required energy codes.

5. Exterior Entrances:

The main entrance on St. Marks Avenue will include a vestibule. Entrances are to be free of tripping hazards and shall be ADA compliant and provided with required maneuvering clearances. All thresholds will be less than 1/2". All newly installed metal fasteners shall be corrosion resistant. There is a garage door operated by remote control and/or keypad serving the private garage service entrance. There is a glass door that accesses the common rear yard from the recreation room.

i. Exterior doors to be commercial exterior doors with anodized aluminum with aluminum frames and insulated glass.

ii. Vestibule doors to be commercial exterior doors with anodized aluminum with aluminum frames and insulated glass. Residential exterior doors will be terrace doors as noted in (4) (vi) (These access private rear and front yards and balconies/terraces)

iii. Exterior stairs in the rear of units 2E and TH-E are concrete.

iv. Exterior railings in the rear of units 2E and TH-E are painted steel.

v. There are to be no exterior mailboxes at entrances; painted aluminum ADA compliant mailboxes with required ADA shelf are to be located in the corridor next to the lobby.

vi. Lighting: LED down lights will be provided in the entrance canopy. all mounted LED lights will be provided outside the entrance vestibule, and shall maintain 1 foot-candle (FC) of light at floor level.

6. Service Entrances:

i. Garage Door: Automatic lift-up panelized metal garage door.

ii. Secondary or Service Entrance: Metal frame steel door on St. Marks adjacent to Garage Ramp.

7. Roof and Roof Structures:

i. Roof types for all areas:

a. Model and Manufacture: Fluid applied membrane roofing, American Hydrotech or equivalent.

b. Materials: The roof will consist of an impermeable membrane system applied under rigid insulation.

c. Insulation: Minimum 1-1/2" rigid extruded insulation (60 psi board min.)

d. Surface finish: Stone roof pavers on pedestals for hardscape areas, sedum planting strip for soft-scape areas. All exposed exterior metals and fasteners shall be corrosion resistant.

e. Flashing materials including counter flashing: All flashings to be stainless steel.

f. The roof warranty is a limited warranty for 20 years. The final warranty document will be provided as part of the document transfer. See Section ee.

ii. Storm Drainage:

Storm water will be collected by means of a series of roof mounted drains and cast iron no-hub piping system that are located in the building interior, and combined with the public sewer system. Drains shown on site plan. Water is drained away by internal roof drains- no gutters or leaders on exterior.

iii. Skylights:

Metal framed insulated fixed glass skylights above stair bulkheads for Units PH-A, PH-B, PH-C, PH-E and PH-G. Egress stairs will have ventilation provided by 24"x12" motorized louver with fire damper at the roof level.

iv. Bulkheads:

a. Public Stairs: Painted insulated metal panels.

b. Elevator: Painted insulated metal panels.

c. Private Stairs: Metal frame with insulated glass and painted insulated metal panels.

v. Other:

a. Exterior metal stairs: Painted steel 60 degree ship ladders: non-corrosive materials.

b. Railings: Painted steel guardrail at parapet with corrosive resistant fasteners.

c. Roof Hatches: Fire rated hollow-metal doors at stair bulkheads.

d. Dunnage: No dunnage required. Mechanical equipment is mounted on acoustical isolation pedestals.

8. Fire Escapes:

There are no fire escapes. Egress is provided for all floors via interior fire stairs.

9. Yards and Courts:

i. Common (Public) Yard:
Stone pavers hardscape, gravel with grassy landscaping soft-scape, and trees. Lighting (minimum 1 foot-candle) is provided at entrances. 6-foot high wood fencing between public and private yards. Brick and concrete retaining wall between yard and neighboring properties. Gas grill, water feature, and wood bench seating.

ii. Private Rear Yards (Units TH-E, TH-F, 1G, TH-H, 2E):
Concrete patio hardscape or pavers with grassy landscaping soft-scape. 6-foot high wood fencing between public and private yards. Brick and concrete retaining wall between yard and neighboring properties.

iii. Private Front Yards (Units TH-A, TH-B, TH-C, TH-D):
Stone pavers, hardscape and gravel and grassy landscaping soft-scape. Wood fences with operable gates between yard and sidewalk.

All railings to be painted steel.

10. Interior Stairs:

i. Public Stair A (Stair from 1st Floor to Roof):
Non-combustible concrete riser and tread construction. Concrete and metal framed gypsum board walls. Painted metal railings and balustrades.

ii. Public Stair B (Stair from Cellar to Roof):
Non-combustible concrete riser and tread construction. Concrete and metal framed gypsum board walls. Painted metal railings and balustrades.

iii. Public Stair C (Stair from Cellar to 1st Floor):
Non-combustible concrete riser and tread construction. Concrete and metal framed gypsum board walls. Painted metal railings.

iv. Private Exterior Convenience Stair (Stair from 1st floor rear yard to 2nd floor terrace for Unit 2E):
Non-combustible concrete riser and tread construction. Concrete walls. Painted metal railings.

v. Private Interior Convenience Stair Type I (Stair from 1st to 2nd floor - Units TH-A, TH-B, TH-C, TH-D, TH-E, TH-H):
Wood riser and tread construction. Metal framed gypsum board walls. Wood railings and balustrades.

vi. Private Interior Convenience Stair Type II (Stair from 1st to 2nd floor - Unit TH-F):

Wood riser and tread construction. Wood railings and balustrades.

vii. Private Interior Convenience Stair Type III (Stair from 5th Floor to Roof - Units PH-A, PH-B, PH-C, PH-D, PH-G):
Wood riser and tread construction. Metal framed gypsum board walls. Wood railings and balustrades.

viii. Private Interior Convenience Stair Type IV (Stair from 5th Floor to Roof - Unit PH-F):
Wood riser and tread construction. Metal framed gypsum board walls. Wood railings and balustrades.

All railings to be painted steel.

11. Interior Doors, Frames and Hardware:

i. Unit Doors, Frames and Hardware:

a. Entrance doors and frames: Shall be hollow metal doors, shop painted, with 90-minute fire rating in accordance with NYC Building Code. Hardware shall be 'Emtek' knob/lever with polished nickel finish or equal.

b. Interior doors and frames: Solid core wood doors and frames, 'Emtek' knob/lever with polished nickel finish or equal.

ii. Common Area Doors, Frames and Hardware:

a. Recreation Room: Wood and glass doors with wood frame, 'Emtek' knob/lever with polished nickel finish or equal.

b. Children's Playroom: Hollow metal door and frame, shop painted, 90-minute fire rating to meet NYC fire codes. Hardware shall be 'Emtek' knob/lever with polished nickel finish or equal.

iii. Roof door, basement doors and frames:

Hollow metal doors and frames, shop painted, 90-min fire rating where required to meet NYC fire codes. Hardware shall be 'Emtek' knob/lever with polished nickel finish or equal.

12. Elevators and Cabs:

Elevator System:

i. Two (2) passenger elevators - PE1 and PE2

ii. Each elevator shall be new with a 15 person/2,500 lbs capacity and speed of 200 feet per minute. Manufacturer to be Kone or equivalent.

iii. Type of operation: Passenger

iv. Spring-applied automatic braking system in event of power interruption with safety circuits

v. PE1 elevator serves floors cellar through roof (7 stops). PE2 elevator serves floors cellar through 5th floor (6 stops)

vi. Both elevators will be gearless traction.

vii. Doors: Horizontal sliding, brushed stainless steel.

viii. Control room is located in Cellar

ix. DC motor: N/A

x. AC motor-generator: Permanent magnet synchronous (PMSM)

xi. A maintenance contract will be provided, the cost of which is included in the 1st year budget

Elevator Cab Interiors:

i. Manufacturer to be Kone or equal

ii. Floor: Coco synthetic mat

iii. Walls: Porcelain tile

iv. Ceiling: Metal panel

v. Lighting: Recessed halogen lamps, emergency lighting per code.

vi. Alarm, safety system: Car alarm button rings hoistway alarm bells and operates remote distress signals. Cars will be equipped with security camera and an emergency phone line that dials 911.

I. Auxiliary Facilities:

1. Refuse Disposal:

i. Incinerators: N/A

ii. Compactors: There will be a Wilkinson-Hi-Rise 45KN (or equal) waste compactor system with a capacity of 33 cubic yards per hour. A 24" diameter aluminized 16-gauge steel rubbish chute with intakes at the refuse room on each level, discharging into an extruder waste compactor at the Cellar.

iii. Initial storage location: Located in the Trash Room on the cellar floor.

iv. Trash and Recycling Collection: Refuse and recycling will be brought from the Cellar Trash Room to the street curb by building staff for collection on the days and times designated by the NYC Sanitation Department for collection by the Sanitation Department.

2. Laundry Rooms: There will be a common laundry room in the cellar for use by all Unit Owners with one washing machine (Speed Queen model SC40 or equal) and one dryer (Speed Queen model ST035 or equal). The energy and water consumed by this laundry equipment will be a Common Charge. Each Unit has a room or closet equipped with washer and dryer machines (refer to Section U below for the Appliance Schedule).

3. Resident's Fitness Center: There will be a new fitness center (gym) for residents, which will be located on the cellar floor that will be approximately 725 SF and accommodate 10 to 12 people at one time. Exercise equipment will include treadmills, exercise machines and benches. The flooring will be rubber resilient flooring and walls will have painted gypsum board and mirrored wall panels. The room will be pre-wired for cable and wi-fi internet. There will be an adjacent powder room.

4. Resident's Storage Rooms: There will be thirty-two (32) storage cages (2 ADA accessible), located on the cellar floor, available for purchase by license agreement. There will be eight (8) additional storage cages (one of which is ADA accessible) adjacent to parking spaces that will be included with the adjacent parking space's Parking License. Each storage cage can be secured by padlock. Partitions between storage cages are metal mesh and will be sprinklered. Cages range from 15 SF to 120 SF. Storage of combustible materials is prohibited.

5. Parking Garage: There will be 34 licensed parking spaces (two of which are ADA accessible) located on the cellar level and accessed via a ramp from the street. The garage will be accessed with an automatic garage door opener provided to each Parking Licensee. Access from the garage to the building will be controlled by key fob provided to each Unit Owner with a Parking License.

6. Lobby: There will be a ground floor lobby with stone flooring, painted gypsum board walls and ceiling. There will be a concierge desk for a doorman or lobby attendant. Residents will be able to

communicate with the lobby attendant via an intercom system and with the front door via a video intercom system. The Building will be equipped with a virtual doorman system, which can be activated if the Condominium elects to purchase this service. Unit Owner mailboxes will be located adjacent the lobby with keyed locks. There are two wood-clad package rooms in the lobby, one of which will contain a refrigerator for food deliveries.

7. Recreation Room: There is an approximately 750 SF recreation room located on the ground floor for Unit Owners. There will be a powder room and a pantry adjacent to the recreation room. The room will have a bio-ethanol fireplace and a TV and furniture. There are doors leading out to the Outdoor Garden. The room will be equipped with wi-fi.

8. Resident's Bicycle Storage: There will be a common bicycle storage room (accessed by resident keys or RFID key card/fob) for resident's bicycles located on the ground floor and accessed from street level via corridor.

9. Outdoor Garden: There is an Outdoor Garden located on the ground floor level off the Recreation Room. It will have seating, plantings (see Section F above), lighting, electric outlets, hose bibs, a gas grill and a water feature.

10. Children's Playroom: There will be a Children's Playroom located on the 2nd floor equipped with a powder room with changing table, a small pantry and a play area for children.

11. Children's Playroom: There will be a roof top space accessible from both egress stairs and one elevator available for use by all Unit Owners.

J. Plumbing Systems:

1. Domestic Water System:

i. Below Grade Piping:
Under the basement floor slab the domestic water main piping will be 4" diameter plain-end, ductile-iron pipe with grooved-joint and ductile-iron-pipe appurtenances.

ii. Above Ground Piping:

a. 2-inch and smaller: galvanized steel pipe, galvanized gray-iron threaded fittings, and threaded joints.

b. 4-inch and smaller: hard copper tube, ASTM B 88, Type L or Type M; cast- or wrought-copper, solder-joint fittings; and brazed joints or equivalent.

c. Shut-off Valves: Main shut-off valves and backflow preventers will be located in the water room on the cellar level. Each riser will have a riser control valve and each fixture will have its own shut-off valve in the Units.

d. Insulation: All hot and cold-water piping shall be insulated throughout as required by code.

iii. The water pressure will be maintained by a Response Synchroflo water booster pump (one-year warranty) equipped with variable frequency drives and a cushion tank located in the cellar level water service room.

iv. Hot water is generated using two high-efficiency, condensing gas-fired water heaters, located in the rooftop mechanical room. The hot water system will be provided with hot water recirculation piping and a pump to

maintain hot water temperature as required per code.

2. Fire Protection:

The Building will be sprinkled throughout and connected to the fire alarm system in accordance with the NYC Building Code. There will be two systems:

i. Wet-Pipe System: The Building will be protected by a wet-pipe system in all areas except the garage, which will have a dry-pipe system.

A combined standpipe and sprinkler riser will be located in each egress stairwell. Drain risers will be provided as required by code. Water for the system will be provided through one (1) 6" dedicated fire water service connected to an automatic fire pump and will be equipped with double detector check valves with bypass meters.

Sprinkler system piping will be black steel schedule 10 or schedule 40 with malleable iron fittings. Branch piping will be between 1" and 2" diameter piping.

Sprinkler heads will be concealed pendant in areas with dropped ceilings and sidewall or upright configuration as required to meet space conditions.

ii. Dry-Pipe System:
The dry-pipe system in the garage will be galvanized steel schedule 10 or schedule 40 with galvanized iron fittings.

The dry valve and air compressor is located on the cellar level in the water service and fire pump room. Sprinkler heads will be upright configuration as required to meet space conditions.

iii. Fire Department Connection:
One dual fire department connection will be provided on St. Marks Avenue.

iv. Fire Alarm System:
A central fire alarm system is provided in accordance with all applicable codes for all common areas and central equipment. The main entrance will have a pull station and smoke detection control panel. Each elevator lobby will have a ceiling mounted area smoke detector with elevator recall. There will also be a smoke detector at the top of each staircase. Central equipment rooms in the basement and on the roof will have smoke detectors and heat detectors. All devices are connected to the fire department control panel and will alert the local fire department when activated.

The fire alarm system will have sprinkler waterflow switches and sprinkler tamper switches on each floor at the sprinkler riser as well as in the Fire Pump Room (Water Service Room). The Fire Pump Room will also house the fire pump controller tied in to the fire alarm system and the central station panel in the main Electric Room.

3. Sanitary Sewage:

Sanitary Drainage: Sanitary waste from all the building plumbing fixtures located at the ground floor and above will be collected through a series of 3" to 4" vented stacks and will be conveyed to the street sewer via an 8-inch gravity drainpipe. All piping is

schedule 40 cast-iron.

Sewage Disposal: Sanitary waste from the building fixtures located in the cellar will be conveyed to the street sewer via a duplex sewage ejector pump manufactured by Flyjt (two-year warranty) and pit system.

4. Gas Supply:

i. A gas leak detection system will be provided in the gas meter room in the cellar. The leak detection system will be connected to the building fire alarm system.

ii. Gas riser control valves will be provided at each riser.

iii. All gas piping will be schedule 40 black steel with malleable iron fittings.

5. Storm Drainage System:

i. Roof Drainage: Storm water from the roof will be collected by means of a series of roof drains and piping system that are located in the building interior. All roof drains will be controlled-flow roof drains that will discharge into the storm water detention tank in the cellar.

ii. Terraces and Landscaped Areas: Storm water from terraces and landscape areas will be collected by means of terrace drains, yard drains, planter drains and piping systems that are located in the building interior. Collected storm water will discharge to the storm water detention tank in the cellar.

iii. Storm Water Detention: The Storm water detention tank will be connected by gravity to the NYC sewer via an 8-inch combined sanitary and storm sewer. The detention tank and the controlled-flow roof drains combine to meet the 0.25 cfs storm water discharge required by NYC DEP.

iv. Sump Pump: A sump pump manufactured by Flyjt (two-year warranty) and pit located in the cellar will fully discharge the contents of the storm water detention tank for service or emergency. Each elevator pit contains a sump pump manufactured by Stancor (two-year warranty) as well.

K. Heating:

1. Primary Heating System:

VRF Heat Pump System:

a. System Description - The primary heating (and cooling) system for all Units and certain Common Areas, including the Lobby, Recreation Room, the Gym, and the Children's Playroom, will be a variable refrigerant flow (VRF) heat pump system. This system has condensing units (CUs) located on the roof that serve all areas of the Building. Each of these condensing units will be connected to multiple fan coil units (FCUs) located above the ceilings in the Units and the Common Areas. The hot air will be conveyed from the FCU via ductwork to air registers and grilles throughout each Unit. The number of FCUs in each Unit depends on the size of the Unit and ranges from one (1) FCU in a one-bedroom apartment up to three (3) FCU in the largest apartments in the Building.

Manufacturer:	Daikin
Model:	RXYMQ
Total Heating Capacity:	1598 MBH

Unit Owners will be able to control the operation of each FCU with a 7-day programmable wall mounted digital thermostat with

automatic change over to provide heating or air conditioning in each Unit.

b. Cost of System - The electricity required to power the rooftop CUs is drawn from the common electric meter. The amount of energy used by each Unit will be metered by a computerized system that measures the amount of refrigerant that is drawn by that Unit's FCUs. The amount of refrigerant correlates to the amount of energy drawn, so each Unit Owner is billed by the Condominium for their actual use of the VRF system.

The electricity required to run the FCUs is drawn from the common electric meter and sub-metered for actual usage and hte cost of this electricity is billed to the Unit Owner by the Management Company

The electricity used to operate the CUs and FCUs in the Common Areas will be a Common Expense.

Maintenance, repair and replacement of the CUs and all components located outside of the Units, including the refrigerant piping will be a Common Expense. Maintenance, repair and replacement of the FCUs and all associated equipment located in each Unit will be the responsibility of each individual Unit Owner.

2. Secondary Heating System:

i. Residential Units:
In addition to the VRF system described above, all Units have electric base-board heating systems located along the exterior perimeter of the living rooms and bedrooms controlled by individual room thermostats. The master bathroom will have an electric mat heater under the floor tile controlled by individual room thermostats.

The Management Company will sub-meter these uses and bill Unit Owner's for their actual electric. The maintenance, repair and replacement of these systems will be the responsibility of each Unit Owner.

ii. Common Areas:
The corridors, egress stair wells and storage and mechanical rooms will have electric unit heaters. In addition, the corridor ventilation unit (described in section M.i.a.) provides supplemental heating on very cold days and cooling on very hot days to the common corridors as the system provides fresh air.

3. Ductwork and Grilles

The ductwork, insulation, grilles and registers will be provided in accordance with SMACNA standards and NYC Building Code and designed for quiet operation of the system.

L. Air Conditioning:

1. System Description:

The VRF heat pump system (described above in section K. Heating – 1. Primary Heating System) also provides air conditioning for all Units and Common Areas in which they are located. The rooftop CUs provide cooled refrigerant to the FCUs located above the ceilings in the conditioned spaces and ductwork connected to the FCUs deliver cool air to the spaces in the Unit. The seasonal energy efficiency ratio (SEER) of the system ranges from 14.9 to 151.10.

Manufacturer: Daikin

Model: RXYMQ
Total Cooling Capacity: 1386 MBH

M. Ventilation: All ventilation will be in accordance with NYC DOB code and all other relevant codes.

i. Common Area Ventilation:

a. Building Corridors: Corridors at all levels will be mechanically ventilated to provide conditioned fresh air via a rooftop heating and air conditioning unit. This Roof Top Unit (RTU) will be a 6-Ton packaged gas/electric unit with outside air energy recovery at the Roof level.

b. Recreation Room: The recreation room has a dedicated VRF FCU providing heating and cooling as described previously. In addition, fresh air is supplied to the FCU from the main rooftop (RTU) ventilation unit on the roof, described above.

c. Children's Play Room: The children's play room has a dedicated VRF FCU providing heating and cooling as described previously. In addition, fresh air is supplied to the FCU from the main rooftop (RTU) ventilation unit on the roof, described above.

d. Fitness Center: The fitness center has a dedicated VRF FCU providing heating and cooling as described previously. In addition, fresh air is supplied to the FCU from the main rooftop (RTU) ventilation unit on the roof, described above.

e. Basement Mechanical and Utility Rooms: The trash room in the basement has an exhaust grille connected to a fan on the roof to ventilate the room. The main electrical room has an exhaust fan to extract heat buildup and to discharge to the parking area.

ii. Mechanical Kitchen and Bathroom Exhaust:
An air register in the kitchens (except those described in section M.iv. below) and all of the bathrooms will be connected to duct risers that exhaust above the 5th floor roof level. The risers will be connected to numerous rooftop exhaust fans. The kitchen exhaust system is designed to constantly exchange 35 CFM and the bathroom exhaust system is designed to exchange 25 CFM, both of which meet or exceed applicable code. The cost of operating, maintaining, repairing and replacing these exhaust systems will be a Common Expense.

iii. Kitchen Hoods (recirculating and ducted):

a. Floors 1 through 4: Range hoods in Units TH-F, 3F, 3H, 4F and 4H are connected to exhaust ductwork that is connected to a rooftop fan that exchanges air at up to 400 CFM. The fans also connect to separate fresh air ducts that deliver make-up air to these Units. The ventilation can be controlled by each Unit Owner by a switch on

the range hood. Because of the high air exchange volume, the system will provide gas-fired heated and cooled air when the outside temperature necessitates this conditioning.

The cost of the gas used by this system will be a Common Expense; however, the Common Interest of each Unit that benefits from this system has been increased 0.001% to account for the estimated additional expense. The remaining Units on Floors 1 through 4 use recirculating range hoods.

The maintenance, repair and replacement of the fans will be the responsibility of the Unit Owner for the Unit served by the equipment.

b. Penthouse: Range hoods in all six (6) Penthouse Units are ducted directly to the roof and connected to a separate electric rooftop fan and heating unit for each Unit.

The electricity to operate these fans comes from the common electric meter and will be sub-metered by the Management Company and billed to each of these Unit Owners in accordance with their actual use. Maintenance and repair of this fan is the responsibility of the Unit Owner.

iv. Gas Dryer Ventilation:
All Units have gas-powered dryers that are ducted to the roof and connected to electric powered rooftop exhaust fans.

v. Parking Garage Ventilation:
The cellar level garage is mechanically exhausted to a duct riser that will connect to a fan located on the roof.

vi. Ductwork:
Make up air to the kitchen is ducted to the exterior of the building and will be mechanically ventilated via a rooftop heating and air conditioning unit. The Roof Top Unit for fresh air for the kitchens is supplied by a 6 Ton R410A packaged Gas/Electric rooftop unit with outside air energy recovery at the Roof level.

N. Electrical System:

1. Electrical Service from Street: A new main service will be installed rated at 120V/208V, 3-phase, 4-wire. Service switches are sized as follows:

i. Apartment Main Service Switch – 1200A, 120V/208V, 3Ph, 4W

ii. House Main Service Switch - 1600A, 120V/208V, 3Ph., 4W

iii. Fire Pump Service Switch - 400A, 120V/208V, 3Ph., 4W

iv. Fire Alarm System Switch - 60A, 120V/208V, 3Ph., 4W

2. Electric Service Equipment: The electrical room is provided with one house distribution panel with switch and fuse provisions. The switches serve house panels, various drainage and domestic water pumps, the trash compactor, common area HVAC systems, the parking garage exhaust, and the elevators. Service switches are also provided for the fire pump

and fire alarm system.

All incoming electric service comes through one electric panel, which is then distributed by sub-feeders to all of the common building electrical components and to each Unit. The Management Company will pay the metered cost of the electric usage to the electric company. Each Unit sub-feeder is then sub-metered by the Management Company and billed to each Unit Owner in accordance with their actual use. The meter banks include one utility meter and circuit breaker for each apartment via a dedicated feeder to a panel in each apartment. The electric panels, disconnect switches and meters for Common Elements are located in the cellar electrical room.

3. Service to Individual Units:

All Units are provided with either 100A or 150A, 120V/208V, single-phase, 3-wire feeder to an electrical panel in each unit.

Electrical capacity will be adequate to support all loads including lighting and appliances such as air conditioners, microwaves, dishwashers, televisions, computers and dryers. The average number of circuits per apartment is 35, ranging from 30 to 40 circuits. Service to each Unit is sized to handle spare capacity and meets or exceeds code requirements.

4. Apartment Electric:

Lighting: Kitchens, bathrooms, walk-in closets and certain halls and foyers will have ceiling, pendant or wall mounted incandescent, fluorescent or LED fixtures. The lighting meets or exceeds code requirements.

Convenience outlets, appliance outlets: There will be one dedicated outlet per appliance and each room will have an average of four duplex convenience outlets except bathrooms, which will have at least one duplex outlet. Outlets in kitchens and bathrooms are provided per National Electrical Code requirements. Arc fault circuit breakers in apartments are indicated on panel schedules. The outlets meet or exceed code requirements.

O. Low Voltage:

1. Telephone:

Telephone cable and/or fiber optic lines will enter the building at the cellar level and be delivered to the telecom room. From there they will be distributed via risers to telecom boxes located in the trash room on each floor. All Units will be wired with multiple phone jack locations in the kitchen, living room and bedrooms. Unit Owners will arrange for service to be provided directly into their Unit with the telecom provider company if desired and pay for the cost of the service directly.

2. Cable and Internet:

Cable television (CATV) service will enter the building below grade from St. Marks Ave to a demarcation panel in the cellar level telecom room. Conduit, cable and outlet boxes will be installed and pulled to distribution panels located in the trash room on each floor and then distributed to each Unit. Individual Unit Owners will need to arrange for installation and monthly service directly with the cable and internet company, if desired.

Pre-pulled CAT5e or CAT6e internet cabling will be provided in the living room and all bedrooms in each Unit and will connect to a network interface demarcation or home-run location within each Unit. Installation of internet service can be arranged and paid for by the individual Unit Owners.

Wireless internet (Wi-fi) will be provided in the following

Common Areas – the lobby, recreation room, children's play room, gym and outdoor garden.

3. Intercom: An intercom system with video and door release capabilities will provide communication between the front lobby desk and each Unit and during off-hours the front door. The Building will be pre-wired for a virtual doorman service, but the cost of this service is not included in the 1st year Common Charge budget. If the Unit Owners elect to add this service it will be an additional Common Expense.

4. Security: The Building will be secured at the lobby with a 16-hour per day part-time doorman (or as otherwise decided by the Board of Managers of the Condominium) and as mentioned above the capability to contract for a virtual doorman service. Both entrances on St Marks Avenue will have electrified locks for use when the staff is not present.

Both entrances on St. Marks Avenue as well as various common areas will be monitored with cameras and the activity will be recorded on a digital video recorder located in the telecom room on the cellar level.

The garage door will be controlled by a garage door opener issued exclusively to Parking Licensees. Certain Parking Licenses may be assigned to and/or rented by persons other than Unit Owners (defined herein as "Outside Parkers"). These Outside Parkers will not have access to the rest of the Building from the garage. Pedestrian access from the garage to the cellar or other parts of the Building will be controlled by an electrified lock key fob system. The key fobs will be given only to Unit Owners with Parking Licenses. There will be one egress stair that leads directly from the garage to St. Marks Avenue for the Outside Parkers.

In addition there will be controlled access to the resident storage room and laundry room in the cellar, the fitness center, the children's playroom and the roof.

Q. Public Area Lighting: Exterior lighting to be outdoor rated fixtures with LED bulbs, providing a minimum of 5-foot candles minimum at floor level for the entire entrance as per NYC Building Code.

R. Garages and Parking Areas: There will be 34 licensed parking spaces (2 ADA accessible, 1 of which is ADA van compliant) will be located on the cellar floor and accessed via a ramp from the street. The garage floor will be concrete with fluorescent lighting overhead. The garage is ventilated with an exhaust fan leading from the cellar to the roof. The cellar is fully sprinklered, and there are trench drains at the top and bottom of the ramp, and area drains located throughout the garage floor surface. The garage will be accessed with an automatic garage door opener provided to each Parking Licensee. Access from the garage to the building will be controlled by key fob provided to each Parking Licensee.

S. Swimming Pools: N/A

T. Tennis Courts, Playgrounds, and Recreational Facilities: See Section I. – Auxiliary Facilities.

U. Permits and Certificates: If required by law or local ordinance, the following permits will be obtained prior to construction sign-off and issuance of a Permanent Certificate of Occupancy:

i. Building construction permits

ii. Elevator installation permits

iii. Electrical permits

iv. Plumbing permits

v. Sprinkler permits

vi. Mechanical permits

vii. DOT permits

V. Violations: DOB violations, if any, will be removed prior to issuances of a Permanent Certificate of Occupancy.

W. Unit and Common Area Finish Information: Please refer to the Finish Schedules below.

X. Substitutions: Where materials, appliances, equipment, fixtures and other construction and design details are specified in this report, the Sponsor has reserved the right to substitute, in their place, materials, appliances, equipment, fixtures and other construction and design details of equal or better quality and efficiency based on industry and market standards.

Y. Safety and Warning Devices: All new Residential Units will be fitted with individual ceiling mounted hard-wired combination carbon monoxide/ smoke detectors per New York City Code, with battery backup. Smoke detectors shall be installed at each elevator vestibule connected to the elevator recall and fire protection system and in all Common Areas as required by code. RESPONSE: The model and manufacturer of the smoke and carbon monoxide detectors to be EST SIGA2 or equal.

Z. Further Development: No further development is anticipated by the Sponsor due to current zoning regulations.

aa. Additional Information:

1. Area map: Refer to Part 2 of the Plans for Site Plan.

2. Floor plans: Refer to Part 2 of the Plans for Unit and Common area Floor Plans.

3. Room Dimensions: See Unit Plans in the following portion of the Offering Plan (Document Number 5) for all room dimensions.

4. Floor to ceiling heights of Units: The Residential Unit maximum ceiling heights from finished floor to underside of concrete slab are 9'-2" in Living Rooms and Bedrooms and vary with a minimum of 8'-0" in other rooms.

5. Unit Measurement: The approximate square footage of each unit is measured horizontally from the exterior side of the exterior walls at the building line and/or property line to the midpoint of the interior walls and partitions separating one unit from the another unit, or the exterior of the interior walls separating a unit from Common Elements such as public corridors, stairs, elevators, and other mechanical spaces. Columns and mechanical pipes and chases within the Unit are not deducted from the square foot area of the Unit.

Z. Asbestos: Asbestos Project Completion Form- ACP21 and required documentation has been submitted to NYC DEP pursuant to section 1-22(b) of the DEP Asbestos Rules (15 RCNY Chapter 1).

The abatement has been performed in accordance with the DEP Asbestos Rules.

aa. Energy Conservation: The building will comply with 2010 NY State Energy Conservation Construction Code (by application of 90.1 (2007) Standard)

bb. Lead Based Paint: None

cc. Document Transfer: At or subsequent to the First Closing, Sponsor will deliver to the Condominium Board copies of the following documents, as applicable, and as otherwise in Sponsor's possession:

i. mechanical, electrical and plumbing drawings;

ii. operating and maintenance manuals for mechanical equipment;

iii. electronic system manuals;

iv. major equipment start-up sheets and control system as-built;

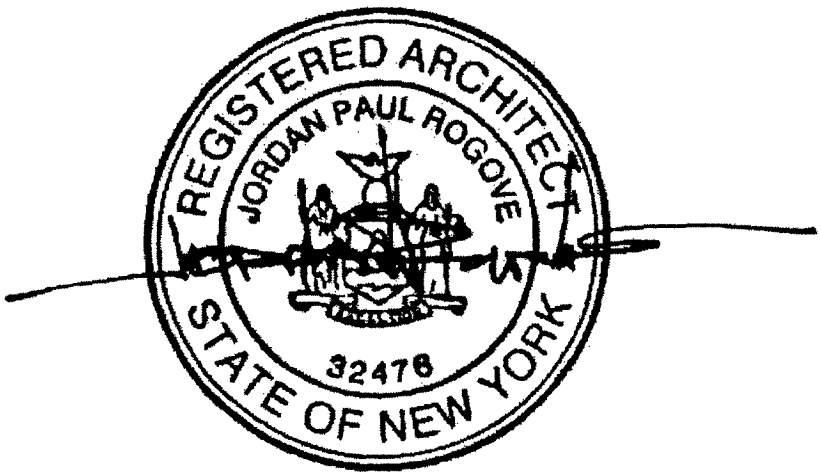
v. original test and balance report for HVAC system; and

vi. warranty information for requested equipment and Common Elements including the elevators and roof will be provided as part of the document transfer.

Jordan Rogove, AIA
Partner, DXA Studio

Date

August 28, 2015



1. MATERIAL SCHEDULE

MATERIAL	DESCRIPTION	FINISH	SUPPLIER	REMARKS
WOOD				
W1	Live Sawn White Oak	St Marks Finish Madera UV Oil Finish	Madera Trade	
W2	End Grain	Hard Wax Oil	Madera Trade	Mix TBD
W3	Reclaimed Barn Wall Paneling	Silver Pines The Hudson Co.		
W4	White Oak Wall Paneling	Natural		
W5	American Walnut Veneer	Natural		Horizontal Grain, Water Resistant
W6	Painted Wood Veneer	INT RM Super White		Kitchen & Bath Paint
W7	Painted Wood Veneer	OC-23 Classic Gray		Kitchen & Bath Paint
W8	White Oak Veneer	Natural		
W9	Walnut Veneer	Natural		
W10	Painted Wood Veneer	200 7-10 Smoldering Red		Kitchen & Bath Paint
W11	Painted Wood Veneer	2056-70 Icy Moon Drops		Kitchen & Bath Paint
STONE				
S1	Olympian Danby	Honed	Stone Source	Custom Slabs
S2	Sugar White	Honed	NY Stone	12" x 24" Tile
S3	Sugar White	Honed	NY Stone	6" x 12" Tile
S4	Mayorca Limestone	Raked	NY Stone	12"x24" Tile
S5	Bianco Dolomiti	Honed	NY Stone	6"x12" Tile
S6	Carrera Marble	Honed	NY Stone	Linear mosaic
S7	Basaltina	Honed	Stone Source	12"x24"Tile
METALS				
M1	Stainless Steel	Brushed		

1. MATERIAL SCHEDULE

MATERIAL	DESCRIPTION	FINISH	SUPPLIER	REMARKS
INTERIOR WALL				
P1	Drywall with full skim coat, painted	INT RM Super White	Benjamin Moore	
P2	Drywall with full skim coat, painted	INT RM Super White	Benjamin Moore	Kitchen & Bath Paint
P3	Drywall with full skim coat, painted	OC-23 Classic Gray	Benjamin Moore	
P4	Drywall with full skim coat, painted	OC-23 Classic Gray	Benjamin Moore	Kitchen & Bath Paint
P5	Drywall with full skim coat, painted	2056-70 Icy Moon Drops	Benjamin Moore	Kitchen & Bath Paint
WC1	Vinyl Wall Covering	Sagara GOH 09882317	Wolf Gordon	
WC2	Vinyl Wall Covering	Terralon	Flavor Paper	Pattern: Cuben
TILE				
T1	Mews Soot Small Chevron	Matte	Stone Source	2"x8" Tile
T2	Studio Silver Porcelain Tile	Matte	Stone Source	24"x48" Tile
T3	Mosaic Tile	Stack Modern	Design and Direct Source	Blue & Petrol Mosaic Mix, Glossy
T4	Mosaic Tile	Stack Modern	Design and Direct Source	Mosaic White Mix, Glossy
T5	Ceramic Mosaic Tile	Context Metallic Black Pillowed	Ann Sacks	Mosaic Tile
OTHER				
F1	Carpet	Memory, Palo Alto 2.0	Ege-A-Porter	Roll
F3	Cocoa Mat	Charcoal	Mats Inc	5/8"
F4	Carpet	Pro, Fairy Dreams	Ege-A-Porter	Triangular Tile
F5	Woven Vinyl	Sisal Plain Granite	Bolon	Square Tile
F6	Concrete Slab	Sealed with Dexotex		
F7	Concrete Slab	Top with skim coat		
TYPE 1	4" Wood baseboard	painted		
TYPE 2	4" Tile baseboard	type to match adjacent tile		

2. MATERIAL SCHEDULE BY ROOM

LOCATION	WALL	FLOOR	CEILING	BASEBOARD
TYPICAL UNIT				
LIVING	P1	W1	P1	TYPE 1
BEDROOM	P1	W1	P1	TYPE 1
KITCHEN	P2	W1	P2	N/A
MASTER BATH	P4, S3	S2	P4	N/A
SECONDARY BATH w/ TUB	P2, S4	S5	P2	S5
TERTIARY BATH w/ SHOWER	S6	S7	P2	S7
POWDER ROOM	S6	S7	P1	S7
UTILITY	P2	T2	P2	TYPE 2
HALL CLOSET	P1	W1	P1	TYPE 1
BEDROOM CLOSET	P1	W1	P1	TYPE 1
INTERIOR STAIR (1ST FLOOR DUPLEX ONLY)	P1	W8	P1	N/A
BULKHEAD STAIR (PENTHOUSE UNITS ONLY)	P1	W8	P1	N/A
TYPICAL COMMON ROOMS				
ELEVATOR CABS	T5	F3	M1	N/A
REFUSE	P1	T2	P1	TYPE 2
CELLAR				
C01 STORAGE	P1	F6	P1	TYPE 1
C02 EXERCISE	G1	F5	P1	N/A
C03 POWDER	P2	T2	P1	TYPE 1
C04 WATER	P1	F6	P1	TYPE 1
C05 GAS	P1	F6	P1	TYPE 1
C06 ELECTRIC	P1	F6	P1	TYPE 1
C07 TELE	P1	F6	P1	TYPE 1
C08 STAFF	P1	T2	P1	TYPE 1
C09 TRASH ROOM	P1	F6	P1	TYPE 1
C13 STORAGE	P1	F6	P1	TYPE 1
C14 PARKING GARAGE	P1	F6	P1	TYPE 1
C15 STORAGE	P1	F6	P1	TYPE 1
C16 LAUNDRY	P1	F6	P1	TYPE 1
GROUND FLOOR COMMON				
100 CORRIDOR	WC1	F1	P1	TYPE 1
101 LOBBY	P1, W3, G3	S5, F3	P1, M2	TYPE 2
102 PACKAGE	P1	S5	P1	TYPE 1
103 STORAGE	P1	S5	P1	TYPE 1
104 EXERCISE ROOM	P1, W4, B1	W2	P1	N/A
105 POWDER	T1	T2	P1	N/A
106 PANTRY	P1, M1	T2	P2	TYPE 1
108 VESTIBULE	P1	T2	P1	TYPE 2
109 BIKE ROOM	P1	F6	P1	TYPE 2

2. MATERIAL SCHEDULE BY ROOM

LOCATION	WALL	FLOOR	CEILING	BASEBOARD
SECOND FLOOR COMMON				
200 CORRIDOR	WC1	F1	P1	TYPE 1
201 READING ROOM	WC2, P5, W11	F4	P1	TYPE 1
202 PANTRY	P1	T2	P1	TYPE 2
203 POWDER	T3, T4	T2	P1	N/A
THIRD FLOOR COMMON ROOM				
300 CORRIDOR	WC1	F1	P1	TYPE 1
FOURTH FLOOR COMMON				
400 CORRIDOR	WC1	F1	P1	TYPE 1
FIFTH FLOOR COMMON				
500 CORRIDOR	WC1	F1	P1	TYPE 1

3. KITCHENS and LAUNDRY - FINISH, PLUMBING FIXTURE and APPLICANCE

UNIT	CABINETRY - BACK WALL	CABINETRY - ISLAND	COUNTERTOP & BACKSPLASH
ALL UNITS	W6 & W7 (Refer to Material Schedule)	W9 (Refer to Material Schedule)	S1 (Refer to Material Schedule)

UNIT	DISHWASHER	WASHER	GAS DRYER
ALL UNITS	Miele G5285 SCVi Futura Crystal	LG WM3370HWA	LG DLGX3371W

UNIT	SINK	FAUCET	FOOD DISPOSAL
ALL UNITS	Julien JU-3672	Dornbracht Tara 20815892 + 27718970	Insinkerator Evolution Essential – w/Cover Control

UNIT	OVEN & RANGE Exterior Gas Grill	RANGE HOOD	Refrigerator & Freezer	Wine Cooler	Washer / Dryer Pedestal
TH-A	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1561		WDP4V
TH-B	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1562		WDP4V
TH-C	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1563		WDP4V
TH-D	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		WDP4V
TH-E	36" Wolf GR366, Weber Genesis S310	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	36" Liebherr HCB 2060 / 2061		WDP4V
TH-F	48" Wolf GR486G, Weber Genesis S310	Ducted Best Range Hood U10242SBE + ILB11	54" Subzero (2 27" Fridge/Freezer combo) 700TCILH, 700TCIRH	18" U-Line U2218WCS00A	WDP4V
1G	30" Wolf GR304, Weber Genesis S310	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		WDP4V
TH-H	30" Wolf GR304, Weber Genesis S310	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		WDP4V
2E	36" Wolf GR366, Weber Genesis S310	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	36" Liebherr HCB 2060 / 2061		WDP4V
2G	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		WDP4V

3. KITCHENS AND LAUNDRY - FINISH, PLUMBING FIXTURE and APPLICANCE

UNIT	OVEN & RANGE	RANGE HOOD	REFRIGERATOR & FREEZER	WINE COOLER	WASHER/ DRYER PEDESTAL
3A	36" Wolf GR366, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	36" Liebherr HCB 2060 / 2061		
3B	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
3C	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
3D	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
3E	36" Wolf GR366, Weber Genesis S310	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	36" Liebherr HCB 2060 / 2061		WDP4V
3F	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		WDP4V
3G	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1561		
3H	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		WDP4V
4A	36" Wolf GR366, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	36" Liebherr HCB 2060 / 2061		
4B	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
4C	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
4D	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
4E	36" Wolf GR366, Weber Genesis S310	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	36" Liebherr HCB 2060 / 2061		WDP4V
4F	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		WDP4V
4G	30" Wolf GR304, No Grill	Best Range Hood P195P1M70SB6 + AFCP195P70 Recirc Kit	30" Liebherr HCB 1560 / 1564		
4H	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		WDP4V

3. KITCHENS and LAUNDRY - FINISH, PLUMBING FIXTURE and APPLICANCE

UNIT	OVEN & RANGE	RANGE HOOD	REFRIGERATOR & FREEZER	WINE COOLER	WASHER / DRYER PEDESTAL
PH-A	48"Wolf GR486G, Weber Genesis S310	Ducted Best Range Hood U10242SBE + ILB11	54" Subzero (2 27" Fridge/Freezer combo) 700TCILH, 700TCIRH	18" U-Line U2218WCS00A	WDP4V
PH-B	30" Wolf GR304, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	30" Liebherr HCB 1560 / 1564		
PH-C	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		WDP4V
PH-E	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		
PH-F	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		WDP4V
PH-G	36" Wolf GR366, Weber Genesis S310	Ducted Best Range Hood P195P1M70SB6	36" Liebherr HCB 2060 / 2061		

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
TH-A	Master Bathroom (MB)	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EATF02 / 09-13512-2140
	Secondary Bathroom (SB-tub)	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	Secondary Bathroom (SB-Shower)	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073
TH-B	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EATF02 / 09-13512-2140
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-shower	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073
TH-C	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EATF02 / 09-13512-2140
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C66030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-shower	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073
TH-D	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EATF02 / 09-13512-2140
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-shower	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
TH-E	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EATF02 / 09-13512-2140
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
TH-F	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-shower	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073
1G	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	(2) Corian 820	(2) Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
TH-H	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-shower	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
2E	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-shower	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		Waterworks HGLS01 / 07-07517-59073
2G	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	Powder Room (PR)	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		
3A	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
3B	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
3C	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
3D	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
3E	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	PR	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		
3F	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	PR	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		
3G	MB-tub	Kohler K-2882-0	Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EASH02, EATH07, EATF02
3H	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	(2) Corian 820	(2) Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
4A	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
4B	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
4C	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
4D	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
4E	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	PR	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
4F	MB	Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	PR	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II		
4G	MB-tub	(2) Kohler K-2882-0	Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EASH02, EATH07, EATF02
4H	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728. EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	(2) Corian 820	(2) Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB-tub	Corian 820	Waterworks HGLS01 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
PH-A	MB	(2) Kohler K-2882-0	(2) Waterworks EALSO2 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728, EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB - tub	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365
	SB	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSHO1 / 05-48541-10365
	PR	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II		
PH-B	MB	(2) Kohler K-2882-0	(2) Waterworks EALSO2 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728, EAHS12 / 05-50504-62189, EASHO2 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB - tub	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSHO1 / 05-48541-10365
PH -C	MB	(2) Kohler K-2882-0	(2) Waterworks EALS02 / 07-03542-91230	Duravit Starck II	Wetstyle OVE BOV 01 62	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728, EAHS12 / 05-50504-62189, EASHO2 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB-tub	(2) Corian 820	(2) Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSHO1 / 05-48541-10365
	PR	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II		

4. PLUMBING FIXTURE SCHEDULE - BATHROOMS:

UNIT	BATHROOM TYPE	SINK	SINK FITTING	TOILET	TUB	SHOWER/TUB FITTING
PH -E	MB	(2) Kohler K-2882-0	(2) Waterworks EALSO2 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728, EAHS12 / 05-50504-62189, EASH02 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB - tub	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSHO1 / 05-48541-10365
	PR	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II		
PH -F	MB	(2) Kohler K-2882-0	(2) Waterworks EALSO2 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728, EAHS12 / 05-50504-62189, EASHO2 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB - tub	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSHO1 / 05-48541-10365
	PR	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II		
PH -G	MB	(2) Kohler K-2882-0	(2) Waterworks EALSO2 / 07-03542-91230	Duravit Starck II	Zuma C6030	Waterworks EATH07 / 05-23281-34004, EAVC50 / 05-65317-90728, EAHS12 / 05-50504-62189, EASHO2 / 05-89789-91832, EAXT23 / 09-24228-63979
	SB	Corian 820	Waterworks HGLSO1 / 07-07517-59073	Duravit Starck II	Zuma C6030	Waterworks HGTS81 / 09-32105-92241, HGPB30 / 05-25893-80583, HGSH01 / 05-48541-10365

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FLOOR PLANS

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280 ST MARKS AVE
BROOKLYN, NY 11238

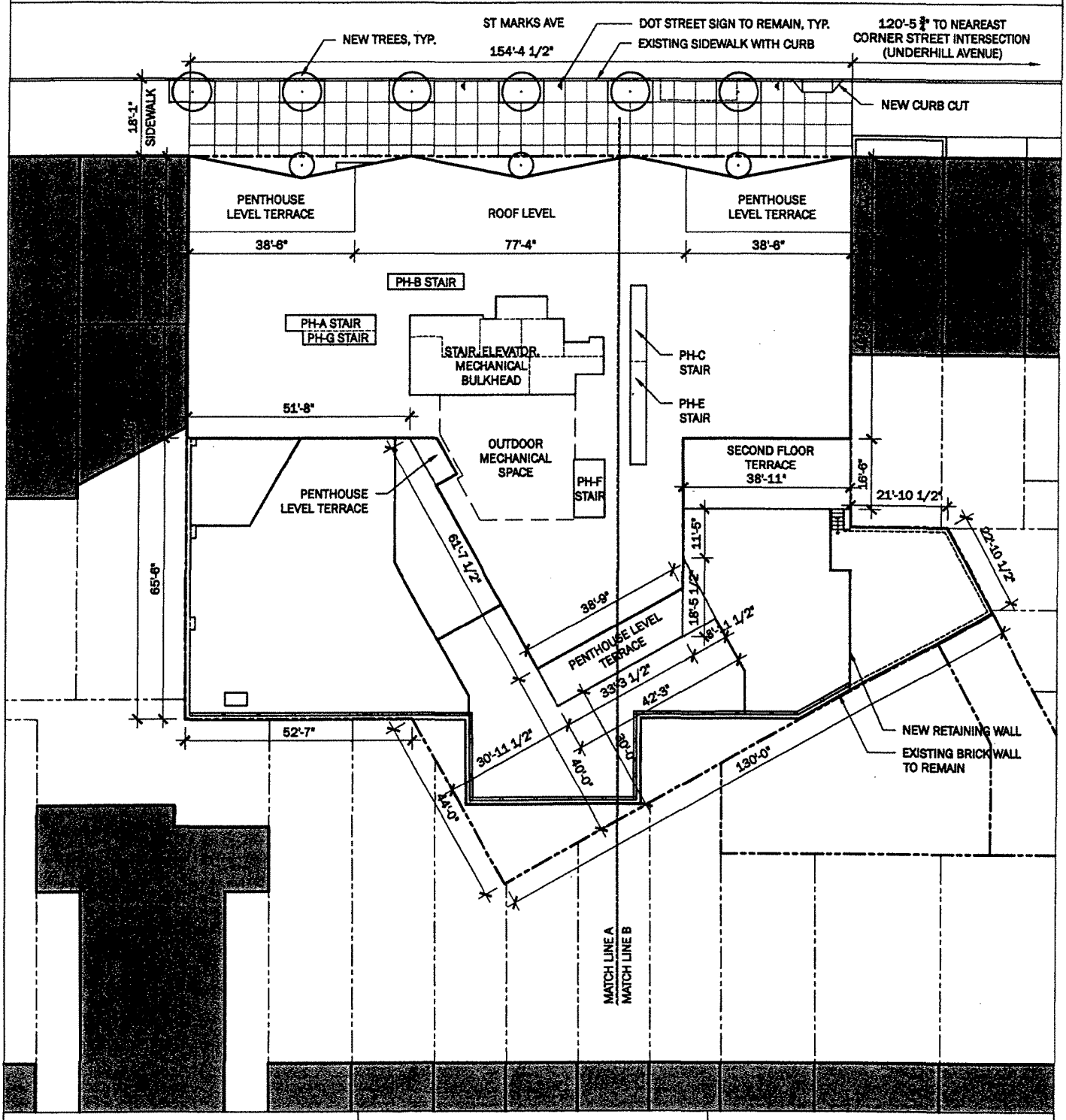


UNIT FLOOR PLANS

DNA development

DXA studio
Architecture PLLC

280 ST MARKS AVE
BROOKLYN, NY 11238



PLOT PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

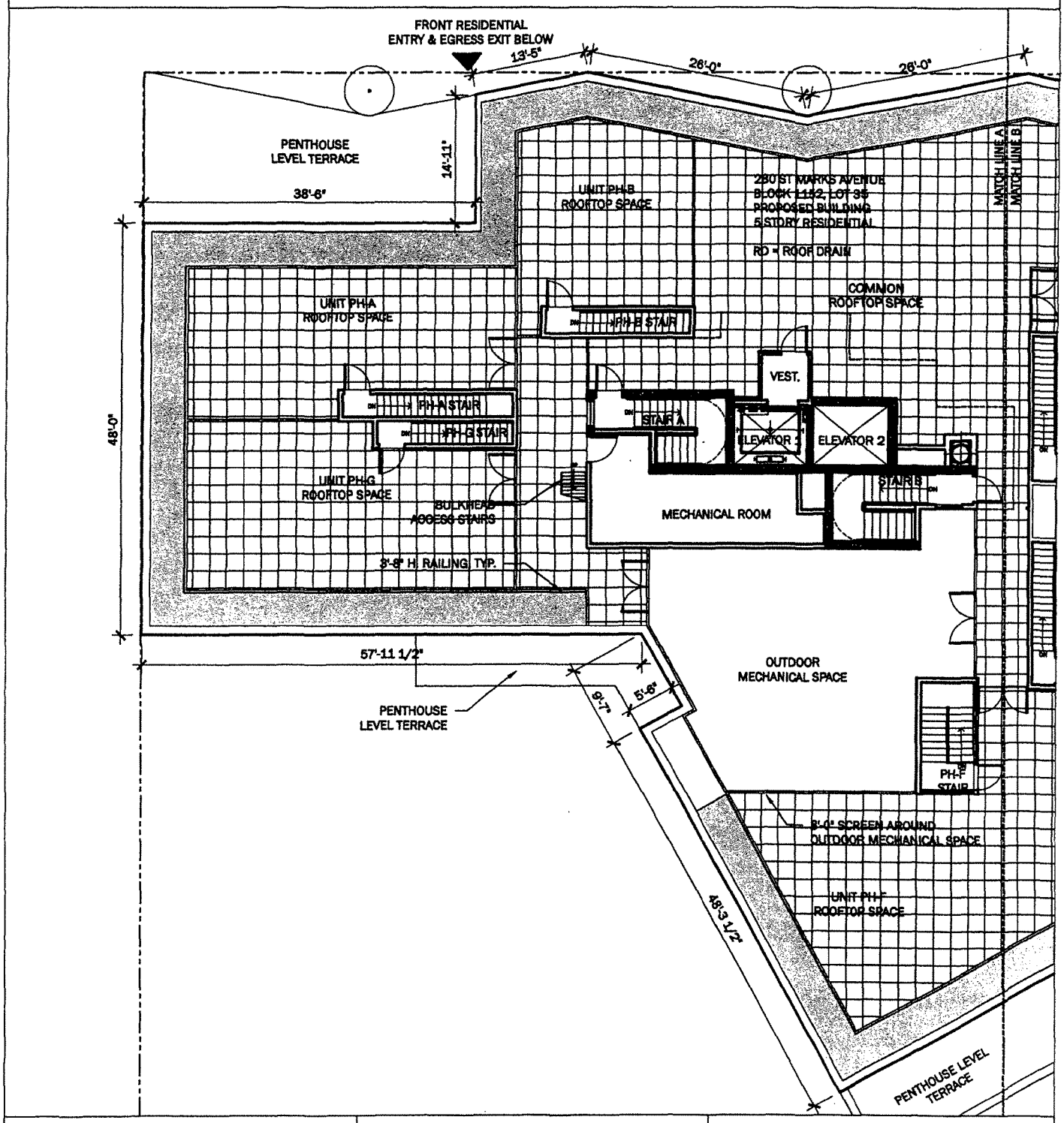
DXA studio
Architecture PLLC

SCALE: 1/32" = 1' - 0"

0 4 8 12 20

N

280 ST MARKS AVE
BROOKLYN, NY 11238



PLOT PLAN A

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

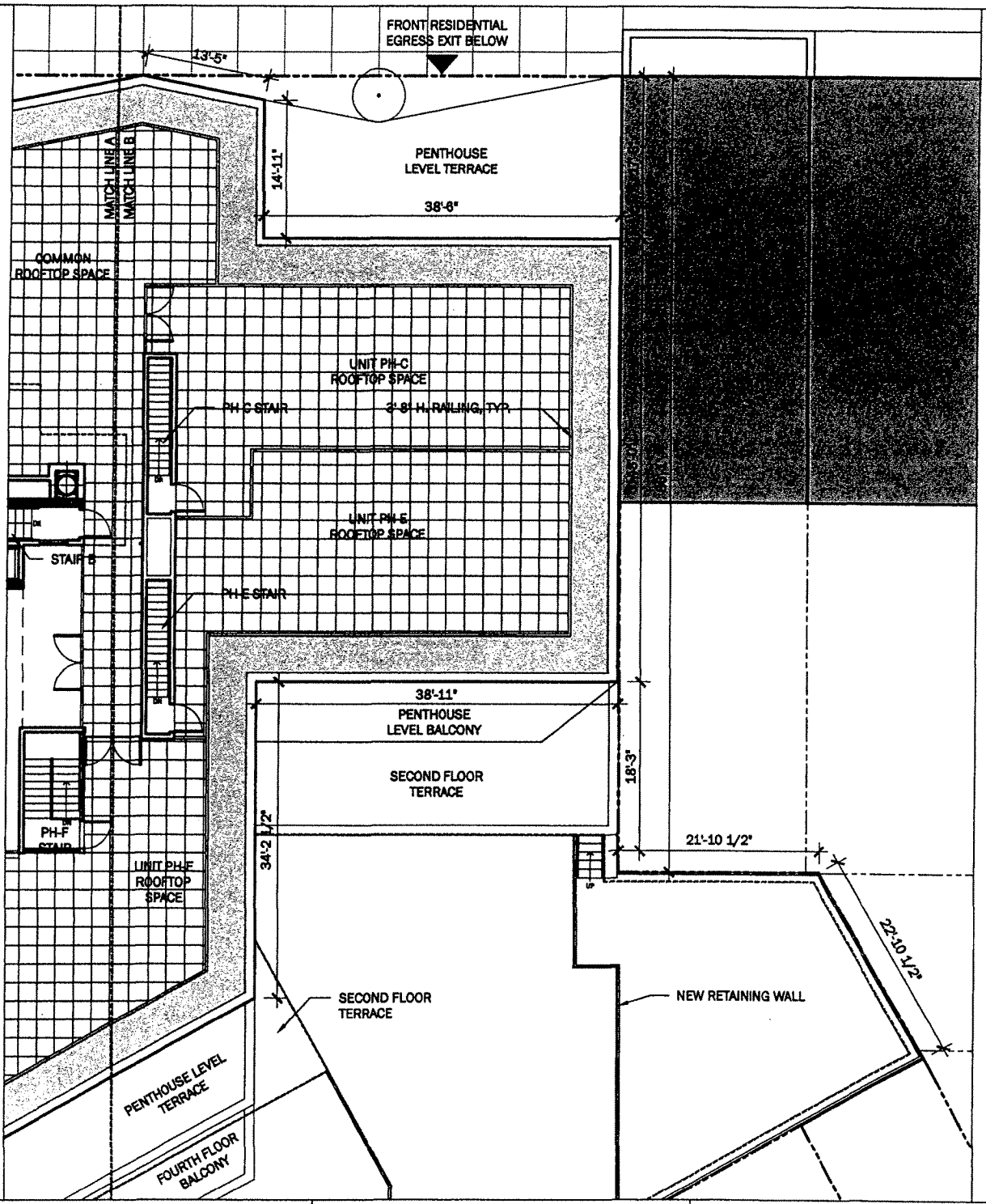
DXA studio
Architecture PLLC

SCALE: 1/16" = 1' - 0"

0 4 8 12 20

N

280 ST MARKS AVE
BROOKLYN, NY 11238



PLOT PLAN B

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

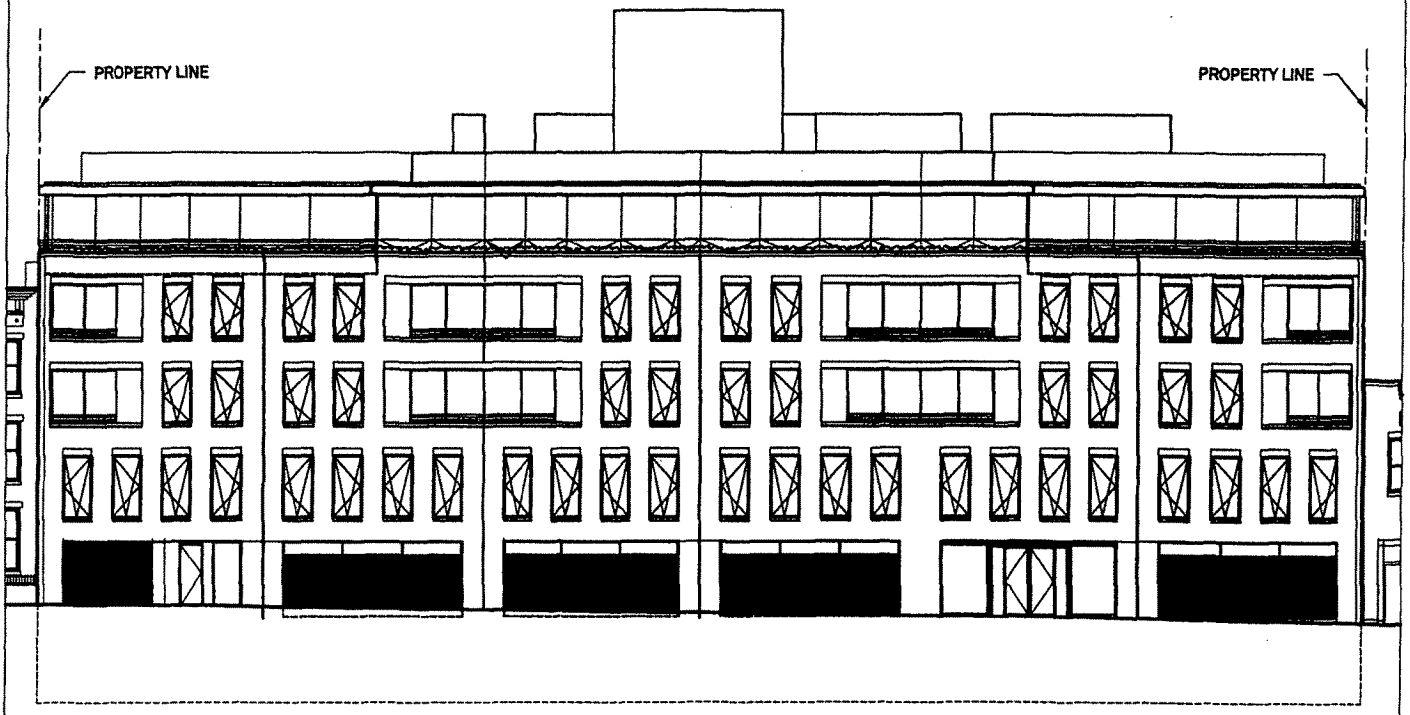
DXA studio
Architecture PLLC

SCALE: 1/16" = 1' - 0"

0 4 8 12 20

N

280 ST MARKS AVE
BROOKLYN, NY 11238



NORTH ELEVATION
ST MARKS AVENUE

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

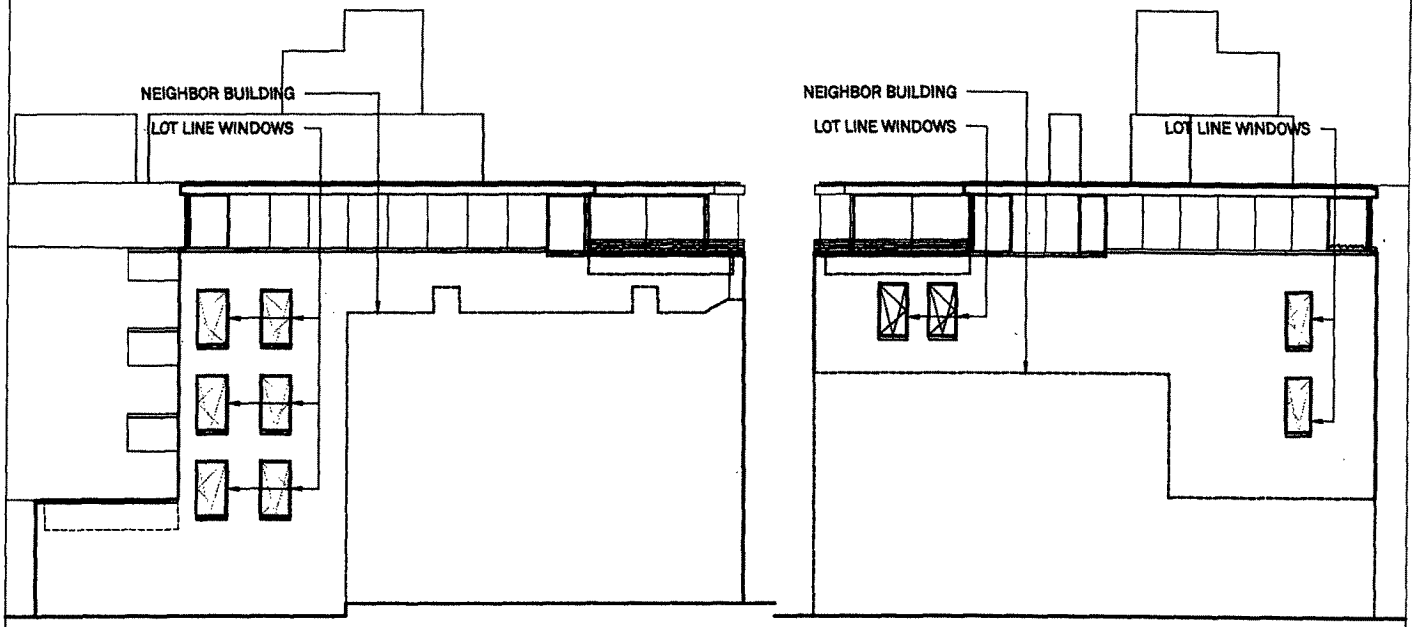
DNA development

DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

0 4 8 12 20

280 ST MARKS AVE
BROOKLYN, NY 11238



EAST ELEVATION

WEST ELEVATION

EAST & WEST ELEVATIONS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

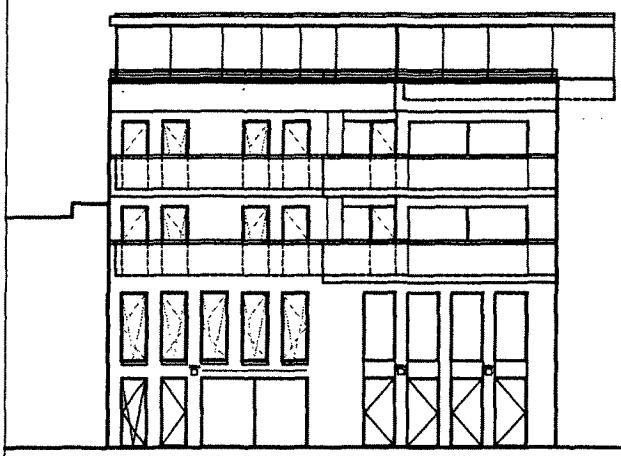
DNA development

DXA studio
Architecture PLLC

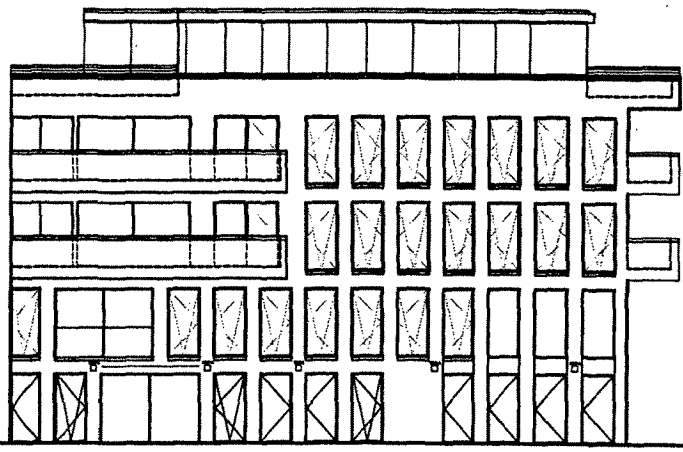
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0 4 8 12 20

280 ST MARKS AVE
BROOKLYN, NY 11238



SOUTHWEST ELEVATION A



SOUTHWEST ELEVATION B

SOUTH ELEVATIONS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

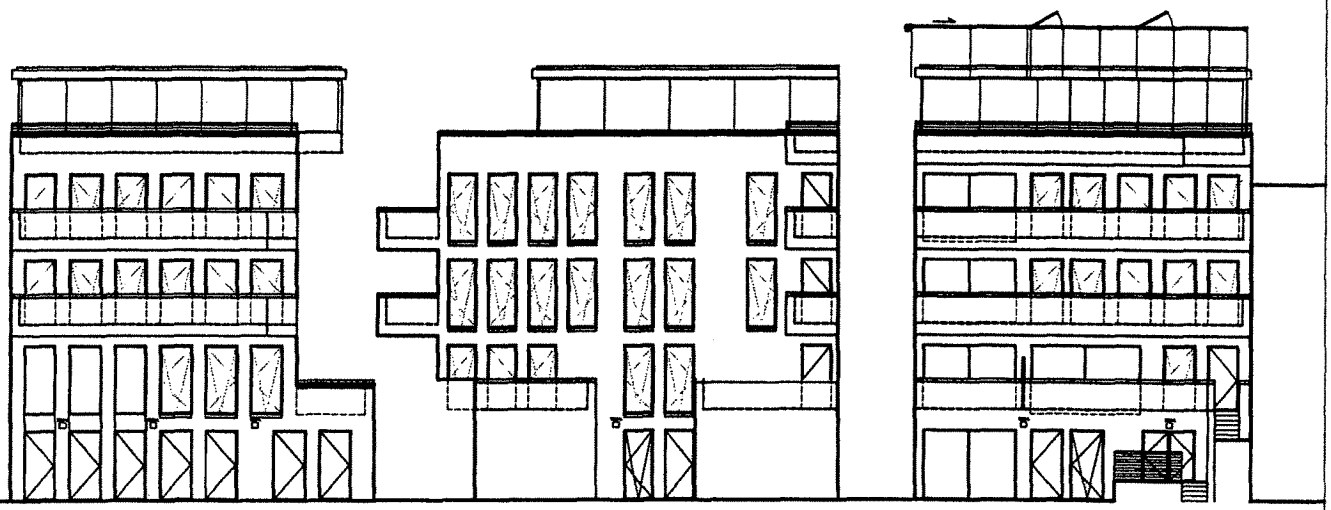
DNA development

DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

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SOUTH ELEVATION

SOUTHEAST ELEVATION A

SOUTHEAST ELEVATION B

SOUTH ELEVATIONS

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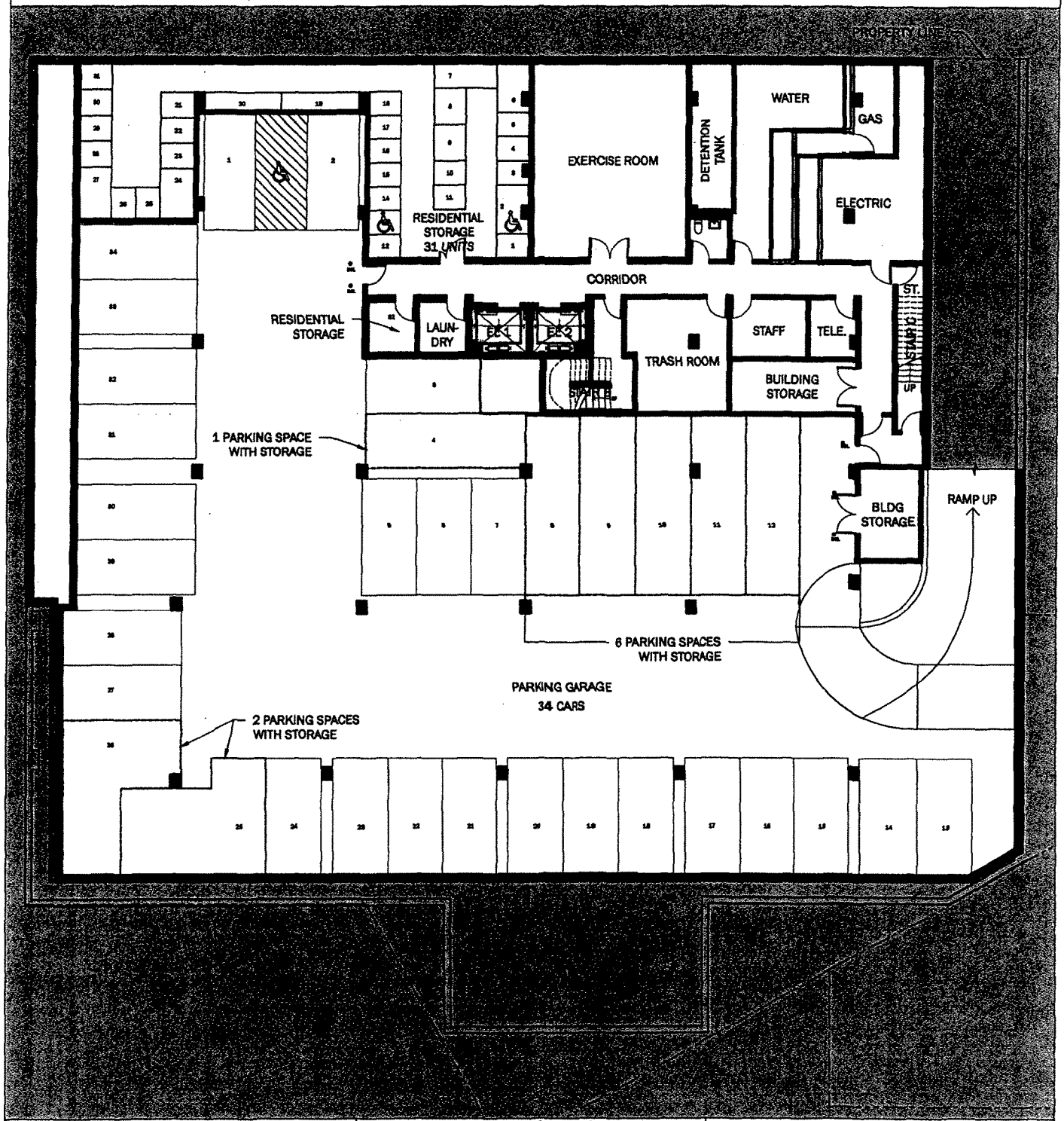
DNA development

DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

0 4 8 12 20

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CELLAR FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

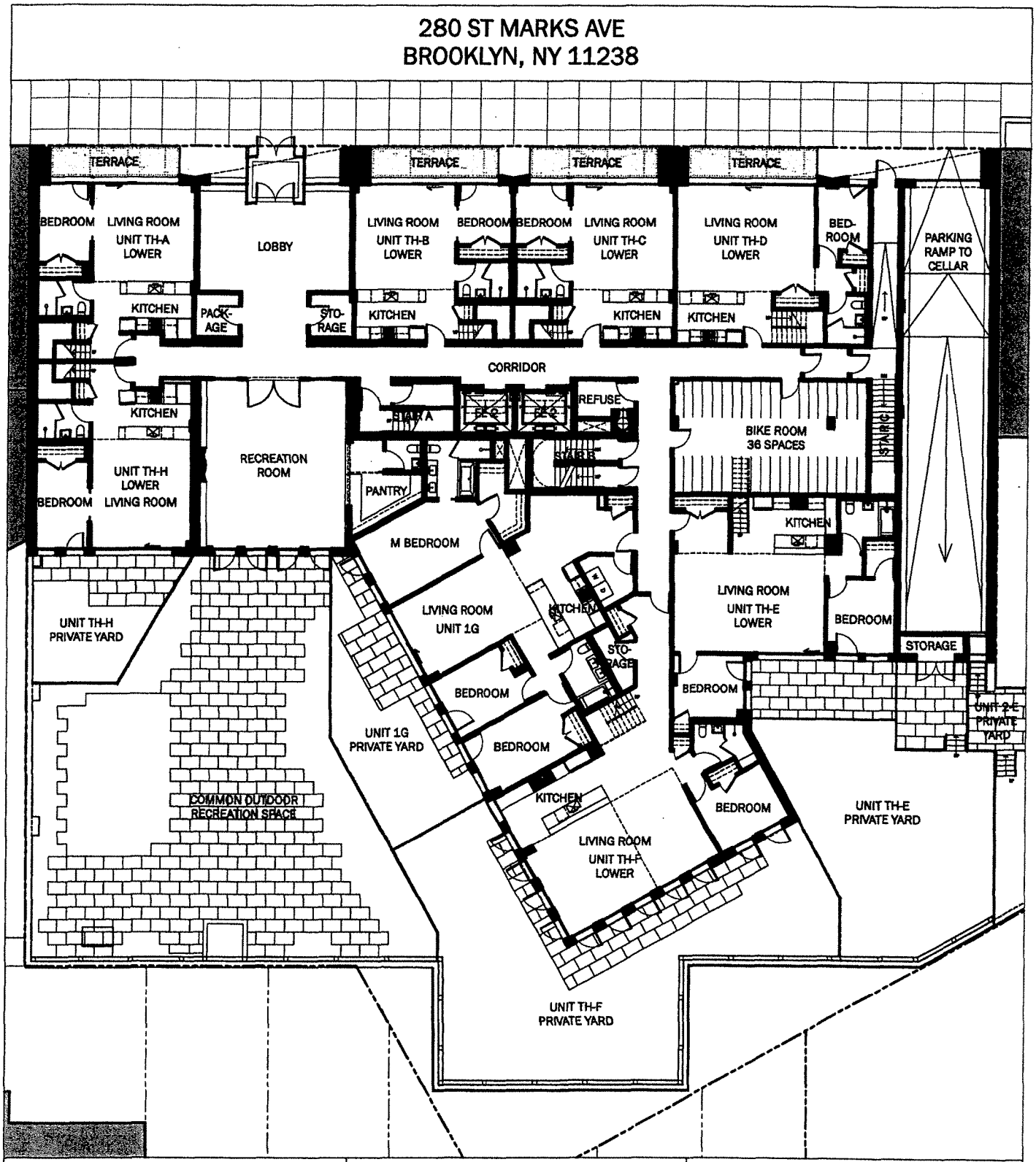
DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

0 4 8 12 20

N

280 ST MARKS AVE
BROOKLYN, NY 11238



GROUND FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

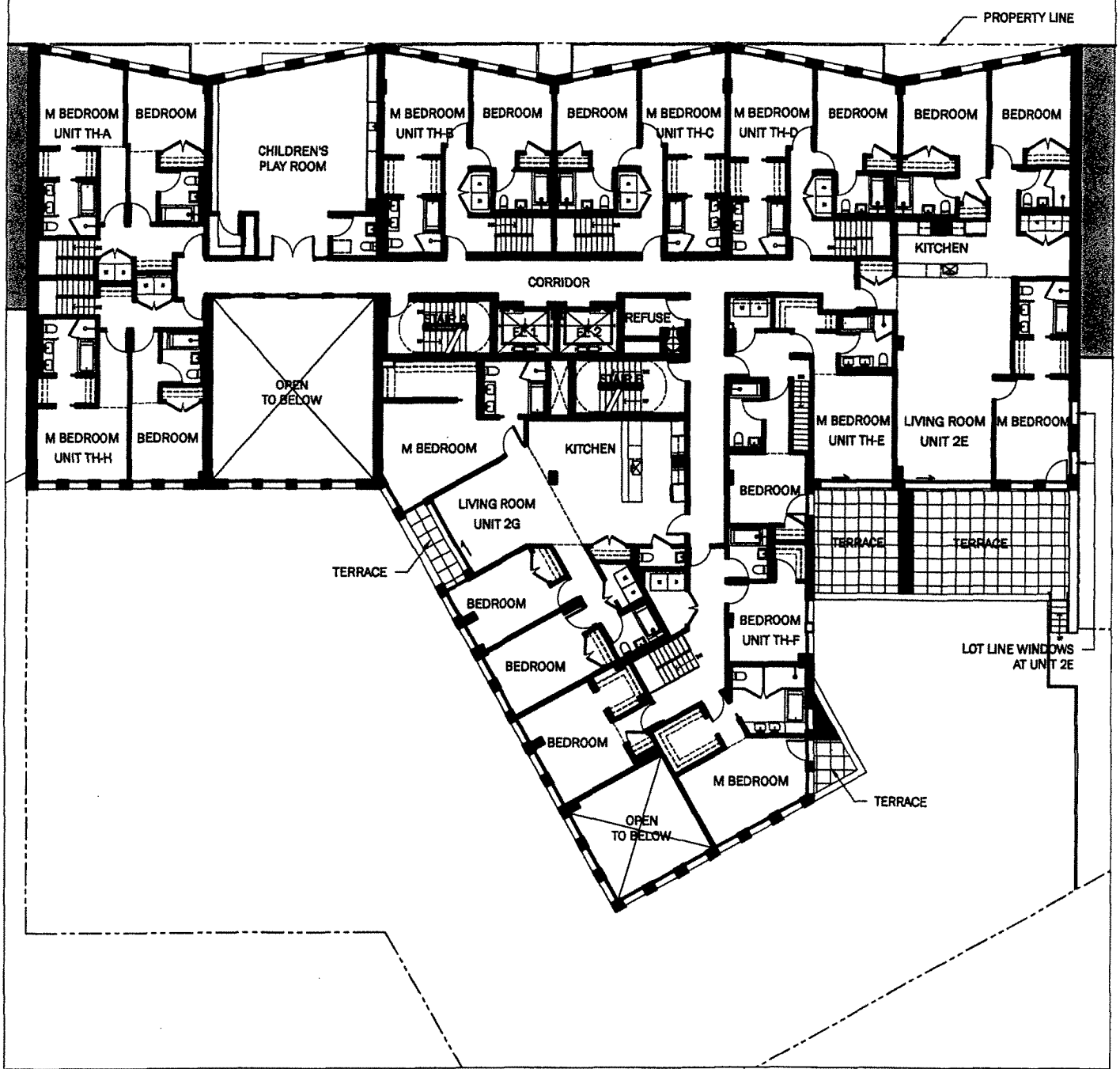
DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

0 4 8 12 20

N

280 ST MARKS AVE
BROOKLYN, NY 11238



SECOND FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

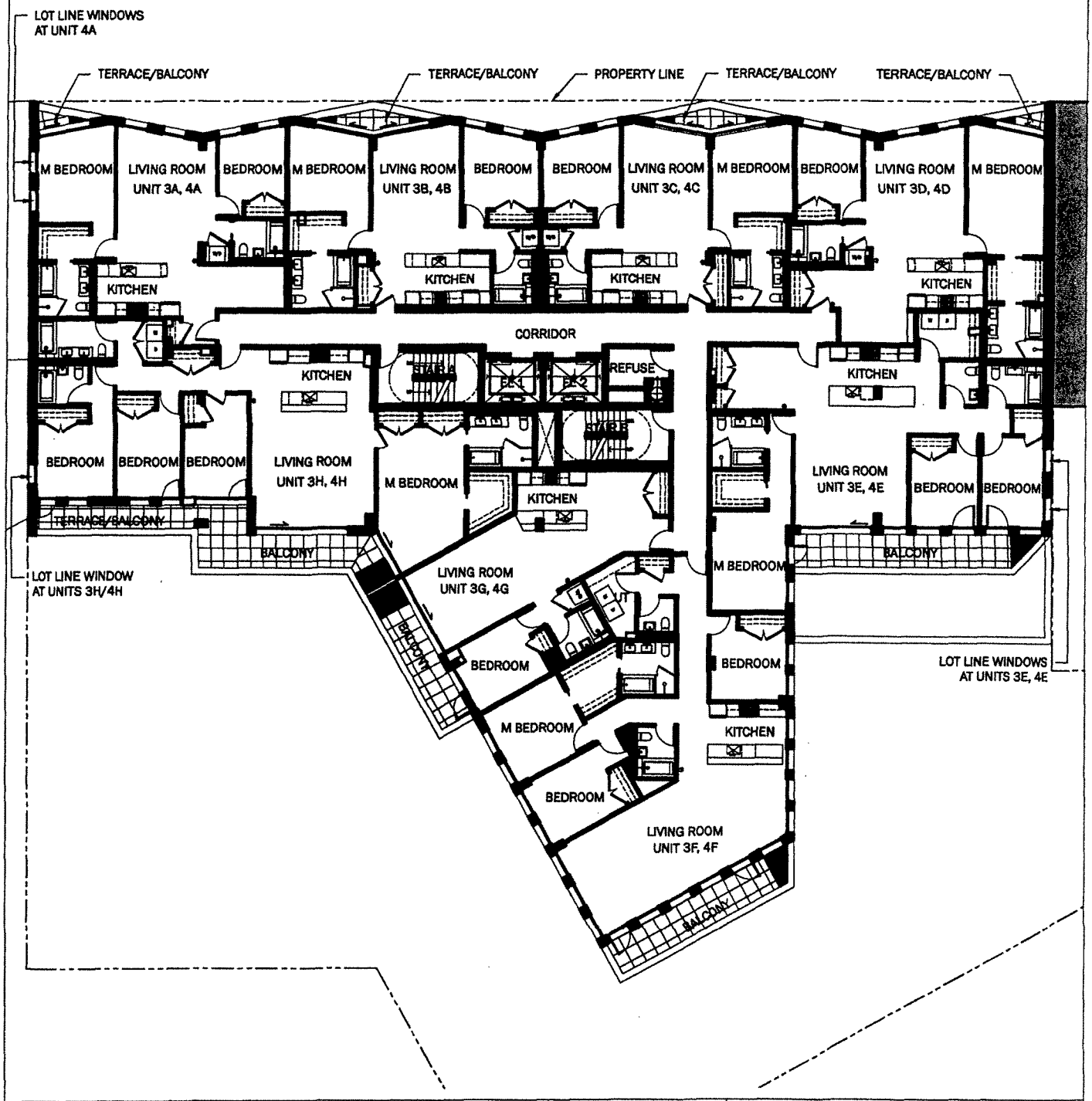
DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

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N

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THIRD-FOURTH FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

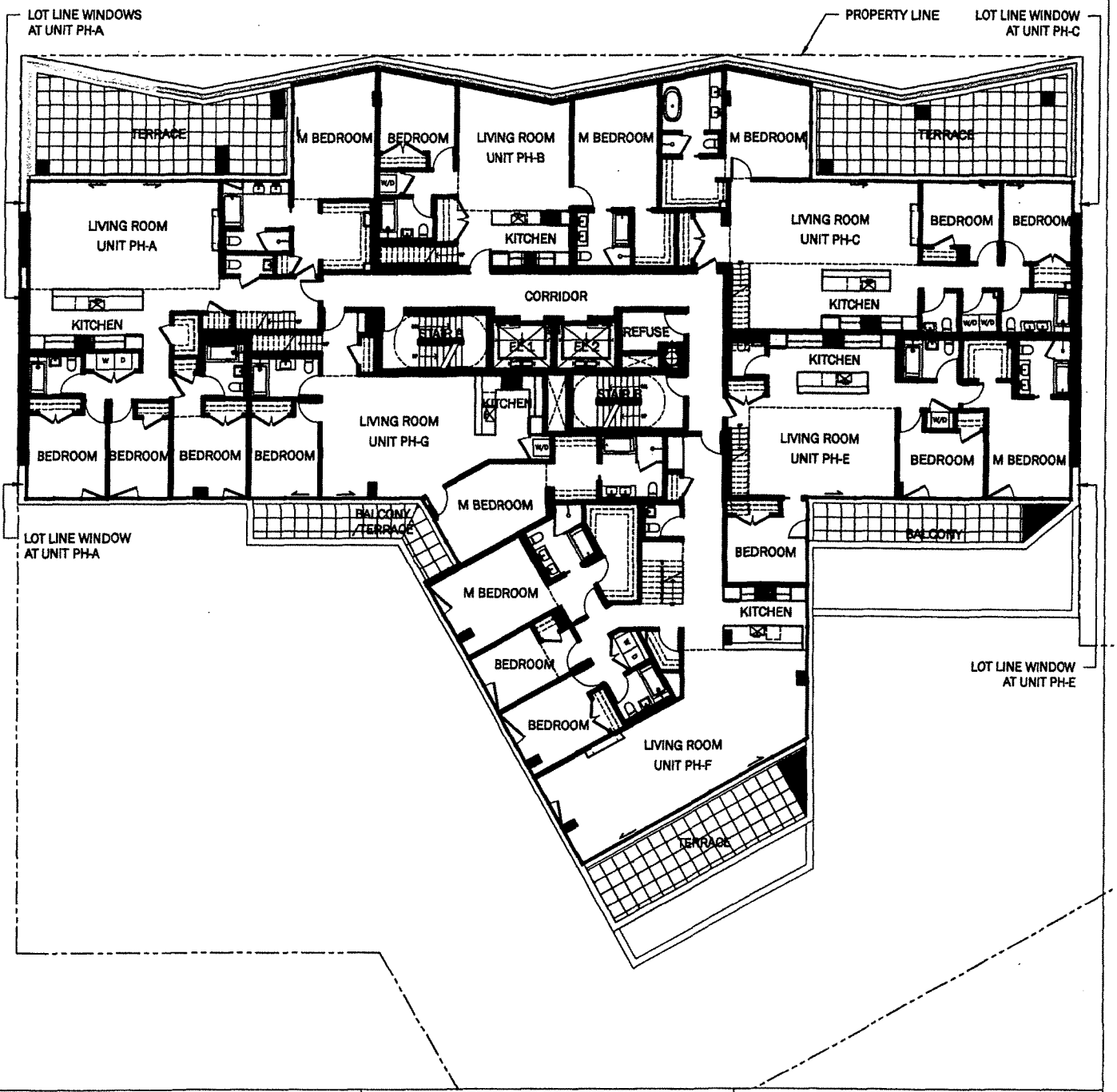
DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

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N

280 ST MARKS AVE
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PENTHOUSE FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

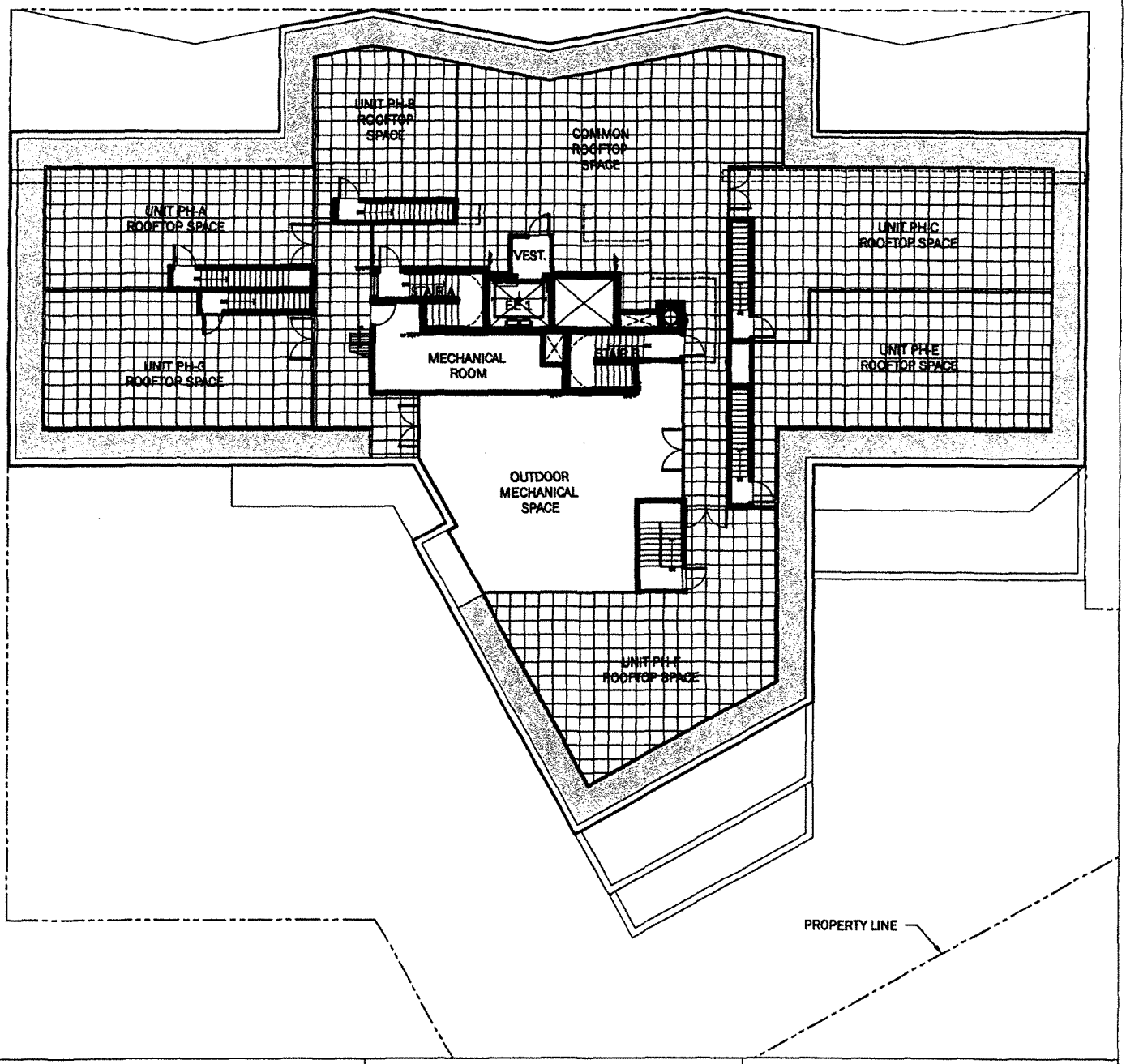
DXA studio
Architecture PLLC

SCALE: 3/64" = 1' - 0"

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N

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ROOF PLAN

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

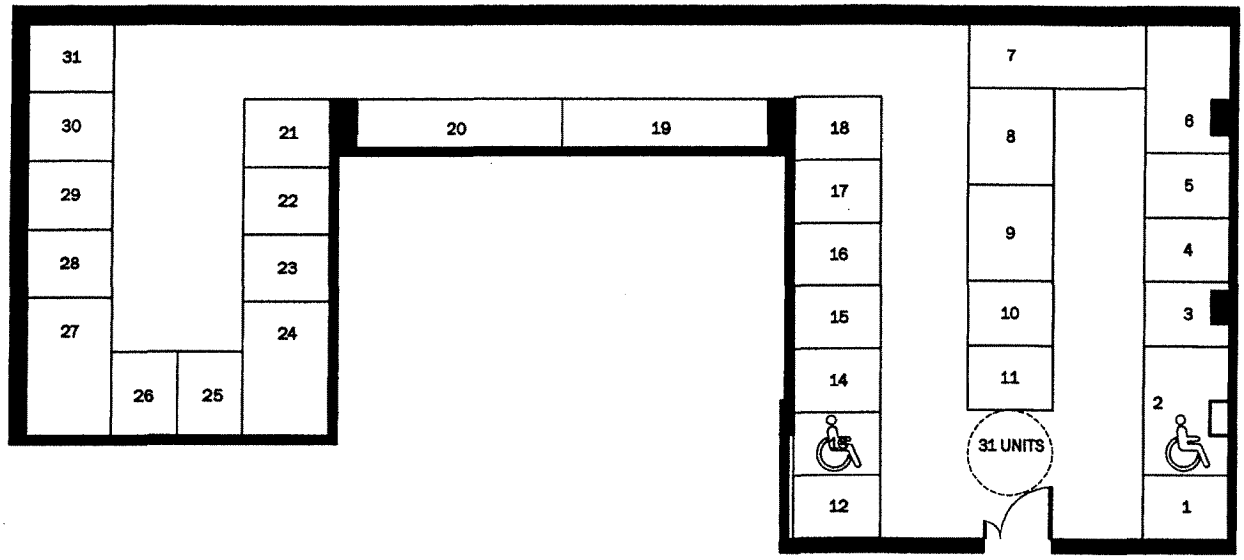
DXA studio
Architecture PLLC

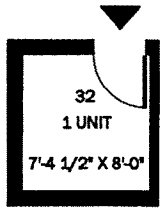
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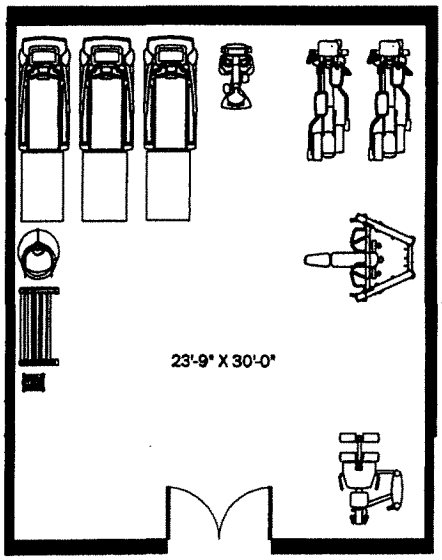
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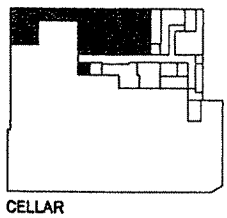




TENANT STORAGE
1,581 SF



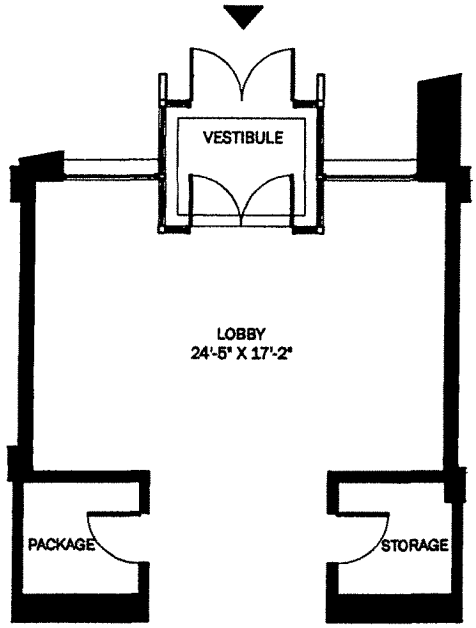
EXERCISE ROOM
768 SF



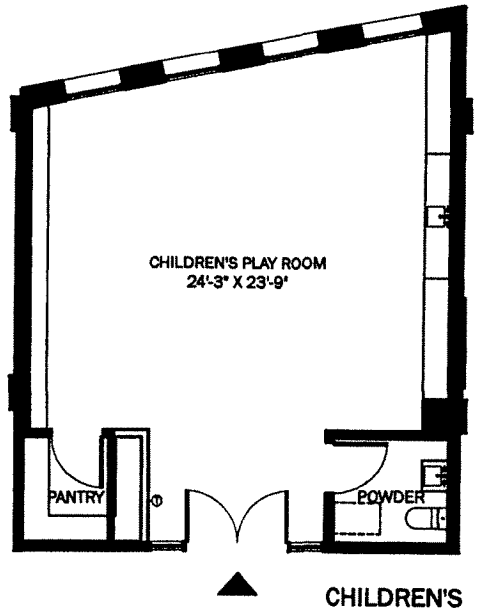
CELLAR

COMMON AREA: 2,349 SF		COMMON SPACES CELLAR
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

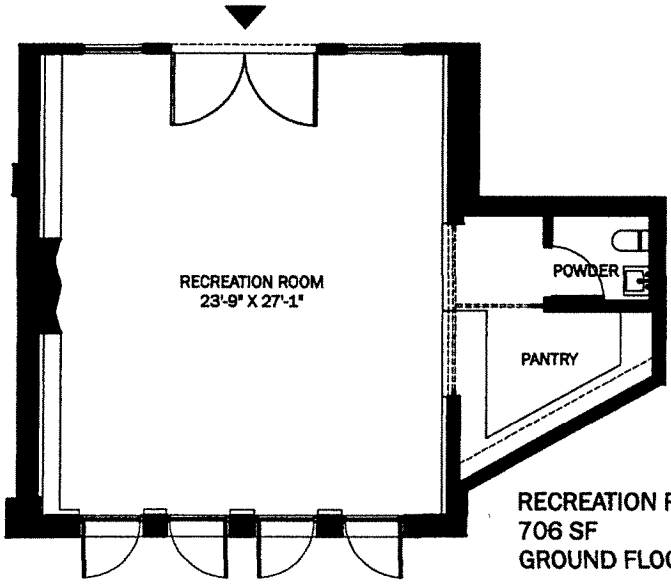
280 ST MARKS AVE
BROOKLYN, NY 11238



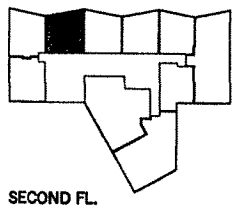
LOBBY
696 SF
GROUND FLOOR

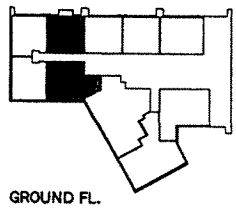


CHILDREN'S
PLAY ROOM
854 SF
SECOND FLOOR



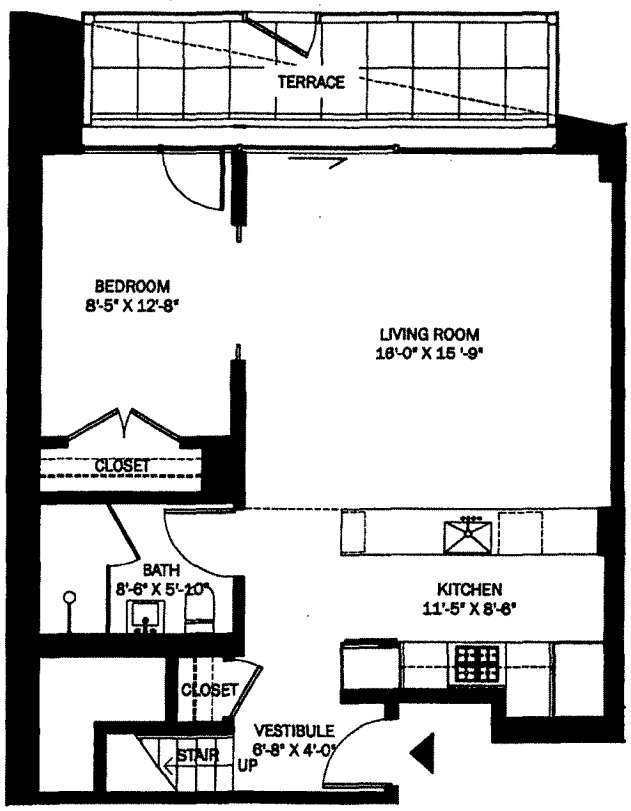
RECREATION ROOM
706 SF
GROUND FLOOR



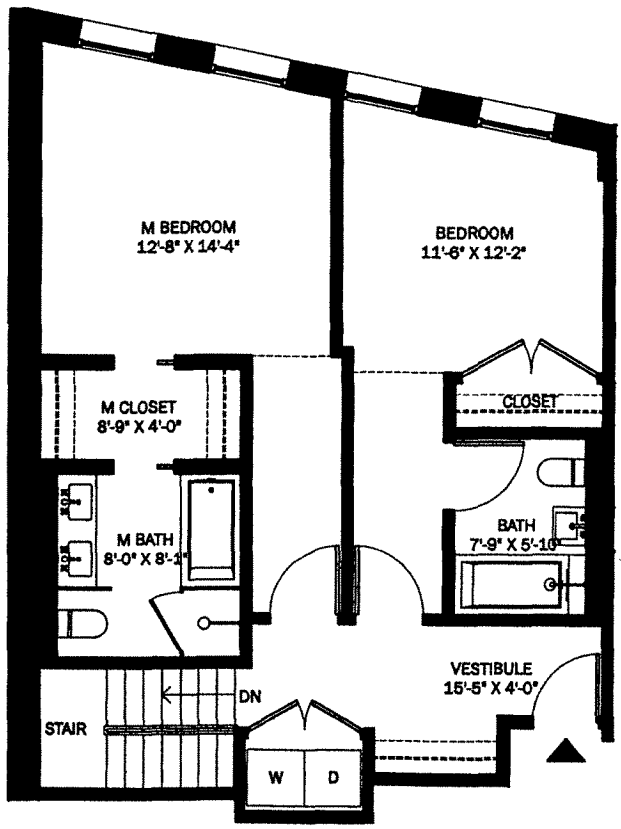


COMMON AREA: 2,256 SF GROUND FL: 1,550 SF, SECOND FL: 706 SF		**COMMON SPACES** GROUND & SECOND FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

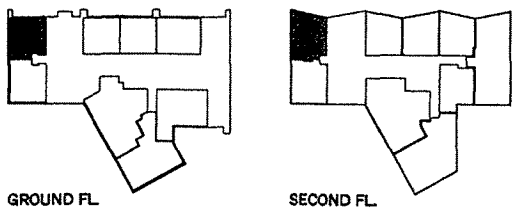
280 ST MARKS AVE
BROOKLYN, NY 11238



GROUND FLOOR

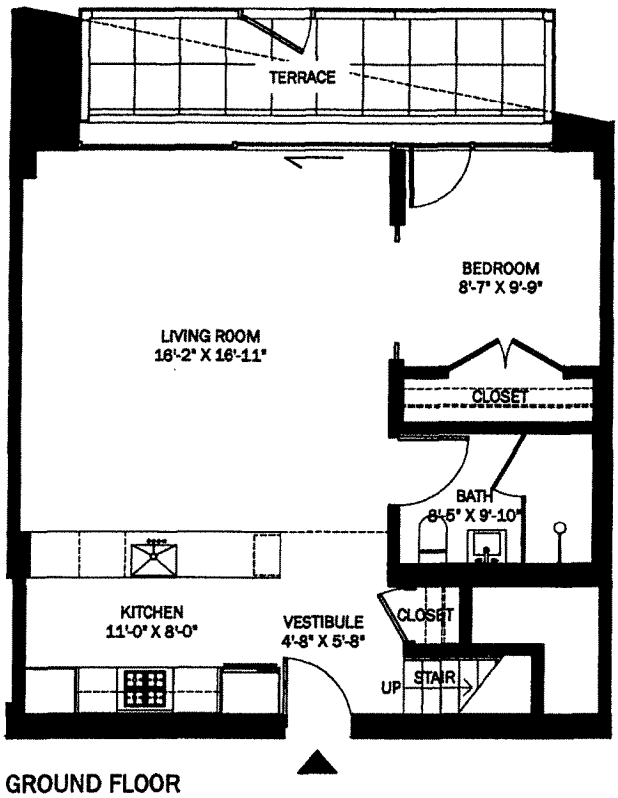


SECOND FLOOR

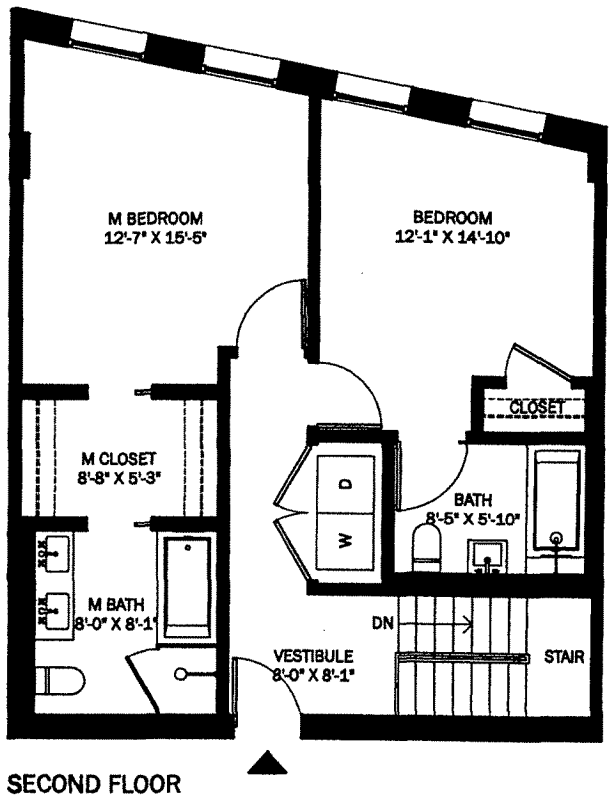


UNIT AREA: 1,585 SF LOWER FL: 755 SF, UPPER FL: 830 SF	**3 BEDROOM - 3 BATH** TERRACE: 117 SF	**UNIT TH-A** DUPLEX - GROUND & SECOND FLOORS
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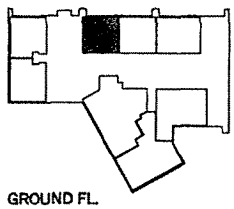
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BROOKLYN, NY 11238

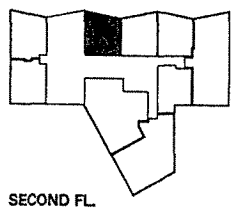


GROUND FLOOR



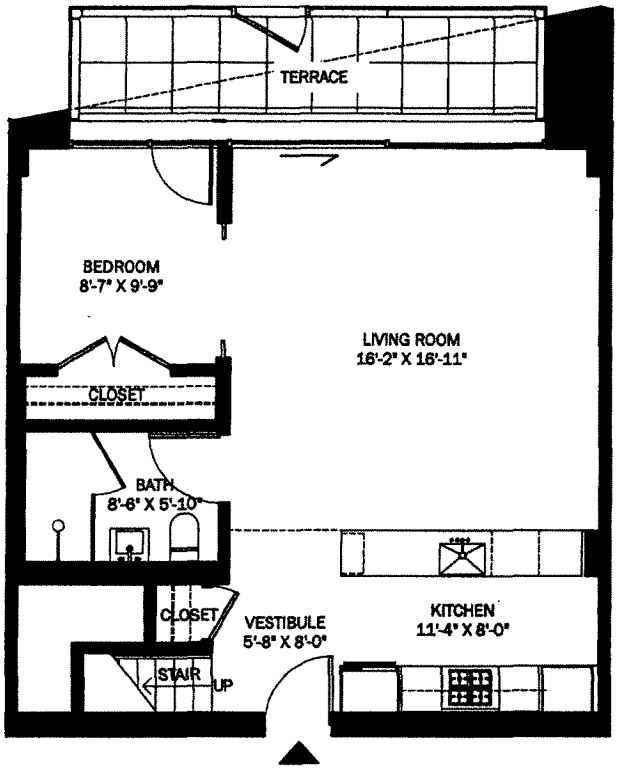
SECOND FLOOR



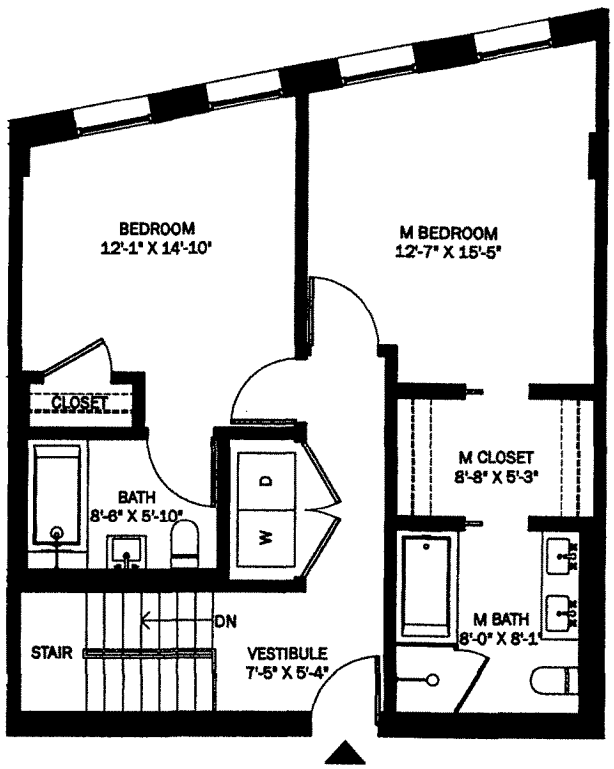


UNIT AREA: 1,461 SF LOWER FL: 700 SF, UPPER FL: 761 SF	**3 BEDROOM - 3 BATH** TERRACE: 117 SF	**UNIT TH-B** DUPLEX - GROUND & SECOND FLOORS
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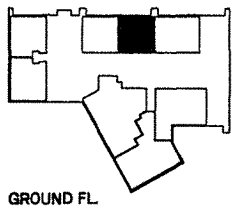
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BROOKLYN, NY 11238



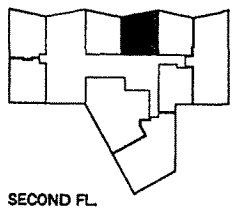
GROUND FLOOR



SECOND FLOOR



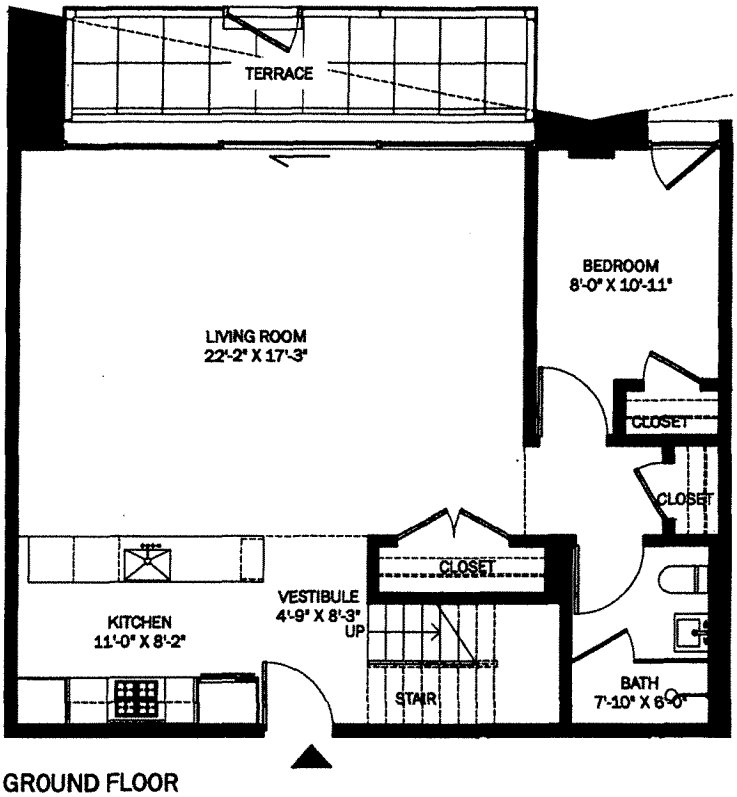
GROUND FL.



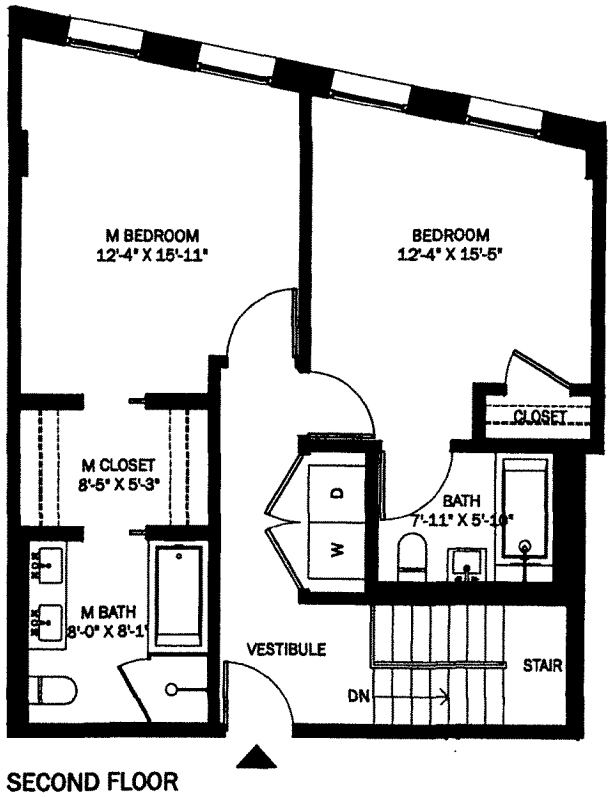
SECOND FL.

UNIT AREA: 1,434 SF LOWER FL: 693 SF, UPPER FL: 741 SF	3 BEDROOM - 3 BATH TERRACE: 117 SF	UNIT TH-C DUPLEX - GROUND & SECOND FLOORS
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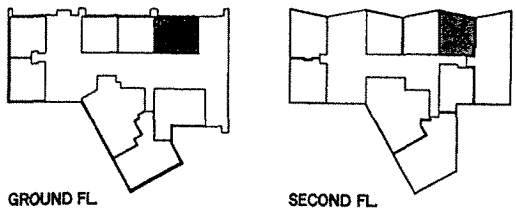
280 ST MARKS AVE
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GROUND FLOOR

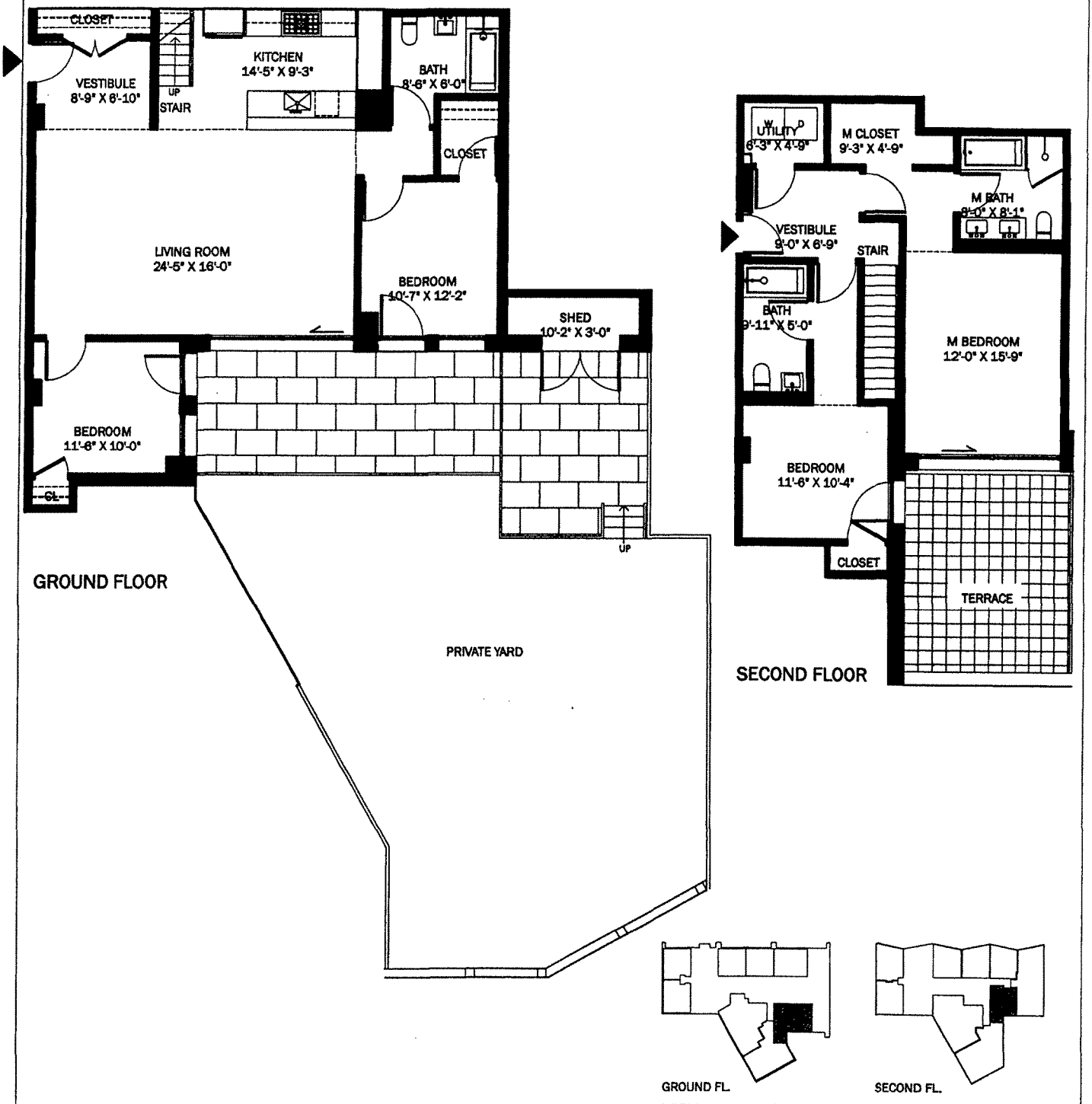


SECOND FLOOR



UNIT AREA: 1,565 SF LOWER FL: 838 SF, UPPER FL: 727 SF	**3 BEDROOM - 3 BATH** TERRACE: 117 SF	**UNIT TH-D** DUPLEX - GROUND & SECOND FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

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UNIT AREA: 1,857 SF	4 BEDROOM - 3 BATH	UNIT TH-E
LOWER FL: 1,088 SF, UPPER FL: 769 SF	PRIVATE GARDEN: 1,418 SF, TERRACE: 220 SF	DUPLEX - GROUND & SECOND FLOORS

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

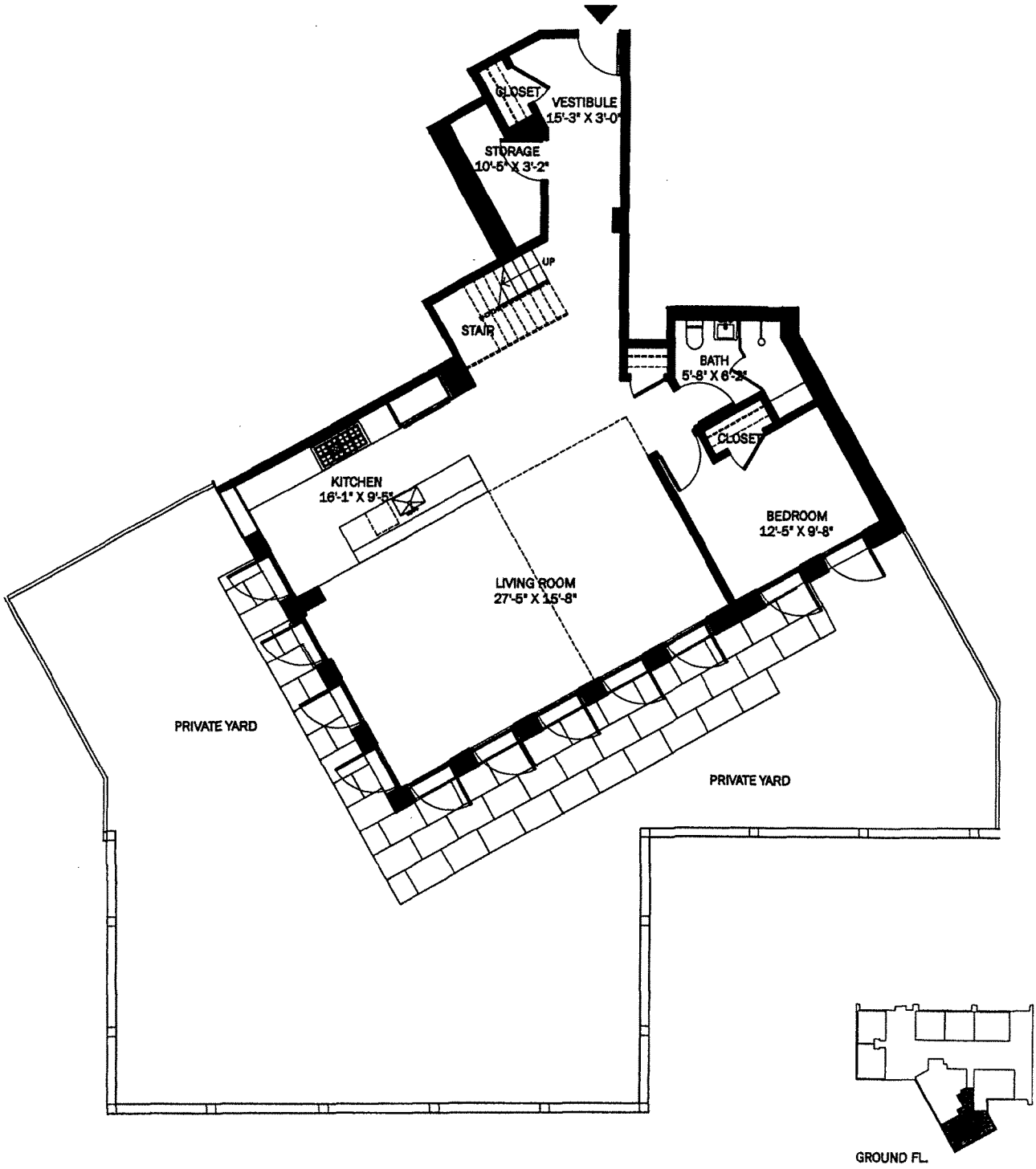
DXA studio
Architecture PLLC

SCALE: 3/32" = 1' - 0"

0 2 4 6 10

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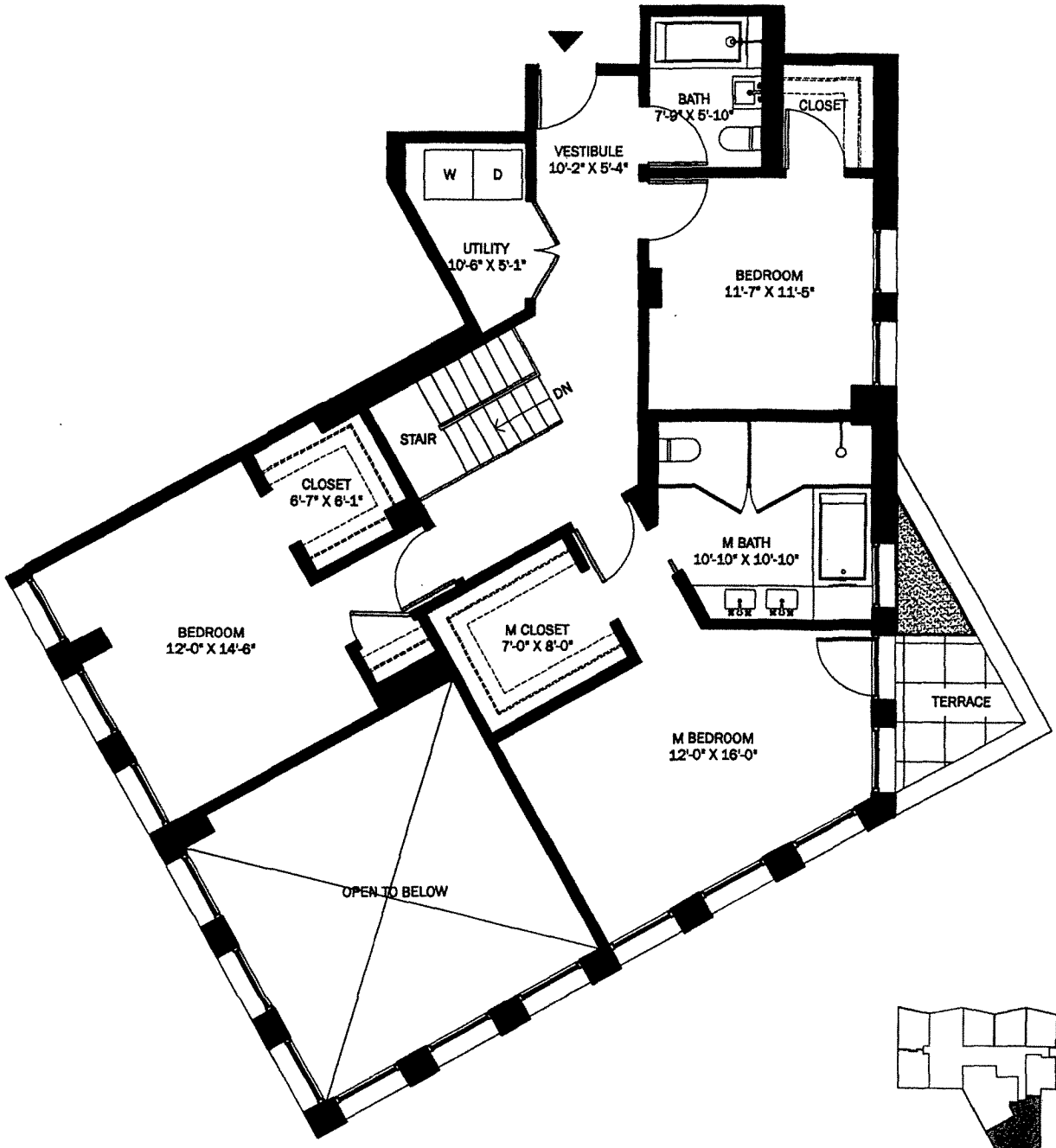
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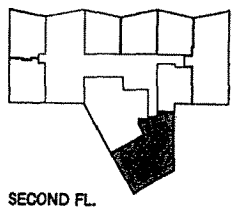


GROUND FL.

UNIT AREA: 2,475 SF LOWER FL: 1,251 SF, UPPER FL: 1,224 SF	**4 BEDROOM - 3 BATH** PRIVATE GARDEN: 1,769 SF	**UNIT TH-F** DUPLEX - GROUND FLOOR (LOWER)
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

280 ST MARKS AVE
BROOKLYN, NY 11238

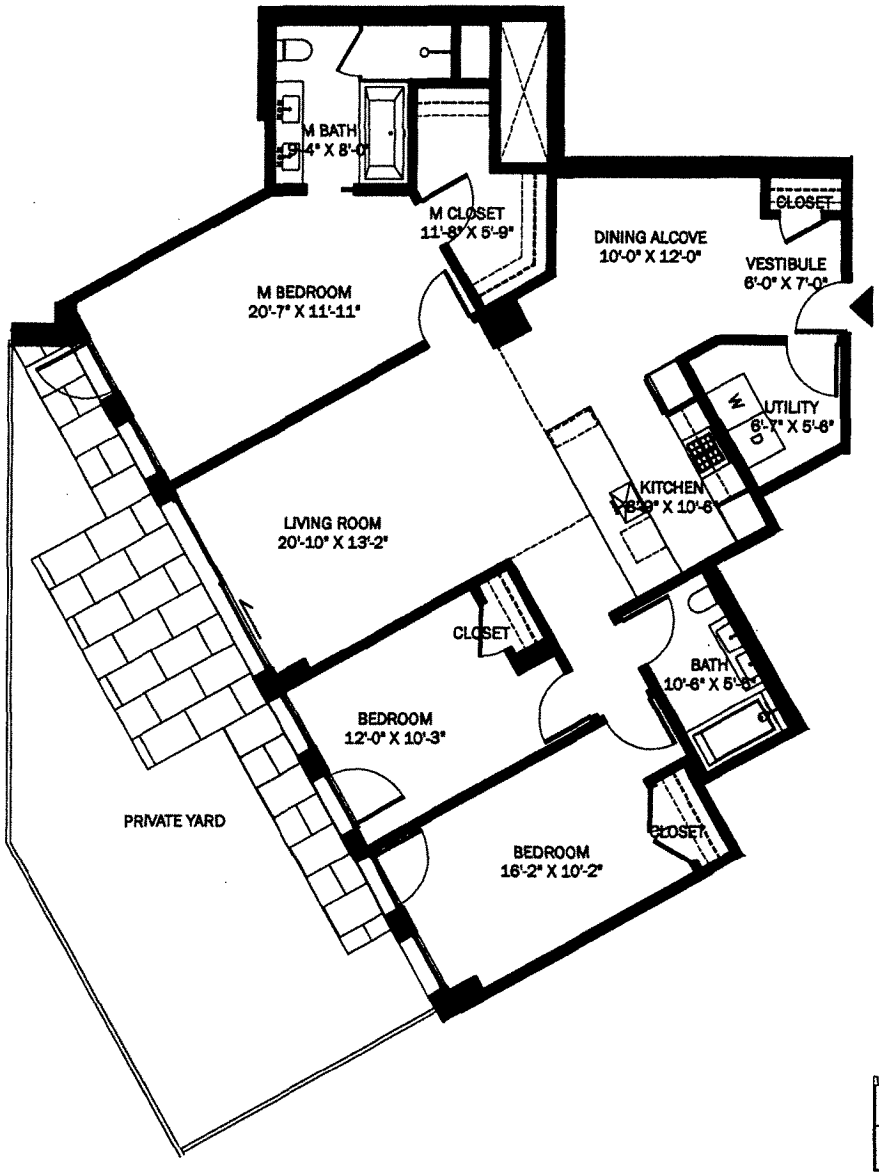


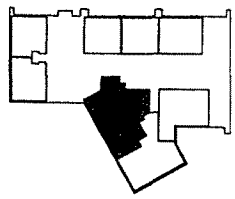


SECOND FL.

UNIT AREA: 2,475 SF LOWER FL: 1,251 SF, UPPER FL: 1,224 SF	4 BEDROOM - 3 BATH TERRACE: 79 SF	UNIT TH-F DUPLEX - SECOND FLOOR (UPPER)
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

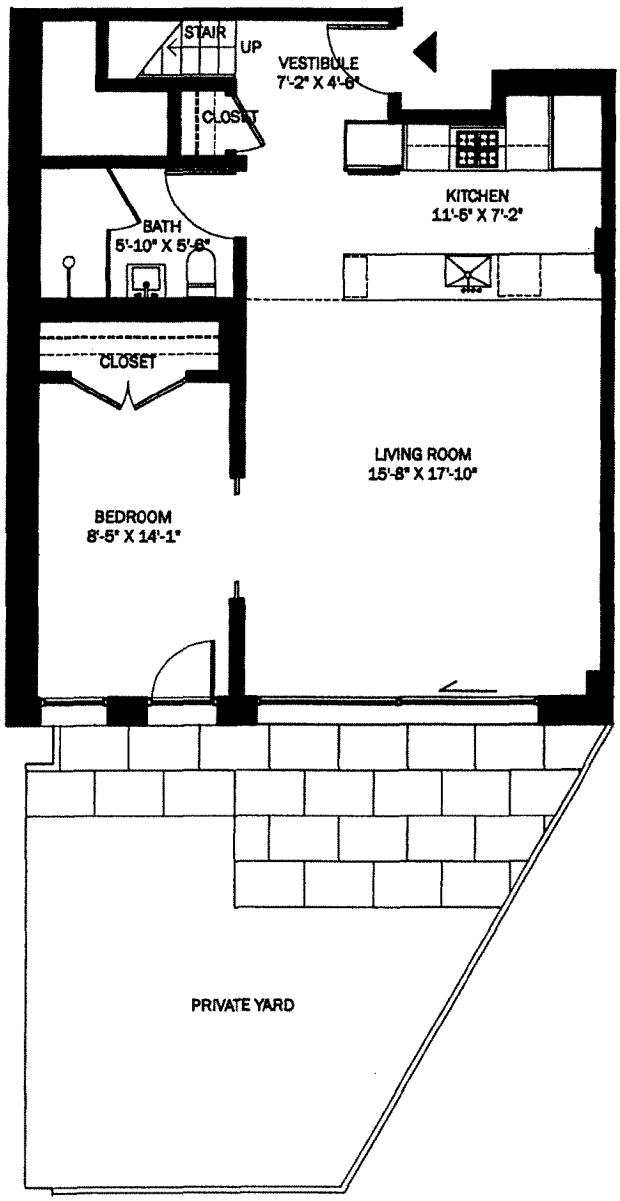
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BROOKLYN, NY 11238



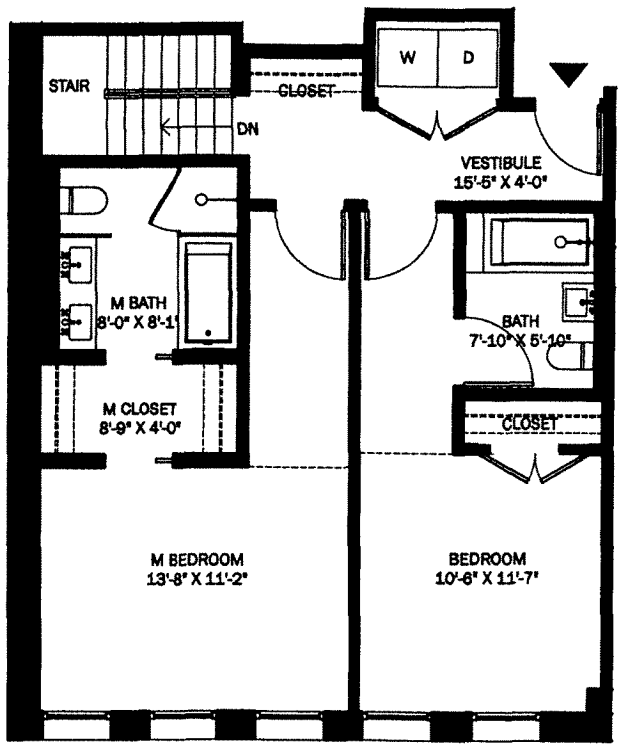


UNIT AREA: 1,621 SF	3 BEDROOM - 2 BATH PRIVATE GARDEN: 603 SF	UNIT 1G GROUND FLOOR
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

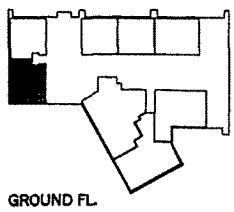
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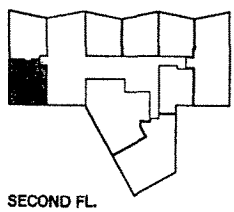
GROUND FLOOR



SECOND FLOOR



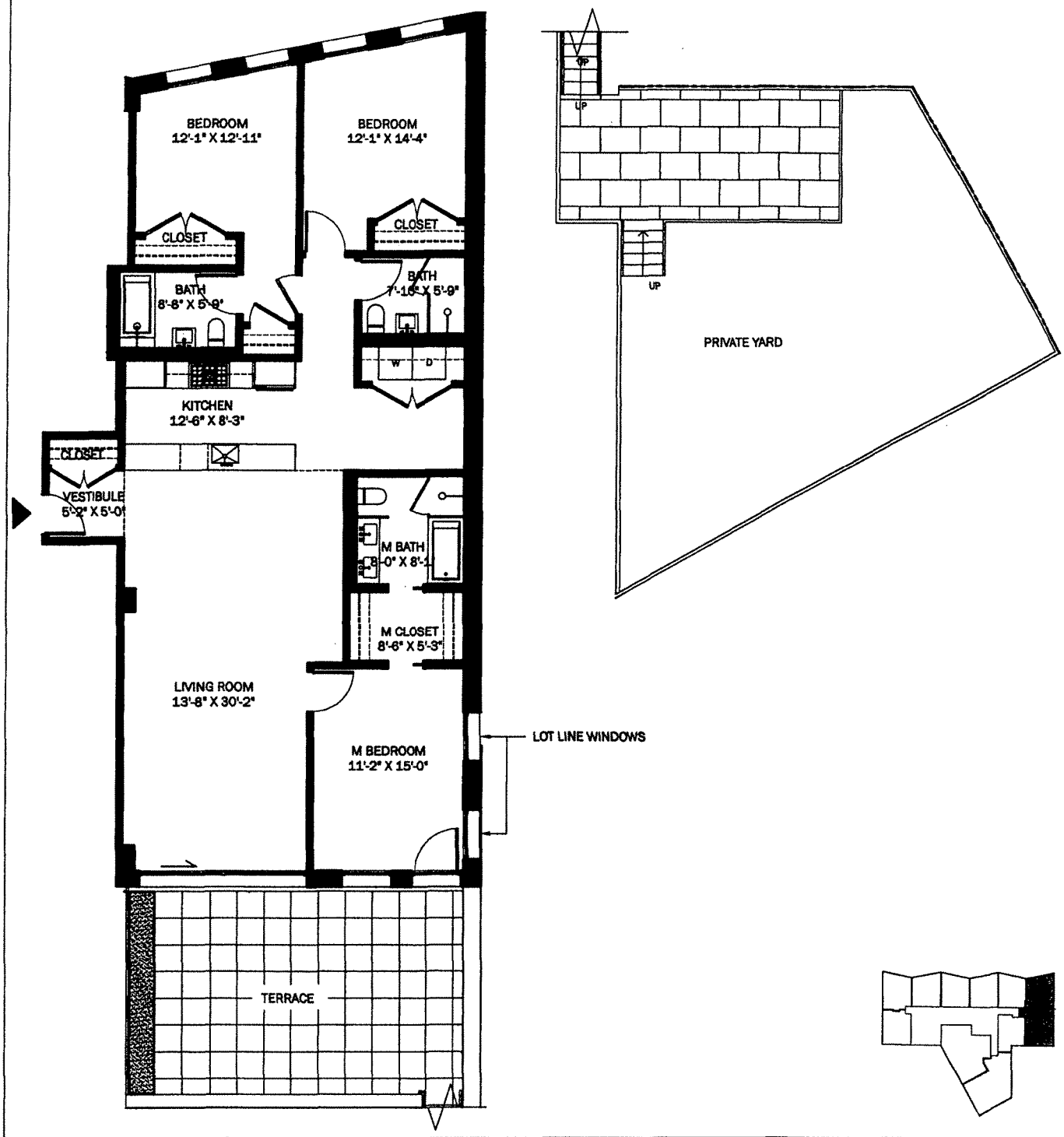
GROUND FL.



SECOND FL.

UNIT AREA: 1,599 SF LOWER FL: 798 SF, UPPER FL: 801 SF	**3 BEDROOM - 3 BATH** PRIVATE GARDEN: 400 SF	**UNIT TH-H** DUPLEX - GROUND & SECOND FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

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UNIT AREA: 1,702 SF	3 BEDROOM - 3 BATH PRIVATE GARDEN: 830 SF, TERRACE: 445 SF	UNIT 2E SECOND FLOOR

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.

DNA development

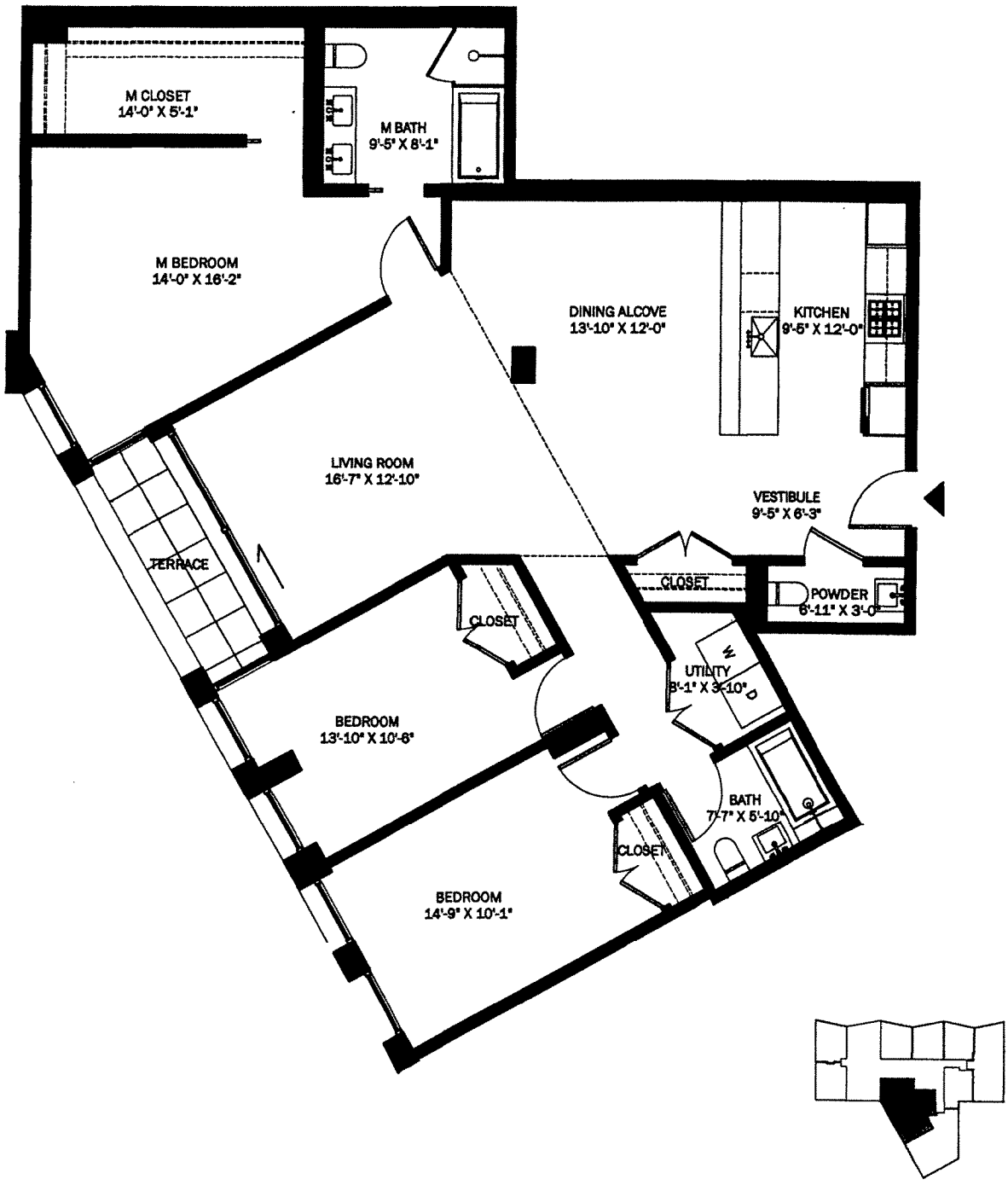
DXA studio
Architecture PLLC

SCALE: 3/32" = 1' - 0"

0 2 4 6 10

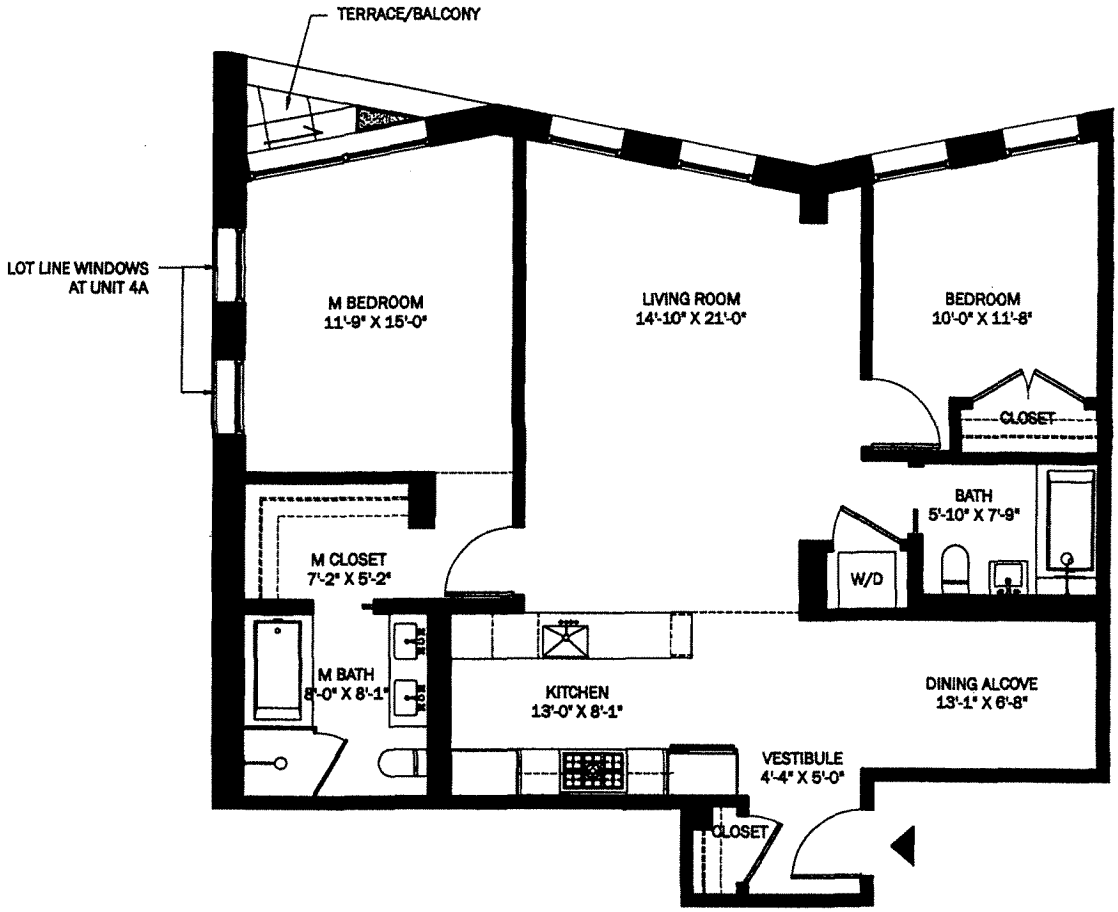
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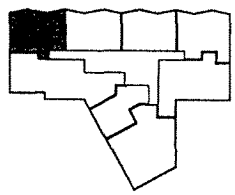
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UNIT AREA: 1,641 SF	3 BEDROOM - 2.5 BATH TERRACE: 64 SF	UNIT 2G SECOND FLOOR
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

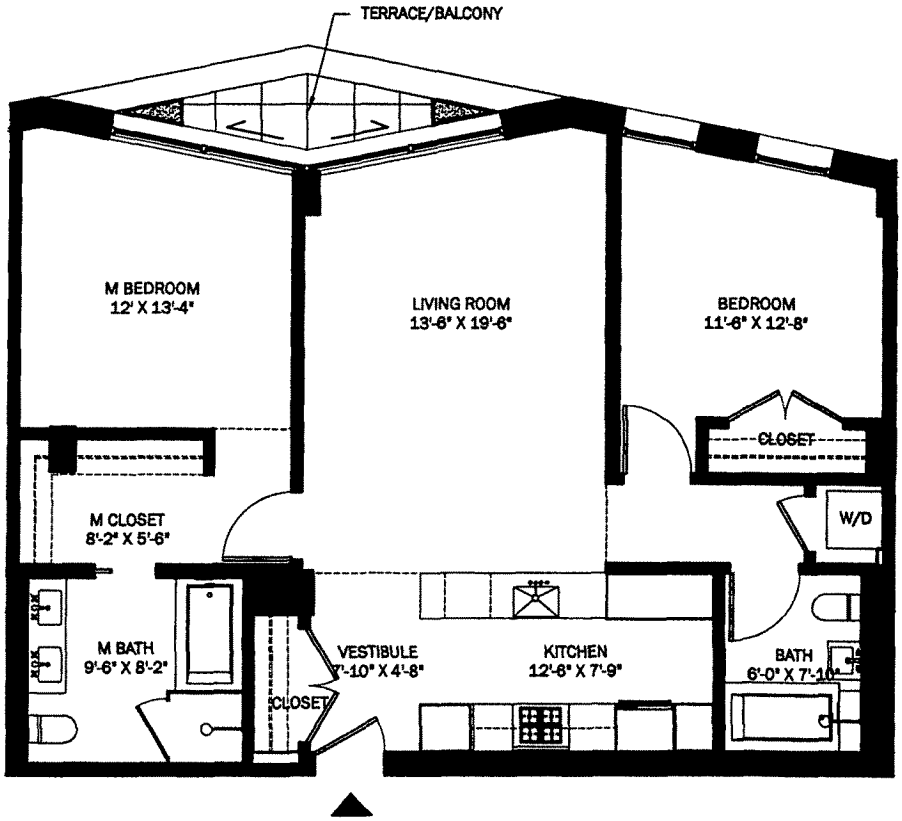
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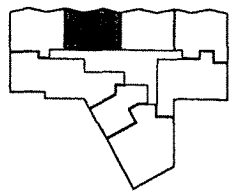




UNIT AREA: 1,141 SF	2 BEDROOM - 2 BATH TERRACE/BALCONY: 35 SF	UNIT 3A, 4A THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

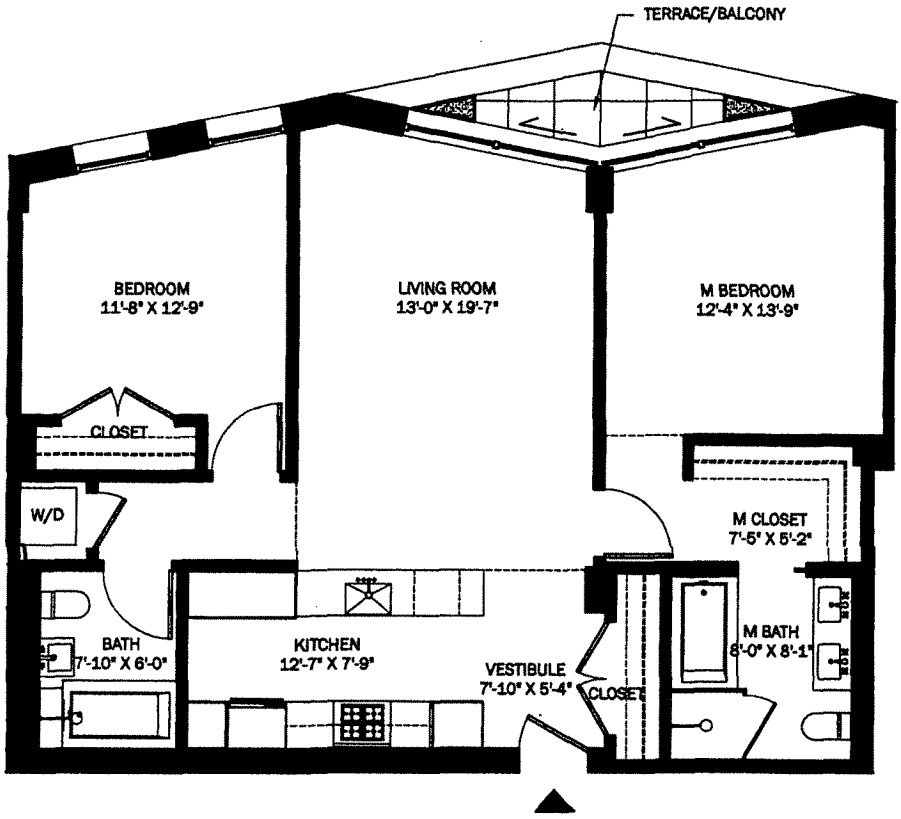
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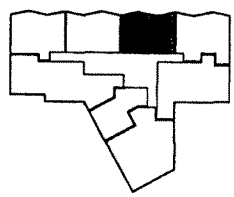




UNIT AREA: 1,072 SF	2 BEDROOM - 2 BATH TERRACE/BALCONY: 64 SF	UNIT 3B, 4B THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

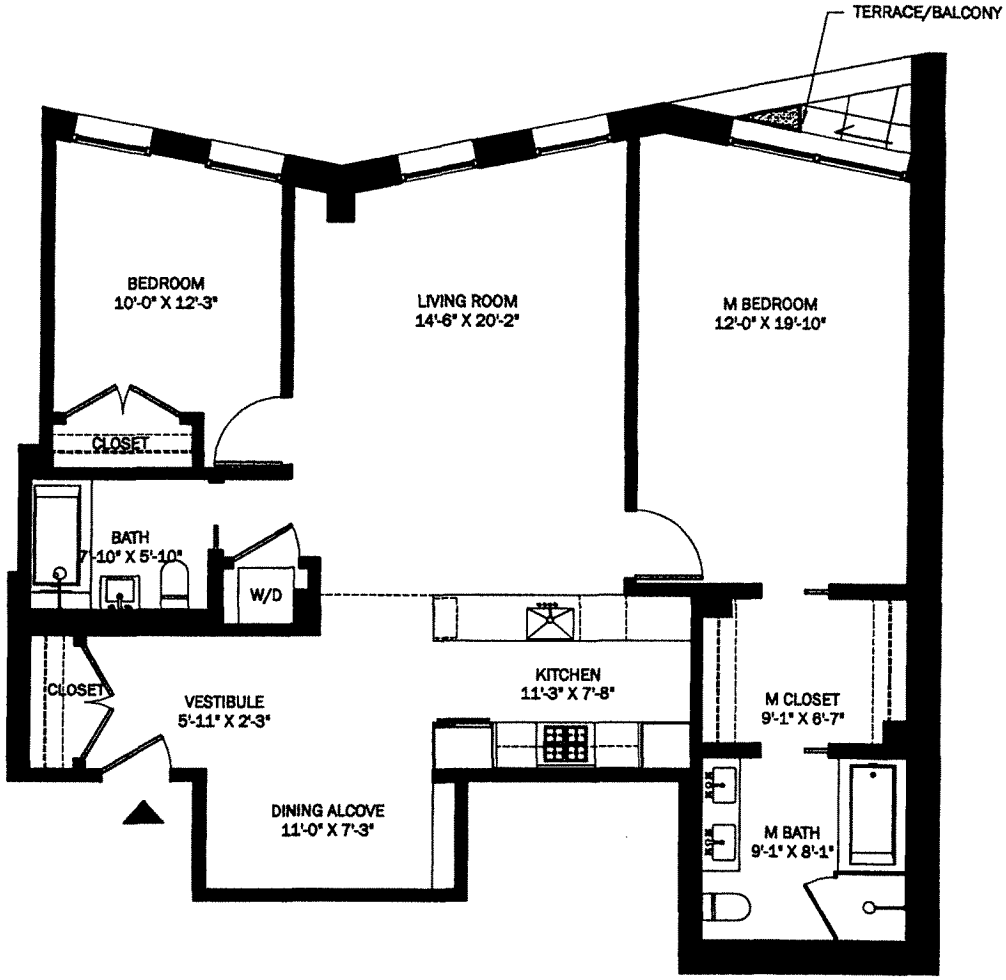
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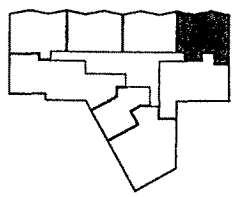




UNIT AREA: 1,059 SF	2 BEDROOM - 2 BATH TERRACE/BALCONY: 64 SF	UNIT 3C, 4C THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

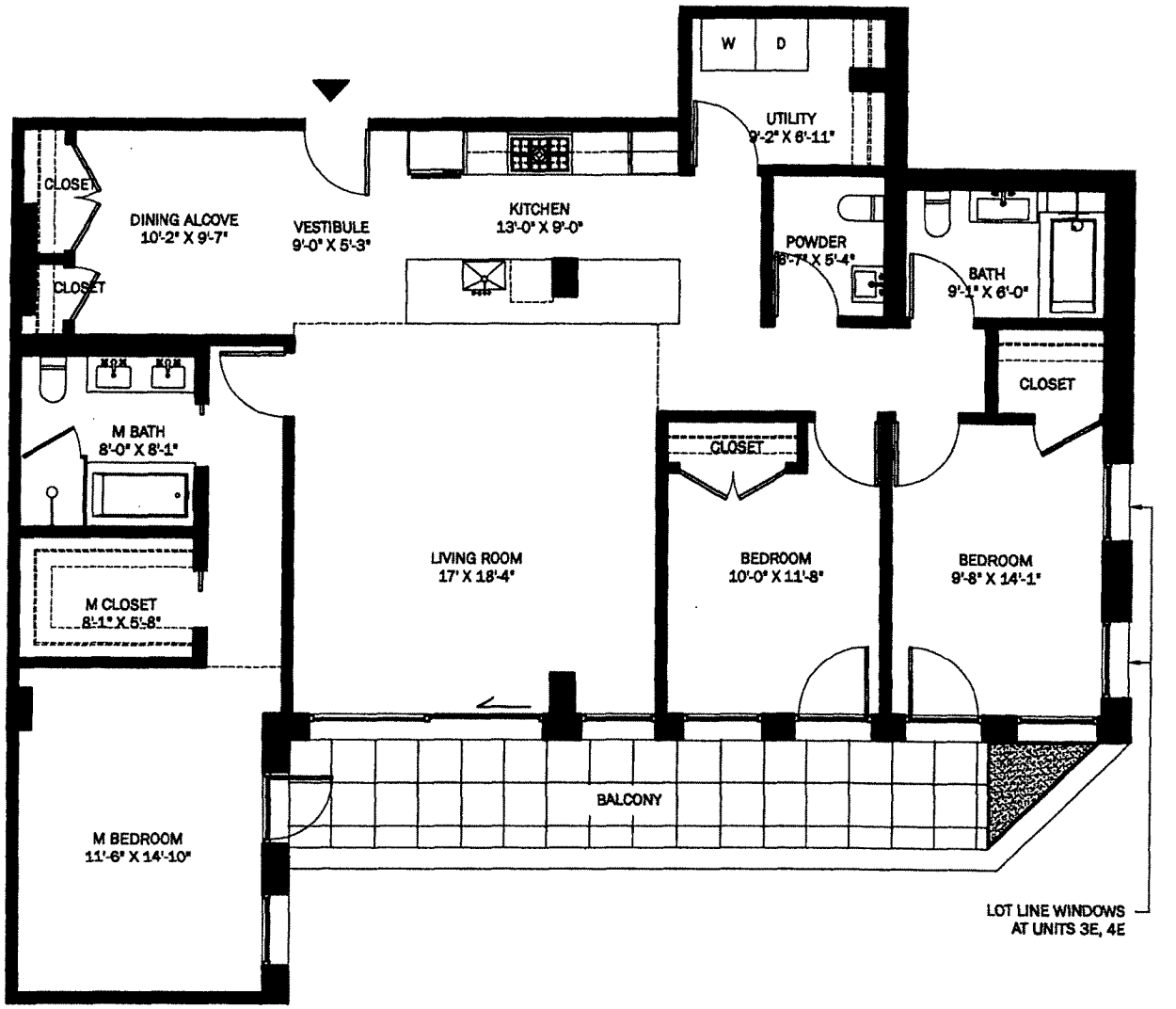
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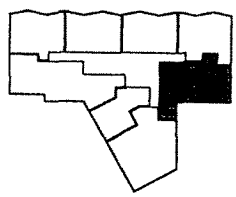




UNIT AREA: 1,239 SF	2 BEDROOM - 2 BATH TERRACE/BALCONY: 35 SF	UNIT 3D, 4D THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

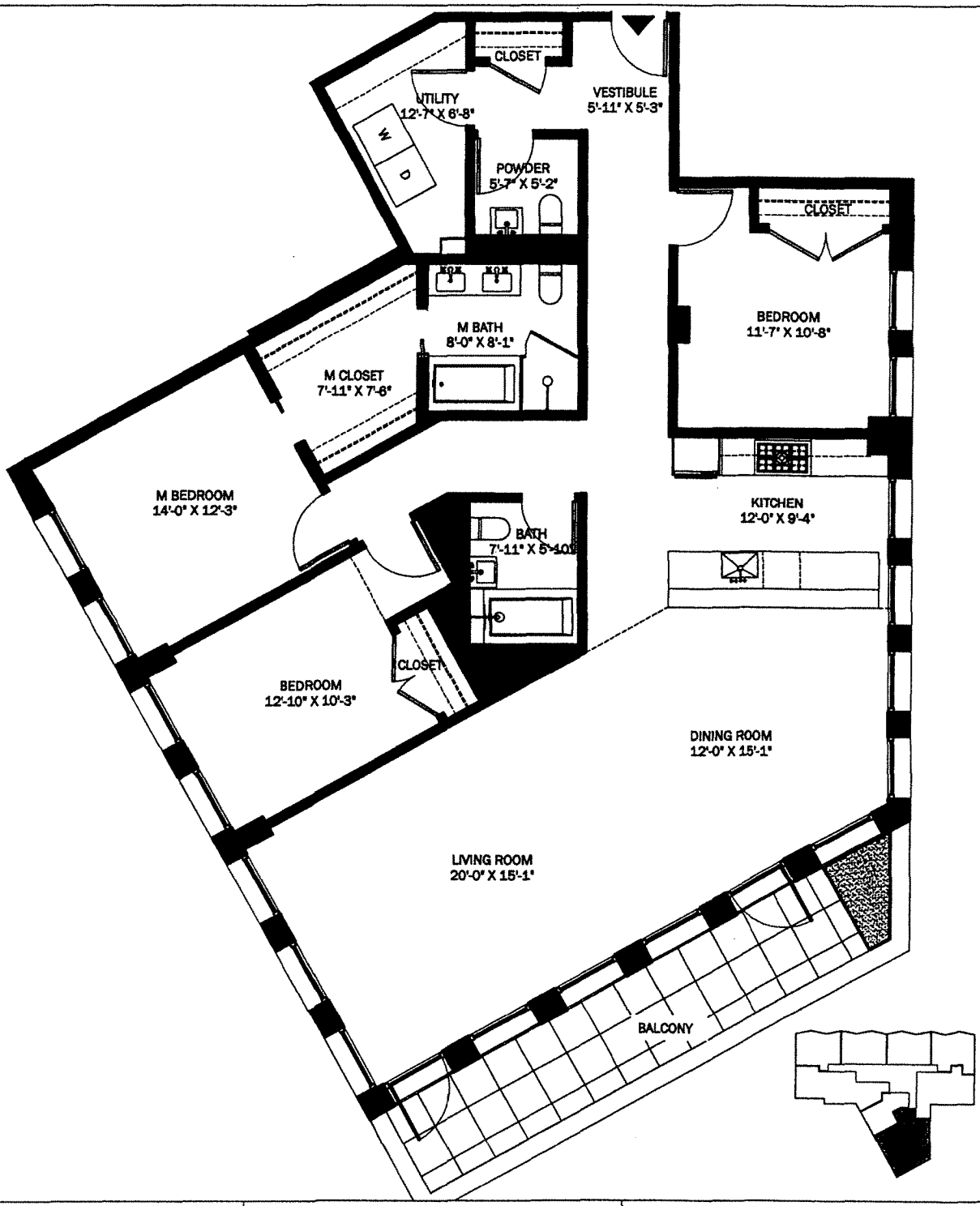
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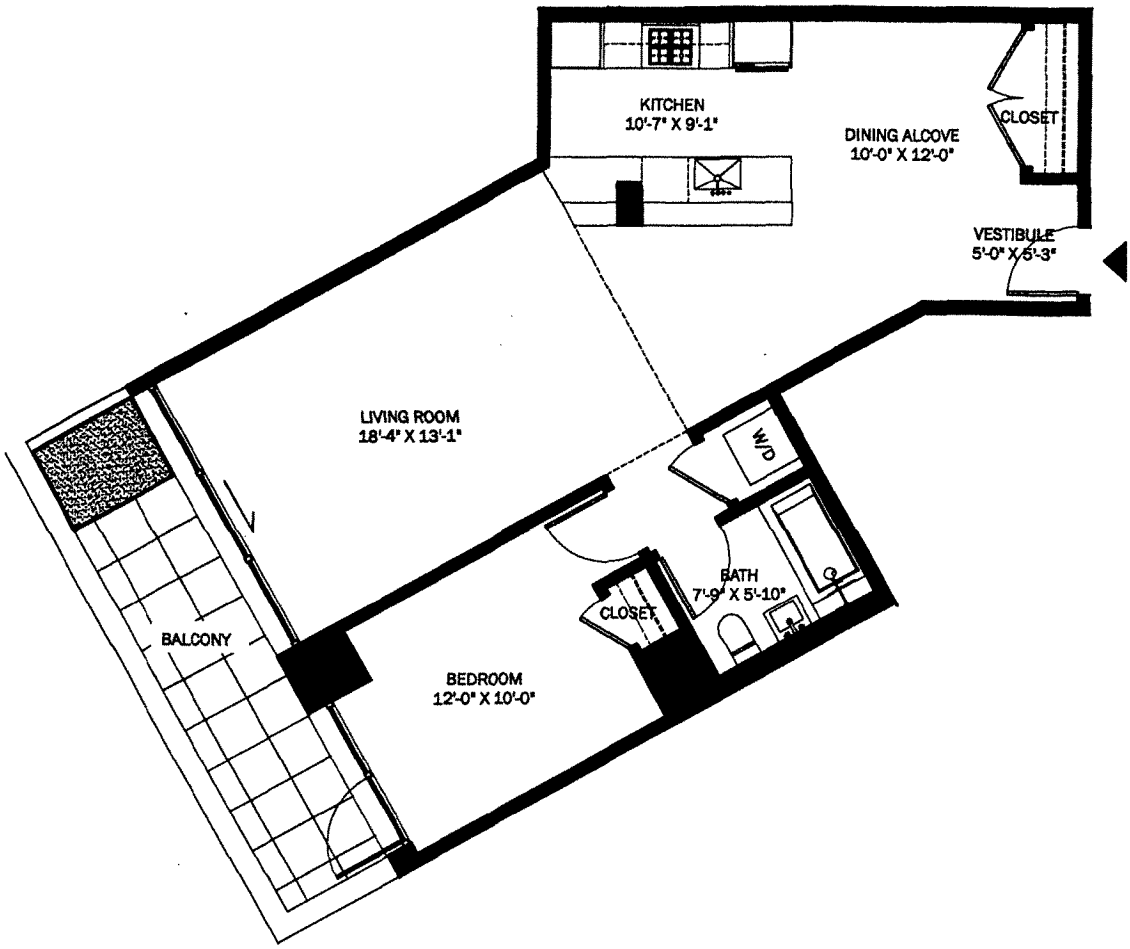
UNIT AREA: 1,635 SF	3 BEDROOM - 2.5 BATH BALCONY: 237 SF	UNIT 3E, 4E THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

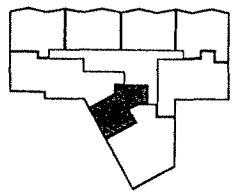
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UNIT AREA: 1,777 SF	3 BEDROOM - 2.5 BATH BALCONY: 214 SF	UNIT 3F, 4F THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

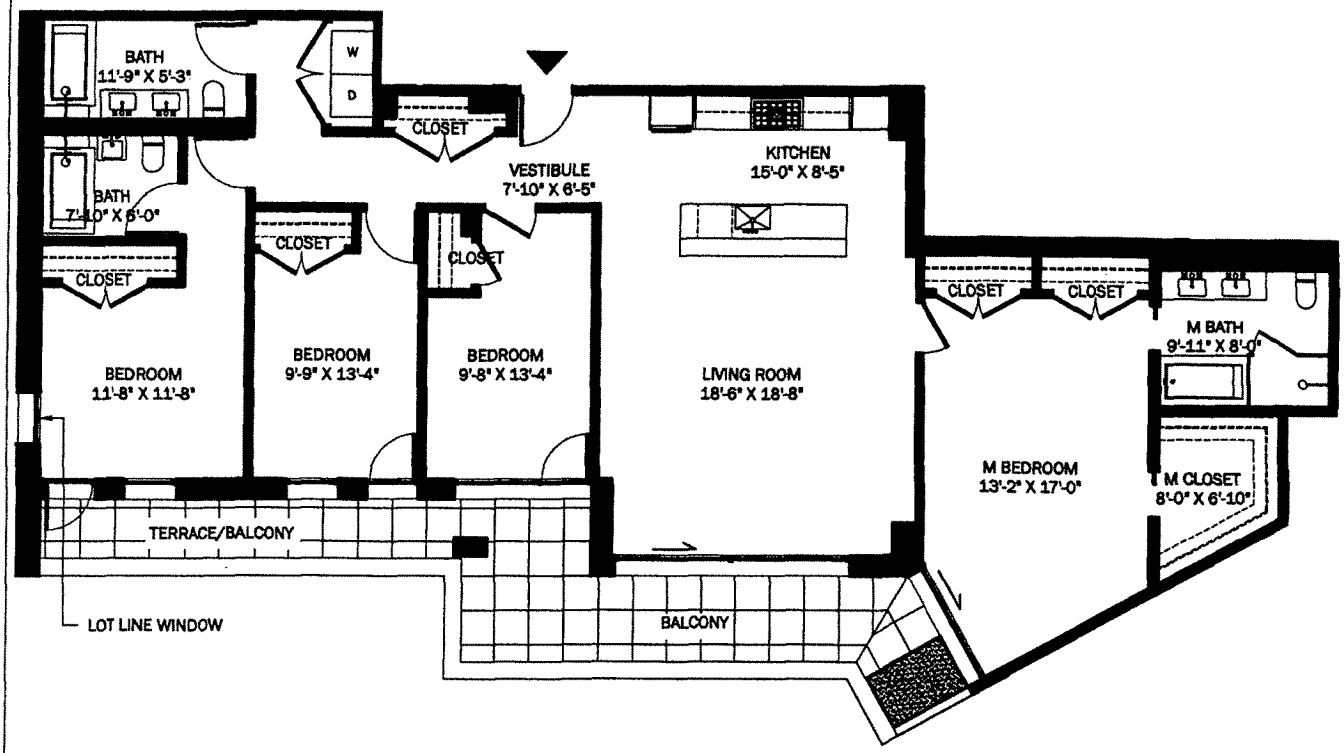
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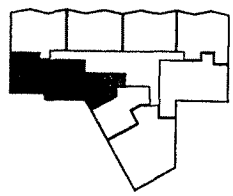




UNIT AREA: 870 SF	1 BEDROOM - 1 BATH BALCONY: 136 SF	UNIT 3G, 4G THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 1/8" = 1' - 0" 0 2 4 6 10 N

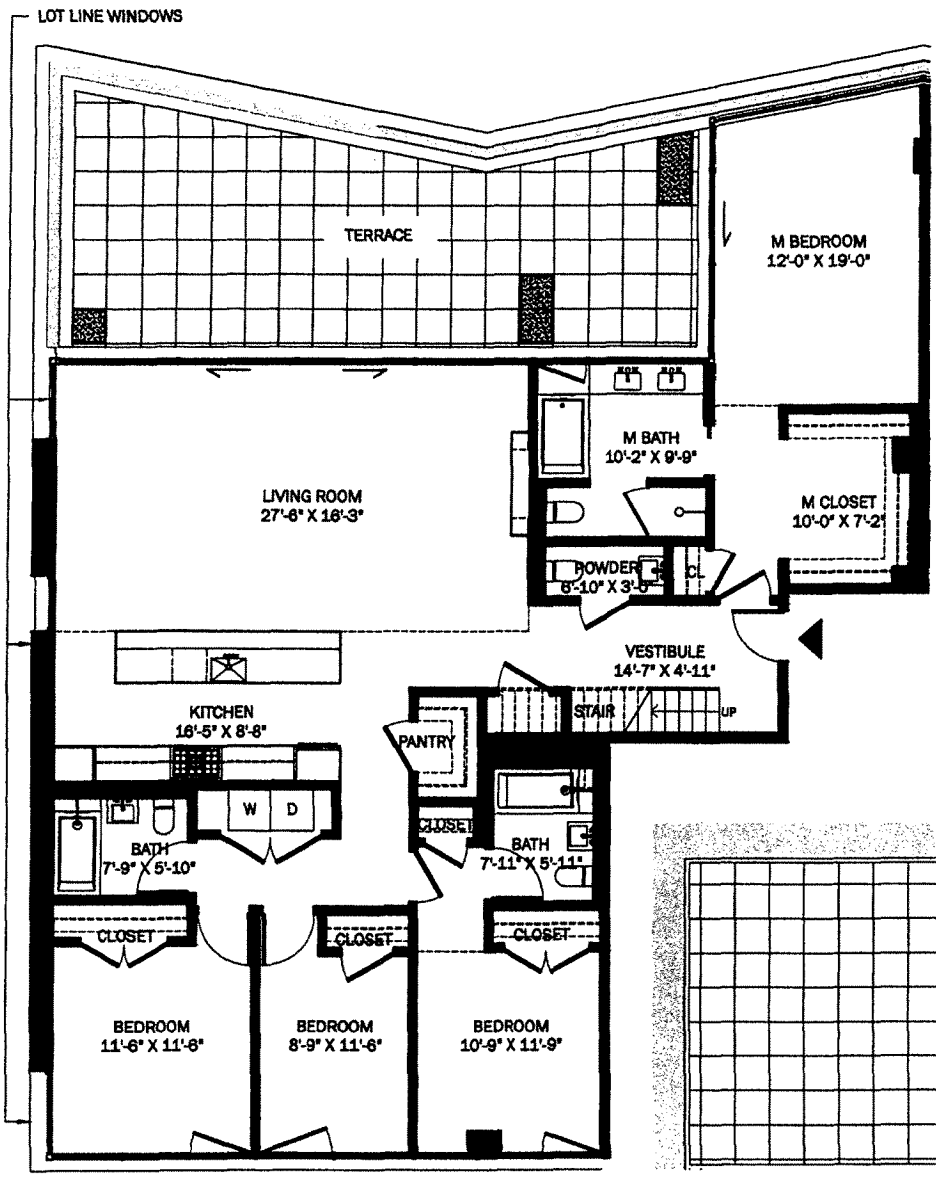
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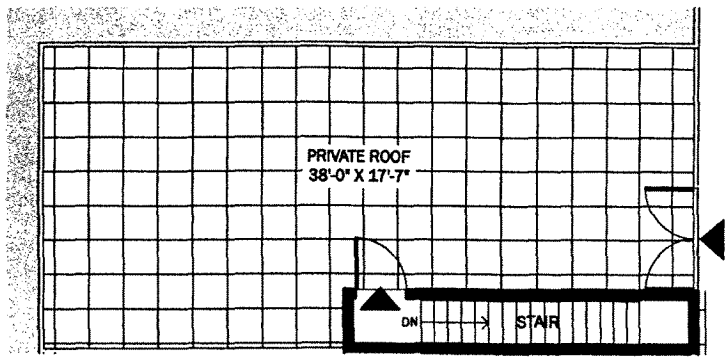


UNIT AREA: 1,899 SF	4 BEDROOM - 3 BATH TERRACE/BALCONY: 356 SF	UNIT 3H, 4H THIRD - FOURTH FLOORS
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

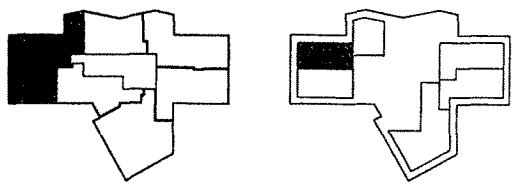
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FIFTH FLOOR



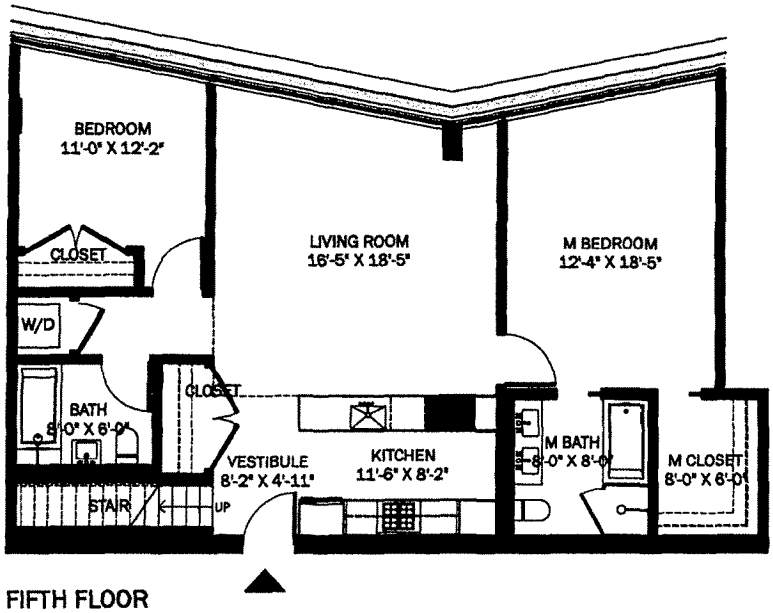
ROOF



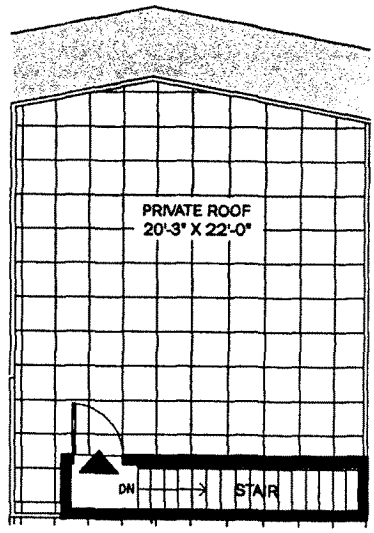
FIFTH FL. ROOF

UNIT AREA: 2,153 SF (INCLUDES ROOF STAIR 72 SF)	4 BEDROOM - 3.5 BATH TERRACE: 600 SF, ROOF: 616 SF	UNIT PH-A FIFTH FLOOR & ROOF
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

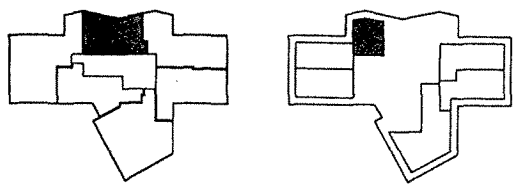
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FIFTH FLOOR

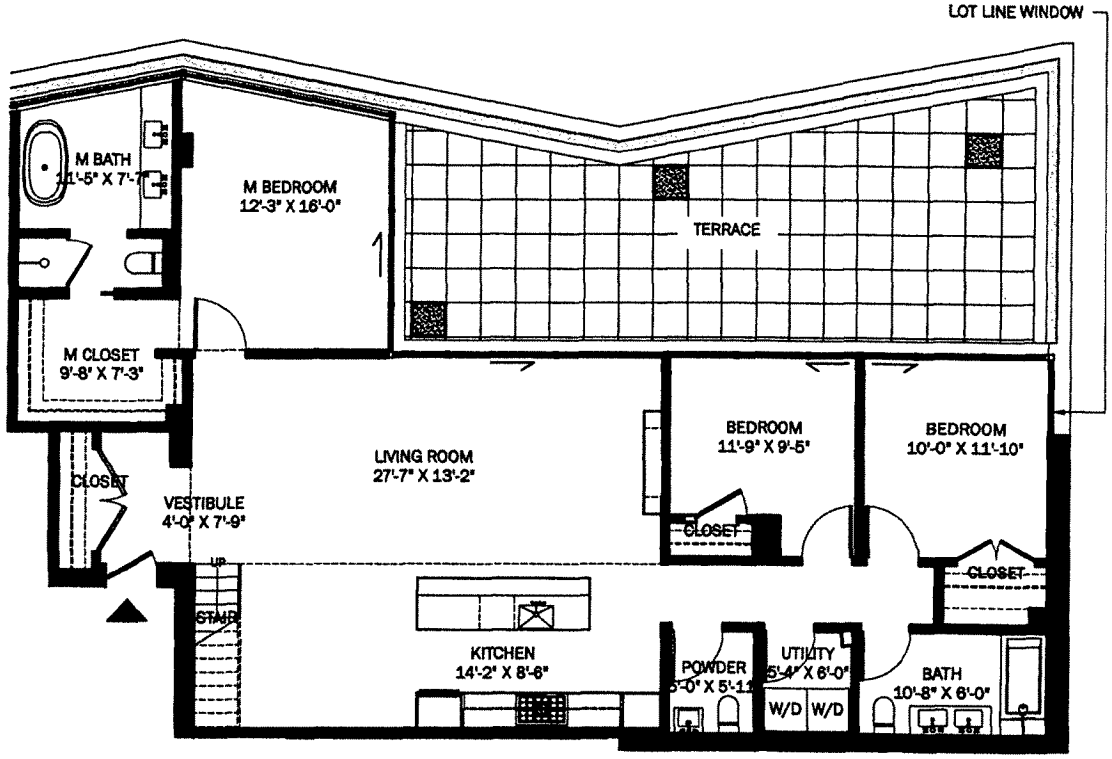


ROOF

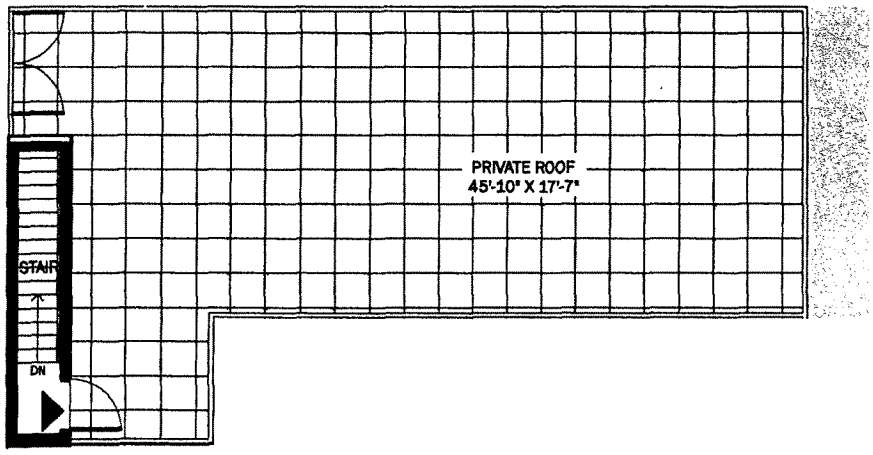


UNIT AREA: 1,212 SF (INCLUDES ROOF STAIR 65 SF)	2 BEDROOM - 2 BATH ROOF: 447 SF	UNIT PH-B FIFTH FLOOR & ROOF
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

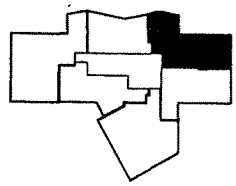
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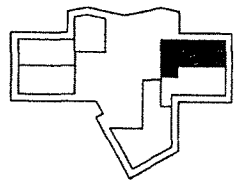
FIFTH FLOOR



ROOF



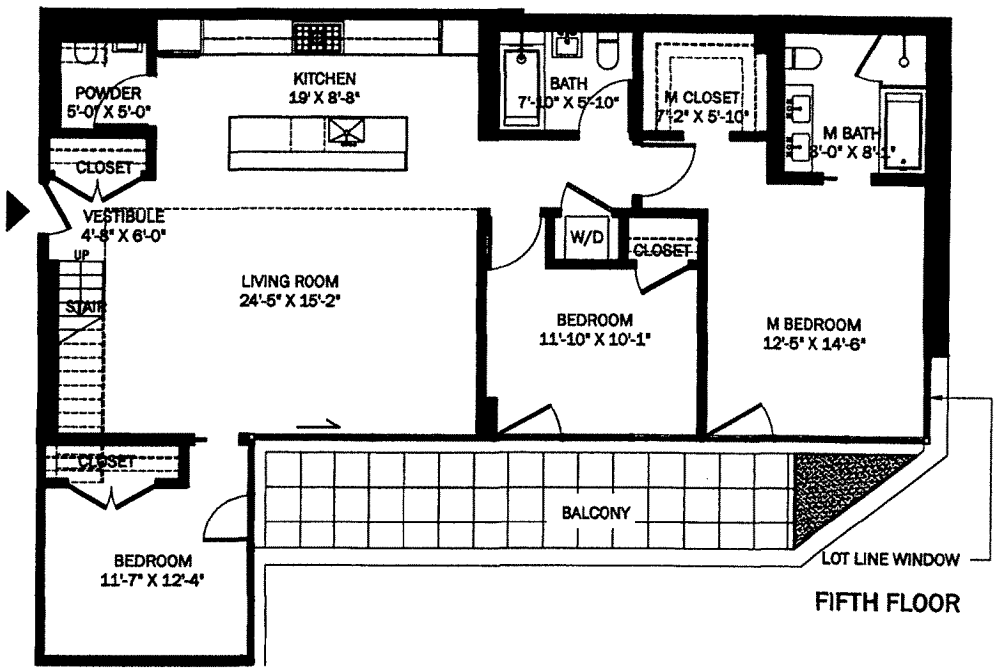
FIFTH FL.



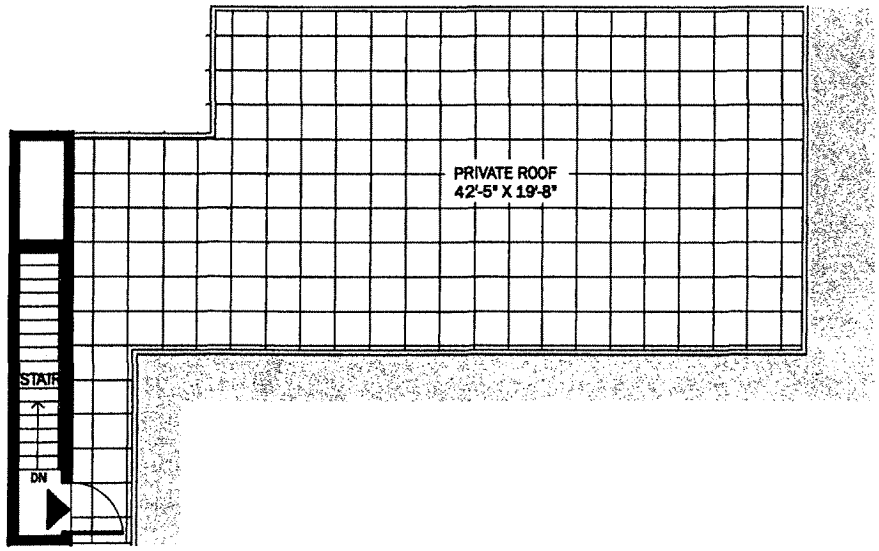
ROOF

UNIT AREA: 1,688 SF (INCLUDES ROOF STAIR 75 SF)	3 BEDROOM - 2.5 BATH TERRACE: 600 SF, ROOF: 852 SF	UNIT PH-C FIFTH FLOOR & ROOF
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

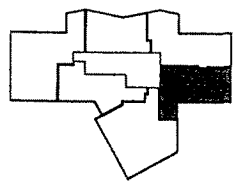
280 ST MARKS AVE
BROOKLYN, NY 11238



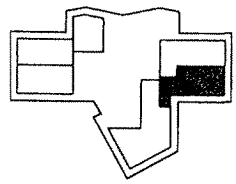
FIFTH FLOOR



ROOF



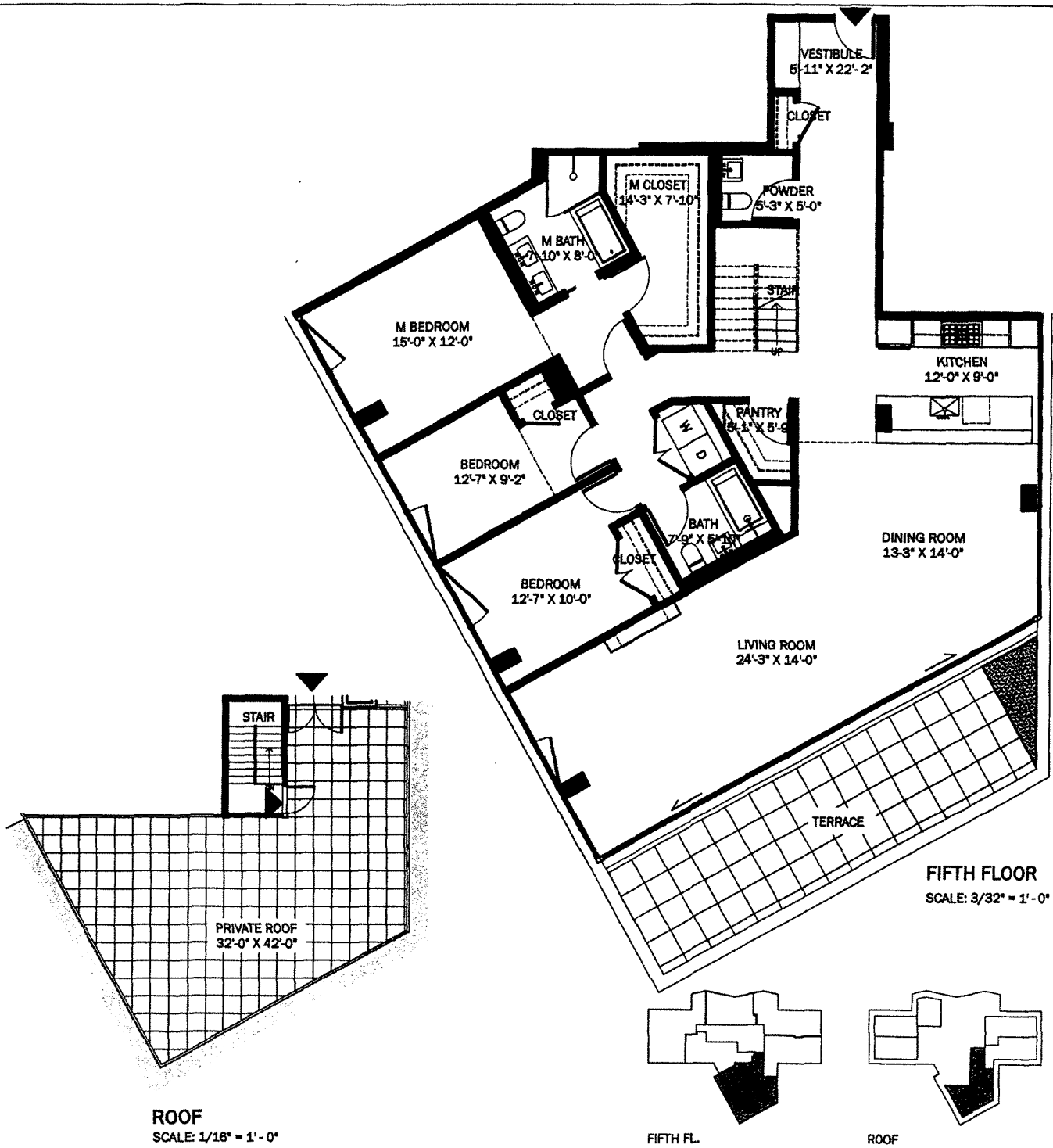
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ROOF

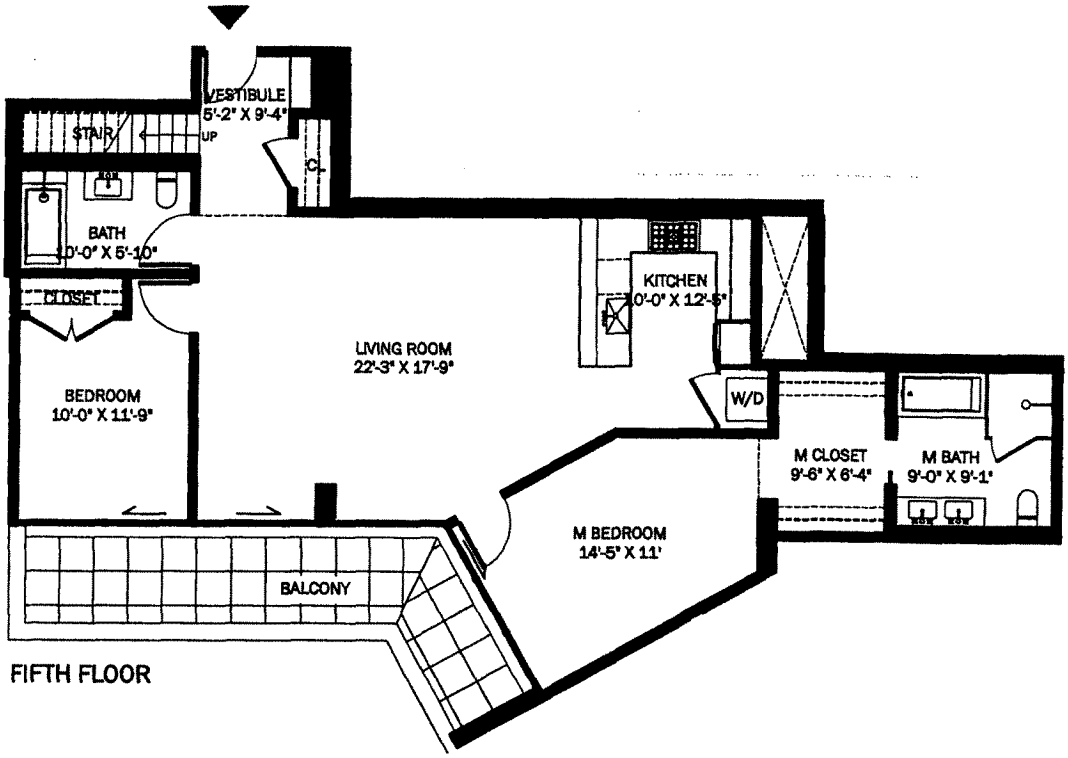
UNIT AREA: 1,472 SF (INCLUDES ROOF STAIR 69 SF)	3 BEDROOM - 2.5 BATH BALCONY: 257 SF, ROOF: 838 SF	UNIT PH-E FIFTH FLOOR & ROOF
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

280 ST MARKS AVE
BROOKLYN, NY 11238

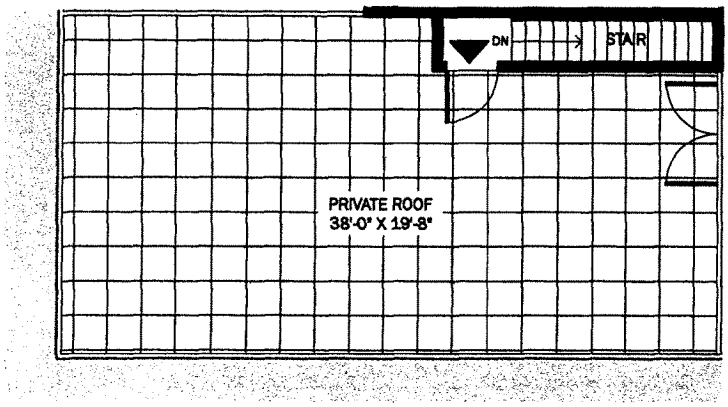


UNIT AREA: 2,110 SF (INCLUDES ROOF STAIR 108 SF)	3 BEDROOM - 2.5 BATH TERRACE: 387 SF, ROOF: 941 SF	UNIT PH-F FIFTH FLOOR & ROOF
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1'-0" 0 2 4 6 10 N

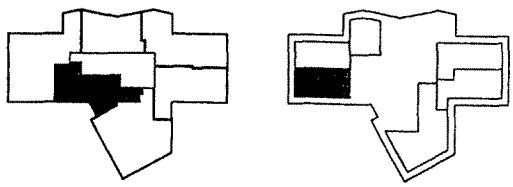
280 ST MARKS AVE
BROOKLYN, NY 11238



FIFTH FLOOR



ROOF



UNIT AREA: 1,321 SF (INCLUDES ROOF STAIR 57 SF)	2 BEDROOM - 2 BATH BALCONY: 212 SF, ROOF: 717 SF	UNIT PH-G FIFTH FLOOR & ROOF
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM THE SPONSOR.	DNA development DXA studio Architecture PLLC	SCALE: 3/32" = 1' - 0" 0 2 4 6 10 N

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DOCUMENT NUMBER 6

OPINION OF REAL ESTATE TAX COUNSEL RE: REAL ESTATE TAXES

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TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP
COUNSELORS AT LAW
6 EAST 45TH STREET, NEW YORK, N. Y. 10017
(212) 687-3747
FAX: (212) 599-4459

BERT TUCHMAN
PAUL J. KORNGOLD
ERIC S. WEISS
DONALD LIEBMAN

BRETT J. GOTTLIEB
YUHTYNG T. PATKA*
GRACE A. BETANCOURT
PHILIP M. PLATZ**

WALTER R. GELLES (RET.)

* ALSO ADMITTED IN CT & NJ
** ALSO ADMITTED IN NJ

June 29, 2015

Escorial 280 SMA, LLC
c/o Barack Ferrazzano Kirschbaum & Nagelberg LLP
200 West Madison Street, Suite 3900
Chicago, Illinois 60606

RE: 280 St. Marks Avenue
Block 1152, Lot 35, Brooklyn

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate assessments and taxes upon the completion of construction and creation of a condominium. These opinions are presented for your assistance in preparation of your offering plan.

You have requested our opinion concerning the real property tax assessment to be levied upon the residential portion of the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period January 1, 2017 through December 31, 2017. You have also asked us to provide our estimate for the real estate taxes for the first full tax year after completion of construction which shall be the period July 1, 2017 through June 30, 2018, which coincides with the tax year 2017/2018. You have advised us that the project will consist of the construction of a new multiple dwelling to be structured as a condominium which will contain thirty-two residential condominium apartment units.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information includes your purchase price and your estimated construction costs. You have also supplied us with a draft Schedule A which sets forth the square footage and unit size. You have advised us that construction has commenced pursuant to a new building permit based upon approved architectural and structural plans earlier this month. We have made no independent investigations of your actual construction and rely on such representation to us. We have also examined commonly used real estate web sites as well as web sites maintained by the New York City Department of Buildings and Department of Finance.

We have also considered the recent tax assessment history of the property, the cost of the new project, the potential income for the new structure (if operated as a rental), comparable properties in the Borough of Brooklyn which have been newly constructed or undergone renovation as well as market conditions in the general area.

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The estimated cost of the construction.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment roll containing the final 2015/2016 assessed values was published on May 26, 2015. The final assessment roll showed the following final values for Block 1152, Lot 35:

Tax Class	Actual Assessed Value	Transition Assessed Value
4	$552,600	$483,390

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The condominium units will be designated as tax class 2 property and will pay on the class 2 tax rate. The current 2014/2015 class 2 residential tax rate has been set at $12.855 for each $100 of assessed valuation. The 2015/2016 rate will be set later this year.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the

actual assessed valuation or the transition assessed valuation. Based on your construction schedule as transmitted to us, we believe there will be a substantial increase in value for tax year 2017/2018 as a result of the new construction which will be placed on the assessment roll immediately and not subject to the five year phase in. Due to this project consisting entirely of new construction, we are not projecting a transition assessed value and are basing our projections on the estimated actual assessed value.

On June 25, 2015 the New York State Legislature passed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2018 at the rate of 17.5% with buildings with average assessments greater than $60,000 per unit. The law makes additional changes from the prior law which may eliminate such abatement benefits for units which are not the primary residence of the owner. The law further limits the benefits to a maximum of three units in the building, one of which must be the primary residence of the owner. Buildings which receive a 421-a tax exemption are not eligible for this tax benefit. It is set forth later in this letter that this building may receive 421-a tax benefits. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit. Unit owners are advised to beware of various filing deadlines that may be included if the law is extended to be in effect at the expiration of the 421-a benefits as well as possible changes in the level of abatement and eligibility.

Based upon the construction schedule you have provided to me, We believe that the building portion of the tax assessment will not appear on the 2016/2017 final assessment roll in that it will be removed pursuant to New York City Administrative Code section 11-209 which provides for the removal of building assessments for new buildings in the course of construction which are not ready for occupancy by the following April 15th. Since you have advised us the construction commenced after January 5, 2015 and prior to January 5, 2016 and you have advised us that the building will not be ready for occupancy on April 15, 2016, New York City Administrative Code section 11-209 will mandate that there be no building assessment. Accordingly, we believe that the 2016/2017 final assessment roll will only reflect a land assessment when it is published on May 25, 2016 and we have computed real estate taxes due for the first year of condominium operation on that basis. We urge you to check the tentative assessment roll on January 15, 2016 to make sure the tentative assessed value is in compliance with the law and if not to take the required administrative action with both the Department of Finance and the Tax Commission of the City of New York.

We caution you that it is unlikely that there will be an official apportionment of the assessment for the 2016/2017 tax year and you should include in your offering plan a provision as to how you intend to apportion the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective.

In the past we have been advised that in determining the assessed values for the individual residential units, the Department of Finance may possibly use (1) the common interest

percentages or (2) utilize the ratio of the Schedule A sales prices of any individual unit to the total sales prices of all units to determine the percentage of the total assessed value to be attributed to each residential unit or (3) utilizes the ratio of square footage contained in each unit to the total square footage. We have now been advised in determining the assessed values for the individual units, the Department of Finance, now follows the common interest percentages set forth in the condominium declaration in determining the allocation of assessed valuation in a new condominium.

Predicated upon the foregoing, it is our opinion that for the initial budget year of January 1, 2017 through December 31, 2017, we estimate that the total actual assessed value of the property will be $300,000 for the first six months of the initial budget year and $5,750,000 for the second six months. We caution you that we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction and it is possible that there may be a substantial derivation in the assessed value for these tax years.

Therefore assuming for 2016/2017 and 2017/2018 the tax class 2 tax rate increases to $13.25 for each $100 of assessed value, we make the following estimates of the real estate taxes **prior to any tax exemptions or abatements** for the budget year January 1, 2017 through December 31, 2017 and the post construction tax year July 1, 2017 through June 30, 2018:

January 1, 2017 through June 30, 2017 (6 Months of 2016/2017 Tax Year)

Assessed Value	Tax Rate	Tax(6 Months)
$300,000	13.25%	$19,875

July 1, 2017 through December 31, 2017 (6 Months of 2017/2018 Tax Year)

Assessed Value	Tax Rate	Tax(6 Months)
$5,750,000	13.25%	$380,938

Total Estimated Initial Budget Year Real Estate Tax	$400,813
Total Estimated Post Construction Tax Year Real Estate Tax	$761,875

You have also requested our opinion as to the eligibility of the above referenced property to receive a 421-a real estate tax exemption. The 421-a Tax Exemption program was enacted pursuant to Section 421-a of the Real Property Tax Law of the State of New York ("421-a"), Section 11-245 of the Administrative Code of The City of New York and has been implemented

through regulations promulgated by the New York City Department of Housing Preservation and Development. The law is designed to encourage construction of new multiple dwellings by offering an exemption from real estate taxes for a period of years. The exemption covers the increase in assessed valuation resulting from construction of a new building over the prior assessed valuation on the property and eliminates for a period of years any taxation on that increase in assessed valuation. The exemption does not eliminate all real estate taxes.

You have advised us that (1) prior to the commencement of construction and on a date three years prior to commencement, the property met the underutilization requirements of the regulations, (2) all work will be performed in accordance with law and that all required filings have or will be will be made with the Department of Buildings and all agencies having the appropriate jurisdiction, (3) construction commenced before June 15, 2015 and you expect construction to be completed by the end of 2016. You have further advised us as to the square footage breakdown between the units and your breakdown indicates that the nonresidential and ineligible square footage shall occupy less than 12% of the aggregate floor area. The 421-a law requires a reduction in exemption benefits in the event that more than 12% of the project is deemed to be non-residential or ineligible footage. This restriction will therefore not apply in this project.

The 421-a rules and regulations define Commencement of Construction in part as follows:

> *"Commence" shall mean:(a)(1) the later to occur of (i) the date upon which a new metal or concrete structure to be incorporated into the multiple dwelling that shall perform a load bearing function for such multiple dwelling is installed; or (ii) the date upon which a building or alteration permit for the multiple dwelling (based upon architectural and structural plans approved by the Department of Buildings) was issued by such department ; or (2) if a project includes new residential construction and the concurrent conversion, alteration or improvement of a pre-existing building or structure, the later to occur of (i) the date upon which the actual construction of the conversion, alteration or improvement of the pre-existing building or structure begins; or (ii) the date upon which analteration permit for the multiple dwelling (based upon architectural and structural plans approved by the Department of Buildings) on which the actual construction of the conversion, alteration or improvement takes place, was issued by such department;*

As a part of the 421-a application, such certification as executed by an architect or professional engineer must be provided to HPD on their form. You will be required to obtain such certification from your architect.

The 421-a rules and regulations define Completion of Construction as follows:

Completion of construction. "Completion of construction" shall mean the date upon which either a Temporary Certificate of Occupancy is issued for all residential areas in the multiple dwelling or a Permanent Certificate of Occupancy is issued for the entire building.

Although we have been advised by you that work is expected to be completed by the end of 2016, as long as work is completed within 36 months of commencement, the project will remain eligible for 421-a tax exemption benefits without additional restrictions.

In order to be eligible for 421-a tax exemption benefits, there are certain preconditions which must be met. The major preconditions, as set forth in the regulations is the site eligibility test. In order to be eligible for 421-a tax exemption benefits, the land on which the project is located must have been "vacant, predominantly vacant, underutilized or improved with a non-conforming use on the operative date." "Operative date" is defined in the regulations to be the date 36 months prior to commencement of the project. Since work shall be deemed in accordance with the regulations to have commenced in June of 2015, the operative date shall be June of 2012.

Regulation Section 6-02(f)(3)(F)sets forth the applicable site eligibility test as follows:

(F) Except as provided in subparagraph (G) of this paragraph, commencement of construction occurred on or after October 30, 2002 on land that was improved with a nonresidential building or buildings

(a) each of which contained:

(1) no more than the permissible floor area ratio for non-residential buildings in the zoning district in question, and

(2) (i) a floor area ratio which was seventy-five percent (75%) or less of the maximum floor area ratio for residential buildings in such zoning district, or (ii) if the land was not zoned to permit residential use on the operative date, had a floor area ratio which was seventy-five percent (75%) or less of the floor area ratio of the residential building which replaces such non-residential building;

Based upon the previously existing building having a Floor Area Ratio of only .8, this project meets the site eligibility test.

There are certain construction requirements to be eligible for 421-a tax exemption benefits. Special requirements exist for building with at least 100 units. Since this building will contain less than 100 units, these restrictions do not apply. Additional requirements are placed on buildings where there were previously existing residential units. Since there were no residential units previously on this property, these requirements are not applicable.

421-a tax exemption benefits are not available if the project receives exemption benefits under any other law. These units will not receive any other exemption and thus remain eligible for 421-a tax benefits.

There have been numerous changes to the 421-a law and regulations over the past few years. The major requirements for buildings with less than 100 units are the cap on the maximum exempt assessed value and in certain circumstances, the requirement to provide 20% of the units for affordable housing. The law provides an exception to these restrictions if you obtain negotiable certificates issued pursuant to a written agreement between a low income housing developer and HPD dated on or before December 27, 2006. You have advised me that you have now or will have obtained forty negotiable certificates issued pursuant to a written agreement prior to completion of your project and in adequate time to have submitted an application for 421-a tax benefits and therefore you will not be required to place onsite affordable units but you will be affected by the exemption cap. However, since based on the number and size of your units you need forty-one negotiable certificates to receive 421-a benefits for all units, your 421-a application can only include thirty-one apartment units and one apartment unit will not be eligible for 421-a tax benefits. You have orally confirmed to me that you will instruct your 421-a filing representative to submit the 421-a application in accordance with this opinion and to examine the square footage certified by your architect so that the total square footage within the thirty-one eligible apartments does not exceed the 421-a maximums based on only having forty negotiable certificates.

In addition, an application for a preliminary certificate of eligibility must be submitted to HPD prior to the issuance of a permanent certificate of occupancy. You have advised us that you will submit your application in a timely manner. There are various other minor technical requirements for obtaining 421-a tax exemption benefits. Without listing these requirements in minute detail, we believe that based upon information given to us by you, these other requirements will be met.

Utilizing the information supplied to us, it is our opinion that upon completion of the alteration, issuance of a residential certificate of occupancy by the Department of Buildings evidencing a Class A multiple dwelling and approval by the various New York City departments having jurisdiction thereof, thirty-one of the thirty-two apartment units building will qualify for 421-a tax exemption benefits. The 421-a tax exemption that is applicable to this project will last for a period of 15 years as set forth below:

Year	Percent of Increased Assessed Valuation Which is Exempt (Subject to the cap discussed above)
1-11	100%
12	80%
13	60%
14	40%
15	20%
16	0%

In addition multiple dwellings which satisfy all of the requirements of the law and receive a Preliminary Certificate of Eligibility shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation over the prior assessed valuation during the statutorily defined period of construction, or for a period of three years, whichever is less, provided that taxes shall be paid in each year for the remaining tax that shall be due.

Real Estate taxes shall be based initially on the assessed value on the property for the year prior to commencement of construction multiplied by the current tax rate. This tax is sometimes known as the mini-tax. Since you have advised us that you commenced construction during the 2014/2015 tax year, the 421-a tax shall be based on the 2013/2014 total taxable assessment of $421,380. However, the 421-a tax benefits will be subject to an exemption cap. The exemption cap places a limitation on the maximum 421-a exemption per dwelling unit. For new buildings commencing construction after July 1, 2008, the maximum initial exemption (the "cap") shall be restricted to $65,000 of assessed value per dwelling unit. The law sets an inflation factor on the cap of 3% per year. Thus for the second half of the initial budget year (the 2017/2018 tax year), the maximum exemption shall be set at $84,810 per unit.

The per unit cap for each of the upcoming tax years is as follows:

2015/16	$79,942
2016/17	$82,340
2017/18	$84,810
2018/19	$87,355
2019/20	$89,975
2020/21	$92,674
2021/22	$95,455
2022/23	$98,318

Therefore assuming that the tax rate is $13.25 per one hundred dollars of assessed valuation and further assuming the building becomes subject to the exemption cap, the initial estimated annual tax after 421-a benefits for the condominium units for the initial budget year are estimated to be $234,675 and for the first post construction tax year taxes after 421-a benefits and prior to allocation and reduction for the per unit exemption cap are estimated to be $413,518. The taxes will increase in future years as the 421-a exemption declines.

However, in the event the assessed value as determined by the New York City Department of Finance exceeds our estimate and further exceeds the cap on exemptions or the allocated increase in assessed value in any particular unit exceeds the cap, there could be a real estate tax higher than projected herein and in preparing your Schedule A **we remind you that the total exemption set forth herein cannot be apportioned equally and each individual tax**

lot is subject to the cap thus resulting in an exempt value that is less than it would had been if the building had been a single tax lot rental building. This is likely to affect the larger units in the building so that the 421-a tax savings to the larger units may be disproportionately less than the smaller units and the total mini-tax for all units will be higher than the number set forth above. In addition one of the units cannot be shown to receive 421-a benefits. We have not prepared the Schedule A and take no responsibility for the way taxes are allocated therein.

In accordance with the requirements set forth in the Real Estate Finance Bureau Memorandum of June 24, 2014, we hereby inform you of the following:

1. There is now an expanded Geographical Exclusion Area (GEA) in the City of New York. This property is now in the new GEA. For the reasons set forth previously in this letter, there will be a cap on the maximum 421-a exemption.

2. Since you have obtained negotiable certificates, there are no requirements for any on-site affordable housing units in order to qualify for 421-a tax benefits for the thirty-one units that will be included in the 421-a application.

3. The requirement to pay all building service employees a "prevailing wage" does not affect this property since there are fewer than 50 dwelling units in the building.

4. The sponsor will be exempt from the statutory requirement to register any of the dwelling units as rent stabilized with the New York State Division of Housing and Community Renewal provided the plan is declared effective and consummated within 15 months of the issuance of the final 421-a certificate of eligibility. In the event the plan is not declared effective and consummated within 15 months of the issuance of the final 421-a certificate of eligibility, all of the dwelling units will be required to register the dwelling units as rent stabilized with the New York State Division of Housing and Community Renewal.

421-a tax benefits are not automatic. An application must be made to the Department of Housing Preservation and Development. This application must contain supporting documentation such as copies of all city permits and approvals, and an accountant's certification. All information contained in a 421-a application must be true and complete. The application is subject to an audit after the certificate of eligibility has been issued. These benefits may be revoked if an application contains false information. Our office has not been retained to process the 421-a application and we take no responsibility for the processing of the application.

Our firm has an extensive practice in real estate tax review matters and in ICIP/ICAP, 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 2,500 buildings in the City of New York, and file applications for correction of

the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the former chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter which the specific understanding that although we believe the residential and parking condominium units will be eligible for 421-a real estate tax benefits, our opinion is not a guarantee that such benefits will be available. In no event will we, as Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, interpretations and policies on which we have relied or other matters which are beyond our control which cause this opinion to be inaccurate. Neither we nor any person can guarantee what the real estate taxes will be at any future date. As stated above, changes in law or policies of government agencies may radically change the opinions expressed herein.

We make no representations or guaranties that the assessed value will be fixed at any amount. This letter is being sent to you with the express understanding that our firm assumes no liability to you or to any purchaser of the condominium units or to any lender for our opinions presented herein. Neither we nor any person can guarantee what the real estate taxes will be at any future date. Changes in law or policies of government agencies may radically change the opinions expressed herein and interested parties should be aware that the estimate of the 2016/2017 and 2017/2018 assessed values and taxes cover a period into the future. We assume no responsibility or liability for any variations in the taxes or assessed values from the projections made herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Housing Preservation and Development or New York City Department of Finance or any city or government agency. Those Departments' opinion may result in substantially different total taxes than set forth herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KORNGOLD, WEISS, LIEBMAN & GELLES, LLP

By: Paul J. Korngold

DOCUMENT NUMBER 7

DECLARATION
Establishing a Plan for Condominium Ownership of the Premises known as 280 St. Marks Avenue Brooklyn, New York 11238

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:

280 St. Marks Avenue Condominium

Declarant:

ESCORIAL 280 SMA, LLC
c/o DNA Development LLC
41 Union Square West, #1423
New York, New York 10003

Date of Declaration:

[_____, 201_]

The land affected by the within instrument lies in Section 4, Block 1152, Lots [___] through [___] (formerly known as Lot 35), on the Tax Map of the Borough of Brooklyn, City of New York

Prepared by:

Herrick, Feinstein LLP
2 Park Avenue
New York, New York 10016
Attention: Mitchell G. Bernstein, Esq.

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Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Unit Owner's Power of Attorney

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DECLARATION
OF
280 ST. MARKS AVENUE CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Escorial 280 SMA, LLC, a Delaware limited liability company, having an office c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003, does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms that are not separately defined herein or in Exhibit C annexed hereto shall have the meanings given to those terms in the By-Laws. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tenses.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building, 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 the Condominium Act, and pursuant thereto does hereby establish a condominium to be known as "280 St. Marks Avenue Condominium."

2.2 Annexed to this Declaration as Exhibit D 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 (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws").

ARTICLE 3

THE LAND

The Land is all that certain tract, plot, piece and parcel of land situate, lying and being in the Borough of Brooklyn, in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute and has an area of approximately 22,792 square feet.

ARTICLE 4

THE BUILDING

The Building, with one level below grade consisting of mechanical and storage spaces a fitness center and parking area, comprises five structural floors above grade, rising to an elevation of approximately 50 feet. The Building is classified as a Class 1B (non-fireproof) construction consisting of a reinforced concrete foundation supporting a reinforced concrete frame, with concrete floor slabs and exterior walls consisting of cast-in-place concrete.

ARTICLE 5

THE UNITS

5.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (v) the approximate area of its terrace or balcony and garden area, if any; (vi) the number of rooms contained therein; (vii) the portions of the Common Elements to which such Unit has immediate access; and (viii) the Common Interest of such Unit. The precise location of each Unit within the Building is shown on the Floor Plans.

5.2 Each Unit consists of the area measured horizontally from the exterior side of the exterior walls at the building line to the midpoint of the interior walls and partitions separating one Unit from the another Unit, or the exterior face of the interior walls separating a Unit from Common Elements such as common areas, public corridors, stairs, elevators and other mechanical spaces. Columns and mechanical pipes and chases within the Unit are not deducted from the square-foot area of the Unit. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. The balconies and terraces are measured from the masonry walls to the brick exterior and the sill of the glazing walls.

5.3 Each Unit includes the front entrance door and any other entrance doors to such Unit, smoke detectors, carbon-monoxide detectors, all plumbing, gas, and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment that a Unit Owner may install within a wall or ceiling, or under the floor; but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit includes (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit and serving or benefiting only that Unit.

Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall-to-wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of the Unit owned by such Unit Owner, and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity or mechanical and electrical systems of such Unit or of the Building or result in a violation of any law, ordinance or regulation of any governmental authority having jurisdiction.

5.4 As of the date of the recording of this Declaration in the Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 6

COMMON ELEMENTS

6.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereto, other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and Facilities that are for the common use of the Units and the Unit Owners or that are necessary or convenient for the existence, maintenance or safety of the Property.

6.2 The Common Elements will remain undivided, and no Unit Owner or other Person shall bring or shall have the right to bring any action for partition or division thereof, except as may be specifically provided for herein and in the By-Laws.

6.3 The Common Elements consist of the General Common Elements, which are described in Section 6.4 below, and the Limited Common Elements, which are described in Section 6.5 below.

6.4 The "General Common Elements" consist of the Land and those rooms, areas, corridors and other parts of the Property (other than the Units), as well as those Facilities therein, either currently or hereinafter existing for the common use of all of the Units or Unit Owners, to the exclusion of none, or that are necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, the General Common Elements include the following:

6.4.1 the Land, together with all easements, rights, and privileges appurtenant thereto;

6.4.2 all foundations, footings, columns, beams, supports, exterior walls, interior walls, girders, floor slabs, windows (including panes, casements and frames),

roofs and ceilings in, on or under the Building (except to the extent any of the same are expressly included as part of a Unit pursuant to Article 5 hereof or as part of a Limited Common Element pursuant to Section 6.5 hereof);

6.4.3 all passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building that are not part of any Unit or any Limited Common Element;

6.4.4 all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal and other mechanical and electrical systems (except to the extent any of the same are expressly included as part of a Unit pursuant to Article 5 hereof or as part of a Limited Common Element pursuant to Section 6.5 hereof); and

6.4.5 any other Facilities in the Building that serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Property and are not a part of any Unit or any Limited Common Element.

6.5 The "Limited Common Elements" consist of all portions of the Land and the Building (other than the Units) that serve or benefit one or more specified Units or Unit Owners to the exclusion of all other Units or Unit Owners. The Limited Common Elements include:

6.5.1 any terrace or balcony to which there is a direct or exclusive access from the interior of a Unit, which shall which shall be for the exclusive use of the owner of the Unit having such direct or exclusive access;

6.5.2 the rooftop spaces allocated to Units PH-A, PH-B, PH-C, PH-E, PH-F and PH-G as shown on the Floor Plans (Roof Plan), each of which shall be for the exclusive use of the Unit to which it is allocated; and

6.5.3 the private gardens allocated to Units 1E, 1F, 1G, 1H and 2E as shown on the Floor Plans (Ground Floor Plan), each of which shall be for the exclusive use of the Unit to which it is allocated.

ARTICLE 7

USE OF BUILDING AND UNITS

7.1 As more particularly set forth in the By-Laws, and except as expressly provided therein and below, Units may be used for residential purposes only. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government or any instrumentality thereof and foreign governments or any embassy, consulate or other instrumentality thereof), may be occupied only by such individual; or by an officer, director, stockholder, or employee of such

corporation; or by a partner or employee of such partnership; or by a member or employee of such limited liability company; or by such fiduciary, if an individual (or by an officer, director, stockholder, or employee of a corporate fiduciary, or by a partner or employee of a partnership fiduciary, or by a member or employee of a limited-liability-company fiduciary), or by the beneficiary of any such fiduciary; or by a principal or employee of any such other entity; or by Family Members or guests of any of the foregoing. A Unit may be used as a professional or business office or for any home occupation use or for any purpose, subject, however, to (1) the terms and conditions of the then-existing certificate of occupancy covering such Unit, (2) Applicable Law, or (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes or imposing undue burdens on any building systems or staff. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

7.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, the owner of an Unsold Unit may, without the permission of the Condominium Board, (1) grant permission for the use of such Unsold Unit as a professional office or for any other purpose, provided that such use is permitted by law and does not violate the then-existing certificate of occupancy covering such Unit or any other governmental regulations and (2) use such Unsold Unit as a model unit or sales and/or promotion office in connection with the sale or rental of the Units, subject only to compliance with Applicable Law.

ARTICLE 8

CHANGES TO UNITS

Except to the extent prohibited by law, Declarant shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use (subject to Section 7.2 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units; by combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units; by converting a Unit or any portion thereof to a Common Element or a Limited Common Element; or by altering the boundary walls between any Unsold Units, or otherwise, including incorporating into an Unsold Unit those Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) that exclusively benefit such Unsold Unit; (c) designate a General Common Element or a Limited Common Element as part of a newly created Unit, General Common Element or Limited Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their Common Interests; provided, however, that (i) the Common Interest of any Unit owned by another shall not be changed by reason thereof unless the owner of such Unit shall consent thereto; (ii) Declarant shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and (iii) the soundness or structural integrity of any part of the Building or the safety of any Unit

Owner, tenant or other Person shall not be jeopardized by reason thereof. Notwithstanding the other provisions of this Article 8, no reapportionment of the Common Interests of any Units shall be made unless there is first delivered to the Condominium Board a written certification stating that the Common Interests of such Units immediately after such reapportionment will be 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. The certification referred to in the preceding sentence shall be delivered, at Declarant's election, by Declarant, the Managing Agent or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 8 may not be added to, amended, modified or deleted without the prior written consent of Declarant for so long as Declarant owns any Units.

ARTICLE 9

[INTENTIONALLY OMITTED]

ARTICLE 10

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action that may be brought against the Condominium or the Condominium Board.

ARTICLE 11

DETERMINATION OF COMMON INTERESTS

11.1 The Common Interest of each Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value of such space to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

11.2 The aggregate amount of the Common Interests of all of the Units at all times shall remain at 100% notwithstanding any changes to the Units pursuant to Article 8 hereof.

ARTICLE 12

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements

made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 13

EASEMENTS FOR THE ENJOYMENT OF COMMON ELEMENTS

13.1 Subject to the terms of the By-Laws and the Rules and Regulations, the Declarant, the Unit Owners, all other permitted tenants and occupants of the Buildings, , the Managing Agent, the Condominium Board and all directors, officers, shareholders, partners, employees, agents, guests, beneficiaries, invitees and licensees of the foregoing, shall have, in common with all the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

13.2 Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements, as indicated in Section C of Article 7 hereof, will have an exclusive easement for the use thereof.

13.3 Notwithstanding anything to the contrary contained in Section A hereof, the Declarant and its successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have easement in, over, under, through and upon the General Common Elements for the use thereof, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of the Declarant's Units and shall have the right to use any one or more of such Units as sales, rental and/or management offices and/or as model units. Such Units shall remain Units within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the General Common Elements. In addition, the Declarant reserves the right, to the extent permitted by Applicable Law, to use one or more portions of the Common Elements, as designated by the Declarant in its sole discretion, for sales, rental or display purposes, including, without limitation, the right to place "for sale," "for rent," and other signs and promotional materials, of such size and content as the Declarant shall determine, in, on, about and adjacent to any one or more of the Buildings (including on the exterior walls thereof) and the Property.

ARTICLE 14

OTHER EASEMENTS; NAME OF CONDOMINIUM

14.1 Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines, Building Systems and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to or upon any other Unit or the Common Elements to the extent that such Common Element and utility distribution system serves or is necessary to the service of his Unit, and each Unit and all the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and right of access, for purpose of inspection, to each Unit and to the Common Elements, to remove violations therefrom and to operate, maintain and perform Work in and to any of the Common Elements located in, over, under, through, or adjacent to or upon such Unit and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this Section A shall be exercised in such a manner as shall not unreasonably interfere with the normal use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice (which need not be in writing), except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Buildings, for the safety of the occupants of the Buildings or other persons, or to avoid the suspension of any necessary service in the Buildings.

14.2 The Declarant reserves for itself for so long as it owns any Unit(s), and grants to the Condominium Board, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer, and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as the Declarant, or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Buildings or any portion thereof or for the general health or welfare of the Unit Owners, tenants and occupants of the Units; provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agents, shall have a right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

14.3 Each Unit and the Common Elements shall have easements of subjacency, support and necessity and shall be subject to such easements in favor of all other Units and the Common Elements.

14.4 In addition to the specific easements set forth in this Article 11 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

14.5 The Condominium and the Building shall be designated and known as "280 St. Marks Avenue Condominium." Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and the Building. For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and the Building.

ARTICLE 15

POWER OF ATTORNEY

15.1 Each Unit Owner shall grant to the Persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine, but substantially in the form of the Unit Owner's Power of Attorney annexed hereto as Exhibit E), following due authorization (if required) from the Unit Owners, (a) to acquire or lease any Unit, together with its Appurtenant Interest, whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or that 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 Condominium Board 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 terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions that the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium that the Condominium 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, demolition, construction, alteration, repair or restoration of the Condominium; and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium that the Condominium Board deems necessary or appropriate.

15.2 Each Unit Owner shall grant to the Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws.

ARTICLE 16

ACQUISITION OF UNITS BY THE CONDOMINIUM BOARD

16.1 If (a) any Unit Owner, pursuant to the provisions of Section 339-x of the Condominium Act, surrenders his Unit, together with its Appurtenant Interest, (b) the

Condominium Board, pursuant to Article 8 of the By-Laws, acquires a Unit, together with its Appurtenant Interest, or leases a Unit, or (c) the Condominium Board purchases a Unit, together with its Appurtenant Interest, at a foreclosure or other similar sale, then, in any such event, title to any such Unit, together with its Appurtenant Interest, or the leasehold estate in any such Unit, as the case may be, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

16.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the resident manager or superintendent of the Building and, in such event, title to such Unit, together with its Appurtenant Interest, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations that are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 17, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any Person having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other Applicable Law to the extent permitted under such

Applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is not included in this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under Applicable Law to the extent permitted under such Applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS OF DECLARATION

18.1 Subject to the provisions contained herein or in the By-Laws (including, but not limited to, Section 13.2 of the By-Laws) with respect to amendments, modifications, additions or deletions affecting Declarant or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws. In no event, however, may the Common Interest appurtenant to a Unit be altered without the written consent of the Unit Owners directly affected thereby. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or any Unsold Units, no amendment, modification, addition or deletion made pursuant to a vote of the Unit Owners shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. No amendment, modification, addition or deletion made with respect to this Declaration shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact, coupled with an interest, for the Unit Owners. Subject to the foregoing provisions of this Section 18.1 and the rights of Declarant under Articles 7, 8, 9, 12, 14, 15 and 19, Articles 7, 8, 9, 12, 14, 15 and 19 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 If the number of rooms in an Unsold Unit is changed, or the use, size or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant Common Interests of Units are reapportioned as a result thereof, all in accordance with Article 8 hereof, then Declarant shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the Common Interests of Units resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section 18.2 shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the owner of such Unit.

18.3 The provisions of Sections 18.1 and 18.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant.

ARTICLE 19

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% of all Unit Owners, both in number and in aggregate Common Interests. No such vote shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. The Declarant shall not vote the aggregate Common Interests appurtenant to its Units for such withdrawal unless at least 80%, both in number and in aggregate Common Interests, of all other Unit Owners so elect for such withdrawal, at which time the Declarant may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event that such withdrawal is so authorized, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such net proceeds, all liens on the Unit Owner's Unit, in the order of priority of such liens.

ARTICLE 20

WAIVER

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

ARTICLE 21

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 22

CERTAIN REFERENCES

22.1 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.

22.2 The terms "herein," "hereof" or "hereunder" or similar terms used 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.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Sections 17.2 and 17.3, if any provision of this Declaration is invalid or unenforceable as against any Person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

ARTICLE 24

COVENANT OF FURTHER ASSURANCES

24.1 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 Condominium 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.

24.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action that such Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be 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 Person, and such document or action shall be binding on such Unit Owner, Board or other Person.

24.3 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action that such Unit Owner, the Condominium Board or such other Person is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant, then Declarant is hereby authorized, as attorney-in-fact for such Unit Owner, the Condominium Board or such other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, the Condominium Board or such other Person, and such document or action shall be binding on such Unit Owner, the Condominium Board or such other Person, as the case may be.

ARTICLE 25

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant, or, with the consent of Declarant, any transferee of some or all of the Unsold Units then owned by Declarant. Subject to the foregoing, Declarant shall have the right, at any time, in its sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise. Further, all references to

Declarant herein and in the By-Laws shall, except as set forth herein or in the By-Laws to the contrary, be deemed references to each Sponsor Successor.

ARTICLE 26

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant no longer owns any Unsold Units.

ARTICLE 27

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's Power of Attorney annexed hereto as Exhibit E; and (vi) 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.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed as of the ___ day of _____, 20__.

ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ___ day of _____, 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 whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

EXHIBIT B

Unit Designation	Tax Lot Number	Location (in Portion of Building Facing Direction Set Forth below)	Approximate Area of Unit in Sq. Ft.	Number of Bedrooms/Baths	Common Elements to which Unit has Immediate Access	Approximate Area of Limited Common Elements appurtenant to Unit in Sq. Ft.	Percentage Interest in the Common Elements

Unit Designation	Tax Lot Number	Location (in Portion of Building Facing Direction Set Forth below)	Approximate Area of Unit in Sq. Ft.	Number of Bedrooms/Baths	Common Elements to which Unit has Immediate Access	Approximate Area of Limited Common Elements appurtenant to Unit in Sq. Ft.	Percentage Interest in the Common Elements

Unit Designation	Tax Lot Number	Location (in Portion of Building Facing Direction Set Forth below)	Approximate Area of Unit in Sq. Ft.	Number of Bedrooms/Baths	Common Elements to which Unit has Immediate Access	Approximate Area of Limited Common Elements appurtenant to Unit in Sq. Ft.	Percentage Interest in the Common Elements

EXHIBIT C
DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Applicable Law" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Declarant and/or the Condominium Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction (including those pertaining to health, safety or the environment) now or hereafter in effect.

"Appurtenant Interest" means, with respect to any Unit, the undivided interest of the Unit Owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (a) the Common Elements; (b) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (c) any proceeds of the sale or lease of Units of the nature described in clause (a), above; and (d) any other assets of the Condominium.

"Arbitration" shall have the meaning ascribed to such term in Section 2.2.1 of the By-Laws.

"Condominium Board" shall have the meanings ascribed to such term in Section 2.1.1 of the By-Laws.

"Building" means the structure and improvements, including above- and below-grade segments, known as 280 St. Marks Avenue, Brooklyn, New York 11238, in which the Units are located.

"By-Laws" shall have the meaning ascribed to such term in Section 2.2 of the Declaration.

"Claim" or "Claims" means any claims, counterclaims, suits, actions or proceedings and any other liabilities, losses, damages, penalties, charges, costs and expenses and attorneys' fees and expenses incurred in connection with any of the foregoing.

"Common Charges" means assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses.

"Common Elements" means all parts of the Property other than the Units; the Common Elements consist of the General Common Elements and the Limited Common Elements.

"Common Expenses" means costs and expenses incurred or projected and attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and as otherwise provided in the Declaration and the By-Laws.

"Common Interest" means the undivided interest in the Common Elements appurtenant to a Unit, expressed as a percentage.

"Condominium" means 280 St. Marks Avenue Condominium.

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

"Condominium Board" means the governing body of the Condominium.

"CPI Factor" means the fraction, expressed as a percentage, the numerator of which is the Consumer Price Index (defined below) for January of the year with respect to which the calculation of the CPI Factor is being made, and the denominator of which is the Consumer Price Index for January of the year in which this Declaration was recorded. The "Consumer Price Index" is the Consumer Price Index for all Urban Consumers, New York-Northeastern New Jersey, All Items, (1982-84=100), issued by the Bureau of Labor Statistics of the United States Department of Labor, or any successor index thereto, appropriately adjusted, If such Consumer Price Index shall hereafter be converted to a different standard reference base or a change is made in the term components or the number of items contained in such Consumer Price Index, or if such Consumer Price Index is altered, modified, converted or revised in any other way, such Consumer Price Index shall be adjusted to the figure that would have been arrived at had the change in the manner of computing such Consumer Price Index in effect at the date this Declaration was recorded not been altered. In the event that such Consumer Price Index is no longer issued, the parties shall use such conversion factor, formula or table as may be published by Prentice Hall, Inc., or failing such publication, by any other nationally recognized publisher of similar statistical information as is then generally recognized and accepted for similar determinations of cost-of-living increases, as selected by the Condominium Board.

"Declarant" means, collectively, (a) Escorial 280 SMA, LLC, a Delaware limited liability company, and (b) any Sponsor Successor.

"Declaration" means this declaration as executed by Escorial 280 SMA, LLC, for the purpose of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof, as the same may be amended from time to time.

"Facilities" means all personal property and fixtures now or hereafter existing in, on or under the Land or the Building and either existing for the common use of two or more Units or Unit Owners or necessary or convenient for the existence, maintenance or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing, fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, meters, meter assemblies, scaffolding, piping,

lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wall coverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Member" means, with respect to any natural person, such person's spouse, sibling, lineal descendant and ancestor (in each case, including by adoption).

"First Closing," or words of similar import, means the date on which fee title to a Unit is first conveyed to a Purchaser pursuant to the Plan.

"First Year's Budget" shall have the meaning ascribed to such term in Section 2.3.1.1(c) of the By-Laws.

"Floor Plans" means the floor plans of the Building (showing, among other things, the layout, location and approximate dimensions of the Units) to be filed in the Register's Office simultaneously with the recording of the Declaration, together with any amendments and supplements thereto.

"General Common Elements" shall have the meaning ascribed to such term in Section 6.4 of the Declaration

"Governmental Authority" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

"Initial Control Period" means the period ending the earlier of (i) the closing of title with purchasers under the Plan to Units having more than 50% of the aggregate Common Interests appertaining to all Units or (ii) the fifth (5th) anniversary of the First Closing.

"Insurance Trustee" means a bank or trust company, in either event having both an office in the City of New York and a capital surplus and individual profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

"Land" means the parcel of land upon which the Building is situated, as more fully described in Exhibit A of the Declaration.

"Limited Common Elements" shall have the meaning ascribed to such term in Section 6.5 of the Declaration.

"Managing Agent" means a Person employed by the Condominium Board as a managing agent or manager pursuant to Section 2.4 of the By-Laws who undertakes to perform such duties and services as the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained said Section 2.4.

"Majority of Unit Owners" "shall have the meaning ascribed to such term in Section 3.10 of the By-Laws.

"Mortgage Representatives" shall have the meaning ascribed to such term in Section 7.6.1 of the By-Laws.

"Parking License" means a written agreement pursuant to which the purchaser of a Unit has the exclusive right to use a designated parking space.

"Permitted Mortgage" shall have the meaning ascribed to such term in Section 7.6.1 of the By-Laws.

"Permitted Mortgagee" means the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute holders of mortgages given by Declarant to acquire or construct the Property.

"Person" means any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity.

"Plan" means the offering plan for the establishment of condominium ownership of the Property, as filed with the New York State Department of Law, as the same may be amended from time to time.

"Property" shall have the meaning ascribed to such term in Section 2.1 of the Declaration.

"Register's Office" means the Office of the Register of The City of New York.

"Rules and Regulations" means the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A, as modified, amended or added to from time to time in accordance with Section 6.17 of the By-Laws.

"Special Assessments" means the charges allocated and assessed against the Units by the Condominium Board and payable by the Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with Section 6.1.6 of the By-Laws.

"Sponsor Successor" means (i) any corporation, partnership, limited liability company or other entity that through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of Escorial 280 SMA, LLC, or (ii) any Person who, at any time, (a) purchases from Escorial 280 SMA, LLC, or otherwise succeeds to the ownership of (x) ten or more Units or (y) one or more Units then owned by the Declarant and is designated as a Sponsor Successor by the Declarant, and (b) is not purchasing such Units for his, her or its own occupancy or for occupancy by one or more of such Person's Family Members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or (ii) above. The phrase "owned by" shall include owned by any such nominee.

"Storage License" means a written agreement pursuant to which the purchaser of a Unit has the exclusive right to use a designated storage unit.

"Unit" means a space designated in the Declaration as a Unit, consisting, generally, of a specific apartment in the Building.

"Unit Owner" means any record owner of a Unit.

"Unsold Unit" means any Unit that is owned or retained, by way of lease or any other arrangement by which management or financial responsibility is retained, by Declarant; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

DOCUMENT NUMBER 8

EXHIBIT D

BY-LAWS

OF

280 St. Marks Avenue Condominium
280 St. Marks Avenue
Brooklyn, New York 11238

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BY-LAWS

ARTICLE 1

GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of the Land, the Building and all other improvements thereon (including, without limitation, the Units and the Common Elements), and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed real and personal, that is intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording in the Register's Office of the Declaration of which these By-Laws form a part.

1.2 **Definitions.** All capitalized terms used in these By-Laws not otherwise defined in any of the Articles hereof shall have the meanings set forth in the Declaration or in Exhibit C to the Declaration, unless the context otherwise requires. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context otherwise requires. Each of the capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

1.3 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other Persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.4 **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 Brooklyn reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

ARTICLE 2

BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by the Condominium Board. From and after the first annual meeting of Unit Owners as provided in Section 3.1, the Condominium Board shall consist of

[__] persons elected by the Unit Owners, subject to the rights of Declarant pursuant to Subsection 3.9.3 below. Voting shall be in accordance with Section 3.8 below. The number of members of the Condominium Board may not be changed without consent of the Declarant so long as the Declarant owns any Units

2.1.2 Each member of the Condominium Board, except for the first Condominium Board as provided in Section 2.5 and except as otherwise provided herein, shall be elected at the annual meeting of the Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a member of the Condominium Board may serve.

2.1.3 Except for members of the Condominium Board designated by Declarant, all members of the Condominium Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries or any other entities that own Units, Permitted Mortgagees, or Family Members of any of the foregoing. Additionally, no Unit Owner may be elected to serve on the Condominium Board if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien (and pay all expenses incurred by the Condominium Board, its committees, the Managing Agent or any agents of any of the foregoing in connection with the matter resulting in the perfection of the lien, including without limitation, attorneys' fees and expenses) has not been paid at the time of such election. After the expiration of the Initial Control Period, a majority of the Condominium Board must be Unit Owners who own Units and who occupy their Units or members of such Unit Owners' households and must not be related to Declarant or its principals. Other than members of the Condominium Board designated by Declarant, no member of the Condominium Board shall continue to serve after such member ceases to be qualified as set forth above.

2.2 **Powers and Duties.**

2.2.1 The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners). All other determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board as a whole. As used herein the term "Arbitration" means arbitration conducted in accordance with the provisions of Article 11.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1 The operation, care, upkeep, maintenance, repair and replacement of the Common Elements, including contracts for utilities, services and supplies.

2.2.2.2 The amount of Common Charges and Special Assessments, if any (subject to the limitations contained in Article 6).

2.2.2.3 The collection of Common Charges and Special Assessments, if any.

2.2.2.4 The employment and dismissal of the personnel necessary for the maintenance and operation of the Condominium.

2.2.2.5 The adoption of, and amendments and additions to, the Rules and Regulations.

2.2.2.6 Subject to Subsection 8.2.2, purchasing, leasing and otherwise acquiring in the name of the Condominium Board or its designee, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Condominium Board.

2.2.2.7 Purchasing Units at foreclosure or other similar sales, in the name of the Condominium Board or its designee, on behalf of all Unit Owners.

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

2.2.2.9 Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.10 Making repairs to and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.11 Enforcing by legal and equitable means the terms, covenants and conditions contained in the Condominium Documents, and in connection therewith, to bring or defend against any proceedings, actions or suits that may be instituted on behalf of, or against, the Unit Owners.

2.2.2.12 Levying fines against Unit Owners for violations of the Rules and Regulations s (any such fines shall constitute Common Charges payable by the Unit Owner against whom they are levied).

2.2.2.13 Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.14 Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the

making of repairs, replacements, restorations or additions to or alterations of, the Common Elements; provided, however, that (i) the consent of at least 662/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $100,000, multiplied by the CPI Factor, in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this Subsection 2.2.2.1(l) is not repaid by said Board, a Unit Owner who pays to the creditor a percentage thereof equal to the Common Interest appertaining to his Unit shall be entitled to obtain from the creditor a release of any judgment or other lien that said creditor has filed or has the right to file against such Unit.

2.2.2.15 Organizing corporations and limited liability companies to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine.

2.2.2.16 Executing, acknowledging and delivering (i) any declaration or other instrument affecting the Property that the Condominium 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, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.17 Executing, acknowledging and delivering any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.18 Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.19 Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.20 Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) under policies obtained pursuant to the terms of Section 6.2.

2.2.2.21 Leasing or purchasing an apartment for use as the residence of the building superintendent or resident manager, either in the Building or elsewhere (in compliance with Applicable Law) and, in connection therewith, amending, modifying, extending, renewing, and executing all necessary documents, and otherwise dealing in any way with respect to such apartment.

2.2.2.22 enter into license agreements for all or a portion of the Common Elements, including, but not limited to, Parking Licenses and Storage Licenses and charge fees therefor; except that the amount that may be charged for license fees for the Parking Licenses and the Storage Licenses shall be limited as follows: any increase or decrease in the Common Charges payable by the Unit Owners will result in an increase or decrease in the monthly license fees payable with respect to the Parking Licenses and the Storage Licenses in the same percentage.

2.2.3 Any act with respect to a matter determinable by the Condominium Board and deemed necessary or desirable by the Condominium Board in connection therewith shall be done or performed by the Condominium Board or shall be done on its behalf and at its direction by its agents, employees or designees.

2.3 **Certain Limitations on Powers of Condominium Board.**

2.3.1 Notwithstanding anything to the contrary contained in these By-Laws, as long as the Declarant continues to own at least 25% of the Common Interests appurtenant to all Units, during the five (5) years following the First Closing, the Condominium Board may not, without the Declarant's prior written consent:

2.3.1.1 make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

2.3.1.2 assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of 5% in the aggregate of the estimated Common Expenses for any one fiscal year of operation, provided the same does not violate Applicable Law, in which event the maximum assessment permitted hereunder shall equal the minimum required by Applicable Law;

2.3.1.3 increase the number or change the type of employees of the Condominium from that described in "Schedule B: Projected Budget for First Year of Condominium Operation" set forth in the Plan (the "First Year's Budget");

2.3.1.4 enter into any service or maintenance contracts for work, labor or services not covered in the First Year's Budget; or

2.3.1.5 borrow money on behalf of the Condominium.

2.3.2 Notwithstanding the foregoing, the Declarant may neither exercise a veto over nor direct any member of the Condominium Board appointed or otherwise chosen by

the Declarant to vote against expenditures that: (a) conform to the First Year's Budget and are for the period covered by the First Year's Budget; or (b) are required to comply with Applicable Law, including to cure any notices of violations; or (c) are necessary to remedy any work order by an insurer that is the responsibility of the Condominium Board to remedy.

2.3.3 Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the actions set forth below in clauses 2.3.3.1 through 2.3.3.4 unless 80% of the members thereof so approve in writing or by vote at a duly constituted meeting called for such purpose:

2.3.3.1 increase the number or change the type of employees of the Condominium from that described in the First Year's Budget;

2.3.3.2 provide for new or additional services, apart from those described in the First Year's Budget;

2.3.3.3 impose any Common Charge or Special Assessment for the purpose of making any capital or major improvement, alteration or addition to the Common Elements, unless required by Applicable Law (provided, however, that nothing contained herein shall restrict the rights and obligations of the Condominium Board to maintain and repair the Common Elements); or

2.3.3.4 establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements or replacements, other than a twelve (12)-month reserve for contingencies not exceeding five percent of the budgeted Common Expenses for the ensuing twelve (12) months of operation (provided, however, that nothing contained herein shall restrict the right of the Condominium Board to assess Unit Owners from time to time for any budget deficiency).

2.4 **Managing Agent and Manager.** With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a Managing Agent at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such Managing Agent other powers granted to the Condominium Board by these By-Laws, except the powers set forth in Subsections 2.2.2.2, 2.2.2.5, 2.2.2.6, 2.2.2.7, 2.2.2.8, 2.2.2.10, 2.2.2.11, 2.2.2.12, 2.2.2.14, 2.2.2.15, 2.2.2.16, 2.2.2.18, 2.2.2.19, 2.2.2.20, and 2.2.2.21. The cost of employing a Managing Agent shall be a Common Expense.

2.5 **First Condominium Board.** The Condominium Board shall initially consist of three (3) persons designated by Declarant. Within 180 days after the date of the First Closing, the Condominium Board shall call for the first annual meeting of Unit Owners for the purpose of electing a new Condominium Board in accordance with the provisions of Section 3.1. The terms of each member of the Condominium Board shall expire annually.

2.6 **Resignation and Removal.** Any member of the Condominium Board may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium 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. Any member of the Condominium Board may be removed, with or without cause, by a majority vote of Unit Owners, present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present. Any member of the Condominium Board whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, members of the Condominium Board appointed by Declarant may only be removed with cause and replaced as described in Section 2.7. In addition, any member of the Condominium Board who is designated as such by Declarant may be removed by Declarant with or without cause, and Declarant shall have the right to designate the replacement for such member of the Condominium Board.

2.7 **Vacancies.** Subject to the provisions of Subsection 3.9.3, any vacancy on the Condominium Board for whatever reason shall be filled by the members of the Condominium Board then in office, at a special meeting of the Condominium Board held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Condominium Board until the next annual meeting of the Unit Owners, when a successor shall be elected. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Condominium Board that is created by the resignation or removal of a member of the Condominium Board designated by Declarant, or that is otherwise created when a member of the Condominium Board designated by Declarant ceases to be a member of the Condominium Board, Declarant shall have the sole right to designate a replacement for such member of the Condominium Board.

2.8 **Organizational Meeting of the Condominium Board.** The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.9 **Regular Meetings of the Condominium Board.** Regular meetings of the Condominium Board may be held at such time and place in the Borough of Brooklyn as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member of the Condominium Board, by personal delivery, mail, nationally recognized overnight courier, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.10 **Special Meetings of the Condominium Board.** The President may call a special meeting of the Condominium Board whenever he or she deems the same to be necessary or desirable. Additionally, the President shall call a special meeting of the Condominium Board upon the written request of two or more members of the Condominium Board. Written notice of all special meetings shall be given to each member of the Condominium Board by personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meetings; and such notice shall state the time, place (in the Borough of Brooklyn) and purpose of the meeting.

2.11 **Waiver of Notice.** Any member of the Condominium Board may at any time waive notice of any meeting of the Condominium Board in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver of notice by him or her of the time and place thereof. If all the members are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

2.12 **Determinations by the Condominium Board; Quorums.**

2.12.1 Except as otherwise set forth in Subsection 2.12.3, all determinations by the Condominium Board shall be made at a meeting at which a quorum is present. At any meeting of the Condominium Board, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Condominium Board.

2.12.2 If at meeting of the Condominium Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

2.12.3 Members of the Condominium Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of the Condominium Board consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the minutes of the Condominium Board.

2.13 **Compensation.** No member of the Condominium Board shall receive any compensation for acting as such.

2.14 **Liability of Condominium Board and Unit Owners.**

2.14.1 To the extent permitted by Applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of Condominium Board or of any Managing Agent in connection with the affairs or operation of the Condominium, (except in their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any Managing Agent thereof shall state that it is made by the Condominium Board or the Managing Agent only as agent for all Unit Owners, and that the members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Every such contract shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the interest of

such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, to the extent permitted by Applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and its Appurtenant Interest, so that such Unit Owner shall have no personal liability for such contract, act or omission unless expressly stated to the contrary in such contract (as determined by the Condominium Board in its sole and absolute discretion). Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges and Special Assessments, if any. Members of the Condominium Board shall have no liability to Unit Owners, except that a member of the Condominium Board shall be liable for such his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim relating to, arising out of, or in connection with such member's actions in his or her capacity as a member of the Condominium Board, except those arising out of such member's own bad faith or willful misconduct.

2.14.2 Neither the Condominium Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense; or (ii) any injury, loss or damage to any individual or property, occurring in, on or upon either a Unit or the Common Elements, and either (a) caused by the elements, any Unit Owner or any other Person, or (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements, or (c) arising out of theft or otherwise; except, in each case, when caused by the acts of bad faith or willful misconduct of the Condominium Board or such member thereof, as the case may be.

2.15 **Fidelity Bonds.** The Condominium Board shall have the authority to obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent, if any, employed by it; and the premiums on such bonds shall constitute Common Expenses.

2.16 **Committees.** The Condominium Board may, subject to such limitations and exceptions as it may prescribe, appoint an Executive Committee and such other committees as it may deem appropriate, each to consist of as many members as the Condominium Board shall deem appropriate, for the purpose of making such reports and studies as the Condominium Board deems appropriate. For so long as Declarant is entitled to designate any member of the Condominium Board, any committee appointed by the Condominium Board shall have as at least one of its members a member of the Condominium Board appointed by Declarant.

2.17 **Principal Office of the Condominium Board.** The principal office of the Condominium Board shall be located within the Property or at such other place in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Condominium Board.

2.18 **Status of the Condominium.** In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Condominium Board shall, to the extent permitted by Applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General

Associations Law of the State of New York. In the event of the incorporation of the Condominium Board pursuant to the provisions of Section 2.19 below, the provisions of this Section 2.18 shall no longer be applicable.

2.19 **Incorporation of the Condominium Board.** To the extent and in the manner provided in the Condominium Act, the Condominium Board may, by action as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by Applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws, and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.20 **Condominium Board as Agent of Unit Owners.** In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act in good faith as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.21 **Prohibited Transactions.** Each member of the Condominium Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Applicable Law, no contract or other transactions between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, members, fiduciaries, beneficiaries or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such interested member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved or ratified, or (ii) the vote of any such interested member was counted for such purposes; provided, however, that either:

2.21.1 the material facts as to the interest of such member of the Condominium Board in such contract or transaction are disclosed in good faith or known to the Condominium Board or are noted in the minutes thereof, and the Condominium Board approves, authorizes or ratifies such contract or transaction in good faith by a vote sufficient for such purpose without counting the vote of such interested member of the Condominium Board or, if the votes of the disinterested members of the Condominium Board are insufficient to constitute a quorum, by unanimous vote of the disinterested members; or

2.21.2 the fact thereof is disclosed to, or known by, a Majority of Unit Owners with respect to any such contract or transaction; and a Majority of Unit Owners shall authorize, approve or ratify such contract or transaction; or

2.21.3 the contract or transaction is considered commercially reasonable by the Condominium Board at the time it is authorized, approved, ratified, executed or otherwise consummated.

Any interested member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves or ratifies any such contract or transaction, and, except as set forth in Subsection 2.21.1, shall also be entitled to vote thereat to authorize, approve or ratify such contract or transaction.

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings.** The first annual meeting of Unit Owners shall be held no later than 180 days after the First Closing. At such meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect or designate (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) a Condominium Board consisting of five members. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting of Unit Owners. At such meetings, the incumbent members of the Condominium Board shall resign and new members shall be elected or designated in accordance with Section 2.1 and as otherwise provided in these By-Laws, and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings.** Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Brooklyn as may be designated by the Condominium Board.

3.3 **Special Meetings.** The President shall call a special meeting of the Unit Owners if so directed by duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having in the aggregate not less than 25% in Common Interest of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting.

3.4 **Notice of Meetings and Actions Taken.** Notice of each annual or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted thereat except business reasonably related to such stated purposes. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier, facsimile or e-mail, at least ten (10) days but no more than forty (40) days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as

provided above at least thirty (30) days prior to the day named for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business.** The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order,

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Condominium Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Condominium Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units.** Title to Units may be taken by any individual, corporation, limited liability company, partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 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 and shall be revocable at any time by written notice to the 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 Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Condominium Board or its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Condominium Board or its designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 If two or more Persons own a Unit, they shall designate in writing to the Secretary of the Condominium one Person among them to vote the entire Common Interest appurtenant to their Unit, and the vote of such designee shall be binding on all such Persons. Failing such designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

3.8.3 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) shall be entitled to cast one vote for each .0001% of Common Interest attributable to such Unit Owner's Unit.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of members of the Condominium Board shall be determined by plurality vote.

3.9.2 Voting for members of the Condominium Board shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the Common Interests appurtenant to Units 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 Subsection 3.8.3 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners and until the expiration of the Initial Control Period, Declarant shall be entitled to designate three (3) members of the Condominium Board. Further, after the expiration of the Initial Control Period, for so long as the Common Interests appurtenant to Units owned by Declarant equal, in the aggregate, 10% or more, Declarant shall have the right to designate two (2) members of the Condominium Board; and for so long as Declarant owns at least one Unsold Unit and the Common Interests appurtenant to Units owned by Declarant equals, in the aggregate, less than 10%, Declarant shall have the right to designate one (1) member of the Condominium Board. In addition to members of the Condominium Board designated by Declarant, Declarant shall, at all times, also have the right to cast its votes for all remaining

positions on the Condominium Board for candidates who reside in the Building and who are unrelated to or unaffiliated with Declarant.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means Unit Owners having more than 50% of the total authorized votes of either all Unit Owners, determined in accordance with the provisions of Section 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning Units to which are appurtenant, in the aggregate, more than 50% of the Common Interests shall constitute a quorum at all meetings of Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by law, the Declaration or these By-Laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its sole judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be members of the Condominium Board until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium must be members of the Condominium Board.

4.2 **Election of Officers.** The officers of the Condominium Board shall be elected annually by the members of the Condominium Board at the organizational meeting thereof, except that the initial officers of the Condominium Board shall be elected by the initial members of the Condominium Board and shall hold office at the pleasure of the Condominium Board and until their successors are elected.

4.3 **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 Condominium Board. Such resignation shall take effect at the time specified in such notice, 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 Condominium Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular meeting of the Condominium Board or at any special meeting of the Condominium Board called for such purpose.

4.4 **President.** The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of the Condominium Board and at all meetings of Unit Owners. The President shall have all of the general powers and duties that are incident to the office of president of a corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the Condominium.

4.5 **Vice President.** The Vice President shall take the place of the President and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint a member of the Condominium Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President.

4.6 **Secretary.** The Secretary shall keep the minutes of meetings of the Condominium Board and meetings of Unit Owners. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and shall in general perform all the duties incident to the office of secretary of a corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurer.** The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the Managing Agent appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall in general perform all of the duties incident to the office of treasurer of a corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents.** Unless otherwise delegated by the Condominium 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 Condominium Board.

4.9 **Compensation of Officer.** No officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 **Notices.** Except to the extent other methods are specifically authorized or required herein, all notices hereunder shall be sent by (a) personal delivery; (b) certified mail, return receipt requested; (c) overnight courier with receipt; or (d) facsimile transmission or

electronic mail (if available) with a copy sent the same day by one of the methods specified in clauses (a), (b) or (c): (i) to the Condominium Board or any officer thereof, c/o the Managing Agent, or if there be no Managing Agent, to the office of the Condominium Board or to such other address as the Condominium Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all Permitted Mortgagees; (ii) to the Declarant at the address specified on the first page of the Declaration or to such other address as may be designated by the Declarant from time to time, in writing, to the Condominium Board; (iii) to a Unit Owner at the Property or to such other address as may be designated by such Unit Owner from time to time, in writing, to the Condominium Board; or (iv) to a Permitted Mortgagee, at its latest address designated, in writing, to the Condominium Board. All notices that are mailed shall be deemed to be given three (3) business days after the date of mailing. All notices that are personally delivered or sent by facsimile transmission or electronic mail (provided a copy is sent the same day in the manner provided above) shall be deemed to be given on the date of delivery. All notices that are sent by overnight courier shall be deemed to be given on the next business day. Notwithstanding the foregoing, notices of change of address shall not be deemed to have been given until received.

5.2 **Waiver of Service of Notice.** Whenever notice is required to be given by Applicable Law, the Declaration or 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.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, in accordance with their Common Interests (except as otherwise provided in the Declaration or these By-Laws), Common Charges to meet Common Expenses. Such budgets shall include such amounts for reserves, as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual), provided, however, that such allocations are reasonable under the circumstances and are in accordance with the provisions of Applicable Law.

6.1.2 Notwithstanding anything to the contrary in this Article 6: (a) the costs of repair, maintenance, replacement, restoration and operation of and any alteration, addition or improvement to a Common Element (except in connection with a casualty or condemnation) shall be borne solely by the Unit Owners in accordance with their Common Interests; as shall payment of such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements and such amounts, determined by the Condominium Board, as may be

required for the rental or purchase of an apartment to be used as the residence of the Building's superintendent or resident manager and all costs and expenses associated therewith.

6.1.3 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 In addition to their foregoing duties to determine the amounts of Common Charges, the Condominium Board shall have the right, subject, in all respects, to the restrictions contained in Section 2.3 hereof, to levy Special Assessments against the Unit Owners, which shall be allocated among the Unit Owners in the same manner as Common Charges and which may be payable in either one lump sum or in installments, as the Condominium Board determines; provided, however, that the Condominium Board shall give each Unit Owner not less than fifteen (15) days' written notice prior to the date upon which any such Special Assessment, or the first installment thereof, is due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof.

6.1.6 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure to the benefit of any Unit Owner or individual, other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments.

6.1.7 If any Unit Owner disputes the allocation of Common Charges or Special Assessments made by the Condominium Board pursuant to Section 6.1.1, Section 6.1.2, Section 6.1.3 or Section 6.1.5, such dispute shall be determined by Arbitration. As used herein the term "Arbitration" means arbitration conducted in accordance with the provisions of Article 11.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain, to the extent obtainable, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building, together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); said policies shall contain a New York standard mortgagee clause in

favor of each Permitted Mortgagee, which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions hereinafter set forth; (b) loss of income insurance (Common Charges); (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board to be necessary; (f) water damage insurance to the extent, if any, determined by the Condominium Board to be necessary; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board, the Managing Agent and all officers, directors, and employees of the Condominium; (i) directors' and officers' liability insurance; (j) commercial umbrella insurance; and (k) such other insurance as the Condominium Board may from time to time determine to be necessary or appropriate. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board. Insurance proceeds with respect to any loss shall be payable to the Condominium Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to the Insurance Trustee.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, 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 insureds, including all Unit Owners and Permitted Mortgagees.

6.2.4 The Condominium Board shall also be required to obtain and maintain comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering the Condominium Board, the Managing Agent and the officers, directors and employees of the Condominium, and each Unit Owner; except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines.

6.2.6 The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for

bodily injury or death arising out of any one occurrence, plus at least $2,000,000 umbrella liability coverage. Such limits of liability may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense, and the Condominium Board shall not be prohibited from carrying additional insurance; provided, however, that all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the Condominium Board. The liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any Person is insured, or required to be insured for loss or damage to property hereunder, such Person will look to its own insurance policies for recovery.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 If the Building or any part thereof is damaged or destroyed by fire or other casualty (unless 75% or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board will arrange for the prompt repair and restoration thereof and the Condominium Board 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. If the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Unit Owners, in proportion to their Common Interests, will bear the entire amount of the deficit as a Common Expense, or shall receive all of the surplus, as the case may be. Any surplus payable to any Unit Owner pursuant to this Subsection 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages that are not Permitted Mortgages) on any such Unit in the order or priority of such liens. The Condominium Board shall, with reasonable promptness after its occurrence, give notice to each Permitted Mortgagee and any guarantor of the Permitted Mortgage held by such Permitted Mortgagee (provided that the name and address of such guarantor have previously been furnished in writing to the Condominium Board) of any loss caused by fire of other casualty that affects a material portion of the Condominium or the Unit subject to such Permitted Mortgage.

6.3.2 Unless the Unit Owners have elected not to restore the Building as provided in Subsection 6.3.3, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the owner of the affected Units to the extent that such repair or reconstruction does not involve Common Elements the repair or reconstruction of which is the obligation of the Condominium Board as provided in Subsection 6.3.1. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs

incurred in connection therewith shall be charged to the defaulting Unit Owner as a Special Assessment.

6.3.3 If 75% or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds, such amounts as may be necessary to discharge or reduce all unpaid liens on such Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. As used in this Section 6.3, the words "promptly resolve" mean resolve as promptly as practical under the circumstances but, in any event, not more than 60 days from the date of such damage or destruction.

6.3.4 Any dispute arising under this Section 6.3 shall be determined by Arbitration.

6.4 **Payment of Common Charges.**

6.4.1 All Unit Owners shall be obligated to pay to the Condominium Board the Common Charges and Special Assessments assessed by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Condominium Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges or Special Assessments assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its Appurtenant Interest. Any Unit Owner may, subject to the terms and conditions of these By-Laws, convey for no consideration such Unit together with its Appurtenant Interest, to the Condominium Board or its designee, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges and Special Assessments thereafter accruing, provided, however, that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges and Special Assessments (provided that no amounts are owing under any such lien), and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. A purchaser of a Unit shall be liable for the payment of Common Charges and any Special Assessments accrued and unpaid against such Unit prior to the acquisition by such purchaser of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Unit by a Permitted Mortgagee shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges and any Special Assessments accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common

Charges and Special Assessments assessed against such Unit that accrued prior to such sale. Except to the extent prohibited by law, and the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges and Special Assessments, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in Subsection 6.4.2, to the extent permitted by Applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall any Unit be conveyed subject to, a lien for any unpaid Common Charges or Special Assessments against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board regarding such unpaid Common Charges or Special Assessments.

6.4.5 In the event that, prior to the Units being separately assessed for real estate tax purposes, the Condominium Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Condominium Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.5 **Collection of Common Charges.** The Condominium Board shall take prompt action to collect any Common Charges that remain unpaid for more than thirty days after the due date for payment thereof, including, without limitation, the institution of such actions and the recovery of interest and expenses as provided in this Article 6.

6.6 **Default in Payment of Common Charges.** In the event any Unit Owner fails to make payment of Common Charges or Special Assessments within ten days of the date on which they are due (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or 4% of such unpaid amount, and (b) interest on such unpaid amounts at the rate of two percent 2% per month (but in no event in excess of the maximum rate permitted by law), computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or Special Assessments or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges or Special Assessments as provided in Section 339-z of the 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 Condominium Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein; provided, however, that such alternate fees do not exceed the maximum rate permitted by law.

6.7 **Foreclosure of Liens for Unpaid Common Charges.** In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges or

Special Assessments, 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 such rent. The Condominium Board, acting on behalf of all Unit Owners, 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 (but not to vote the votes appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges or Special Assessments 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, and advertising costs, brokerage commissions and other costs and expenses incurred in connection with the sale or rental of such Unit) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges.** The Condominium Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges and Special Assessments due to it from such Unit Owner.

6.9 **Maintenance and Repairs.**

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense; (b) in or to the General Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall be charged as a Common Expense to the Unit Owners; and (c) in or to the Limited Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged as a Common Expense, in proportion to their Common Interests, to the Unit Owners who benefit from such Limited Common Elements (except that a Unit Owner having use of a terrace or balcony appurtenant to such Unit Owner's Unit shall be responsible for all nonstructural or ordinary maintenance, repairs and replacements thereof).

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner; or (b) the Condominium Board, the entire cost thereof shall be charged to all Unit Owners as a Common Expense; except, in all such cases, to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and the windows may not be modified, altered or replaced without the written consent of the Condominium Board.

6.9.2.3 The exterior surface of all windows in the Units, if so determined by the Condominium Board, shall be washed and cleaned by the Condominium Board, and the cost and expense thereof shall be charged as a Common Expense. Otherwise, the exterior of all windows in a Unit shall be washed or cleaned at the cost and expense of the Unit Owner who owns such Unit. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense.

6.9.2.4 The exterior of all front doors of Units shall not be painted or decorated, except with the written consent of the Condominium Board.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and, with respect to any terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whoever or whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board, with respect to such parts of the Building required to be maintained by it; and (b) each Unit Owner, with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit.

6.9.4 For purposes of this Article 6, an "emergency" shall mean any condition requiring immediate repair or replacement for the preservation or safety of the Building or for the safety of occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building.

6.10 **Violations of Maintenance Obligations.** If any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement, unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board (or sooner in the case of emergency), cures such default, or in the case of default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement by the Condominium Board, together with interest thereon at the rate of 2% per month from the date on which the Condominium Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 **Structural Alterations, Additions, Improvements and Repairs of Units.**

6.11.1 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Condominium Board. The Condominium Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 45 days after such request is received, and the failure to do so within the stipulated time shall constitute the Condominium Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Condominium Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Condominium Board may impose fees upon a Unit Owner to reimburse the Condominium Board for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this 6.11.1, neither Declarant nor a Permitted Mortgagee (nor its designee or assignee) of Declarant shall be required to obtain the approval of the Condominium Board for any structural alteration, addition, improvement or repair in or to Unsold Units owned by Declarant or enter into any alteration agreement with respect thereto.

6.11.2 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed

to have agreed, to hold each Board and all other Unit Owners harmless from any costs or liability arising therefrom, related thereto, or in connection therewith.

6.11.3 Any application by a Unit Owner to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Condominium Board (if such approval is required) shall, if required by law or such department or authority, be executed by the Condominium Board; provided that the Condominium Board shall no incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any Person having any claim for injury to person or damage to property arising therefrom; and the Unit Owner shall indemnify and hold harmless the Condominium Board from and against any claims, costs, expenses and liabilities whatsoever (including attorneys' fees) arising therefrom, related thereto or in connection therewith. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Condominium Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and the Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Applicable Law (collectively the "Required Documentation"); and the Condominium Board, if requested by Declarant, shall execute the Required Documentation.

6.11.4 If any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then Declarant or the Condominium Board, as the case may be, shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

Prior to obtaining any temporary or permanent certificate of occupancy, Declarant has the right to suspend any Unit Owner's work if Declarant determines in Declarant's sole discretion that such suspension is necessary to obtain a temporary or permanent certificate of occupancy. If, however, any Unit Owner is performing or causing to be performed any work in his Unit, Declarant shall have no obligation to obtain or renew a partial, temporary, or permanent certificate of occupancy with respect to such Unit if the issuance of such certificate of occupancy is delayed or prevented by such work. Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.5 Declarant shall have the right to require any Unit Owner from performing work in such Unit Owner's Unit if Declarant determines, in its sole discretion, that such suspension is necessary to obtain a temporary or permanent certificate of occupancy for the Building. If, however, any Unit Owner is performing any work in his or her Unit, Declarant

shall have no obligation to obtain or renew a partial, temporary, or permanent certificate of occupancy with respect to such Unit if the issuance of such certificate of occupancy is delayed or prevented by such work.

6.12 **Alterations, Additions, Improvements or Repairs to Common Elements.** Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to any Common Elements shall be made by the Condominium Board. Whenever in the judgment of the Condominium Board the cost of any alteration, addition, improvement or repair would exceed $100,000, multiplied by the CPI Factor, in the aggregate in any calendar year (except if such alteration, addition, improvement or repair is provided for in a duly approved budget), then such proposed alteration, addition, improvement or repair shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, improvements or repairs costing in the aggregate $100,000, multiplied by the CPI Factor, or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 **Use of the Units.**

6.13.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 6.13 and as otherwise expressly provided in the Declaration or these By-Laws.

6.13.2 Subject to the terms of Subsections 6.13.3 and 6.13.4, a Unit shall be used only as a residence, and not more than one family may occupy a Unit at any one time. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other Person may be occupied only by such individual, or by an officer, director, stockholder or employee of such corporation, or by a partner or employee of such partnership, or by an individual member or employee of such limited liability company, or by an officer, director, stockholder, partner, employee or individual member of any corporate, partnership or limited-liability-company member of such limited liability company, or by such fiduciary, if an individual (or by an officer, director, stockholder or employee of a corporate fiduciary, or by a partner or employee of a partnership fiduciary or by a member or employee of a limited-liability-company fiduciary), or by the beneficiary of such fiduciary, or by a principal or employee of such other Person, respectively, or by Family Members or guests of any of the foregoing (however, nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Notwithstanding the foregoing, Declarant (or, when Declarant no longer owns any Units, the Condominium Board) may, in its sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.13.2) may be accommodated therein.

6.13.3 Notwithstanding anything to the contrary contained in this Section 6.13, a Unit Owner may, without the consent of the Condominium Board or the Unit Owners, use the Unit owned by such Unit Owner as a professional or business office, or for any home occupation use or for any purpose, provided that the nature and manner of such use complies with Applicable Law, does not violate the certificate of occupancy of the Building, and does not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes or impose undue burdens on any building systems or staff.

6.13.4 Notwithstanding anything to the contrary contained in this Section 6.13, the Declarant may, without the consent of the Condominium Board or the Unit Owners, use or grant permission for the use of any of its Unsold Units as a professional or business office or for any other purpose, including, without limitation, use of any one or more of its Units as model units and offices for the sales, promotions, management and operation of its Units, or lease its Units to third parties for their occupancy, provided only that the nature and manner of such use complies with Applicable Law and does not violate the certificate of occupancy of the Building.

6.14 **Use of Common Elements.**

6.14.1 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 and capable.

6.14.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts 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, without the prior consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.14.3 Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.14.4 The owner of any two or more Units that 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 Condominium 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 or 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 excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units that are Unsold Units shall have the rights set forth in the preceding sentence without the

necessity for obtaining the consent of the Condominium 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 clauses (a) and (b) above.

6.15 **Other Provisions as to Use.**

6.15.1 No nuisance shall be allowed within the Property, nor shall any use or practice be allowed within the Property that either is a source of annoyance to the residents, tenants or other occupants of the Property or that interferes with the peaceful possession or proper use of the Property by its residents, tenants or other occupants. No immoral, improper, offensive or unlawful use shall be made of the Property or any portion thereof.

6.15.2 No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that shall result in the cancellation of insurance on the Property or the contents thereof or that would be in violation of any Applicable Law. No waste shall be committed in the Common Elements.

6.15.3 Nothing shall be done in any Unit or in, on or to the Common Elements that would impair the structural integrity of the Property or structurally change the Building, except as is otherwise expressly provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

6.15.4 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 Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.16 **Right of Access.**

6.16.1 A Unit Owner shall grant a right of access to such Unit Owner's Unit, and the Condominium 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 punch-list work; 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.

6.17 **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are the Rules and Regulations. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations, except that a Majority of Unit Owners may overrule the Condominium Board with respect to any such modification, amendment or addition.

6.18 **Real Estate Taxes, Water Charges and Sewer Rents.** Water and sewer services for the Building shall be supplied by the City of New York. Except to the extent real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the proper authorities, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense. To the extent that a meter measures the water consumption to an individual

Unit only, the owner of that Unit shall be solely responsible for the cost thereof. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes, water charges and sewer rents) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Unit Owner's Unit to the date of the closing of title to such Unit.

6.19 **Gas.** The cost of gas consumed or used for cooking (including cooking on exterior gas-fired barbecue grills that are provided for certain Units), operating clothes dryers in the Units and providing hot water to the Units, as well as for operating the gas-fired kitchen make-up air heating systems installed in certain Units, shall be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

6.20 **Electricity.** Electricity will be supplied to the Condominium through one or more common meters, and the cost of the electricity will be borne by each Unit Owner based upon the consumption or usage of electricity in his Unit and any Limited Common Elements appurtenant thereto, as determined by sub-metering and billed by the Condominium Board. The cost of the electricity consumed by the rooftop condensers for the heating and cooling of each Unit will be on a common meter and billed to each Unit Owner according to a software system that meters each Unit Owner's actual usage of the condenser system. The Condominium Board shall have the right, however, exercisable in its sole discretion, to require that electricity be supplied to each Unit through a separate meter for such Unit, in which event each Unit Owner will be required to pay directly to the utility company all charges for electricity consumed or used in his Unit and any Limited Common Elements appurtenant thereto.

6.21 **Utilities Serving the Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any General Common Element shall be (a) determined by the Condominium Board, (b) considered part of the expense of maintaining such General Common Element, and (c) charged to the Unit Owners as a Common Expense.

6.22 **Abatement and Enjoinment of Violations by Unit Owners.**

6.22.1 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 Condominium Board the following rights, in addition to such other rights set forth in these By-Laws: (i) the right 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(s), any structure, thing or condition resulting in such violation or breach, and the Condominium Board shall not thereby be deemed guilty or liable in any manner of trespass, and (ii) the right to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, any such violation or breach.

6.22.2 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 shall give to Declarant 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, any such violation or breach.

ARTICLE 7

MORTGAGES

7.1 **Notice to Condominium Board.** Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 7.2 hereof. A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board.

7.2 **Restrictions on Mortgaging.**

7.2.1 No Unit Owner shall be permitted to mortgage, pledge or hypothecate his Unit unless and until he has paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed by the Condominium Board against such Unit and has satisfied all unpaid liens against such Unit, other than liens of Permitted Mortgages.

7.2.2 No Unit Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to his Unit without including therein its Appurtenant Interest, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

7.3 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or Special Assessments or any other default by the owner of such Unit under the provisions of the Declaration or these By-Laws that may to the Condominium Board's knowledge then exist. The Condominium Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by its mortgagor under the provisions of the Declaration or these By-Laws, provided that (a) the Condominium Board advises such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board forecloses a lien on such mortgagor's Unit pursuant to the terms of Section 6.7 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to

the Declaration and these By-Laws) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

7.4 **Performance by Permitted Mortgagees.** The Condominium Board shall accept payment, by any Permitted Mortgagee of a Unit Owner, of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.5 **Examination of Books.** Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

7.6 **Representatives of Mortgagees.**

7.6.1 In the manner more particularly set forth in Subsection 7.6.2, the holders of Permitted Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives"), who shall be empowered to act on behalf of all holders of Permitted Mortgages with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages. As used herein the term "Permitted Mortgage" means (a) any first mortgage covering one or more Units, the holder of which is (i) Declarant, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, (iii) a federal, state, municipal, teachers' or union employees' welfare, pension or retirement fund or system having assets in excess of $300,000,000, in each case doing business in the State of New York, or (iv) any Government Authority; and (b) any first mortgage covering any one or more Units owned by Declarant.

7.6.2 Any designation of a Mortgage Representative made by the holders of Permitted Mortgages the then-outstanding principal balances of which, in the aggregate, exceed 50% of the then-outstanding principal balances of all Permitted Mortgages, shall be binding upon the holders of all Permitted Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Condominium Board. Unless otherwise required by law, Permitted Mortgagees other than holders of Permitted Mortgages shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.7 **Consent of Mortgagees.** Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board, any officer or any Unit Owner, provided,

however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING AND LEASING OF UNITS

8.1 **General.** Subject to the terms of Section 8.6 hereof, no Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 8. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board so elects, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of such Unit Owner as the owner or landlord, as the case may be. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including without limitation attorneys' fees and expenses and court costs.

8.2 **Right of First Refusal.**

8.2.1 Subject to the terms of Sections 8.6 and 8.10 hereof, any contract to sell a Unit together with its Appurtenant Interest and any lease of a Unit (a "Sale or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF ARTICLE 8 OF THE BY-LAWS OF SUCH CONDOMINIUM, AS THE SAME MAY BE AMENDED FROM. TIME TO TIME." Promptly after any such contract of sale or lease is fully executed by a Unit Owner (the "Offeree Unit Owner"), he shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, accompanied by a fully-executed, original counterpart of the contract of sale or the lease, as the case may be, containing all the terms offered in good faith by the prospective purchaser or tenant (the "Outside Offeror").

8.2.2 The sending of the notice referred to in Subsection 8.2.1 will constitute an offer by the Offeree Unit Owner to sell his Unit, together with its Appurtenant Interest, or to lease his Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 8.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect

to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

8.2.3 Not later than thirty (30) days after receipt of such notice together with such information as may have been requested pursuant to the terms of Subsection 8.2.2, the Condominium Board may elect, by sending written notice thereof by certified or registered mail, return receipt requested, to the Offeree Unit Owner before the expiration of such thirty (30)-day period, to purchase such Unit together with its Appurtenant Interest or to lease such Unit, as the case may be (or to cause such Unit to be purchased or leased by the Condominium Board's designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as contained in the Sale or Lease Agreement and stated in the response by the Offeree Unit Owner to any requests for additional information pursuant to the terms of Subsection 8.2.2. Notwithstanding anything to the contrary contained herein, the Condominium Board shall not exercise any option set forth in this Section 8.2 to purchase or lease any Unit without the prior approval of a Majority of Unit Owners; however, the Condominium Board shall have the right to release or waive any such option without prior approval of a Majority of Unit Owners. The Condominium Board may not discriminate against any person because of sex, race, creed, color, national origin, ancestry, or other ground prohibited by Applicable Law in connection with the exercise of its option to purchase or lease such Unit.

8.3 **Acceptance of Offer.**

8.3.1 If the Condominium Board elects, within the time and in the manner provided in Section 8.2 hereof, to purchase a Unit together with its Appurtenant Interest, to lease such Unit, or to cause such Unit to be purchased or leased by the Condominium Board's designee, title shall close or a lease shall be executed, in either event in accordance with the term of the Sale or Lease Agreement at the office of the Managing Agent or at the office of the attorneys for the Condominium as directed by the Condominium Board, within forty-five (45) days after the day upon which the Condominium Board gives notice of its election to accept such offer; provided, however, that in the event that the closing date or commencement date of the term of the lease, as the case may be, as set forth in the Sale or Lease Agreement, is later than forty-five (45) days after the giving of notice by the Condominium Board of its election to accept the aforesaid offer, the Condominium Board shall be required to perform or cause to be performed all of the terms of the Sale or Lease Agreement (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a down payment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the Sale or Lease Agreement as the intended closing date or commencement date, as the case may be.

8.3.2 If such Unit and its Appurtenant Interest are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital or expense accounts of the Condominium Board. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of Subsection 6.1.6.1 hereof and/or the Condominium Board may, in

its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interest. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale or Lease Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interest, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Condominium Act with all tax and documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water and sewer charges, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, while owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants in common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

8.3.3 If such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then-current form of apartment lease recommended by the Real Estate Board of New York, Inc., and will contain all the terms and conditions of the Sale or Lease Agreement that are not in conflict with such form of lease (including, but not limited to, the rental and term provided for therein) or that, if they are in conflict with such form of lease, the Condominium Board is willing, in its sole and absolute discretion, to accept. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without the consent of the landlord.

8.4 **Failure to Accept Offer.**

8.4.1 If the Condominium Board fails to accept an offer made pursuant to the terms of Section 8.2. hereof within the time period set forth in Subsection 8.2.3, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within ninety (90) days after the expiration of the period within the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner fails to consummate the transaction embodied in the Sale or Lease Agreement within such ninety (90)-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interest or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all the terms and provisions of Sections 8.2, 8.3 and 8.4 hereof.

8.4.2 Any deed of a Unit and its Appurtenant Interest to an Outside Offeror shall expressly provide, or, in the absence of such provision, shall be conclusively

deemed to provide, that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.4.3 Each lease of a Unit to an Outside Offeror shall be in the then-current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, each such lease shall be consistent with the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time, and shall expressly provide that:

8.4.3.1 such lease may not be amended, modified or extended without the prior written consent of the Condominium Board;

8.4.3.2 the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board; and

8.4.3.3 the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

8.5 **Termination of the Right of First Refusal.** A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 8.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit may be conveyed (together with Appurtenant Interests) or leased free and clear of the terms and conditions contained in Section 8.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 8.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 8.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 8.2, 8.3 and 8.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent as aforesaid.

8.6 **Exceptions to the Right of First Refusal.** The terms and conditions in Sections 8.2, 8.3 and 8.4 hereof shall not apply with respect to any sale, together with its Appurtenant Interest, or lease of a Unit, by:

8.6.1 the owner of such Unit to any of his adult Family Members (individually or in any combination), or to a trust for the benefit of any of them or, in the case of a Unit Owner that is not an individual, to any Affiliate of such Unit Owner;

8.6.2 the Declarant or any Affiliate of the Declarant;

8.6.3 the Condominium Board;

8.6.4 any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or by the Unit Owner delivering a deed in lieu of such foreclosure;

8.6.5 any Permitted Mortgagee or his nominee who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; or

8.6.6 in accordance with the provisions of Section 8.10 hereof;

provided however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, all of the terms and conditions of this Article 8. For the purposes hereof, the term "Affiliate" shall mean, with respect to any Person, an entity or individual that owns more than fifty percent (50%) of the legal and beneficial interest of such Person and to any entity with respect to which such Person owns more than fifty percent (50%) of the legal and beneficial interest thereof.

8.7 **No Severance of Ownership**. No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the Appurtenant Interests of all Units.

8.8 **Payment of Common Charges**. No Unit Owner shall be permitted to convey or lease his Unit unless and until he has paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed by the Condominium Board against such Unit and has satisfied all unpaid liens against such Unit, other than liens of Permitted Mortgages.

8.9 **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 deliver to the representative of his title insurance company (or, if no such representative is present, to the Declarant, or, if the Declarant is not then the owner of any Unit, to the Condominium Board), for recording in the Register's Office, a power of attorney as required in Article 15 of the Declaration.

8.10 **Gifts and Devises, Etc.** Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interest, by gift, or to devise such Unit by will or to have it pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 8.

8.11 **Charges Imposed on Sale or Lease of Units.**

8.11.1 If not prohibited by Applicable Law, the Condominium Board shall have the right and authority to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, including payment of any fees due to the Managing Agent or any attorney retained the Condominium Board, in connection with such sale or lease. If any such charge is adopted, it shall be added to and constitute Common Charges payable by the selling or leasing Unit Owner. Such charge shall not be fixed or collected for any sale or lease that is exempted under Section 8.6 hereof from the provisions of Sections 8.2, 8.3 and 8.4 hereof.

8.11.2 In addition, if not prohibited by Applicable Law, and if approved by two-thirds of its members, the Condominium Board shall have the right to impose a transfer fee (or so-called "flip-tax") to be payable upon the sale of a Unit, in such amount as shall be determined by the Condominium Board from time to time with the approval of two-thirds of the members of the Condominium Board, except that no such fee shall be payable on a sale or transfer that is exempted under Section 8.6 hereof from the provisions of Sections 8.2, 8.3 and 8.4 hereof. If any such fee is adopted, it shall be added to and constitute Common Charges payable by the Offeree Unit Owner. Notwithstanding the foregoing, such fee shall not be collected from an Offeree Unit Owner if the right of first refusal is exercised by the Condominium Board pursuant to Section 8.2 hereof.

8.12 **Notices Concerning Unit Occupancy and Changes in Ownership.** Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or the lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by these By-Laws, who will be using or occupying the Unit. The individuals so designated to use or occupy the Unit may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** If any Unit shall be acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Condominium Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Condominium Board. The award made for any such taking shall be payable to the Condominium Board; provided, however, that if any such award exceeds the sum of $1,000,000, multiplied by the CPI Factor, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit Owners with respect to any taking of the General Common Elements, pro rata in accordance with their respective Common Interests; (b)) borne and shared by all Unit Owners having exclusive access to a Limited Common Element with respect to any taking of such Limited Common Element, pro rata in accordance with their respective interests in such Limited Common Elements; Notwithstanding any provisions contained herein to the contrary, if (1) 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair and restoration of the General Common Elements or (2) all Unit Owners having exclusive access to any such Limited Common Element do not duly and promptly resolve to proceed with such repair or restoration of such Limited Common Element, then such repairs or restorations of the General Common Elements or such any such Limited Common Element, as the case may be, shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in the same manner as is set forth in clauses (a) and (b) above, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages that are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than 60 days from the date of such taking. Any dispute under this Article 9 shall be settled by Arbitration. The Condominium Board shall, with reasonable promptness after its occurrence, give notice to each Permitted Mortgagee and any guarantor of the Permitted Mortgage held by such Permitted Mortgagee (provided that the name and address of such guarantor have previously been furnished in writing to the Condominium Board) of any taking in condemnation or by eminent domain of all or any part of the Common Elements that affects a material portion of the Condominium or the Unit subject to such Permitted Mortgage.

ARTICLE 10

RECORDS AND AUDITS

10.1 **Records.** The Condominium Board or the Managing Agent, if any, shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Condominium Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account

for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges and Special Assessments, if any, made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **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 Condominium Board to all Unit Owners and, if so requested, to any Permitted Mortgagee. The cost of such report shall be paid by the Unit Owners as a Common Expense.

10.3 **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 Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1 **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 New York. 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 11 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.

11.2 **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. 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 Condominium Board in connection or resulting from with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses. Notwithstanding anything to the contrary in this Section 11.2, with respect to any dispute between a Unit Owner and the Condominium Board that is submitted to arbitration pursuant to the provisions of Section 6.1.8, the Condominium Board shall bear the fees, costs and expenses of the arbitrator if such arbitration shall result in the amount of that portion of the contested item of Common Expenses or Special Assessments allocated to such Unit Owner's Unit as originally determined by the Condominium Board being reduced by an amount equal to more than 10% of

the amount of such contested item; and the Unit Owner challenging such apportionment shall bear the fees, costs and expenses of the arbitrator if such arbitration shall result in no reduction in the amount of that portion of the contested item of Common Expenses or Special Assessments allocated to such Unit Owner's Unit or a reduction in an amount equal to 10% or less of the amount of such contested item.

11.3 **Agreement by Parties.** The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 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 12

MISCELLANEOUS

12.1 **Waiver.** No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of these By-Laws or any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws 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.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections, Subsections or other provisions are references to Articles, Sections, Subsections or other provisions of these By-Laws.

12.4 **Severability; Conflict.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Insurance Trustee**. If an Insurance Trustee is required pursuant to the provisions of Subsection 6.2.2, the Condominium Board shall promptly appoint such Insurance Trustee. In the event the Insurance Trustee appointed to serve as such by the Condominium Board resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns**. Except as set forth herein or in the Declaration to the contrary, the rights and obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or, with the consent of Declarant, any transferee of some or all then Unsold Units then owned by Declarant, as the case may be. Subject to the foregoing, Declarant shall have the right, at any time in its sole discretion, to assign or otherwise transfer its interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any Person subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board an officer of the Condominium, or otherwise, upon prior reasonable written request and at the expense of any Person requesting same, shall execute, acknowledge and deliver to such requesting Person any instruments and take any action that such Unit Owner, lessee or sublessee, occupant, member, officer or other Person subject to the terms of these By-Laws is required to take to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other Person who is subject to the terms of these By-Laws fails, within ten days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action that such Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, is hereby authorized to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

12.7.3 If the Condominium Board, any Unit Owner or any other Person who is subject to the terms of these By-Laws fails, within ten days after request therefor made by Declarant, to execute, acknowledge or deliver any instrument or to take any action that the Condominium Board, such Unit Owner or such other Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant, then Declarant, as attorney-in-fact for such Unit Owner, coupled with an interest, is hereby authorized to execute,

acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or such other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner or such other Person, as the case may be.

ARTICLE 13

AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.** Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or any Unsold Units, any provision of these By-Laws may be amended, modified, added to or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected, and further provided that no such amendment, modification, addition or deletion shall be effective without the written consent of the Mortgage Representatives, if any, (which consent shall not be unreasonably withheld or delayed). Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant, Permitted Mortgagees, any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest; and the Condominium Board is hereby authorized by such Unit Owners to so act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or any Unsold Units, the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 **Amendments Affecting Declarant.** Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Declarant or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or the owner of any Unsold Unit, as the case may be, or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit, with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

13.3 **Amendments Affecting Permitted Mortgagees.** Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or Sections 6.1, 6.2, 6.4.2, 6.4.3 or 8.11 or Subsections 8.6.4 or 8.6.5 shall be effective as against any Permitted Mortgagee theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

SCHEDULE A

RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows, terraces, balconies, or roofs or placed upon the window sills.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Building.

4. No public hall or public elevator vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner.

5. Each Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface of any terrace appurtenant to a 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. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's terrace shall be within the sole but reasonable discretion of the Condominium Board.

6. No window guards or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Property except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent, nor shall anything be projected from any door, window, terrace, balcony or roof of the Building without similar approval except as may otherwise be required by law.

8. No heat, ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or

recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other such electrical equipment in such Unit Owner's Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Condominium Board or the Managing Agent for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the terraces or balconies or in any passages, public halls, vestibules, corridors or other public areas of the Building.

11. No Unit Owner shall make or permit any disturbing noises or activity in the Building or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or their tenants or other occupants of the Building. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television, computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Declarant.

12. No pets other than dogs, caged birds, cats and fish shall be permitted, kept or harbored in a Unit, nor shall any Unit Owner maintain more than two (2) pets in a Unit, without the same in each instance having been expressly permitted in writing by the Condominium Board or the Managing Agent, and such permission, if given, shall be revocable by the Condominium Board or the Managing Agent in its sole discretion, at any time. No bird, reptile, or animal shall be permitted in any public elevator or in any of the other public portions of the Building, unless it is carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, balconies or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Condominium Board setting forth such other rules regarding pets as the Condominium Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from the acts of such pet.

13. All service and delivery persons will be required to use the service entrance and deliver all packages, whenever feasible to the package room in the lobby, where such packages will be held for pick-up by Unit Owners. Deliveries will be made from the package room to the individual Units by building personnel only. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized Person and said resident or authorized Person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized Person returns or requests delivery. In the case of packages containing perishable food items, service or delivery

persons must first register with building personnel and, upon being approved by the Unit Owner, will be permitted to make deliveries directly to individual Units.

14. Trunks and heavy baggage shall be taken in or out of the Building only by the elevators and entrance designated by the Condominium Board or the Managing Agent for that purpose.

15. No refuse from the Units shall be sent to the below-grade levels of the Building except at such times and in such manner as the Condominium Board or the Managing Agent may direct.

16. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

17. No occupant of the Building shall send any employee of the Condominium or the Managing Agent out of the Building on any private business.

18. The agents or the Managing Agent and any contractor or worker authorized by the Condominium Board or the Managing Agent may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

19. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

20. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Unit Owner shall be required to provide the Condominium Board or the Managing Agent with a key thereto immediately upon the alteration or installation of any new lock. If the Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and such Unit Owner has not furnished a key to the Condominium Board or the Managing Agent as required hereunder, then the Condominium Board or the Managing Agent or the agents of either of them may forcibly enter such Unit without liability for damages or trespass by reason thereof provided, however, that (i) an emergency exists; (ii) specific authorization by an officer of the Condominium or an officer of the Managing Agent has been given; and (iii) reasonable care under the circumstances is given to such Unit Owner's personal belongings and property.

21. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access by another vehicle to any entrance to or exit from the Building.

22. Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

23. Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board at any time, by resolution of the Condominium Board; and any such consent or approval may, in the discretion of the Condominium Board, be conditional in nature.

24. Unit Owners shall faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing in the hopper door, (e) deposit all bundles of waste into the hopper; (f) never deposit waste of an explosive nature into the hopper; and (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover.

25. Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

26. Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

27. No Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

28. If any key or keys are entrusted by a Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or in connection therewith, provided, however, reasonable care under the circumstances was given to such Unit Owner's personal belongings and property.

29. The Condominium Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

30. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the Managing Agent.

31. If any Unit is used for home-occupation purposes that are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

32. There will be no barbecuing in the Units or in the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

33. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed when, in its reasonable judgment, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Property, or the preservation of good order therein, or the operation or maintenance of the Property, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

34. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on any terraces, other than furniture of the kind usually maintained in outdoor areas.

DOCUMENT NUMBER 9

PARKING LICENSE AGREEMENT (RESTRICTED)

AGREEMENT made as of the ____ day of _____ 20__ (this "Agreement"), by and between the BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM, on behalf of all Unit Owners, having an address at 280 ST. MARKS AVENUE, Brooklyn, New York 11238 (the "Board" or "Licensor"), and ESCORIAL 280 SMA, LLC, having an address c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003 ("Sponsor").

WHEREAS, 280 St. Marks Avenue Condominium (the "Condominium") is governed by a certain Declaration of Condominium dated _____, 20__, and recorded in the Office of the Register of the City of New York on _____, 20__, as CRFN _____ (as the same has been or may be amended from time to time, the "Declaration"), the by-laws of the Condominium (as the same have been or may be amended from time to time, the "By-Laws") and the Rules and Regulations of the Condominium (as the same have been or may be amended from time to time, the "Rules and Regulations") (the Declaration, the By-Laws and the Rules and Regulations are collectively referred to herein as the "Condominium Documents"); and

WHEREAS, parking spaces designated as parking spaces 1 through 32 (the "Parking Spaces") have been made available for use by permitted Persons in the part of the cellar of the Building as set forth on the Floor Plans in Part II of the Plan (as hereinafter defined); and

WHEREAS, Sponsor promulgated the offering plan for the establishment of the Condominium (the "Plan"), is the declarant under the Declaration and, as of the date of the Declaration, owned all Units in the Condominium; and

WHEREAS, Sponsor wishes to have a license for the exclusive use of one of the Parking Spaces, and the right to assign such license to any owner of a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. All terms used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

2. Licensor hereby grants to Sponsor a license (the "License") for the exclusive use of the parking space designated on the Floor Plans in Part II of the Plan as parking space ___ (the "Licensed Parking Space") and Sponsor hereby accepts such License from Licensor for a term commencing on the date hereof.

3. Licensor agrees that Sponsor and any subsequent Licensee (defined below) may freely assign the License to any Person at any time in Sponsor's (or such subsequent Licensee's) sole discretion without the consent of the Board or any other party, using the form assignment annexed hereto; and the License shall remain in full force and effect when held by Sponsor, such

Person, or the successors and assigns of either (collectively, "Licensee"), subject to the provisions of this Agreement.

4. The Licensed Parking Space may be used only for the parking of a motor vehicle belonging to Licensee or other occupant of a Unit owned by Licensee; except that if the Licensed Parking Space is a parking space designated on the Floor Plans in Part II of the Plan as parking space 4,8, 9, 10, 11, 12, 25 or 26, the storage areas appurtenant to the Licensed Parking Space may be used solely for the storage of personal effects of Licensee or other occupant of a Unit owned by Licensee, but in no event shall any food or other perishable item, or any flammable or explosive item, be stored in any such storage area.

5. Subject to any additional rights of Sponsor under the Plan or the Condominium Documents, Licensee shall not allow any other person to use the License except in accordance with the terms hereof.

6. This License may be assigned by Licensee at any time without the consent of Licensor, provided that (i) the assignee is a Unit Owner, (ii) the assignee assumes the obligations hereunder in the form assignment annexed hereto, (iii) notification of the assignment is delivered in writing to the Board in compliance with its requirements as the same may be modified from time to time, and (iv) no money is owed to the Condominium by Licensee. This License shall automatically terminate at such time as Licensee no longer owns a Unit, unless at the time Licensee ceases to own a Unit this License is or has been assigned to and assumed by another Unit Owner.

7. Neither Licensor nor its agents nor employees nor any Unit Owner shall be liable for any theft or damage to any property stored in the Licensed Parking Space (or any appurtenant storage area).

8. The terms of this Agreement are subject to the terms of the Condominium Documents, as the same may be amended from time to time. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

9. Licensee shall be required to pay such license fees to the Board as the Board may impose from time to time in accordance with the By-Laws.

10. If Licensee (other than Sponsor or any Sponsor Successor) defaults in its obligations hereunder or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Licensed Parking Space (and any appurtenant storage area) until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

11. The Board or its agents shall have the right, but not the obligation, to enter the Licensed Parking Space (and any appurtenant storage area) in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Licensed Parking Space (and any appurtenant storage area) and to make such repairs, replacements and improvements as the Board shall deem necessary, or to remove any contents of the Licensed

Parking Space (or any appurtenant storage area) that the Board deems to be prohibited, unsafe or unsanitary.

12. This Agreement shall constitute the grant of a license only and shall not be construed under any circumstances to be a sale of the Licensed Parking Space (or any appurtenant storage area) or conveyance of title thereto; and the Licensed Parking Space (and any appurtenant storage area) shall remain a General Common Element. In no event shall a landlord-tenant relationship exist between Licensor and Licensee with respect to the Licensed Parking Space (or any appurtenant storage area).

13. Licensee shall indemnify and hold Licensor and its officers, agents and employees harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, employees, agents, guests and invitees in connection with this License.

14. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

15. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

16. It is understood and agreed that, other than as provided in the Condominium Documents, all understandings and agreements heretofore had between the parties hereto with respect to the Licensed Parking Space are merged in this Agreement, which alone fully and completely expresses their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

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

18. 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.

19. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor,

notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM

By: _____
Name:
Title:

SPONSOR:

ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

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DOCUMENT NUMBER 10

PARKING LICENSE AGREEMENT (UNRESTRICTED)

AGREEMENT made as of the ____ day of _____ 20__ (this "Agreement"), by and between the BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM, on behalf of all Unit Owners, having an address at 280 ST. MARKS AVENUE, Brooklyn, New York 11238 (the "Board" or "Licensor"), and ESCORIAL 280 SMA, LLC, having an address c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003 ("Sponsor").

WHEREAS, 280 St. Marks Avenue Condominium (the "Condominium") is governed by a certain Declaration of Condominium dated _____, 20__, and recorded in the Office of the Register of the City of New York on _____, 20__, as CRFN _____ (as the same has been or may be amended from time to time, the "Declaration"), the by-laws of the Condominium (as the same have been or may be amended from time to time, the "By-Laws") and the Rules and Regulations of the Condominium (as the same have been or may be amended from time to time, the "Rules and Regulations") (the Declaration, the By-Laws and the Rules and Regulations are collectively referred to herein as the "Condominium Documents"); and

WHEREAS, parking spaces designated as parking spaces 1 through 32 (the "Parking Spaces") have been made available for use by permitted Persons in the part of the cellar of the Building as set forth on the Floor Plans in Part II of the Plan (as hereinafter defined); and

WHEREAS, Sponsor promulgated the offering plan for the establishment of the Condominium (the "Plan"), is the declarant under the Declaration and, as of the date of the Declaration, owned all Units in the Condominium; and

WHEREAS, Sponsor wishes to have a license for the exclusive use of one of the Parking Spaces, and the right to assign such license to any Person;

NOW THEREFORE, in consideration of the sum $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. All terms used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

2. Licensor hereby grants to Sponsor a license (the "License") for the exclusive use of the parking space designated on the Floor Plans in Part II of the Plan as parking space ___ (the "Licensed Parking Space") and Sponsor hereby accepts such License from Licensor for a term commencing on the date hereof.

3. Licensor agrees that Sponsor and any subsequent Licensee (defined below) may freely assign the License to any Person at any time in Sponsor's (or such subsequent Licensee's) sole discretion without the consent of the Board or any other party, using the form assignment annexed hereto; and the License shall remain in full force and effect when held by Sponsor, such

Person, or the successors and assigns of either (collectively, "Licensee"), subject to the provisions of this Agreement.

4. The Licensed Parking Space may be used only for the parking of a motor vehicle belonging to Licensee.

5. Subject to any additional rights of Sponsor under the Plan or the Condominium Documents, Licensee shall not allow any other person to use the License except in accordance with the terms hereof.

6. This License may be assigned by Licensee at any time without the consent of Licensor, provided that (i) the assignee assumes the obligations hereunder in the form assignment annexed hereto, (iii) notification of the assignment is delivered in writing to the Board in compliance with its requirements as the same may be modified from time to time, and (iv) no money is owed to the Condominium by Licensee.

7. Neither Licensor nor its agents nor employees nor any Unit Owner shall be liable for any theft or damage to any property stored in the Licensed Parking Space.

8. The terms of this Agreement are subject to the terms of the Condominium Documents, as the same may be amended from time to time. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

9. Licensee shall be required to pay such license fees to the Board as the Board may impose from time to time in accordance with the By-Laws.

10. If Licensee (other than Sponsor or any Sponsor Successor) defaults in its obligations hereunder or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Licensed Parking Space until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

11. The Board or its agents shall have the right, but not the obligation, to enter the Licensed Parking Space in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Licensed Parking Space and to make such repairs, replacements and improvements as the Board shall deem necessary, or to remove any contents of the Licensed Parking Space that the Board deems to be prohibited, unsafe or unsanitary.

12. This Agreement shall constitute the grant of a license only and shall not be construed under any circumstances to be a sale of the Licensed Parking Space or conveyance of title thereto; and the Licensed Parking Space shall remain a General Common Element. In no event shall a landlord-tenant relationship exist between Licensor and Licensee with respect to the Licensed Parking Space.

13. Licensee shall indemnify and hold Licensor and its officers, agents and employees harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by

any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, employees, agents, guests and invitees in connection with this License.

14. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

15. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

16. It is understood and agreed that, other than as provided in the Condominium Documents, all understandings and agreements heretofore had between the parties hereto with respect to the Licensed Parking Space are merged in this Agreement, which alone fully and completely expresses their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

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

18. 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.

19. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM

By: _____
Name:
Title:

SPONSOR:

ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

DOCUMENT NUMBER 11

STORAGE LICENSE AGREEMENT

AGREEMENT made as of the ____ day of _____ 20__ (this "Agreement"), by and between the BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM, on behalf of all Unit Owners, having an address at _____ (the "Board" or "Licensor"), and ESCORIAL 280 SMA, LLC, having an address c/o DNA Development LLC, 41 Union Square West, #1423, New York, New York 10003 ("Sponsor").

WHEREAS, 280 St. Marks Avenue Condominium (the "Condominium") is governed by a certain Declaration of Condominium dated _____, 20__, and recorded in the Office of the Register of the City of New York on _____, 20__, as CRFN _____ (as the same has been or may be amended from time to time, the "Declaration"), the by-laws of the Condominium (as the same have been or may be amended from time to time, the "By-Laws") and the Rules and Regulations of the Condominium (as the same have been or may be amended from time to time, the "Rules and Regulations") (the Declaration, the By-Laws and the Rules and Regulations are collectively referred to herein as the "Condominium Documents"); and

WHEREAS, storage units designated as storage units 1 through 32 (the "Storage Units") have been made available for use by permitted Unit Owners in the part of the cellar of the Building as set forth on the Floor Plans set forth in Part II of the Plan (as hereinafter defined); and

WHEREAS, Sponsor promulgated the offering plan for the establishment of the Condominium (the "Plan"), is the declarant under the Declaration and, as of the date of the Declaration, owned all Units in the Condominium; and

WHEREAS, Sponsor wishes to have a license for the exclusive use of one of the Storage Units, and the right to assign such license to any owner of a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. All terms used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

2. Licensor hereby grants to Sponsor a license (the "License") for the exclusive use of the storage unit designated on the Floor Plans in Part II of the Plan as storage unit ___ (the "Licensed Storage Unit") and Sponsor hereby accepts such License from Licensor for a term commencing on the date hereof.

3. Licensor agrees that Sponsor and any subsequent Licensee (defined below) may freely assign the License to any Person at any time in Sponsor's (or such subsequent Licensee's) sole discretion without the consent of the Board or any other party, using the form assignment annexed hereto; and the License shall remain in full force and effect when held by Sponsor, such

Person, or the successors and assigns of either (collectively, "Licensee"), subject to the provisions of this Agreement.

4. The Licensed Storage Unit may be used only for the storage of personal effects of Licensee, and in no event shall any food or other perishable item, or any flammable or explosive item, be stored in the Licensed Storage Unit.

5. Subject to any additional rights of Sponsor under the Plan or the Condominium Documents, Licensee shall not allow any other person to use the License except in accordance with the terms hereof.

6. This License may be assigned by Licensee at any time without the consent of Licensor, provided that (i) the assignee is a Unit Owner, (ii) the assignee assumes the obligations hereunder in the form assignment annexed hereto, (iii) notification of the assignment is delivered in writing to the Board in compliance with its requirements as the same may be modified from time to time, and (iv) no money is owed to the Condominium by Licensee. This License shall automatically terminate at such time as Licensee no longer owns a Unit, unless at the time Licensee ceases to own a Unit this License is or has been assigned to and assumed by another Unit Owner.

7. Neither Licensor nor its agents nor employees nor any Unit Owner shall be liable for any theft or damage to any property stored in the Licensed Storage Unit.

8. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

9. Licensee shall be required to pay such license fees to the Board as the Board may impose from time to time in accordance with the By-Laws.

10. If Licensee (other than Sponsor or any Sponsor Successor) defaults in its obligations hereunder or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Licensed Storage Unit until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

11. The Board or its agents shall have the right, but not the obligation, to enter the Licensed Storage Unit in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Licensed Storage Unit and to make such repairs, replacements and improvements as the Board shall deem necessary, or to remove any contents of the Licensed Storage Unit that the Board deems to be prohibited, unsafe or unsanitary.

12. This Agreement shall constitute the grant of a license only and shall not be construed under any circumstances to be a sale of the Licensed Storage Unit or conveyance of title thereto; and the Licensed Storage Unit shall remain a General Common Element. In no

event shall a landlord-tenant relationship exist between Licensor and Licensee with respect to the Licensed Storage Unit.

13. Licensee shall indemnify and hold Licensor and its officers, agents and employees harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, employees, agents, guests and invitees in connection with this License.

14. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

15. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

16. It is understood and agreed that, other than as provided in the Condominium Documents, all understandings and agreements heretofore had between the parties hereto with respect to the Licensed storage Unit are merged in this Agreement, which alone fully and completely expresses their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

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

18. 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.

19. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

BOARD OF MANAGERS OF 280 ST. MARKS AVENUE CONDOMINIUM

By: _____
Name:
Title:

SPONSOR:

ESCORIAL 280 SMA, LLC

By: _____
Name:
Title:

DOCUMENT NUMBER 12

ASSIGNMENT AND ASSUMPTION OF PARKING LICENSE

ASSIGNMENT AND ASSUMPTION OF PARKING LICENSE (this "Assignment") dated as of the __ day of _____ 20__, made by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

For and in consideration of Ten and 00/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns and transfers to Assignee all of Assignor's right, title and interest as Licensee in that certain Parking License Agreement (the "License Agreement") dated _____, 20__, between the Board of Managers of 280 St. Marks Avenue Condominium and Escorial 280 SMA, LLC, for a parking space in 280 St. Marks Avenue Condominium identified as parking space __ (the "License Agreement"). Assignee hereby confirms receipt of the License Agreement, assumes all of the rights and obligations of Assignor as Licensee under the License Agreement and agrees to properly perform all of the obligations of Licensee under the Condominium Documents, as such term is defined in the License Agreement.

Assignee agrees to indemnify, defend and hold harmless Assignor from any loss, cost, claim, liability, expense or demand of whatever nature arising or accruing under the License Agreement or as a consequence of the wrongful acts or omissions of the Assignee, as Licensee thereunder, on or after the date hereof. Assignor agrees to indemnify, defend and hold harmless Assignee from any loss, cost, claim, liability, expense or demand of whatever nature arising or accruing under the License Agreement or as a consequence of the wrongful acts or omissions of Assignor, as Licensee thereunder, prior to the date hereof.

This Assignment shall inure to the benefit of and be binding upon and enforceable against Assignor and Assignee and their respective successors and assigns.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, this Assignment has been executed by Assignor and Assignee as of the date first above written.

ASSIGNOR:

ASSIGNEE:

_____

_____

DOCUMENT NUMBER 13

ASSIGNMENT AND ASSUMPTION OF STORAGE LICENSE

ASSIGNMENT AND ASSUMPTION OF STORAGE LICENSE (this "Assignment") dated as of the __ day of _____ 20__, made by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

For and in consideration of Ten and 00/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns and transfers to Assignee all of Assignor's right, title and interest as Licensee in that certain Storage License Agreement (the "License Agreement") dated _____, 20__, between the Board of Managers of 280 St. Marks Avenue Condominium and Escorial 280 SMA, LLC, for a storage unit in 280 St. Marks Avenue Condominium identified as storage unit __ (the "License Agreement"). Assignee hereby confirms receipt of the License Agreement, assumes all of the rights and obligations of Assignor as Licensee under the License Agreement and agrees to properly perform all of the obligations of Licensee under the Condominium Documents, as such term is defined in the License Agreement.

Assignee agrees to indemnify, defend and hold harmless Assignor from any loss, cost, claim, liability, expense or demand of whatever nature arising or accruing under the License Agreement or as a consequence of the wrongful acts or omissions of the Assignee, as Licensee thereunder, on or after the date hereof. Assignor agrees to indemnify, defend and hold harmless Assignee from any loss, cost, claim, liability, expense or demand of whatever nature arising or accruing under the License Agreement or as a consequence of the wrongful acts or omissions of Assignor, as Licensee thereunder, prior to the date hereof.

This Assignment shall inure to the benefit of and be binding upon and enforceable against Assignor and Assignee and their respective successors and assigns.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, this Assignment has been executed by Assignor and Assignee as of the date first above written.

ASSIGNOR:

ASSIGNEE:

_____

_____

DOCUMENT NUMBER 14

GENERAL BUSINESS LAW
ARTICLE 36-B
WARRANTIES ON SALES OF NEW HOMES

777 - Definitions.
777-a - Housing merchant implied warranty.
777-b - Exclusion or modification of warranties.

§ 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

§ 777-a. Housing merchant implied warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

§ 777-b. Exclusion or modification of warranties. 1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call

the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. that the warranty is a limited warranty which limits implied warranties on the sale of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. the identification of the names and addresses of all warrantors;

c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the limited warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

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CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPAL

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: 280 St. Marks Avenue, Brooklyn, New York 11238

We are the sponsor and principal of the sponsor of the offering plan to convert the captioned property to condominium ownership.

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 Department of Law 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 found 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 which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Sponsor:

Sworn to before me
this 14 day of Aug 2015

ESCORIAL 280 SMA, LLC

By: _____
Name: David Berger
Title: Authorized Representative

Notary Public

NOEL ENAN CHETRAM
Notary Public - State of New York
NO. 01CH6302706
Qualified in Queens County
My Commission Expires May 5, 2018

Principal:

Sworn to before me
this 14 day of Aug 2015

_____
DAVID BERGER

Notary Public

NOEL ENAN CHETRAM
Notary Public - State of New York
NO. 01CH6302706
Qualified in Queens County
My Commission Expires May 5, 2018

CERTIFICATION OF ARCHITECT

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: 280 St. Marks Avenue, Brooklyn, New York 11238

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report disclosing the condition of the property (the "Report"). We examined the building plans and specifications that were prepared by us, and prepared the Report dated April 2, 2015, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are registered architects in the State in which the property is located.

We understand that we are 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.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernible from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the 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 we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we 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 we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

(viii) it is to be understood that all aspects of the physical condition of the property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

DXA STUDIO ARCHITECTURE PLLC

By: _____

Name: Kevin Rochon

Title: Partner - DXA Studio

REGISTERED ARCHITECT KEVIN PAUL ROCHON STATE OF NEW YORK 32476

Sworn to before me this
20 day of August, 2015

_____
Notary Public

JINA LEE
Notary Public - State of New York
NO. 01LE6307203
Qualified in New York County
My Commission Expires Jun 30, 2018

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CERTIFICATION BY EXPERT AS TO ADEQUACY OF BUDGET

April 29, 2015

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
280 St. Marks Avenue
Brooklyn, New York (the "Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and review Schedule B-1 (collectively, the "Schedules") containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes the following: We are licensed as a real estate brokerage firm in the State of New York and have been engaged in the real estate and brokerage business for over 25 years, and we are currently the managing agent for more than 250 residential buildings in New York City.

We understand that we are 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 the Schedules.

We 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. We also have relied on my experience in managing residential buildings.

We certify that the projections in the Schedules 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.

We 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;

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(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 we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We 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 or expenses for the first year of condominium operation. 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.

FIRSTSERVICE RESIDENTIAL

By: _____
Marc Kotler
Senior Vice President
New Development Group

Sworn to before me this
29th day of April 2015

_____
Notary Public

Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 20 17

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