

CONDOMINIUM OFFERING PLAN

8 SAINT MARKS CONDOMINIUM

**8 Saint Marks Place
Brooklyn, New York 11217**

COUNTY OF KINGS

Total Amount of Offering.....	\$21,140,688.00
Total Residential Offering.....	\$20,712,688.00
Total Commercial Offering.....	\$428,000.00

(Thirteen (13) Residential Units and One (1) Commercial Unit1 being offered for sale.)

Sponsor:

**8 Saint Marks, LLC
45 Main Street, Suite 708
Brooklyn, New York 11201**

Selling Agent:

**Compass
90 Fifth Avenue
New York, New York 10011**

Date of Acceptance for Filing: _____

The Term of the Initial Offer is from _____ and will end on _____,
unless extended by amendment.

SEE PAGE V FOR SPECIAL RISKS TO PURCHASERS

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL RESIDENTIAL 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 THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

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

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SPECIAL RISKS

TERMS USED IN THIS SECTION OF THIS PLAN ARE DEFINED IN THE NEXT SECTION OF THIS PLAN.

1. If a Purchaser defaults under a Purchase Agreement, time is of the essence with respect to the time within which the Purchaser must cure the default, as provided in the Purchase Agreement. This means that time limits within which the Purchaser must cure the default will be strictly observed and extensions will not be granted. In addition, if a Purchaser defaults under a Purchase Agreement, Sponsor may send notice to Purchaser of Sponsor's intention to cancel the Purchase Agreement and to declare forfeiture of the Down Payment thereunder if the Purchaser fails to cure its default within thirty days. The Sponsor must give such written notice of default at least thirty (30) days before forfeiture of the Down Payment may be declared. The Sponsor's attorney shall impose a fee of \$500 for such notice of default, which will be paid by Purchaser. See the Purchase Agreement, a copy of which is included in Part II of this Plan.
2. No bond or other security is provided to secure the obligations of the Sponsor under the Plan, including the obligation to complete the construction work described in this Plan. See the section of this Plan entitled "Rights and Obligations of Sponsor."
3. The Sponsor has commenced or will commence the construction described in this Plan with funding from ConnectOne Bank (the "construction lender"). Such funding is anticipated and expected, but not guaranteed, to be sufficient to complete the construction described in this Plan. If unforeseen circumstances arise, however, the Sponsor may not be able to complete the construction described in this Plan. The construction lender may require that the Sponsor rent Units in the Building in the event market conditions change and the Units cannot be sold at the offering prices. As of the date of this Plan, the construction lender has not imposed any minimum sales requirements before the Plan may be declared effective or any rental restrictions on the Sponsor. The construction lender shall release each Unit at the Closing of the same from the lien of the construction lender's mortgage, provided that the sponsor pay to the construction lender a release price, as stated in the loan. See the section of this Plan entitled "Rights and Obligations of Sponsor."
4. Under the By-Laws, as set forth in Part II of this Plan, until the first meeting of Unit Owners, the Board of Managers will consist of three (3) members designated by the Sponsor. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members, subject to Sponsor's right to designate members. The Sponsor shall have the right to designate two members of the Board until the earlier of: (1) five years after the Closing of the first Unit or (2) the time the Sponsor holds less than fifty percent (50%) of the Common Interests. After Sponsor's initial voting control period, there is no requirement that a majority of the Board of Managers be composed of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Therefore, owner-occupants and non-resident owners,

including Sponsor, may have inherent conflicts on how the Condominium should be managed. See the sections of this Plan entitled “Control by the Sponsor” and “Board of Managers.”

5. Down Payments will be placed in an escrow account of the Sponsor’s attorney at Bank of America. Deposits in excess of \$250,000 will not be federally insured in excess of \$250,000. Purchasers with bank accounts at Bank of America should note that other Purchaser funds held with Bank of America may factor into such \$250,000 insurance limit. See the section of this Plan entitled “Procedure to Purchase.”
6. Traditionally, at a real property closing in New York, the seller of real property is responsible for the payment of the New York State Real Estate Transfer Tax and the New York City Real Property Transfer Tax, and the buyer of real property is responsible for payment of the Mansion Tax, if applicable. In condominium transactions, either the seller or the buyer of can pay these transfer taxes. Purchasers are advised that under this Plan, Purchasers are obligated pursuant to the Purchase Agreement to pay these transfer taxes. The Purchaser is responsible for the payment of the New York State Real Estate Transfer Tax, which currently is \$2.00 per \$500, or fractional portion thereof, of the purchase price for Residential and Commercial Units, and for Residential Units costing \$1,000,000 or more an additional tax of one percent (1%) of the purchase price (the “Mansion Tax”). The Purchaser is also responsible for the New York City Real Property Transfer Tax, which is currently equal to one percent (1%) of the purchase price for Residential Units costing \$500,000 or less, one and four hundred twenty five one thousandths percent (1.425%) for Residential Units costing more than \$500,000, one and four hundred twenty five one thousandths percent (1.425%) for Commercial Units costing \$500,000 or less and two and six hundred twenty five one thousandths percent (2.625%) for Commercial Units costing more than \$500,000. When calculating the taxes, taxes paid by Purchasers, except the Mansion Tax, are added to the purchase price. See the section of the Plan entitled “Closing Costs and Adjustments.”
7. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy (“FCO”) covering the entire buildings but with only a temporary certificate of occupancy (“TCO”), and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Building (“DOB”). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance the Unit. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. The Sponsor anticipates this scenario may

occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a FCO covering the entire Building within two years from the date of the issuance of the first TCO. However, the Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two-year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPAL ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING AND SHALL EXERCISE THEIR BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT, unless prevented from doing so by renovations to Units by the Unit Owners other than the Sponsor prior to the procurement of the FCO, which renovations may delay the issuance of the FCO, or by violations that are the responsibility of the Board of Managers or the Unit Owners and that are noted or issued for any reason not having to do with the Sponsor, in which case the Sponsor shall extend the TCO or obtain the FCO, as the case may be, within a commercially reasonable time after all such renovations and/or violations are cured and cleared by the parties responsible for doing so. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing the Sponsor in these undertakings. As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining a FCO. However, the TCO may lapse for reasons outside the Sponsor's control. In the absence of a FCO or TCO, it is unlawful to reside in or rent a Unit and will be difficult for Unit Owners or Purchasers to obtain financing or pass clear title. Furthermore, because Sponsor and the By Laws may permit Unit Owners to undertake renovations to Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO. Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit without an FCO having been issued. A Factsheet on certificates of occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf See the section of this Plan entitled "Rights and Obligations of the Sponsor."

8. Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first year of Condominium operation, construction workers and related personnel may be at the Property from time to time to make adjustments and to perform various tasks related to the completion of construction. Various systems, including, but not limited to, water supply, electricity, elevators, air conditioning, heating and ventilation, may require more than a year after any Unit Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and other systems may require eighteen (18) months or more after the first Closing to be completed. The Sponsor may not complete the decoration of the corridors in the Building, including, but not limited to, installing light fixtures, hanging wall coverings or laying carpeting until that particular floor is fully occupied by Unit Owners. See the section of this Plan entitled "Rights and Obligations of the Sponsor."

9. The Sponsor has mortgaged mortgage the Property to the construction lender in connection with a construction loan. To the extent not prohibited by applicable law, the construction lender may, on an occurrence of default by the Sponsor, exercise the Sponsor's rights under this Plan or other rights as the owner of the Units to the same extent as the Sponsor would have been entitled to exercise such rights, and superior rights under the mortgage, and may give all consents, waivers and ratifications in respect thereof and may otherwise act with respect thereto as though the lender or its designees were the outright holder of such rights. The construction lender may require that the Sponsor rent Units in the Building in the event market conditions change and the Units cannot be sold at the offering prices and, further, the lender may do so itself in the occurrence of a default. See the section of this Plan entitled "Rights and Obligations of Sponsor."
10. The Sponsor will apply for real property tax benefits for the Commercial Unit only but will not apply for real property tax benefits for the Residential Units, and no representation is made as to the Property's eligibility to receive any such real property tax benefits or as to whether they would be in effect at the time of the first Closing. A Purchaser of the Commercial Unit shall not be entitled to rescind its Purchase Agreement if the ICAP Benefits are not granted. Although the Sponsor will not apply for real property tax benefits for the Residential Units, in the event real property tax benefits are available to the Residential Units and the Board of Managers decides, in accordance with the By Laws, to apply for such benefits, the Sponsor will cooperate with the Board of Managers to the extent it can and will make available all available records in Sponsor's possession required in order for the Board of Managers to obtain the benefits. See the sections of this Plan entitled "Real Estate Taxes and Taxes on the Condominium" and "Schedule A – Schedule of Purchase Prices and Other Financial Details."
11. At the request of a Purchaser, the Sponsor may, in its sole discretion, agree to perform modifications, upgrades or specialized work in a Unit, subject to any Legal Requirements. Such work shall be performed upon terms and conditions determined by the Sponsor and the Purchaser. A sum equal to the cost of such modifications or special work shall be paid to the Sponsor prior to any obligation on the Sponsor's part to perform such work. Such sum will be placed in the Escrow Account initially together with the Down Payment. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent so long as Sponsor uses the funds for such upgrades, modifications or special work. AS A RESULT, IN THE EVENT A PURCHASER IS ENTITLED TO RESCIND ITS PURCHASE AGREEMENT OR IN THE EVENT THE SPONSOR IS UNABLE TO CLOSE TITLE TO THE UNIT WITH PURCHASER FOR ANY REASON, AND EVEN IF THIS PLAN IS NOT CONSUMMATED, THE PURCHASER WILL NOT RECEIVE A REFUND OF ANY FUNDS USED FOR SUCH REQUESTED MODIFICATIONS, UPGRADES OR SPECIALIZED WORK BUT SHALL RECEIVE A REFUND OF ANY UNUSED FUNDS.

12. The Building will be covered by a fire and casualty insurance policy in an amount expected to be adequate to rebuild the Building's structure (but not portions of the interior of Units that are the responsibility of Unit Owners to insure) if totally destroyed by fire or other insured peril. Purchasers are advised to obtain insurance against loss for fire or other casualty for items not covered by the insurance described above, effective upon his, her or its taking title to or possession of a Unit. Specifically, Unit Owners, as well as Purchasers who take possession prior to the Closing, are urged to obtain insurance for the contents of their Units, their personal possessions, replacements, additions, upgraded fixtures and improvements to the Units and liability coverage for occurrences within their Units. A Purchaser who occupies a Unit prior to the closing pursuant to an Interim Lease, or otherwise takes possession of a Unit prior to Closing, may not be able to obtain insurance for all risks of damage to the Unit and therefore assumes the risk of losses not covered by insurance. See the section of this Plan entitled "Procedure to Purchase."
13. Areas in Schedule A are not based on measurements from the interior surfaces of interior walls of rooms and are significantly greater than the usable floor area of the Units. All measurements are approximate, within reasonable tolerances. The estimated square foot area of the Units are approximate and based upon the following method of tabulation: Square footage is calculated from exterior face of exterior walls (perimeter and mechanical pipes are not deducted), centerline of demising walls, non-Unit side of any wall or partition separating the unit from any common areas, stairs, elevators & other mechanical equipment spaces or any Common Elements. Vertically, each Unit will consist of the volume from the top of the concrete floor slab below (located under the finish flooring and sub-floor materials) to the underside of the metal deck above. See the section in Part I of this Plan entitled "Offering Prices and Related Information, Schedule A," as well as the Description of Property and Specifications or Building Conditions and the Declaration, copies of which are included in Part II of this Plan.
14. The Sponsor intends to sell the Units offered pursuant to this Plan and will endeavor in good faith to sell Units rather than rent. Sponsor reserves the unconditional right to rent the Residential Units offered pursuant to this Plan after consummation of this Plan and the unconditional right to rent the Commercial Unit at any time. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more units than the fifteen percent (15%) necessary (i.e., 3 Units) to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. If the Sponsor makes a bulk sale of all or some of its Unsold Units, meaning a sale in bulk to a transferee successor sponsor, then the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell, and its reservation of the right to rent, the Units as specified herein. See the sections of the Plan entitled "Introduction" and "Rights and Obligations of the Sponsor."
15. Although a Purchaser may obtain financing from a lending institution or any other source, his, her or its obligation to purchase a Unit pursuant to his, her or its Purchase

Agreement is not contingent on obtaining financing for such purchase. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions may include requiring that a certain percentage of Units be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty in obtaining a loan in the Building if the Sponsor has not sold a substantial percentage of the Units, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing if an investor, other than the Sponsor, owns 10% or more of the Units. It may also be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. See the section of this Plan entitled "Procedure to Purchase."

16. The Purchase Agreement provides that prior to the Closing, the Purchaser shall not offer the Unit or the Purchase Agreement for sale or rental, engage any selling agent or broker, list the Unit or the Purchase Agreement with any selling agent or broker, link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit or the Purchase Agreement for sale or rental without the prior, written consent of the Sponsor. Failure by Purchaser to abide by the restrictions contained in the Purchase Agreement shall constitute a default thereunder. In addition, after the Closing, the Unit Owner shall not link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit for sale or rental, without the prior, written consent of the Sponsor. See the Purchase Agreement in Part II of this Plan, as well as the section in Part I entitled "Terms of Sale."
17. Each Unit Owner must notify the Board of Managers (and the Managing Agent, if any) in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove the same until permitted by applicable law and in any event, without full knowledge of the Board of Managers (and the Managing Agent, if applicable). See the Rules and Regulations contained in the By Laws in Part II of this Plan.
18. The Sponsor anticipates that the first Closing of a Unit will occur on or about November 1, 2017. If the first Unit Closing does not occur within twelve months following such date, Purchasers will be offered the right to rescind their Purchase Agreements. Common Charges will be due and payable beginning on the date of the Closing and will be prorated for the month in which title closes. Purchasers should also note that even if the first Unit Closing occurs on or before November 1, 2017 (or such other date projected as the date of commencement of Condominium operations at the time a Purchase Agreement was entered into) or within the twelve month period thereafter, the Closings of subsequent Units may be substantially delayed beyond such dates if a TCO covering such Units has not been issued. In such case, provided that the Sponsor is

diligently pursuing completion of construction and issuance of a certificate of occupancy covering such Units and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to rescind its Purchase Agreement or make any claims whatsoever against the Sponsor for damages or losses or anything else as a result of such delays and will not be excused from paying the Unit's full purchase price. PROSPECTIVE PURCHASERS SHOULD THEREFORE CONSIDER CAREFULLY THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See the section entitled "Procedure to Purchase" in Part I.

19. Purchasers should note that the cellar portion of Unit 1 labeled in the Floor Plans as "Accessory Residential" may not be used as a bedroom or contain a full bathroom. Use of such room for anything other than as permitted may result in violations being posted against the Property and in the imposition of substantial fines. See the section entitled "Floor Plans" in Part II of this Plan.
20. At the first Unit Closing, the Sponsor shall, without any representation or warranty by, or recourse against, the Sponsor, assign to the Board of Managers any assignable manufacturers' warranties with respect to the Sponsor-installed equipment in or serving the Building. At the Closing of a Unit, the Sponsor shall, without any representation or warranty by, or recourse against, the Sponsor, assign to the Purchaser any assignable manufacturers' warranties with respect to the equipment and appliances in the Unit. See the Description of Property and Specifications in Part II of this Plan.
21. Purchasers should note the windows labeled as "lot line windows" in the Floor Plans. The following Residential Units have lot line windows: Units 2A, 3A, 4A, 5A, 6A, PH1 and PH2. The Building and Units will be constructed in accordance with all applicable zoning and building laws, codes, regulations and all other applicable requirements. Lot line windows may need to be blocked if a neighboring building or structure is built. If the lot line windows are blocked, the Board of Managers will seal the windows and the costs thereof shall be a Common Expense. Any repairs (and the costs thereof) to the inside surface of the walls of the Units where the windows were located shall be the responsibility of each Unit Owner affected. Sealing of the lot line windows would not affect the legal use of the Units or the affected bedrooms' legal use as bedrooms because they meet the light and air requirements of local codes without such sealed windows. See the section of this Plan entitled "Description of Property and Improvements."
22. Some Units may contain terraces with horizontal railings. In such event, such railings will comply with the NYC Building Code in that no opening will be large enough to allow passage of a 4" diameter sphere. In the event Unit Owners have children living in (or even temporarily visiting) a Unit with a terrace containing horizontal railings, they are strongly encouraged to protect, at their own expense, the horizontal railings so as not to be used by children as ladders. See the section of this Plan entitled "Description of Property and Improvements."

23. To the best of the Sponsor's knowledge, belief and information, upon completion of construction there will be no lead-based paint on the walls, ceilings, doors and windows of the Units. Purchasers should, and are hereby given sufficient opportunity to, conduct a lead-based paint assessment. The Purchaser is required to execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards prior to or at Closing. See the section of this Plan entitled "Description of Property and Improvements."
24. Units CM is a Commercial Unit and it is offered for sale. The Commercial Unit may be used for any legal purpose except certain disruptive uses described in the Declaration and it may be subdivided or combined by its owner(s). The Board of Managers shall cooperate with the owner of Unit CM to permit the Unit to be put to the use selected by its owner from time to time or to permit the Unit to be subdivided or combined, provided such owner reimburses the Board of Managers for any costs it incurs. See the section of this Plan entitled "Commercial Units" and the "Declaration of Condominium" included in Part II of this Plan.
25. The Property is located in FEMA zone X, which is described as an area "of 0.2% annual chance flood[,] 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile[,] and protected by levees from 1% annual chance flood." As a result of congressionally mandated reforms required by the Biggert-Waters Flood Insurance Reform Act of 2012 ("Biggert Waters"), as amended and partially repealed by the Homeowner Flood Insurance Affordability Act of 2014 ("HFIAA") (Biggert Waters and HFIAA, collectively, the "Reform Legislation"), the National Flood Insurance Program will revise flood insurance rates and other charges for new or existing flood insurance policies beginning April 1, 2015. The changes will result in rate increases for most new and renewed policies, increases in the reserve fund assessments payable by policy holders to the Federal Emergency Management Agency (FEMA) and the implementation of an annual surcharge on all new and renewed policies. Premiums for policy holders currently paying subsidized flood insurance rates will increase annually until the premiums reach their full-risk rates. In addition, FEMA is in the process of updating the currently effective Flood Insurance Rate Maps (FIRMS) for New York and New Jersey. Pending the issuance of officially revised FIRMS, FEMA has issued preliminary FIRMS and other flood hazard data to apprise communities of the latest flood hazard data available. The preliminary FIRMS show that some communities will be mapped into higher risk flood zones, which will also impact flood insurance costs. Purchasers may obtain more information at <https://www.fema.gov/national-flood-insurance-program/flood-insurance-reform> and <http://www.region2coastal.com/faqs/general-faqs>. Purchasers are advised to confer with their insurance advisers regarding flood insurance coverage and costs for their Units. See the section in Part I entitled "Location and Area Information."
26. In 2011, as part of the rezoning of certain blocks in the Boerum Hill neighborhood of Community District 2 (ULURP Application No. 110252ZMK), the Property was

mapped with an environmental (E) designation. An (E) designation provides notice of an environmental requirement on a particular tax lot. (E) designations, governed by Section 11-15 (Environmental Requirements) of the Zoning Resolution, are established in connection with changes in zoning or an action pursuant to a provision of the Zoning Resolution that would allow additional development to occur on property, or would permit uses not currently allowed. An (E) designation is not a notice of a building violation. After the establishment of an (E) designation, a property may be used in any legal manner, as it was before the (E) designation. However, in general, before any new construction or change in land use can take place, the environmental requirements of the (E) designation need to be satisfied.

The Sponsor has investigated environmental conditions and provided remediation in compliance with requirements set forth by the NYC Office of Environmental Remediation (“OER”), as part of the New York Voluntary Cleanup Program. An abbreviated description of investigative and remedial activities is provided below. A full copy of the remedial action work plan is publicly available via the document repository on the OER website. The reference number for this Voluntary Clean Up Plan is 16CVCP006K.

During April 2015, Hydro Tech Environmental, Corp. conducted an investigation of the Property’s soil and subsurface conditions. The investigation included visual site inspections, installation of 5 soil borings across the site, collection of soil samples for chemical analysis, installation of 3 groundwater monitoring wells, collection of groundwater samples for chemical analysis, and the installation of 4 soil vapor probes. The findings from this investigation did not indicate the presence of polychlorinated biphenyls (“PCBs”). Some volatile organic compounds (“VOCs”), pesticides and metals were detected in shallow soils. No PCBs or VOCs were discovered in groundwater, however some dissolved metals were present. Soil vapor samples collected indicated the presence of low concentrations of petroleum related derivatives.

A remedial action work plan was developed in consultation with the OER. The intent of the plan was to provide for public health and environmental protections in a manner consistent with the intended property use, and compliant with applicable environmental standards, laws and regulations. Briefly summarized, the steps taken as part of the remedial action work plan were as follows: (i) to ensure an acceptable interior noise environment, the Building envelope is designed to provide a minimum of 31 dB(A) window / wall attenuation in order to maintain an interior noise level of 45 dB(A). To allow residents the option of maintaining a closed-window condition, additional fresh-air ventilation is provided through the use of Lunos E2 through-wall heat-recovery ventilation devices, or equivalent; and (ii) various measures taken during construction helped reduce the possibility that excavated soils could adversely impact the environment. Measures included air monitoring, equipment wash down and the testing and disposal of excavated materials. To provide additional safeguards for use of the site, a minimum 31.5 mil thick vapor barrier was installed below grade level foundations, walls, and slabs and sealed per manufacturer instructions. In

addition, all exposed landscaped areas have been provided with new, clean soil to a depth of 24”.

Subsequent to completion of construction activities, the Property’s (E) designation will remain. Ongoing use restrictions, summarized below, will also remain. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the remedial action work plan, the following activities are prohibited: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; and higher level of land usage without review and approval by OER.

27. The budgeted reserve fund, which is set forth in Schedule B, may be held or used for capital expenditures only. For so long as the Sponsor is in control of the Board, the reserve fund will not be used to reduce Common Charges. No representation is made that the reserve fund will be, or is intended to be, adequate to cover expenses for any necessary repairs or replacements of capital items for the first or any subsequent year of Condominium operations. If additional funds are required over and above the reserve fund, it may be necessary to increase the Common Charges or to assess Unit Owners. See the section of this Plan titled “Reserve Funds.”

INTRODUCTION

8 Saint Marks, LLC ("Sponsor") presents this offering plan ("Plan") to describe the submission to condominium ownership of the Land and the Building known as 8 Saint Marks Place, Brooklyn, New York and all appurtenances thereto and the sale of Units in the Condominium. The Condominium will be known as "8 Saint Marks Condominium." The Condominium will contain a total of thirteen (13) Residential Units and one (1) Commercial Unit. All Units are vacant and offered for sale.

The Sponsor invites all prospective Purchasers to read this Plan in order to properly and thoroughly evaluate the offering made by the Sponsor. The purpose of this Plan is to set forth all the material terms of the offer to sell Units in order to allow prospective Purchasers to make informed decisions regarding their purchase of Units. The terms of this Plan may be changed from time to time by amendments accepted for filing by the Department of Law. Amendments will be distributed to Purchasers and Unit Owners and any other person entitled to receive a copy of an amendment pursuant to law or regulations.

The Condominium is subject to, and complies with, the Condominium Act. The Property will be submitted to provisions of the Condominium Act by the Sponsor's recording the Declaration in the Office of City Register, Borough of Brooklyn. From the date of recording the Declaration, the Sponsor will be the owner of each of the Units until each is sold and conveyed. The Sponsor may not, under law, offer Units for sale unless and until an offering plan has been accepted for filing by the Department of Law.

The Sponsor of this Plan is 8 Saint Marks, LLC. The Sponsor acquired title to the Property on April 15, 2015.

The Sponsor intends to sell the Units offered pursuant to this Plan and will endeavor in good faith to sell the Units rather than rent. Sponsor reserves the unconditional right to rent the Residential Units offered pursuant to this Plan after consummation of this Plan and the unconditional right to rent the Commercial unit at any time. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary (i.e., 3 Units) to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. If the Sponsor makes a bulk sale of all or some of its Unsold Units, meaning a sale in bulk to a transferee successor sponsor, then the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell, and its reservation of the right to rent, the Units as specified herein. See the section of the Plan entitled "Rights and Obligations of the Sponsor."

The Sponsor has mortgaged the Property to the construction lender in connection with a construction loan. The construction lender shall release the Units from the lien of the mortgage upon sale of such Units, provided that Sponsor shall pay to the construction lender upon the

release of the individual Unit a release price, as set forth in the loan documents. To the extent not prohibited by applicable law, the construction lender may, on an occurrence of default by the Sponsor, exercise the Sponsor's rights under this Plan or other rights as the owner of the Units to the same extent as the Sponsor would have been entitled to exercise such rights, and superior rights under the mortgage, and may give all consents, waivers and ratifications in respect thereof and may otherwise act with respect thereto as though the lender or its designees were the outright holder of such rights. The construction lender may require that the Sponsor rent Units in the event market conditions change and the Units cannot be sold at the offering prices and, further, the lender may do so itself in the occurrence of a default. The construction lender has not imposed any minimum sales requirements before the Plan may be declared effective or any rental restrictions on the Sponsor. See the section of this Plan entitled "Rights and Obligations of Sponsor."

The Board of Managers does not have the right to approve or disapprove Purchasers. There is no limit on the number of Unit Owners who may purchase for investment rather than for personal occupancy. Therefore, there may always be a substantial percentage of Unit Owners who are non-residents.

This Plan as currently constituted calls for thirteen (13) Residential Units and one (1) Commercial Unit, as well as the Common Elements. Improvements being made to the Building by the Sponsor are described in the section of Part II of this Plan entitled "Description of Property and Specifications or Building Condition." The Sponsor will not apply for any real estate tax benefits for the Property.

The initial purchase price for each Unit, the percentage of Common Interest allocated to each Unit, the estimated annual Common Charges and other financial information are listed below in "Schedule A – Schedule of Purchase Prices and Other Financial Details for Each Unit." **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY THE SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

No binding obligation will arise between a Purchaser and the Sponsor unless and until a Purchase Agreement, executed by both a Purchaser and the Sponsor, has been exchanged and Sponsor has collected the Down Payment. The submission of a Purchase Agreement for a Unit by the Sponsor to a prospective Purchaser or receipt by the Sponsor of a Purchase Agreement from a prospective Purchaser does not mean that the Sponsor has approved the prospective Purchaser to purchase a Unit.

Features of Condominium Ownership

The Purchaser of a Residential Unit will own his, her or its Unit in a manner similar in many respects to the ownership of a one-family home. He, she or it will own the Unit outright, will be entitled to the exclusive possession of the Unit and also will own an undivided fee

interest in, and will have the right to use, the Common Elements in common with all other Unit Owners. He, she or it also will have the exclusive or shared right to use any Limited Common Elements appurtenant to his, her or its Unit. A Unit Owner will be required to pay Common Charges in accordance with the Declaration, By-Laws and Sections 339-i, 339-m and other applicable provisions of the Condominium Act, proportionate to his, her or its respective interest in the Common Elements, for the operation and maintenance of the Property. The Common Charges may include a reserve for contingencies, replacements and/or repairs in such amount as the Board of Managers shall decide is in the best interest of the Condominium. The Board of Managers will determine the Common Charges. See "Schedule B – Projected Budget for First Year of Condominium Operations." A Unit Owner may use the Unit for any legal purpose, subject to Legal Requirements. Prospective Purchasers should note the use restrictions contained in the Declaration and the By-Laws and described in the section of this Plan entitled "Rights and Obligations of the Unit Owners and the Board of Managers." Each Unit Owner must comply with the Declaration, the By-Laws and the Rules and Regulations and may lose the right to vote annually for the Board of Managers and be subject to other sanctions if not in compliance with all of the foregoing.

A Unit Owner may sell or lease his, her or its Unit subject only to the right of first refusal exercisable by the Board of Managers, and may mortgage his, her or its Unit, without restriction, with a lender.

Each Unit Owner will be taxed separately for real estate tax purposes and may obtain a mortgage loan on his, her or its Unit and make the mortgage loan payment directly to the mortgage lender. The Unit will not be affected by any other Unit Owner's separate obligation for such other Unit Owner's mortgage loan or real estate taxes. Each Unit Owner will be further responsible for utility charges consumed in or by his, her or its Unit.

At the Closing of a Unit, the Purchaser will be required to make a contribution equal to three months of Common Charges to the Working Capital Fund as described in the section of this Plan entitled "Working Capital Fund and Closing Adjustments with the Condominium Board" below.

Each Unit Owner will be responsible for the cost of interior maintenance and repair of his, her or its Unit, and for the cost of all decoration of the interior of the Unit beyond that set forth in the "Description of Property and Specifications or Building Conditions" in Part II of this Plan. Each Unit Owner will be responsible for the cost of his, her or its own liability insurance to cover occurrences within the Unit as well as for casualty insurance to cover losses to his, her or its personal possessions and improvements in the Unit. A more detailed description of the rights and obligations of Unit Owners is contained in the Declaration and By-Laws of the Condominium. These documents appear in Part II of this Plan.

The Board of Managers will conduct the affairs of the Condominium and supervise the operation of the Property. Unit Owners have the right to vote for members of the Board of Managers.

Any controversy among Unit Owners must be resolved by the Unit Owners in accordance with the By-Laws.

* * * *

In the opinion of the counsel for the Sponsor, each Residential Unit Owner may be entitled to certain deductions for income tax purposes. See the section of this Plan entitled "Opinion of Counsel."

When notice is required pursuant to the regulations of the Department of Law as described in Part I of this Plan, it shall be effective as follows: service by personal delivery shall be deemed complete upon delivery; service by mailing shall be presumed complete on the fifth day after the date of mailing. Purchasers should note that documents contained in Part II of this Plan may contain different notice provisions in which case such different provision shall apply.

The Sponsor has the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on sex, sexual orientation, race, creed, color, national origin, ancestry, age, disability, marital status or other ground proscribed by law. Units may be offered only to individuals over the age of eighteen (18) and to corporations and other entities that may legally own real property in the State of New York.

A form of the Purchase Agreement is reproduced in Part II of this Plan.

This Plan consists of Parts I and II, including all schedules, as well as Parts A, B, C and D of the Exhibits submitted to the Department of Law. This Plan constitutes the entire offer of the Sponsor and contains all of the material terms of the transaction. Part I sets forth a general description of the offering and the Condominium. Part II of this Plan contains the basic documents necessary to create the Condominium and otherwise effectuate this Plan. Also included in Part II are a detailed physical description of the Property and certifications as to certain matters discussed in this Plan. All documents referred to in this Plan are important and should be read carefully by prospective Purchasers. Prospective Purchasers should consult an attorney before purchasing a Unit and provide him or her with a copy of this Plan. Copies of this Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of this Plan, will be available for inspection by prospective Purchasers and their attorneys without charge at the office of the Sponsor's attorney during normal business hours. Copies will also be available for photocopying at a reasonable charge. In addition, copies of this Plan and all Exhibits will be available for inspections, without charge, and copying at a reasonable fee at the Department of Law, 120 Broadway, 23rd Floor, New York, NY 10271.

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.

DEFINITIONS

Definitions of some important terms used in this Plan are set forth below. These definitions are for explanatory purposes and should be read in conjunction with technical definitions appearing in the Declaration, By-Laws and Condominium Act, all defined below.

1. Board of Managers - The governing body of the Condominium, which will conduct Condominium affairs and supervise the operation of the Property. Also referred to as the "Board."

2. Building - The building erected now or later on the Land.

3. By-Laws - The by-laws for the governance of the Condominium. A copy of the By-Laws is included in Part II of this Plan.

4. Closing - The time, place and procedure of transfer of title of a Unit from the Sponsor to a Purchaser in exchange for payment of the purchase price pursuant to a fully executed Purchase Agreement.

5. Commercial Unit - Unit CM, as described on the Floor Plans.

6. Common Charges - Each Unit's proportionate share of the Common Expenses, determined by multiplying the Common Expenses by the Unit's Common Interest.

7. Common Elements - The portions of the Property other than Units, including without limitation, the Land, corridors, hallways, stairs, stairways, roofs and other portions of the Building set aside for common use and Limited Common Elements.

8. Common Expenses - Operating and other expenses of the Condominium as determined by the Board of Managers.

9. Common Interest - The proportionate undivided interest, in fee simple absolute, expressed as a numerical percentage, in the Common Elements, appurtenant to each Unit. The aggregate Common Interest for all Units is 100%. The percentage of Common Interest of a Unit is the basis for determination, among other things, of the following rights and duties of the Unit Owner:

- a. Voting power;
- b. Share of Common Expenses;
- c. Share of any distribution upon termination of Condominium ownership.

10. Condominium - The Units and Common Elements constitute the Condominium to be located at 8 Saint Marks Place, Brooklyn, New York and to be known as “8 Saint Marks Condominium.”

11. Condominium Act - Article 9-B of the Real Property Law of the State of New York, as amended.

12. Declaration - The document by which the Property is submitted to the provisions of the Condominium Act, as such document may from time-to-time be amended, consistent with law, the provisions of the Declaration and the By-Laws. The Declaration will be recorded in the Office of the City Register, Borough of Brooklyn. A copy of the Declaration is included in Part II of this Plan.

13. Department of Law - The New York State Department of Law, also known as the Attorney General's office.

14. Down Payment - The payment made pursuant to a Purchase Agreement by a Purchaser to the Sponsor at the time a Purchase Agreement is signed.

15. Escrow Account - The bank account into which the Escrow Agent will place Down Payments and other funds received under a Purchase Agreement prior to Closing.

16. Escrow Agent - The attorney for the Sponsor, Marcus Attorneys, which will hold funds paid by a Purchaser under a Purchase Agreement until the Closing or termination of a Purchase Agreement and disposition of such funds as described in the Purchase Agreement and the section of this Plan entitled “Procedure to Purchase.”

17. Exhibits - Those documents that are part of this Plan and are intended to provide additional information to the Purchaser and/or clarify the Plan. The Exhibits include Parts A, B, C and D submitted to the Department of Law by the Sponsor pursuant to the regulations of the Department of Law.

18. Final Inspection Sheet – A statement in which the Sponsor and a Purchaser agree as to the incomplete work of a material nature which the Sponsor must perform or complete in, or to, said Purchaser's Unit.

19. Floor Plans - The floor plans for the Building to be filed with the Declaration in the Office of the City Register, Borough of Brooklyn and available at the office of the Sponsor's attorney.

20. Interim Lease - A lease between the Sponsor and a Purchaser to permit occupancy of a Unit prior to the Closing.

21. Land – The parcel of land upon which the Building is situated and known as 8 Saint

Marks Place, Brooklyn, New York, as more fully described in the Declaration.

22. Legal Requirements - The requirements and limitations of laws, ordinances, rules, regulations, guidelines and determinations of any government, governmental authority or quasi-governmental authorities and agencies, case law and all judicial rulings, judgments and orders, the requirements of insurers, insurance underwriting agencies, agreements, instruments and insurance policies, and of mortgages and the holders of mortgages on the Property or any part thereof binding on the Board of Managers or affecting the Condominium, the Declaration, the By-Laws or the Rules and Regulations, and of the By-Laws, the Declaration and the Rules and Regulations.

23. Limited Common Element - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units. The respective responsibilities of such Unit Owners and the Board of Managers for repair and maintenance of Limited Common Elements are set forth in the Declaration and By-Laws.

24. Plan - This offering plan describing the sale of Units at 8 Saint Marks Place, Brooklyn, New York, including the Exhibits.

25. Property - The Land and the Building.

26. Purchase Agreement - The written agreement for the sale-purchase of a Unit between a Purchaser and the Sponsor. The Purchase Agreement is described in the section of this Plan entitled "Procedure to Purchase" and a form is included in Part II of this Plan.

27. Purchaser - A person, persons or an entity that has or have entered into a Purchase Agreement.

28. Residential Units – Units 1, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, PH1 and PH2, as described on the Floor Plans.

29. Rules and Regulations – The rules and regulations of the Condominium, initially as included in Part II of this Plan and as modified from time to time in accordance with the By-Laws.

30. Selling Agent - Compass, a real estate brokerage firm retained by the Sponsor to market the Units. It can be reached at 90 Fifth Avenue, New York, NY 10011. The Selling Agent and its personnel may not bind the Sponsor or make any representation on behalf of the Sponsor.

31. Sponsor – 8 Saint Marks, LLC, the limited liability company making the offering described in this Plan. 8 Saint Marks, LLC has its office at 45 Main Street, Suite 708, Brooklyn, New York. It is formed under the laws of the State of New York.

32. Unit - A particular space described as a “unit” on the Floor Plans, together with an undivided percentage interest in the Common Elements and appurtenant rights.

33. Unit Owner - The person, persons or entity owning a Unit in fee simple absolute.

34. Unsold Unit - A Unit owned, at the time in question, by the Sponsor or its designee or successor who or which does not occupy the Unit for his, her, its or their own use.

35. Working Capital Fund - A fund created for working capital, making repairs or for such other appropriate purposes permitted under the By-Laws as will be determined by the Board of Managers. At Closing, each Purchaser will contribute three months’ Common Charges to the fund. See the section of this Plan entitled “Working Capital Fund And Closing Adjustments With The Condominium Board.”

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Located in the Boerum Hill neighborhood of Brooklyn, the Property is located on 8 Saint Marks Place, between 3rd and 4th Avenues.

The Building will contain a cellar, eight floors, an elevator, thirteen Residential Units and one Commercial Unit. The Property will also include a bicycle parking/storage area, common terrace, roof deck and amenity space, and terraces, yard, condensers and storage areas as Limited Common Elements appurtenant to certain Residential Units, among other amenities. Please refer to Note 8 to Schedule A, below, for a more detailed description of the Limited Common Elements appurtenant to certain Residential Units.

The Building and Units will be constructed in accordance with all applicable zoning and building laws and all other applicable requirements.

Purchasers should note that the cellar portion of Unit 1 labeled in the Floor Plans as "Accessory Residential" may not be used as a bedroom or contain a full bathroom. Use of such room for anything other than as permitted may result in violations being posted against the Property and in the imposition of substantial fines.

Purchasers should note the windows labeled as "lot line windows" in the Floor Plans. The Building and Units will be constructed in accordance with all applicable zoning and building laws, codes, regulations and all other applicable requirements. Lot line windows may need to be blocked if a neighboring building or structure is built. If the lot line windows are blocked, the Board of Managers will seal the windows and the costs thereof shall be a Common Expense. Any repairs (and the costs thereof) to the inside surface of the walls of the Units where the windows were located shall be the responsibility of each Unit Owner affected. Sealing of the lot line windows would not affect the legal use of the Units or the affected bedrooms' legal use as bedrooms because they meet the light and air requirements of local codes without such sealed windows.

The Sponsor anticipates that construction will be completed in September 2017, though the Sponsor does not warrant or guarantee any occupancy dates for the Building.

In Part II of this Plan is a detailed description of the Property and the construction work described above.

The Property is located in FEMA zone X, which is described as an area "of 0.2% annual chance flood[,], 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile[,], and protected by levees from 1% annual chance flood." As a result of congressionally mandated reforms required by the Biggert-Waters Flood Insurance Reform Act of 2012 ("Biggert Waters"), as amended and partially repealed by the Homeowner Flood Insurance Affordability Act of 2014 ("HFIAA") (Biggert Waters and HFIAA,

collectively, the “Reform Legislation”), the National Flood Insurance Program will revise flood insurance rates and other charges for new or existing flood insurance policies beginning April 1, 2015. The changes will result in rate increases for most new and renewed policies, increases in the reserve fund assessments payable by policy holders to the Federal Emergency Management Agency (FEMA) and the implementation of an annual surcharge on all new and renewed policies. Premiums for policy holders currently paying subsidized flood insurance rates will increase annually until the premiums reach their full-risk rates. In addition, FEMA is in the process of updating the currently effective Flood Insurance Rate Maps (FIRMS) for New York and New Jersey. Pending the issuance of officially revised FIRMS, FEMA has issued preliminary FIRMS and other flood hazard data to apprise communities of the latest flood hazard data available. The preliminary FIRMS show that some communities will be mapped into higher risk flood zones, which will also impact flood insurance costs. Purchasers may obtain more information at <https://www.fema.gov/national-flood-insurance-program/flood-insurance-reform> and <http://www.region2coastal.com/faqs/general-faqs>. Purchasers are advised to confer with their insurance advisers regarding flood insurance coverage and costs for their Units. See the section in Part I entitled “Location and Area Information.”

In 2011, as part of the rezoning of certain blocks in the Boerum Hill neighborhood of Community District 2 (ULURP Application No. 110252ZMK), the Property was mapped with an environmental (E) designation. An (E) designation provides notice of an environmental requirement on a particular tax lot. (E) designations, governed by Section 11-15 (Environmental Requirements) of the Zoning Resolution, are established in connection with changes in zoning or an action pursuant to a provision of the Zoning Resolution that would allow additional development to occur on property, or would permit uses not currently allowed. An (E) designation is not a notice of a building violation. After the establishment of an (E) designation, a property may be used in any legal manner, as it was before the (E) designation. However, in general, before any new construction or change in land use can take place, the environmental requirements of the (E) designation need to be satisfied.

The Sponsor has investigated environmental conditions and provided remediation in compliance with requirements set forth by the NYC Office of Environmental Remediation (“OER”), as part of the New York Voluntary Cleanup Program. An abbreviated description of investigative and remedial activities is provided below. A full copy of the remedial action work plan is publicly available via the document repository on the OER website. The reference number for this Voluntary Clean Up Plan is 16CVCP006K.

During April 2015, Hydro Tech Environmental, Corp. conducted an investigation of the Property’s soil and subsurface conditions. The investigation included visual site inspections, installation of 5 soil borings across the site, collection of soil samples for chemical analysis, installation of 3 groundwater monitoring wells, collection of groundwater samples for chemical analysis, and the installation of 4 soil vapor probes. The findings from this investigation did not indicate the presence of polychlorinated biphenyls (“PCBs”). Some volatile organic compounds (“VOCs”), pesticides and metals were detected in shallow soils. No PCBs or VOCs were discovered in groundwater, however some dissolved metals were

present. Soil vapor samples collected indicated the presence of low concentrations of petroleum related derivatives.

A remedial action work plan was developed in consultation with the OER. The intent of the plan was to provide for public health and environmental protections in a manner consistent with the intended property use, and compliant with applicable environmental standards, laws and regulations. Briefly summarized, the steps taken as part of the remedial action work plan were as follows: (i) to ensure an acceptable interior noise environment, the Building envelope is designed to provide a minimum of 31 dB(A) window / wall attenuation in order to maintain an interior noise level of 45 dB(A). To allow residents the option of maintaining a closed-window condition, additional fresh-air ventilation is provided through the use of Lunos E2 through-wall heat-recovery ventilation devices, or equivalent; and (ii) various measures taken during construction helped reduce the possibility that excavated soils could adversely impact the environment. Measures included air monitoring, equipment wash down and the testing and disposal of excavated materials. To provide additional safeguards for use of the site, a minimum 31.5 mil thick vapor barrier was installed below grade level foundations, walls, and slabs and sealed per manufacturer instructions. In addition, all exposed landscaped areas have been provided with new, clean soil to a depth of 24”.

Subsequent to completion of construction activities, the Property’s (E) designation will remain. Ongoing use restrictions, summarized below, will also remain. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the remedial action work plan, the following activities are prohibited: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; and higher level of land usage without review and approval by OER.

LOCATION AND AREA INFORMATION

Boerum Hill is surrounded by the residential neighborhoods of Brooklyn Heights, Cobble Hill, Carroll Gardens, Fort Greene and Park Slope and features bustling shopping and dining sections. Nearby attractions include the Brooklyn Academy of Music, Brooklyn Public Library, Brooklyn Museum of Arts, Brooklyn Botanical Garden and the Brooklyn Heights Promenade.

The following schools are in the vicinity of the Building: P.S. 39; P.S. 107; Magnet School Sci Math Tech; Magnet School 088 Peter Rouget School; Berkley-Carroll School; Packer Collegiate Institute; Brooklyn Heights Montessori School; St. Francis College; Brooklyn Law School; and other private and parochial schools readily accessible from the Building.

The Property is located in FEMA zone X, which is described as an area “of 0.2% annual chance flood[,] 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile[,] and protected by levees from 1% annual chance flood.” As a result of congressionally mandated reforms required by the Biggert-Waters Flood Insurance

Reform Act of 2012 (“Biggert Waters”), as amended and partially repealed by the Homeowner Flood Insurance Affordability Act of 2014 (“HFIAA”) (Biggert Waters and HFIAA, collectively, the “Reform Legislation”), the National Flood Insurance Program will revise flood insurance rates and other charges for new or existing flood insurance policies beginning April 1, 2015. The changes will result in rate increases for most new and renewed policies, increases in the reserve fund assessments payable by policy holders to the Federal Emergency Management Agency (FEMA) and the implementation of an annual surcharge on all new and renewed policies. Premiums for policy holders currently paying subsidized flood insurance rates will increase annually until the premiums reach their full-risk rates. In addition, FEMA is in the process of updating the currently effective Flood Insurance Rate Maps (FIRMS) for New York and New Jersey. Pending the issuance of officially revised FIRMS, FEMA has issued preliminary FIRMS and other flood hazard data to apprise communities of the latest flood hazard data available. The preliminary FIRMS show that some communities will be mapped into higher risk flood zones, which will also impact flood insurance costs. Purchasers may obtain more information at <https://www.fema.gov/national-flood-insurance-program/flood-insurance-reform> and <http://www.region2coastal.com/faqs/general-faqs>. Purchasers are advised to confer with their insurance advisers regarding flood insurance coverage and costs for their Units.

The Sponsor is not aware of any development or planned construction with respect to the properties immediately surrounding the Property. If, while the Sponsor is engaged in selling activity, there is a public announcement of the development of a site immediately adjacent to or directly across from the Property, the Sponsor shall, within thirty (30) days after the Sponsor becomes aware of such announcement, file an amendment to this Plan disclosing that such neighboring development is planned.

Accessible transportation include the 2, 3, 4, 5, N, Q, and R subway lines, as well as extensive bus routes and the Long Island Railroad.

Services: Police, fire, water, sanitation, and road maintenance services are all provided by the City of New York.

Zoning: The Property is located within an R7A / C2-4 district. Permitted uses in this district include (i) Residential (Zoning Use Groups 1-2), which allows for use of the Residential Units as residences; (ii) Community Facility (Zoning Use Groups 3-4), which allows for certain educational, religious, health, recreational and other uses essential for communities, and (iii) Retail and Services (Zoning Use Groups 5-9). The Condominium will contain residences (Use Group 2) and a commercial retail space (Use Group 6). The Condominium will not contain community facilities.

SCHEDULE A

**OFFERING PRICES AND RELATED INFORMATION
FOR EACH UNIT FOR THE FIRST YEAR OF CONDOMINIUM OPERATIONS
FROM NOVEMBER 1, 2017 TO OCTOBER 31, 2018**

8 Saint Marks Condominium
8 Saint Marks Place
Brooklyn, New York

Unit	Location*	Bedrooms /Baths (1)	Approx. area sq. ft. (2)	Approx. Common Element sq. ft. (8)**	Offering Price (3)	Common Interest (4)	Est. Common Charges monthly/annually (5)	Est. Real Estate Taxes monthly/annually without ICAP or Condo Abatement (6)	Est. Real Estate Taxes monthly/annually with ICAP & Condo Abatement (6)	Est. monthly carrying cost without ICAP or Condo Abatement (7)	Est. monthly carrying costs with ICAP & Condo Abatement (7)
CM	1st Floor	536	N/A		\$428,000	3.00%	\$209.54	\$279.00	\$3,348.00	\$8.92	\$488.54
1	Cellar, 1st Floor	1,601	854		\$1,640,688	8.70%	\$919.48	\$1,772.42	\$21,268.99	\$1,462.24	\$2,691.90
2A	2nd Floor	1,276	19		\$1,339,800	6.90%	\$729.25	\$8,750.95	\$16,868.51	\$1,159.71	\$2,134.95
2B	2nd Floor	1,247	19		\$1,309,350	6.80%	\$718.68	\$8,624.12	\$16,624.04	\$1,142.90	\$2,104.01
3A	3rd Floor	1,276	19		\$1,403,600	6.90%	\$729.25	\$8,750.95	\$16,868.51	\$1,159.71	\$2,134.95
3B	3rd Floor	1,247	19		\$1,371,700	6.80%	\$718.68	\$8,624.12	\$16,624.04	\$1,142.90	\$2,104.01
4A	4th Floor	1,276	19		\$1,467,400	6.90%	\$729.25	\$8,750.95	\$16,868.51	\$1,159.71	\$2,134.95
4B	4th Floor	1,247	19		\$1,434,050	6.80%	\$718.68	\$8,624.12	\$16,624.04	\$1,142.90	\$2,104.01
5A	5th Floor	1,276	19		\$1,531,200	6.90%	\$729.25	\$8,750.95	\$16,868.51	\$1,159.71	\$2,134.95
5B	5th Floor	1,247	19		\$1,496,400	6.80%	\$718.68	\$8,624.12	\$16,624.04	\$1,142.90	\$2,104.01
6A	6th Floor	1,276	19		\$1,531,200	6.90%	\$729.25	\$8,750.95	\$16,868.51	\$1,159.71	\$2,134.95
6B	6th Floor	1,247	19		\$1,496,400	6.80%	\$718.68	\$8,624.12	\$16,624.04	\$1,142.90	\$2,104.01
PH1	7th Floor	1,862	672		\$2,327,500	10.00%	\$1,056.88	\$12,682.53	\$24,447.11	\$1,680.74	\$3,094.14
PH2	8th Floor	1,818	209		\$2,363,400	9.80%	\$1,035.74	\$12,428.88	\$23,958.17	\$1,647.12	\$3,032.25
Total		18,432	1,925		\$21,140,688	100.00%	\$10,461.25	\$125,535.00	\$240,485.00	\$16,312.09	\$30,501.67
											\$26,773.34

* Purchasers of Unit 1 should note that, of the Units' square footage, approximately 698 square feet are located in the cellar and that such part of the Unit may not be used as a bedroom or contain a full bathroom, both of which would be violations under the NYC Building Code. Normally, cellar space has less exposure to light and air than ordinary living space above the cellar and, as a result, it is more susceptible to dampness. See the Special Risk section of this Plan.

** Each Residential Unit shall have a condenser as a Limited Common Element; Units 1, PH1 and PH2 shall each have at least one terrace as a Limited Common Element; Unit 1 shall have a yard as a Limited Common Element; Except for Unit 1, all other Residential Units shall have storage areas as Limited Common Elements. Refer to Note 8 to Schedule A for more details.

NOTES TO SCHEDULE A

1. Bedrooms and Bathrooms

The room count is calculated as follows: bedrooms and bathrooms. Full bathrooms – those with a sink, toilet and either a shower or a tub – are counted as one bathroom, whereas those bathrooms without a shower or a tub are counted as a half-bathroom.

The bedroom/bathroom count does not necessarily conform to counts used by the New York City Department of Building or any other government agency. Any Floor Plan or sketch shown to a prospective Purchaser shows only an approximation of the dimensions and layout of a Unit, within reasonable tolerances. Floor Plans are included in Part II of this Plan. Each Unit should be inspected to determine its condition, layout and the position of partitions. The Sponsor reserves the right to change the location of any demising walls used in defining the spaces of any Unit, and thereby change, within reasonable tolerances, the approximate square footage of the Unit so affected.

No material change in size or layout may be made unless an affected Purchaser consents if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. No material change in size of the Units will be made without an amendment to the Plan.

2. Approximate Area

Areas in Schedule A are not based on measurements from the interior surfaces of interior walls of rooms and are significantly greater than the usable floor area of the Units. Square footage of the Residential Units is calculated from exterior face of exterior walls (perimeter and mechanical pipes are not deducted), centerline of demising walls, non-Unit side of any wall or partition separating the unit from any common areas, stairs, elevators & other mechanical equipment spaces or any Common Elements. Vertically, each Unit will consist of the volume from the top of the concrete floor slab below (located under the finish flooring and sub-floor materials) to the underside of the metal deck above. However, any Common Elements located within a Unit shall not be considered a part of the Unit. No Unit shall include any Common Element. Unit area measurements are approximate, within reasonable tolerances. No material change in size or layout may be made unless an affected Purchaser consents if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. No material change in size of the Units will be made without an amendment to the Plan.

3. Offering Price

The prices presented in Schedule A may be changed only by an amendment to this Plan

duly filed with the Department of Law when the change in price is an across-the-board increase or decrease affecting one or more lines of Units, or is to be advertised, or is a price increase for a individual Purchaser. The Sponsor reserves the right to lower prices and to alter other terms of the Purchase Agreement for a Unit as a result of individual negotiations between the Sponsor and a Purchaser without filing an amendment. Accordingly, it is possible that Purchasers may pay less than is indicated in this Plan. See the section of this Plan entitled "Changes in Price and Units," below.

Closing costs and adjustments, which will vary for each Unit, are not included in the purchase price. The current estimates of such costs and adjustments are discussed in the section of this Plan entitled "Closing Costs and Adjustments," below.

The Purchaser is responsible for the payment of the New York State Real Estate Transfer Tax, the New York City Real Property Transfer Tax and any Mansion Tax due on the sale-purchase of a Unit. Currently, the New York State Real Estate Transfer Tax is \$2.00 per \$500, or fractional portion thereof, of the purchase price for Residential and Commercial Units, the Mansion Tax for Residential Units costing \$1,000,000 or more is one percent (1%) of the Residential Unit's purchase price, and the New York City Real Property Transfer Tax is one percent (1%) of the purchase price for Residential Units costing \$500,000 or less, one and four hundred twenty five one thousandths percent (1.425%) for Residential Units costing more than \$500,000, one and four hundred twenty five one thousandths percent (1.425%) for Commercial Units costing \$500,000 or less and two and six hundred twenty five one thousandths percent (2.625%) for Commercial Units costing more than \$500,000. When calculating the taxes, taxes paid by Purchasers, except the Mansion Tax, are added to the purchase price.

4. Percentage of Common Interest

A Unit's percentage of Common Interest is calculated based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit, pursuant to Section 339-i (1) (iv) of the Condominium Act.

5. Common Charges

Common Charges will be billed and collected on a monthly basis, subject to change by the Board of Managers. To the extent that Common Charges are unpaid, they shall constitute a lien upon the Unit charged. Such lien shall be subordinate to liens for real estate taxes and any first mortgage on the Unit.

In addition to Common Charges, each Unit Owner will be responsible for the electricity costs associated with his, her or its Unit. An estimate of such electricity costs is included in Schedule B-1, below.

6. Projected Real Estate Taxes

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for, nor will the Unit be subject to, any lien arising from the non-payment of, taxes on other Units.

The opinion of the Sponsor's attorney, included in this Plan, describes circumstances under which real estate taxes may be deductible for income tax purposes. In general, real estate taxes paid on a Residential Unit used as the taxpayer's primary residence are deductible. Deductibility in other circumstances is discussed in the attorney's opinion. As a result of changes in real estate taxes, tax laws, assessed values and/or tax rates, the amount of income tax deductions with respect to real estate taxes will vary. See the section of this Plan entitled "Real Estate Taxes," below.

The opinion of the Sponsor's attorney included in this Plan also describes circumstances under which interest paid by a Unit Owner on his or her mortgage indebtedness may be deductible for income tax purposes. As a result of changes in interest rate on the Unit Owner's mortgage and allocation of constant debt service payments to interest and principal on the Unit Owner's mortgage, the amount of income tax deductions with respect to mortgage interest paid will vary.

It is estimated that construction of the Building will be substantially completed by September 2017. Upon completion of construction, the estimated aggregate assessed valuation for the Building is \$1,872,115, with an estimated \$1,840,698 applicable to the Residential Units at an estimated applicable tax rate of 12.883% and an estimated \$31,417 applicable to the Commercial Unit at an estimated applicable tax rate of 10.656%. The Department of Finance of the City of New York will allocate the assessed value among the Units. It is anticipated that the allocation will be based on each Unit's Common Interest but no warranty as to the method of allocation is made to any Purchaser or Unit Owner. Pursuant to Real Property Law Section 581, the assessed value of the Property must be determined without regard for whether the Property is owned on a condominium basis or not.

The Sponsor will not apply for real property tax benefits for the Residential Units. The estimated real estate taxes for the Residential Units after completion of construction are approximately \$237,937. Purchasers should note that an owner of a Residential Unit used as such owner's primary residence may qualify for the Coop/Condo Property Tax Abatement, which would reduce the real estate taxes of such qualifying Residential Unit by approximately 17.5%. An estimate of each Residential Unit's real estate taxes assuming the application of the Coop/Condo Property Tax Abatement is included in Schedule A. Purchasers should note, however, that each qualifying Unit Owner is responsible for applying for such abatement and that the Sponsor cannot and will not make any such application. No representation is made as to the Building's or Residential Units' eligibility to receive any such real property tax benefits.

The Commercial Unit may be eligible for real property tax benefits by the City of New York Department of Housing Preservation and Development ("HPD") pursuant to the Industrial

and Commercial Abatement program (the "ICAP Benefits"). If HPD determines that the Commercial Unit is eligible for the ICAP Benefits, then the Commercial Unit may receive a certain exemption on the increase in the Unit's assessed value attributable to improvements made for a period of eleven (11) years, with a declining exemption of 80%, 60%, 40% and 20% for years twelve through fifteen. Full taxes would be payable in the sixteenth year. If the ICAP Benefits are granted, the Commercial Unit would pay estimated real estate taxes amounting to approximately \$107 per year.

The Sponsor makes no representation that HPD will approve the ICAP Benefits or a Residential Unit Owner's application for condominium abatement benefits, or, if granted, the length of the benefits or whether they would be in effect at the time of the first Closing, or when real estate taxes are first due and payable by the Unit Owners. A Purchaser of the Commercial Unit shall not be entitled to rescind its Purchase Agreement if the ICAP Benefits are not granted. A Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from non-compliance by other Units with any law, order, rule, request or demand of HPD or any governmental agency that is involved in the administration of the ICAP Benefits or other abatement benefits, or the non-payment by other Units of their taxes.

Projected real estate taxes for the property were assigned to the Units based on Common Interests.

Real estate taxes for an individual Unit will increase in proportion to any increase in real estate taxes for the Condominium as a whole.

The foregoing estimate of real estate taxes is made based upon assumptions about taxation practices and policies of the City of New York made by Metropolitan Realty Exemptions, Inc., 118 Middleton Street, Brooklyn, NY 11206. No assurance can be given that the practices and policies will be applied as assumed or that the practices and policies will not change. The Sponsor has relied on this letter in the projection of real estate taxes. No assurance can be given that the practices and policies will be applied as assumed or that the practices and policies will not change.

7. Carrying Charges

Purchasers should note that monthly carrying charges do not include certain housing costs for which each Unit Owner is responsible, such as repairs to the interior of the Unit, separately metered utilities, repairing appliances, cable television, internet and telephone services, and insurance on improvements to the Unit, a Unit Owner's possessions and against liability for occurrences in the Unit. In addition, if a Purchaser obtains financing, debt servicing on such financing will be an additional monthly expense that is not included in the carrying charges. The Sponsor is not offering or procuring mortgage financing.

8. Limited Common Elements

Residential Units 1, PH1 and PH2 shall each have at least one terrace as a Limited Common Element, as shown on the Floor Plans. The owners of such Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terrace, including the terrace's surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the terrace if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to the terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the terraces, it shall be the responsibility of the Board of Managers to replace such element. The owners of such Units may not perform construction in the terraces unless the owners comply with all Legal Requirements and obtain the written approval of the Board of Managers.

Each Residential Unit shall have as a Limited Common Element a condenser unit located on the roof. The Unit Owners shall have the right to place, inspect, maintain, repair and replace their condenser and other condenser equipment serving their respective Units. A Unit Owner, and his, her or its agents and contractors shall have a right of access over and through any areas where the condenser units are located for such purposes. A Unit Owner shall be responsible for the maintenance, repair and replacement of the condenser and condenser equipment servicing his, her or its Unit (including equipment located outside the Unit and all piping and wiring associated with the condenser), as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all common areas, and all elements thereof, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of common areas or elements thereof if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents, guests or contractors. In the event any common areas or elements thereof require removal or disruption of any condenser unit or associated piping or wiring, or element thereof, it shall be the responsibility of the Board of Managers to replace or repair same. In any event, the Board of Managers and its agents, employees and contractors may have access to all common areas of the Building in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take.

Residential Unit 1 shall have as a Limited Common Element a yard, as shown on the Floor Plans. A Unit Owner may use the yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Unit 1 and their successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of the yard, other than the Building walls, appurtenant to their Units, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other common elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the

yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all areas of the yard in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event such repairs require removal or disruption of any element of the yard, it shall be the responsibility of the Board of Managers to replace such element. The owners of Unit 1 may not perform construction in their yard area unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

Residential Units 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, PH1 and PH2 shall each have as a Limited Common Element a storage area in the cellar, as shown on the Floor Plans. The owners of such Units may use their storage areas only in compliance with all Legal Requirements and shall be responsible for maintenance, repair and replacement of their storage areas. The Board of Managers and its agents, employees and contractors may have access to all storage areas in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event that such an action requires removal or disruption of all or a part of the storage areas, it shall be the responsibility of the affected Unit Owners to restore their respective storage areas at the Unit Owners' sole cost.

SCHEDULE B

**BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATIONS
BEGINNING NOVEMBER 1, 2017**

**8 SAINT MARKS CONDOMINIUM
8 Saint Marks Place
Brooklyn, New York**

Income

Residential Common Charges	\$ 123,020.55	
Commercial Common Charges	\$ 2,514.45	
Total		125,535.00

Expenses

Labor (2)	\$14,400.00	
Gas Costs (3)	\$1,672.00	
Electricity Costs (4)	\$16,820.00	
Water Charges and Sewer Rents (5)	\$17,998.00	
Repairs, Maintenance and Supplies (6)	\$2,500.00	
Service Contracts (7)	\$10,500.00	
Insurance (8)	\$15,095.00	
Management Fee (9)	\$19,200.00	
Legal and Audit Fees (10)	\$8,500.00	
Other Expenses (11)	\$1,000.00	
Contingency Fund (12)	\$5,250.00	
Reserve Fund (13)	\$12,600.00	
Total		\$125,535.00

NOTES TO SCHEDULE B

1. Common Charges

The estimate of the Common Charges to be billed during the first year of Condominium operation is based upon the assumption that the first year of Condominium operation will be the year from November 1, 2017 to October 30, 2018. The actual first year of operation may be earlier or later than that year.

2. Labor Costs

The Managing Agent expects, on the Condominium's behalf, to engage the superintendent services of Mount Moriat LLC. The superintendent will be an independent contractor on-call 24 hours a day. The superintendent will provide porter services three times a week, clean the common areas on a weekly basis, check roof drains and common smoke detectors periodically, sweep sidewalk on a weekly basis, replace common light bulbs when necessary and clean the front door glass biweekly. The estimated costs of the superintendent services is \$1,200 per month. Snow removal would be billed separately. The superintendent will maintain the common areas and Common Elements only and will be responsible for paying all taxes, benefits and insurance required by law from his or her fee. He or she will not be a union member. The level of staffing complies with all applicable housing and labor laws, including, but not limited to, the NYC Administrative Code section 27-2052, et.seq.

Labor costs will be borne entirely by the owners of the Residential Units.

3. Gas Costs

The Building will use a gas system to provide hot water to the Building and for heating the common residential corridors. The estimated yearly cost for gas usage at the Building is \$1,672 per year, based on an estimated usage of 1,013 therms per year at an estimated \$1.50 per therm plus 10%. The gas costs were estimated by ABS Engineering, PLLC, 39 West 29th Street, Suite 304, New York, NY 10001.

The budgeted amount for gas is only an estimate. The actual amount will vary depending on usage, weather and the cost of gas, among other things. It is believed that the projected figure should be sufficient to cover the cost of gas for hot water to the Building during the first year of Condominium operations. However, no warranty is made that the projection will equal the actual cost during the first year of Condominium operations.

97% of the gas costs will be borne by the owners of the Residential Units and 3% of the gas costs will be borne by the owners of the Commercial Unit.

4. Electricity Costs

The estimated electrical charge is for lighting the common areas of the Building and use of the Building's common systems. Unit Owners will each arrange directly with the utility company for electricity consumed within Units and will be responsible for paying charges for their own electrical service. The budgeted common electrical charges are based on the estimate of power usage at a rate of \$0.29 per KWH plus 10%, determined by ABS Engineering, PLLC, 39 West 29th Street, Suite 304, New York, NY 10001. The total estimated cost for common electricity is \$16,820 for the first year of Condominium operations, with an estimated usage of 52,730 KWH.

The budgeted amount for electricity is only an estimate. The actual amount will vary depending on usage and the cost of power, among other things. It is believed that the projected figure should be sufficient to cover the cost of electricity during the first year of Condominium operations. However, no warranty is made that the projection will equal the actual cost during the first year of Condominium operations.

Electricity costs will be borne entirely by the owners of the Residential Units.

5. Water and Sewer

Water charges and sewer rents are based upon an estimate by ABS Engineering, PLLC, 39 West 29th Street, Suite 304, New York, NY 10001, based on estimated usage and current rates. Based on an estimated consumption of 106,470 gallons per month at an estimated cost of \$9.58 per 100 cubic feet plus 10%, the annual cost of water and sewer charges is estimated to be \$17,998.

Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents.

97% of the water/sewer costs will be borne by the owners of the Residential Units and 3% of the water/sewer costs will be borne by the owners of the Commercial Unit.

6. Repairs, Maintenance and Supplies

It is anticipated that there will not be major repairs to the common areas of the Building during the first year of Condominium operations. The budgeted figure is based upon an estimate of repairs and maintenance to the common areas and includes various supplies (such as cleaning supplies and materials, lubricants, bulbs, general and hardware supplies) and painting of the common areas as needed. The estimate does not include repairs, painting, maintenance, or supplies for individual Units, all of which are the responsibility of the Unit Owners.

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

7. Service Contracts

The following services are included in the estimate:

- Elevator maintenance and servicing;
- Fire alarm maintenance, servicing and monitoring.

Purchasers should note that either the Sponsor or the Managing Agent expects to enter, but has not yet entered, into contracts with third parties on the Condominium's behalf for the above-referenced services. The above-referenced estimates are based on current market rates for those services but may not include applicable taxes, surcharges or benefits.

The budget for the first year of Condominium operation does not provide for the maintenance, repair and replacement of the Buildings' windows. In accordance with the By-Laws, the same shall be the responsibility of the Board of Managers and the costs thereof shall be a Common Expense. Unit Owners, however, shall be responsible for the cost of cleaning the inside face of windows at their Units. The Board of Managers may require that all Unit Owners grant access to their Units and terraces, yards or balconies to persons retained by the Board of Managers to clean the exterior surfaces of the windows and to maintain, repair and/or replace the windows.

The budgeted service contract costs will be borne entirely by the owners of the Residential Units.

8. Insurance

The budget for insurance is based upon a proposal submitted by InSite Insurance Services, 29 South Main Street, West Hartford, CT 06107, and includes the following coverage as of the date of the first Unit Closing:

Building	\$7,300,000 – All special perils, replacement cost, agreed value, with mechanical breakdown included.
General Liability (includes Public Liability)	\$1,000,000 per occurrence, \$2,000,000 aggregate
Deductible	\$3,000
Directors & Officers	\$1,000,000
Fidelity Coverage	\$25,000
Est. Annual Premium	\$15,095

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The fire and casualty policy is expected to be on an agreed amount replacement cost basis, which eliminates co-insurance. It is the opinion of the insurance broker, that the described insurance coverage is an adequate amount to rebuild the structure (but not portions of the interior of Units which are the responsibility of Unit Owners to insure) if totally destroyed by fire or other insured peril.

The fire, casualty and general liability insurance is expected to be on terms that provide: (1) that each Unit Owner is an additional insured party; (2) that there will be no cancellation without notice to the Board of Managers; (3) a waiver of subrogation in favor of Unit Owners; (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and (5) waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Purchasers are strongly advised to obtain insurance (which would be at their own expense) for items not covered by the insurance described above. Unit Owners are urged to obtain insurance for the contents of their Units, their personal possessions, replacements, additions, upgraded fixtures and improvements to the Units and liability coverage for occurrences within their Units.

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

9. Management Fee

The Building will be managed by Braude Building Management, LLC, 269 Macon Street, #3, Brooklyn, New York 11217 ("Braude"). Braude is not affiliated with the Sponsor. Braude's management fee for the first year of Condominium operations will be \$19,200. Braude will provide the following services, among others: purchasing necessary supplies; effecting insurance policies and renewals; arranging for the cleaning and maintenance the Common Areas; paying all Condominium accounts; collecting Common Charges; assisting accountants for the Condominium tax returns; maintaining required Building' registrations; maintaining service contracts, if any; and providing profit and loss statements (quarterly and annually).

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

10. Legal and Audit Fees

Accounting and auditing expenses will consist of a \$7,500 fee for tax filing, preparing the annual financial report to the Condominium Board of Managers and tax forms to each Unit Owner for the first year of Condominium operations. The fee is based on a quotation from Prager Metis CPAs, LLC, 333 Westchester Avenue, Suite E-1101, White Plains, NY 10604.

\$1,000 for miscellaneous legal fees is included in the budget. \$1,000 is being budgeted for legal fees.

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

11. Other Expenses

Includes taxes and minimal miscellaneous charges. No warranty is made that the amount shall be sufficient to pay all expenses incurred.

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

12. Contingency Fund

This item is included to provide a fund out of which unanticipated expenses or unanticipated increases in one or more items of operating expenses can be paid. However, no warranty is made that the contingency fund will cover all unanticipated expenses and/or increases. If additional funds are required, it may be necessary to increase Common Charges or separately assess all Unit Owners.

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

13. Reserve Fund:

The reserve fund may be held or used for capital expenditures only. For so long as the Sponsor is in control of the Board, the reserve fund will not be used to reduce Common Charges. No representation is made that the reserve fund will be, or is intended to be, adequate to cover expenses for any necessary repairs or replacements of capital items for the first or any subsequent year of Condominium operations. If additional funds are required over and above the reserve fund, it may be necessary to increase the Common Charges or to assess Unit Owners. Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the reserve fund.

97% of these costs will be borne by the owners of the Residential Units and 3% of these costs will be borne by the owners of the Commercial Unit.

* * * *

The Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment, other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the Condominium on the date of the Closing of

the first Unit. However, no service or maintenance contracts which would materially increase the first year's estimated Common Charges will be made unless this Plan is amended.

If at any time, the projected commencement of the budget year in this Plan differs by six (6) months or more from the anticipated date of the first Closing, this Plan will be amended to include a revised budget. If the amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor will offer all Purchasers with pending Purchase Agreements the right to rescind for a period of fifteen (15) days after the date of presentation of such amendment. The Sponsor shall return promptly all Down Payments, with interest earned, if any, to Purchasers who rescind.

The Sponsor may not declare this Plan effective where there are material changes to Schedule B – Budget for First Year of Condominium Operations if said material changes have not been disclosed by a duly filed amendment to this Plan.

IN THE OPINION OF TALIA BRAUDE OF BRAUDE BUILDING MANAGEMENT, LLC, AN EXPERIENCED MANAGER OF SIMILAR BUILDINGS, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR COMMENCING IN NOVEMBER 1, 2017. THE FOREGOING SCHEDULES, HOWEVER, ARE NOT INTENDED AND SHOULD NOT BE TAKEN AS A WARRANTY OR GUARANTEE BY ANYONE THAT THE COMMON CHARGES, OTHER INCOME OR EXPENSES FOR THE FIRST YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULES, AND IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE. NO PROVISION IS MADE FOR UNFORESEEN EVENTS OTHER THAN THE CONTINGENCY FUND DESCRIBED ABOVE.

SCHEDULE B-1

Each Unit Owner will be responsible for the electricity costs associated with his, her or its Unit. The electricity costs for the Residential Units were estimated by ABS Engineering, PLLC, 39 West 29th Street, Suite 304, New York, NY 10001, and are based on current electricity charges. Electricity costs are estimated at a rate of \$0.29 per KWH. No estimate for the Commercial Units is provided herein because the usage and cost for same will vary widely depending upon the specific commercial use. The annual costs for the Residential Units are estimated as follows:

Residential Unit	Estimated Annual KWH	Estimated Annual Electric Cost
1	11,796.92	\$3,421
2A	13,900.13	\$4,031
2B	13,441.53	\$3,898
3A	14,184.77	\$4,114
3B	12,903.87	\$3,742
4A	14,184.77	\$4,114
4B	12,903.87	\$3,742
5A	14,184.77	\$4,114
5B	12,903.87	\$3,742
6A	14,089.89	\$4,081
6B	12,682.48	\$3,678
PH1	18,928.84	\$5,490
PH2	18,407.00	\$5,338

In view of the varying costs of energy and patterns of usage, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of operation. The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors that are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will vary based on personal needs of occupants, weather conditions and the cost of energy.

ALTHOUGH SPONSOR BELIEVES THAT THE FOREGOING IS ACCURATE, NO WARRANTY IS MADE BY THE SPONSOR OR THE SPONSOR'S CONSULTANT AS TO WHAT AN INDIVIDUAL RESIDENTIAL UNIT OWNER'S ELECTRICITY COSTS MAY BE.

COMPASS

May 9, 2016

8 Saint Marks, LLC
45 Main Street, Suite 708
Brooklyn, New York 11201

Re: 8 Saint Marks Place
Brooklyn, New York

Dear Sirs and Madams:

I have been a licensed real estate broker since 2003 and have been engaged in the real estate business in New York State for over thirteen years. I have participated in the sale and rental of properties in the Brooklyn area and am familiar with numerous buildings similar to the building proposed for 8 Saint Marks Place.

My company will not serve as the managing agent for the property.

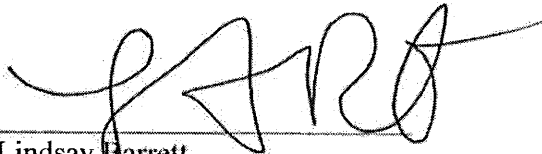
You have told me that the factual basis for the allocation of each unit's common interest as expressed in the Declaration, pursuant to Section 339-i (1)(iv) of the Real Property Law, is based upon floor space, subject to the location of such space and the additional factors of relative value of other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive and shared use, and the overall dimensions of the particular Unit.

I have examined the Schedule A and the floor plans for the building and, in such examination, I have assumed the genuineness of all signatures and the authenticity of all documents.

Based upon my review of the foregoing, it is my opinion that the allocation of the common interest for each unit of the condominium complies with Section 339-i of the Real Property Law.

I hereby authorize the use of this opinion or a reproduction hereof in the offering plan.

Very truly yours,

A handwritten signature in black ink, appearing to read 'L. Barrett', written over a horizontal line.

Lindsay Barrett
Licensed Associate Real Estate Broker
R.E. ID# 30BA1016625 exp. 4/14/18

COMMERCIAL UNITS

Unit CM is a Commercial Unit and is offered for sale by the Sponsor.

The Commercial Unit may be used for any legal purpose, except certain disruptive uses described in the Declaration. The Board of Managers shall take all actions necessary in order to permit the Commercial Unit to be used as permitted, including, among other things, amending the Certificate of Occupancy of the Building from time to time provided the owner or owners of the Commercial Unit reimburse the Board of Managers for any costs it incurs. The Commercial Unit may be subdivided or former parts of the Commercial Unit may be combined by its or their owner or owners. The Board of Managers shall take all actions necessary in order to permit the subdivision and combination of the Commercial Unit as described above, provided the owner or owners of such Commercial Unit(s) pays or pay the costs associated with the subdivision and/or combination.

The Declaration and By-Laws provide that the Board of Managers shall not allocate specific expense items to a Commercial Unit if the owner of such Unit pays such items directly. Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents. Disputes as to the future allocation of expenses which a Commercial Unit Owner pays directly shall be settled by arbitration pursuant to the commercial arbitration rules of the American Arbitration Association or, if such association shall not exist, such other closest analogous organization as the Board and the owner or owners of the Commercial Unit may agree upon. The Common Charges payable by the owner of the Commercial Unit are sufficient to cover the expenses fairly attributable to the Commercial Unit.

Neither the Board of Managers nor the Unit Owners can act, adopt resolutions or amend the By Laws or the Declaration in a way that would adversely affect the Commercial Unit without the consent of the owner(s) of the Commercial Unit.

The owners or tenants of the Commercial Unit may install commercially reasonable signs and awnings on the portion of the Building's facade enclosing the Commercial Unit.

The owner of the Commercial Unit shall have the right to sell or lease its Commercial Unit without complying with any right of first refusal contained in the Declaration or By Laws pertaining to the Residential Units.

CHANGES IN PRICES AND UNITS

A. Changes in Prices

The offering prices set forth in “Offering Prices and Related Information, Schedule A,” above, may only be changed by a duly filed amendment to this Plan if the change in prices is an across-the-board change affecting one or more lines of Units or Unit models or is to be advertised or is a price increase for an individual Purchaser. However, the Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower than those set forth in Schedule A pursuant to negotiations with an individual Purchaser without filing an amendment.

In the event that the Sponsor changes the purchase price of one or more Units, the Purchaser(s) of such Unit(s) may pay more or less than other Purchasers of comparable Units having the same Common Interest. However, such price change shall not alter the Common Interest of, or the amount of the Common Charges payable by, the owner of any Unit.

The Sponsor reserves the right to change the manner of payment of the purchase price and any other terms of sale of any Unit from time to time, both before and after the first Closing, without any consent or approval including, without limitation, the consent or approval of the managing agent, if any, the Board of Managers, any Unit Owner or any mortgagee. Notwithstanding the foregoing, however, no such change shall be made with respect to a Unit for which a Purchase Agreement is then in effect without the consent of the Purchaser thereunder.

B. Changes of Sizes, Layout, Number and Use

In order to meet the possible varying demands for number and type of Units, or for any other reason, the Sponsor or other owner of an Unsold Unit reserves the right to change (a) the layout of or number of rooms in Unsold Units, (b) the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, by combining two or more Units into one or more Unsold Units, by altering the boundaries of any Unsold Unit(s), or otherwise, including, without limitation, the use of any portion(s) of the Common Elements adjacent to such Unsold Units to the extent that such portion(s) are not required to be maintained as Common Elements pursuant to the terms of the By-Laws. Subject to the terms of this paragraph, such right may be exercised by the Sponsor or other owner of an Unsold Unit from time to time, both before and after the first Closing, without any consent or approval including, without limitation, the consent or approval of the managing agent, if any, the Board of Managers, any Unit Owner or any mortgagee. However, the Sponsor or other owner of an Unsold Unit shall obtain the approval of all governmental authorities whose approval is required by law and otherwise comply with all Legal Requirements.

The Sponsor reserves the right to amend or modify the plans and specifications for the Building in any way (including, without limitation, changing materials, appliances, equipment, fixtures, and other construction details and design details) and to substitute in place of any

materials, appliances, equipment, and/or fixtures set forth therein or described in the "Description of Property and Specifications or Building Condition" in Part II of this Plan, materials, appliances, equipment, and/or fixtures of better or substantially equal quality, provided only that any necessary approval of any governmental authority having jurisdiction thereover is first obtained. Any or all of the foregoing amendments or changes may be made without prior notice or amendment to this Plan.

No change will be made in the size or number of Units, and/or their respective percentage of Common Interest or in the size or quality of Common Elements, except by amendment to this Plan and, when applicable, to the Declaration, and without the consent of all owners of Units directly affected and, with respect to changes in a Unit's percentage of Common Interest, without the consent of Sponsor's construction lender (so long as the construction lender holds a lien on the Property), and without the consent of a Purchaser's lender, if any and if required by the same.

In the event that the Sponsor or other owner of an Unsold Unit changes the size and/or number of Unsold Units, the Sponsor shall increase or decrease the Common Interest appurtenant thereto accordingly; however, the aggregate amount of the Common Interest of all of the Units shall always be one hundred percent (100%). As a result of such reapportionment, the amount of the Common Charges and assessments and, subject to the judgment of the assessing authorities, the real estate taxes payable by the owners of the directly affected Unsold Units will be increased or decreased proportionately, but the proportion of the Common Interest, Common Charges and the amounts of assessments and the real estate taxes payable by the owners of Units not directly affected will not be changed due to the reapportionment.

In addition, unless the affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and accepted by the Sponsor for that Unit and the Purchaser is not in default.

No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless all Purchasers consent.

Any change in the number of Units or number of rooms within a Residential Unit, or in the size of any Unit resulting from a subdivision or combination or alteration of boundaries as permitted in this Plan, or otherwise, or in the Common Interest of any Unit, shall be reflected in a duly recorded amendment to this Plan, or, once filed, the Declaration. As more particularly provided in the Declaration, the Sponsor and any other owner of an Unsold Unit have the right to amend the Declaration to effectuate such change without the Board of Managers, any other Unit Owners, or any mortgagee consenting to, or executing, the amendment. However, no change of a Unit's Common Interest will be made without the prior written consent of the owner of such Unit. In addition, no change will be made in the Common Interest of any Unit for which a Purchase Agreement is in effect without the prior written consent of the affected Purchaser thereof.

To the extent not prohibited by law, if the size or configuration of a Unit is changed in compliance with this Plan, the Declaration and the By-Laws and, in connection therewith, a wall, space or other area forming a part of the Common Elements serving and benefiting only such Unit is razed or incorporated into 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.

The Sponsor may agree, in its sole discretion, at the request of any Purchaser, to modify the interior of any Unit, including the equipment and fixtures in the Unit, to combine one or more Units into a single Unit, or to perform other specialized work in any Unit, subject to any Legal Requirements. Such work shall be performed upon terms and conditions determined by the Sponsor and the Purchaser. In connection with the combination of one or more Units into a single Unit, the first installment of the Down Payment payable by the Purchaser shall equal twenty percent (20%) of the total Purchase Price of the combined Units; in all other cases, a sum equal to the cost of such modifications or special work or materials shall be paid to the Sponsor prior to any obligation on the Sponsor's part to perform such work. Such sum shall be held in escrow together with the Down Payment. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent so long as Sponsor uses the funds for such modifications or special work or materials. AS A RESULT, IN THE EVENT A PURCHASER IS ENTITLED TO RESCIND ITS PURCHASE AGREEMENT OR IN THE EVENT THE SPONSOR IS UNABLE TO CLOSE TITLE TO THE UNIT WITH PURCHASER FOR ANY REASON, AND EVEN IF THIS PLAN IS NOT CONSUMMATED, THE PURCHASER WILL NOT RECEIVE A REFUND OF ANY FUNDS USED FOR SUCH REQUESTED MODIFICATIONS OR SPECIALIZED WORK BUT SHALL RECEIVE A REFUND OF ANY UNUSED FUNDS.

INTERIM LEASES

At the election of the Sponsor, a Purchaser may rent a Residential Unit pursuant to an Interim Lease prior to the Closing in the form included as an exhibit to the Purchase Agreement contained in Part II of this Plan. The Interim Lease shall be signed simultaneously with, or after execution of, a Purchase Agreement. No rental protection laws are applicable to Interim Leases. Rent payable under the Interim Lease shall be negotiated by the Sponsor and the Purchaser. The term of the Interim Lease shall expire on the date of the Closing or on the date provided in the Interim Lease if this Plan is not declared effective. If this Plan is abandoned, the tenant under the Interim Lease may, at any time, cancel the Interim Lease and vacate the Unit upon ninety (90) days prior written notice to the Sponsor, except that a tenant may not remain in a Unit after the end of the term of an Interim Lease without the prior written consent of the Sponsor.

It will be a default under the Interim Lease if the Purchaser-tenant fails to comply with all of the Purchaser's obligations under the Purchase Agreement. It will be a default under the Purchase Agreement if the Purchaser-tenant fails to comply with all of the Purchaser-tenant's

obligations under the Interim Lease, which default will permit the Sponsor to cancel the Purchase Agreement provided (a) the Sponsor either obtains an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser-tenant or (b) the Purchaser-tenant has vacated the Unit. The Purchaser-tenant shall vacate the Unit within thirty (30) days after notice of cancellation of the Purchase Agreement from the Sponsor or rescission of the Purchase Agreement by the Purchaser-tenant, in the event rescission is permitted. If the right to rescind a Purchase Agreement is offered to a Purchaser who has entered into an Interim Lease, the Purchaser's right to rescind shall be conditioned upon (i) his, her or its surrendering possession of the Unit within thirty (30) days of the service of such Purchaser's notice of rescission to the Sponsor, (ii) leaving the Unit broom swept, clean, empty of the Purchaser-tenant's possessions and restored to its condition prior to the Purchaser-tenant's occupancy, and (iii) paying all rent due under the Interim Lease. Nothing contained in this Plan and no recession shall relieve any Purchaser of liability for damage caused to the Unit. The Purchaser shall be responsible for payment of the Sponsor's reasonable costs and attorney's fees if it is necessary for the Sponsor to bring an action or proceeding to remove the Purchaser-tenant from the Unit or to recover money in connection with damage to the Unit.

Rent due under any Interim Lease for the month in which the Closing occurs shall be adjusted between the Sponsor and the Purchaser-tenant as of the date of the Closing. No part of any rent paid under any Interim Lease will inure to the benefit of the Purchaser-tenant under the Interim Lease. Security held by the Sponsor under an Interim Lease with interest, if any, less any statutorily permitted administrative fee will be transferred to the Purchaser at the Closing.

The Sponsor is under no obligation to enter into an Interim Lease. The Sponsor may rent any vacant Unit not subject to a Purchase Agreement for any term, rent and conditions the Sponsor may choose.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit shall have at least three (3) business days to review this Plan and all filed amendments to this Plan prior to executing a Purchase Agreement. A person desiring to purchase a Unit will be required to execute, in quadruplicate, a Purchase Agreement in the form included in Part II of this Plan. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by a Purchaser and his, her or its legal and financial advisors before being executed.

A potential Purchaser must deliver all four (4) copies of the executed Purchase Agreement together with his, her or its good unendorsed check made payable to "Marcus Attorneys, as Escrow Agent" the Down Payment of ten percent (10%) of the purchase price and additional sums due in accordance with this Plan to the Selling Agent, if any is designated by the Sponsor, or to the Sponsor.

Within fifteen (15) days after a prospective Purchaser delivers an executed Purchase Agreement, together with the Down Payment, the Sponsor must either accept the Purchase

Agreement and return a fully executed counterpart to the Purchaser, or reject the Purchase Agreement and refund the Down Payment. If the Sponsor fails to do either within fifteen (15) days, Purchaser's offer shall be deemed rejected, unless Purchaser agrees, in writing, to have his, her or its offer extended. The Purchaser will have ten (10) days from the end of the fifteen (15) day period to exercise the right to extend his, her or its offer. If the Sponsor accepts the Purchase Agreement, the Down Payment will be placed promptly in a segregated special attorney's escrow account, described below.

The Sponsor may reject any Purchase Agreement, without cause or explanation, so long as the rejection is not based upon race, creed, color, national origin, ancestry, age, marital status, sex, sexual orientation or any other ground proscribed by law. Until the Purchase Agreement is executed by the Sponsor and returned to the prospective Purchaser, the Sponsor will not be bound to a prospective Purchaser in any respect. No Purchase Agreement submitted to the Sponsor or to any agent and no deposit of any Down Payment or other payment on behalf of a Purchaser shall create any obligation on the part of the Sponsor (other than to return the Down Payment or such other payment).

The circumstances under which the Sponsor may vary the price of a Unit or the size, layout and use of a Unit from that described in this Plan as a result of the negotiations with a prospective Purchaser are described in the section of this Plan entitled "Changes in Prices and Units," above. Furthermore, Sponsor reserves the right to negotiate with each Purchaser the other terms and conditions of the Purchase Agreement, including, but not limited to, interest on the required Down Payment, financing contingencies, and alteration work and customization to a Residential Unit and/or credits therefor and the waiver of conditions to, and notices of, Closing. No Purchaser will benefit from any term or condition negotiated with any other Purchaser or have any rights of rescission or renegotiation under a Purchase Agreement due to any term or condition negotiated with any other Purchaser.

Among the important provisions of the Purchase Agreement are the following:

1. The Down Payment will be ten percent (10%) of the purchase price. However, the Down Payment may be increased if the Purchaser purchases two or more Units that are to be combined. If Sponsor agrees to modifications or special work, the cost of same shall be paid to the Sponsor prior to any obligation on the Sponsor's part to perform such work and shall be held in escrow together with the Down Payment. However, such funds may be released from Escrow Account by the Escrow Agent so long as the Sponsor uses the funds for the modifications or special work.

2. Escrow Trust Fund Provisions. (a) The Escrow Agent: The law firm of Marcus Attorneys, with an address at 13 Greene Avenue, Brooklyn, New York 11238 and telephone number 718-643-6555, shall serve as Escrow Agent for Sponsor and the Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Jed S. Marcus. All designated signatories are admitted to practice law in the State of New York. Neither the

Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(b) The Escrow Account: The Escrow Agent has established the escrow account at Bank of America, located at 205 Montague Street, Brooklyn, New York 11201, a bank authorized to do business in the State of New York. The escrow account is entitled Marcus Attorneys Escrow Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured. All such deposits made by Purchasers will be aggregated for the purpose of the maximum FDIC insured amount.

All deposits made by Purchasers pursuant to a Purchase Agreement, whether in the form of checks, money orders, wire transfers, or other instruments that identify the payor, shall be made payable to or endorsed by the Purchaser to the order of "Marcus Attorneys, as Escrow Agent."

Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The main Escrow Account will be an IOLA account and interest will not be credited to any party. If, however, the Purchaser returns, along with executed Purchase Agreements and the Down Payment, an executed W-8 or W-9 form, as the case may be, and requests an interest bearing account in writing, then the Down Payment shall be deposited in an interest bearing sub-account and interest will be credited to the Purchaser. Failure by a Purchaser to comply with these terms shall result in the Down Payment being deposited in the main IOLA account without any interest being credited to any party. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

(c) Notification to Purchaser: Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment into the Escrow Account. Such deposit in the Escrow Account may be made even though the Sponsor has not accepted the Purchase Agreement of the Purchaser. Furthermore, Escrow Agent's execution of the Purchase Agreement prior to Sponsor's execution thereof and prior to delivery of a fully executed Purchase Agreement to the Purchaser shall not, in any way whatsoever, constitute acceptance of the Purchase Agreement by the Sponsor. With ten (10) business days of the placing the Down Payment in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Down Payment, if any. 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 Purchaser and Sponsor.

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

(d) Release of Funds: All deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per General Business Law § 352-h.

Under no circumstances shall Sponsor seek or accept release of the Down Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Down Payment if so directed:

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

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

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

If the Escrow Agent is not directed to release the Down Payment pursuant to paragraphs (1) through (iii) above, and the Escrow Agent receives a request by either party to release the Down Payment, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the same. If the Escrow Agent has not received notice of objection to the release of the Down Payment prior to the expiration of the 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 same until otherwise directed pursuant to any of paragraphs (i) through (ii) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment Escrow Account with the clerk of the county where the Unit is located and shall give written notice to both parties of such deposit.

The Sponsor shall not object to the release of the Down Payment to:

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

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

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

(e) Waiver Void: Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any deposit in trust is absolutely void. The provisions of the Attorney General's regulations and General Business Law §§ 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.

(f) Purchase Agreement: A copy of the Purchase Agreement is included in Part II of this Plan and the escrow provisions are included in Section 17 of the Purchase Agreement, which shall be executed by the Escrow Agent.

3. As required by Section 71-a (3) of the Lien Law of the State of New York, the Purchase Agreement provides that

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

4. In the event of an uncured default by a Purchaser in his, her or its obligations under the Purchase Agreement, no more than ten percent (10%) of the purchase price, plus any interest earned thereon, may be retained as liquidated damages, plus the actual cost incurred by the Sponsor for any modifications or special work ordered by the Purchaser. The Sponsor agrees not to seek the remedy of specific performance in connection with the Purchaser Agreement as to which there has been a default by a Purchaser.

5. If a Purchaser defaults under a Purchase Agreement, time is of the essence with respect to the time within which the Purchaser must cure the default, as provided in the Purchase Agreement. This means that time limits within which the Purchaser must cure the default will be strictly observed, and extensions will not be granted. See the Purchase Agreement, a copy of which is included in Part II of this Plan.

6. The balance of the purchase price is payable at the Closing, unless the Purchase Agreement provides for earlier payments with respect to special work ordered by a Purchaser. The balance shall be paid by certified or official bank or cashier's check drawn on a bank which is a member of the New York Clearing House Association to the order of "8 Saint Marks, LLC," or to such other party or parties as the Sponsor may designate, and delivered to the Sponsor at the Closing.

7. After the Plan has been declared effective, the Sponsor will fix dates for Closing for each Unit for which a Purchase Agreement has been executed by serving notice on each Purchaser setting such Purchasers' Closing date. Such notice will be sent to the Purchaser at least thirty (30) days prior to the Closing date for his, her or its Unit and at least thirty (30) days prior to terminating a purchase agreement for failure by a Purchaser to close. Such dates shall be no earlier than thirty (30) days after the date on which written notice is given to Purchasers that the Plan has been declared effective (unless a Purchaser and Seller shall agree on an earlier Closing Date). Purchasers may waive this thirty (30) day closing notice provision by executing a written waiver.

8. The Sponsor anticipates that the first Closing of a Unit will occur on or about November 1, 2017. If such date is delayed twelve (12) months or more, Purchasers will be offered rescission. Common Charges will be due and payable beginning on the Closing date and will be prorated for the month in which title closes. Purchasers should also note that even if the first Unit Closing occurs on or before November 1, 2017 (or such other date projected as the date of commencement of Condominium operations at the time a Purchase Agreement was entered into) or within the twelve month period thereafter, the Closings of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy covering such Units has not been issued. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy covering such Units and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to rescind its Purchase Agreement or make any claims whatsoever against the Sponsor for damages or losses or anything else as a result of such delays and will not be excused from paying the Unit's full purchase price. PROSPECTIVE PURCHASERS SHOULD THEREFORE CONSIDER CAREFULLY THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

9. In the event of a default by a Purchaser, the Sponsor will make a written demand for payment after default thirty (30) days before forfeiture of the Down Payment shall be declared. Time is of the essence to cure said default, meaning that time limits will be strictly observed and extensions will not be granted.

10. Each Purchaser shall execute and deliver to the Sponsor the Power of Attorney included in Part II of this Plan at the Closing. Failure to do so will be a default under the Purchase Agreement.

11. Purchasers will be afforded not less than three (3) business days to review this Plan and all filed amendments to this Plan, prior to executing a Purchase Agreement.

12. The Building will be covered by a fire and casualty insurance policy in an amount expected to be adequate to rebuild the Building's structure (but not portions of the interior of Units that are the responsibility of Unit Owners to insure) if totally destroyed by fire or other insured peril. Purchasers are advised to obtain insurance against loss for fire or other casualty for items not covered by the insurance described above, effective upon his, her or its taking title to or possession of a Unit. Specifically, Unit Owners, as well as Purchasers who take possession prior to the Closing, are urged to obtain insurance for the contents of their Units, their personal possessions, replacements, additions, upgraded fixtures and improvements to the Units and liability coverage for occurrences within their Units. A Purchaser who occupies a Unit prior to the closing pursuant to an Interim Lease, or otherwise takes possession of Unit prior to closing, may not be able to obtain insurance for all risks of damage to the Unit and therefore assumes the risk of losses not covered by insurance.

13. Although a Purchaser may obtain financing from a lending institution or any other source, his, her or its obligation to purchase a Unit pursuant to his, her or its Purchase Agreement is not contingent on obtaining financing for such purchase. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions may include requiring that a certain percentage of Residential Units be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty in obtaining a loan in the Building if the Sponsor has not sold a substantial percentage of the Units, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing if an investor, other than the Sponsor, owns 10% or more of the Residential Units. It may also be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. Neither the Sponsor nor the Selling Agent, if any, makes any representation as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing a Purchase Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed and it could expire before the Closing Date.

14. Any conflict between any provisions of this Plan and the Purchase Agreement will be resolved in favor of such provisions in this Plan, except those provisions in the Purchase Agreement negotiated by the parties.

15. Within fifteen (15) days after delivery by a Purchaser of an executed Purchase Agreement together with the Down Payment, the Sponsor will either:

- o accept the Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof; or
- o reject the Purchase Agreement offer and thereafter promptly refund the Down Payment tendered.

If the Sponsor fails to do either within fifteen (15) days, Purchaser's offer shall be deemed rejected, unless Purchaser agrees, in writing, to have his, her or its offer extended. The Purchaser will have ten (10) days to exercise the right to extend his, her or its offer.

16. Nothing contained in this Plan will be in derogation of the rights of a Purchaser under Article 23-A of the General Business Law, and neither this Plan nor the Purchase Agreement may contain, or be modified to contain, a provision waiving a Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law.

17. The Sponsor agrees to convey to a Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances, other than those set forth in this Plan and any mortgages obtained by the Purchaser.

18. Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Property, including the Unit.

19. The following occurrences, among others, constitute a default by a Purchaser under the Purchase Agreement:

- o Purchaser's failure to pay the balance on the Closing date designated by the Sponsor;
- o Purchaser's failure to duly sign, notarize and deliver at the Closing the Power of Attorney to the Board of Managers pursuant to the Purchase Agreement or to complete the New York City Real Property Transfer Tax Return and New York State Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate or to pay the taxes shown as due on said forms;
- o If applicable, Purchaser's failure to duly sign, notarize, deliver or complete at the Closing any forms or returns necessary for the calculation or recording of the portion of the mortgage tax to be computed in accordance with Section 339-ee of the Condominium Act, or to pay such portion to the Sponsor in reimbursement of mortgage tax which the Sponsor previously paid if the Sponsor had previously placed a mortgage on the Property;
- o The failure to pay, perform or observe any of the Purchaser's other obligations under the Purchase Agreement; and
- o The failure of the Purchaser to observe all the terms, covenants and conditions of an Interim Lease, if any.

The provisions of the Purchase Agreement relating to defaults by a Purchaser, the thirty (30) day time-period to cure defaults, retention by the Sponsor of monies paid under the

Purchase Agreement, and the obligation of the Purchaser to pay a legal fee to the Sponsor's counsel if the thirty (30) day notice of default is sent, are of special importance and should be read carefully by each Purchaser.

20. The Purchase Agreement is contingent upon the effectiveness of this Plan. If this Plan is abandoned, all Purchase Agreements will be canceled. However, defaults by Purchasers shall not be waived as long as the Plan is not abandoned.

21. The Purchase Agreement contains important provisions regarding acceptance of the condition of the Unit and Common Elements by the Purchaser at the Closing, which provisions should be read carefully by each Purchaser. Among the provisions is the requirement that the Purchaser pay the balance of the purchase price at the closing scheduled by the Sponsor even if work remains to be done on the Unit or on Common Elements. Closing will not relieve the Sponsor of its obligation to complete the work described in this Plan. No escrow or other security will be provided to secure the obligation of the Sponsor to complete work in the Unit.

22. The Purchase Agreement limits the Sponsor's liability in case of its inability to deliver title in accordance with the Purchase Agreement.

23. The Sponsor may cancel a Purchase Agreement if any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of material necessary in the construction of improvements to the Building and such restrictions shall prevent the Sponsor from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the Unit; or the Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God; or if the installation of public utilities is restricted or curtailed.

24. The Purchase Agreement contains a representation by the Purchaser to the Sponsor that he, she or it has not dealt with any broker other than any broker specified in the Purchase Agreement in connection with the acquisition of his, her or its Unit and will indemnify the Sponsor against any costs and expenses in connection with claims by any other broker claiming to have dealt with the Purchaser or the Purchaser's representatives.

25. No provision of the Purchase Agreement shall survive the delivery of the deed, except those obligations expressly stated therein or in this Plan to so survive or to be performed subsequent to the Closing. Acceptance by the Purchaser of the deed will constitute Purchaser's acceptance and acknowledgment of the full performance by the Sponsor of, and the discharge of the Sponsor from, all obligations under the Purchase Agreement except those obligations expressly stated to survive or to be performed subsequent to delivery of the deed.

26. The following fees to Sponsor's attorneys will be payable by a Purchaser at the Closing, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close: \$1,800 for preparation of legal documents and coordinating the Closing; an additional \$300 attendance fee if, at Purchaser's request and Sponsor's consent, the Closing

occurs outside of the Sponsor's attorney's office or other office designated by the Sponsor but in the City of New York or \$500 if in Westchester, Nassau or Suffolk Counties, or an amount determined by the Sponsor's attorney if elsewhere; an additional \$300 fee if the Closing is adjourned at the Purchaser's request on less than forty-eight (48) hours notice (nothing herein shall give a Purchaser a right to adjourn a Closing); an additional \$500 if notice of default is issued, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close; and an additional \$500 fee if the Purchaser assigns his, her or its Purchase Agreement.

27. In addition, a Purchaser will pay the items described in the section of this Plan entitled "Closing Costs and Adjustments," below.

28. At the Closing, the Sponsor will deliver to the Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to the Purchaser. Such deed will be in the form contained in Part II of this Plan, executed and acknowledged by the Sponsor and the Purchaser in the form for recording.

29. The Purchase Agreement contains a warning and Seller's disclosure regarding lead based paint. The Purchaser is required to execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards attached as an exhibit to the Purchase Agreement.

Additional costs a Purchaser may incur are described in the section of this Plan entitled "Closing Costs and Adjustments," below.

ASSIGNMENT OF PURCHASE AGREEMENTS

The Purchase Agreement is not assignable by the Purchaser without obtaining the express written consent of the Sponsor. In the event the Sponsor, in its sole discretion, consents to an assignment, the same shall be subject to the conditions that

- o the Purchaser wishing to assign a Purchase Agreement has executed the Purchase Agreement and tendered the Down Payment;
- o the assignment is in a form approved by Sponsor is executed and delivered by the prospective assignee to the Sponsor no later than thirty (30) days prior to the Closing date; and
- o the assignee pays to Sponsor's attorney the sum of \$500 to cover the fee for legal services rendered to Sponsor in connection with the assignment.

In no event will a Purchaser have the right to postpone the Closing as a result of an assignment. If Sponsor refuses to consent, Purchaser will not be excused from his, her or its

obligations under the Purchase Agreement.

EFFECTIVE DATE

The Sponsor's offer to sell Units is contingent upon this Plan being declared effective and upon the Purchaser's compliance with relevant conditions and time periods described in this Plan and in the Purchase Agreement. All Purchase Agreements are contingent upon such effectiveness and no Closing will occur before this Plan has been declared effective. This Plan will be declared effective upon the following conditions:

- o This Plan may be declared effective (i) by an amendment duly filed with the Department of Law or (ii) by personal service of a notice on every Purchaser or by commencement of service by mail in the manner required by the regulations of the Department of Law of a notice that this Plan has been declared effective and submitting an amendment to this Plan to the Department of Law within five (5) days confirming that this Plan was declared effective on a specified date. The amendment shall conform to said regulations. The Closing of the first Unit shall not be fixed until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.
- o This Plan may not be declared effective unless bona fide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Units offered under this Plan (i.e., 3 Units) and until executed Purchase Agreements have been accepted by Sponsor for not less than fifteen percent (15%) of the Units offered under this Plan.
- o The Plan will not be declared effective based on Purchase Agreements:
 - (i) signed by Purchasers who or which have been granted a right of rescission that has not yet expired or been waived; or
 - (ii) if the Purchaser was not afforded at least three (3) business days to review the offering plan and all filed amendments prior to executing a Purchase Agreement; or
 - (iii) with any Purchaser who or which is the Sponsor, the Selling Agent, if any, or the managing agent or is a principal of the Sponsor, the Selling Agent or the managing agent or is related to the Sponsor, the Selling Agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is a bona fide

tenant in occupancy or is a bona fide Purchaser who intends that he or she or one or more of his or her family intend to occupy the Unit.

- o This Plan must be declared effective when Purchase Agreements have been accepted by the Sponsor for eighty percent (80%) or more of the Units offered under this Plan (i.e., 12 Units).
- o This Plan may be abandoned by the Sponsor, at its sole and unrestricted option, at any time before it is declared effective. This Plan will be abandoned by an amendment together with form RS-3 filed at the Department of Law. Within five (5) days of acceptance of the amendment for filing, all monies paid by Purchasers shall be refunded to them in full with interest, if any.
- o This Plan may not be abandoned once it has been declared effective for any reason other than:
 - a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering; or
 - substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering; or
 - the taking of any material portion of the Property by condemnation or eminent domain.

The stated dollar amounts relied upon as basis for abandonment after effectiveness of this Plan will exclude any attorneys' fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of this Plan and are either known to the Sponsor or are a matter of public record.

The Sponsor may abandon this Plan once it has been declared effective by an amendment or cancel Purchase Agreements for any of the foregoing reasons, acting in its sole discretion. If the Sponsor abandons this Plan by an amendment and/or cancels the Purchase Agreements, then within five (5) days of acceptance of such amendment or cancellation of the Purchase Agreement the Sponsor shall instruct the Escrow Agent to return to affected Purchasers all monies deposited with interest, if any. Upon making such refund, the parties shall be relieved of all further obligations and liabilities under the Purchase Agreements and this Plan.

The validity of the Plan's effectiveness shall not be impaired or affected if one or more

Purchasers counted for purposes of declaring the Plan effective do not close title. However, in the event that all Purchase Agreements are rescinded or terminated prior to the date of the first Unit closing, the Sponsor shall re-declare the Plan effective, regardless of whether the Declaration has been recorded in the Office of the City Register.

The Sponsor agrees that copies of all Purchase Agreements (and any amendments or modifications) will be delivered to the Department of Law within five (5) business days of a request for inspection by the Department of Law.

TERMS OF SALE

A Purchaser will receive a bargain and sale deed with covenants against grantor's acts. The form of deed is included in Part II of this Plan.

Subject to the Sponsor's right to abandon this Plan due to damage to the Property, as described in the section of this Plan entitled "Effective Date," above, and unless the risk of loss with respect to a Unit has passed to a Purchaser that has taken possession of a Unit, in the event a Unit is damaged by a casualty or other cause between the date a Purchase Agreement is accepted by the Sponsor and the Closing, the Sponsor will repair the Unit if the cost of the repair is less than or equal to one-half of one percent of the purchase price. If the cost of the repair is more than one-half of one percent of the purchase price, the Sponsor may, but is not obligated to, repair the Unit. The Sponsor shall notify Purchaser in writing of its election to repair or not repair the Unit within fifteen (15) days of the damage to the Unit. The date for the Closing will be extended to give the Sponsor reasonable time to repair the Unit if the Sponsor is obligated to repair the Unit or elects to repair the Unit. If the Sponsor repairs the Unit, then the Purchase Agreement shall remain in full force and effect and the Closing shall occur as specified in a notice from the Sponsor to the Purchaser after the repair is completed. If the cost of the repair is more than one-half of one percent of the purchase price and the Sponsor does not elect to repair the Unit, then the Purchaser may either purchase the Unit with a credit of one-half of one percent of the purchase price or rescind the Purchase Agreement, in either case by giving the Sponsor written notice of the Purchaser's choice within thirty (30) days after the Sponsor gives notice of the Sponsor's election not to repair the Unit. If the Purchaser fails to give notice rescinding the Purchase Agreement within said thirty (30) day period, then the Purchaser will be deemed to have chosen to be bound by the Purchase Agreement and to receive the credit of one-half of one percent of the purchase price. Upon Closing, a Purchaser of a damaged Unit will be responsible for all repairs to the Unit and for complying with all Legal Requirements with respect to the condition of the Unit and repairs.

The Sponsor is not obligated to perform any work and is obligated to provide only the equipment, fixtures, and furnishings described in the "Description of Property and Specifications or Building Condition" in Part II of this Plan. If a Purchaser requests that the Sponsor perform other or additional work or provide other or additional equipment, fixtures or furnishings, and Sponsor, in the Sponsor's sole discretion, agrees to perform such work or to provide such equipment, fixtures or furnishings, then Sponsor may require the Purchaser to first

deposit with the Escrow Agent the amount Sponsor determines to be the cost of such work or such equipment, fixtures or furnishings. The Sponsor shall not be bound to perform such work or provide such equipment, fixtures, or furnishings unless the special work and the cost thereof is memorialized in a writing executed by the Sponsor and the Purchaser. In no event shall the presence of any furniture, furnishings, equipment, material or other features in any model apartment imply or represent that any Unit will be other than as described in the "Description of Property and Specifications or Building Condition."

The actual layout and dimensions of a Unit may differ from the layout and dimensions on the Floor Plans in Part II of this Plan.

Each Purchaser of a Unit shall be given a reasonable opportunity to examine his, her or its Unit prior to Closing and is urged to make a careful inspection of the Unit. At the Closing, each Purchaser shall be required to sign and deliver to Sponsor a Final Inspection Sheet substantially in the form set forth as an exhibit to the Purchase Agreement in Part II of this Plan wherein the Purchaser acknowledges the condition in which he, she or it has received his, her or its Unit. Under no circumstances shall any item included on a Final Inspection Sheet constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for Closing.

To the best of the Sponsor's knowledge, belief and information, upon completion of construction, there will be no lead-based paint on the walls, ceilings, doors and windows of the Units. The Purchase Agreement provides a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards and further provides a Purchaser with sufficient opportunity to conduct a lead-based paint assessment. The Purchaser is required to execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards prior to or at Closing.

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the Closing free and clear of all liens, encumbrances and title exceptions except for the provisions of the deed, a form of which is in Part II of this Plan, and the following:

- o The Declaration,
- o The Floor Plans,
- o The By-Laws,
- o Survey made by Boro Land Surveying, P.C., dated December 31, 2014, shows two 1-story brick buildings, yard and raised concrete, all within property lines, except for the following encroachments, exceptions and variations: (a) projections over 3rd Avenue: (i) lights 4' 2-1/2", oil fill 1' 5", sign 2' 1", DEP meter 0' 1-1/2", alarm box 0' 7", awnings up to 5' 3-1/2", safety gate and housing 1' 5", telephone box 0' 3-1/2", metal store front 0' 2"; (b) projections over Saint Marks Place: (i) awning 5' 3-1/2", lights 4' 2-1/2", vent 0' 6", DEP

meter 0' 1-1/2", safety gate and housing 1' 5", signs 0' 4", roof cap up to 0' 3"; (c) subject 1-story brick building encroaches up to 0' 6-1/2" south of the southerly property line; (d) projections west of the easterly property line: (i) roof caps 0' 2", conduits 0' 2"; (e) variations between fences, walls and property lines. Any additional state of facts a subsequent survey would show,

- o The Power of Attorney as required in the Purchase Agreement, a form of which Power of Attorney is included in Part II of this Plan,
- o Mortgages and UCC financing statements, if any, which are subordinated to the Declaration,
- o Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring the Purchaser's interest in the Unit,
- o Building restrictions and zoning regulations and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction which are not violated by the Building and which do not prevent the use of the Building described in this Plan,
- o Existing violations of building, fire, electrical and similar codes, laws, rules and regulations, subject to the Sponsor's obligation to cure violations as described in the section of this Plan entitled "Rights and Obligations of Sponsor," below,
- o Encroachments of retaining walls, fences, bay windows, fire escapes, stoops, banisters, areas, cellar steps, doors, railings, air conditioners, balconies, drain, vent and other pipes, electrical conduits, lights, trim, foundation, cornices, if any, and similar projections on, over and under the Property and encroachments on to streets, highways and adjoining premises by improvements on the Property, and the rights of governmental authorities to require the removal of any such projections and variations beyond record lines of the Property,
- o Consents by the Sponsor or the owner or any former owner of the Property for the erection of any structure or structures on, under, or above any street or streets on which the Property may abut,
- o Any other covenants, restrictions, easements or agreements of record, if any, which are not violated by the Building or their use described in this Plan,
- o Any state of facts a physical inspection of the Property would disclose,
- o The terms and conditions of this Plan and any amendments thereto,

- o The lien of any unpaid Federal or State or New York City taxes, provided Sponsor, at the Closing, makes such deposit or guarantee as might be reasonably required by the Purchaser's title insurance company to issue to the Purchaser a policy of title insurance insuring against the collection of such taxes out of the Unit,
- o The revocability of the right to maintain street vaults and other areas under or projections over any sidewalk, if any, and the lien of unpaid vault charges (which are to be paid by the Board of Managers),
- o Any easement or right of use created in favor of any public utility company and the right to install, use, maintain, repair and replace wires, lines, facilities, connections, equipment and the like upon, under and across the Property,
- o Service, maintenance, employment, management and license contracts and agreements, if any, described in this Plan,
- o The lien of unpaid water charges and sewer rents, which shall be paid by the Board of Managers,
- o The lien of unpaid Common Charges and real estate taxes, which shall be apportioned as of the Closing,
- o The lien of any unpaid assessments payable in installments, except the Sponsor will pay all such installments due and payable prior to the Closing date, and the Purchaser will be obligated to pay all installments due at or subsequent to the Closing Date (however, the then current installment shall be apportioned at the Closing),
- o Light and Air Easement Agreement in CRFN 2014000235219,
- o Zoning Lot Development and Easement Agreement in CRFN 2014000235220,
- o Declaration of Zoning Lot Restrictions in CRFN 2014000235222,
- o Zoning Lot Description and Ownership Statement in CRFN 2016000004388,
- o Zoning Lot Certificate in CRFN 2016000004387,
- o Covenants and Restrictions recited in deed in Liber 5517 at Page 116,
- o Any other matter or encumbrance as to which New York Title Services would be willing, in a fee title insurance policy issued by it to the Purchaser, to insure the Purchaser that such matter or encumbrance (a) will not be collected out of

the Unit if it is a lien, and (b) will not prevent the use of the Unit for dwelling purposes,

- o Any other declaration or other instrument affecting the Property that the Sponsor deems necessary or appropriate to comply with any Legal Requirement.

A Closing will take place only concurrently with (i) the issuance of a temporary or permanent certificate of occupancy for the entire project or (ii) issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed or the Building in which the Unit is located.

The Purchase Agreement lists the personal property to be included in the sale of the Unit. All personal property to be used in connection with the use of the Unit, as described in this Plan, and located within the Unit on the date the Purchase Agreement is signed is included in the conveyance unless specifically excepted in this Plan or the Purchase Agreement. In addition, the Purchaser shall acquire an undivided interest in the personal property located within the Common Elements on the date the Declaration is filed and necessary for the operation of the Building and which is the property of the Sponsor unless specifically excepted in this Plan.

The Purchase Agreement provides that prior to the Closing, the Purchaser shall not offer the Unit or the Purchase Agreement for sale or rental, engage any selling agent or broker, list the Unit or the Purchase Agreement with any selling agent or broker, link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit or the Purchase Agreement for sale or rental without the prior, written consent of the Sponsor. Failure by Purchaser to abide by the restrictions contained in the Purchase Agreement shall constitute a default thereunder. In addition, after the Closing, the Unit Owner shall not link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit for sale or rental, without the prior, written consent of the Sponsor.

The Declaration, the By-Laws and the Floor Plans and such other documents as may be required by law will be recorded or filed prior to the first Closing in accordance with the Condominium Act in the Office of the City Register, Borough of Brooklyn.

A copy of plans for the construction of the Building, approved in accordance with Section 300 of the Multiple Dwelling Law, has been submitted to the Department of Law. The "Description of the Property and Specifications or Building Condition" in Part II of this Plan describes construction work on the public portions and common areas of the Building and to the Residential Units as may be necessary to obtain a permanent Certificate of Occupancy for permanent residential use of the Residential Units. It is the obligation of the Sponsor to complete all alterations and improvements to the Units, the public portions and Common Areas of the Building in material compliance with such approved plans, and to obtain a temporary Certificate of Occupancy for a Unit prior to its Closing. If the Sponsor has not obtained a permanent Certificate of Occupancy by the time of the Closing of the first Unit sold, it will be

obtained as soon as reasonably possible after that Closing, unless prevented from doing so by violations that are the responsibility of the Condominium's Board of Managers or the Unit Owners and that are noted or issued for any reason not having to do with the Sponsor, in which case the Sponsor shall obtain the permanent Certificates of Occupancy within a commercially reasonable time after all such violations are cured and cleared by the party responsible for doing so. A permanent Certificate of Occupancy is required for permanent residential use of the Residential Units and for permanent use of the Commercial Unit. A temporary Certificate of Occupancy may only be renewed for a total period of two years from the date of its original issuance and if the temporary Certificate of Occupancy shall have expired prior to obtaining a permanent Certificate of Occupancy, residential occupancy of the Residential Units will be in violation of the Multiple Dwelling Law, subjecting the occupants, the Unit Owners and the Board of Managers to possible penalties under the Multiple Dwelling Law including eviction of residential occupants.

If any mortgage or construction loan will not be satisfied at or prior to the Closing of the first Unit, at the time of conveyance of the first Unit, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that the mortgagee's lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its appurtenant interest in the Common Elements.

UNIT CLOSING COSTS AND ADJUSTMENTS

General

The estimated Closing costs and expenses to be borne by a Purchaser are described below. The estimates are based on current rates, costs and charges, which are subject to change without notice or amendment of this Plan. Changes in rates, costs or charges shall not be deemed an objection to title nor cause an offer of rescission.

Closing Adjustments

At each Closing, the Sponsor and the Purchaser shall apportion as of midnight of the day preceding the Closing:

- o Real estate taxes (including all prepaid real estate taxes), on the basis of the quarter or semi-annual installment (as the case may be) due with respect to the period including the Closing date.
- o Assessments, if any, payable in installments based on the due date of the installments, regardless of when the assessment became a lien.

In the event that the Unit has not been separately assessed for the then current fiscal tax year of a taxing or assessing authority at the time of the Closing, the

apportionment of real estate taxes and assessments shall be apportioned based on the real estate taxes and assessment payable with respect to the Property multiplied by the percentage of Common Interest attributable to the Unit. Installments for real estates taxes and assessments assessed against the Unit due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

The By-Laws provide that if at the time of the Closing of the first Unit, Units have not been separately assessed for real estate tax and assessment purposes, Common Expenses shall include real estate taxes and assessments on the Property until the Units are separately assessed. After the Units are separately assessed, the Board of Managers will reimburse Unit Owners for any overpayment of taxes or assessments or assess Unit Owners for any underpayment of taxes or assessments

- o If water charges and sewer rents are separately assessed against the Unit, such charges shall be apportioned on the basis of the usage per day based on the last meter reading and the number of days between the last meter reading and the Closing date.
- o The estimated Common Charges for each Unit, as shown in "Offering Prices and Related Information, Schedule A," above, for the month in which title closes.

If any of the foregoing cannot be adjusted because they are not fully ascertainable, they shall be apportioned and adjusted at Closing to the extent reasonably possible, and final adjustments will be made as soon thereafter as the undetermined amounts are ascertained. Any errors or omissions in calculating adjustments at Closing shall be corrected after the Closing and payment shall be made to the proper party promptly after discovery of such error or omission.

If the assessed valuation of the Units for the tax year in which the first Closing occurs or in any subsequent tax year is reduced and the real estate taxes predicated thereon are reduced or a credit or refund is issued for the benefit of a Purchaser of a Unit as a result of tax certiorari applications or proceedings instituted by the Sponsor, whether by settlement or otherwise in the Sponsor's sole discretion, the Board of Managers shall, upon request of the Sponsor, reimburse the Sponsor for the actual cost of any such tax certiorari applications or proceedings (including Sponsor's reasonable attorneys' fees) incurred by the Sponsor that are allocable to the time periods after the date of the first Closing. The Sponsor shall, upon request of the Board of Managers, furnish the Board with receipts or other proof of such costs. The Board of Managers shall assess against every Unit Owner who has received the benefit of such tax reduction, credit or refund, such costs, in proportion to (a) the time period each Unit Owner has been the owner of his, her or its Unit and (b) each Unit Owner's Common Interest.

Closing Costs

In the following paragraphs, examples of fees and/or costs that Purchasers may incur are provided. The Sponsor, the Sponsor's attorney and the Selling Agent, if any, make no warranty or representation that the following examples will accurately reflect Purchaser's actual fees and/or costs. Purchasers should consult with their attorneys and financial advisors to determine the actual costs likely to be associated with the purchase of their individual Unit.

- o **Owner's (Fee) Title Insurance:** If a Purchaser obtains fee title insurance, the Purchaser will pay a premium to his, her or its title insurance company. The amount of the premium will depend upon the amount of insurance requested. Each Purchaser is free to obtain title insurance from a title insurance company of his, her or its choice without incurring any additional fee from the Sponsor. The Sponsor makes no representation or warranty as to the cost, terms or availability of such title insurance from any particular title insurance company. Example: The premium for Owner's Title Insurance for a Residential Unit with a purchase price of \$1,404,000 would be approximately \$5,986.

For Residential Units with a purchase price above \$500,000, Owner's Title Insurance premiums are based on the following cost rates:

	<u>Owners Title Insurance</u>
Minimum Insurance*	402
For each \$1,000 or part thereof, add	
35,000 – 50,000	6.67
50,001 – 100,000	5.43
100,001 – 500,000	4.36
500,001 – 1,000,000	3.98
1,000,001 – 5,000,000	3.66
5,000,001 – 10,000,000	3.25
10,000,001 – 15,000,000	3.07
Over 15,000,000	2.76

*First \$35,000 or under.

Purchaser shall be obligated to pay the following costs at Closing:

- o **Recording Fees:** Fees for recording the deed covering the Unit and the power of attorney in favor of the Board of Managers and Sponsor and mortgages, if any. Typical recording charges are \$125 for a deed, \$75 for a power of attorney and \$125 for a mortgage.

- o New York State and New York City Transfer Taxes: The New York State Real Estate Transfer Tax, currently \$2.00 per \$500, or fractional portion thereof, of the purchase price of the Residential and Commercial Units, plus an additional one percent (1%) of the purchase price for Residential Units costing \$1,000,000 or more (the “Mansion Tax”), and the New York City Real Property Transfer Tax, currently equal to one percent (1%) of the purchase price for Residential Units costing \$500,000 or less, one and four hundred twenty five one thousandths percent (1.425%) for Residential Units costing more than \$500,000, one and four hundred twenty five one thousandths percent (1.425%) for Commercial Units costing \$500,000 or less and two and six hundred twenty five one thousandths percent (2.625%) for Commercial Units costing more than \$500,000. For purposes of calculating the taxes, taxes paid by the Purchaser, except the Mansion Tax, are added to the Purchase Price. Example: For a Residential Unit with a purchase price of \$1,404,000, the New York State transfer tax would be \$5,616 and the New York City transfer tax would be \$20,007. However the New York City and New York State transfer taxes must be added back into the purchase price and the taxes recalculated so that the taxes actually due would be approximately \$5,719 for the State and \$20,372 for the New York City tax. The Mansion Tax would be approximately \$14,296.
- o Mortgages: If a Purchaser obtains a mortgage loan, then he, she or it will be responsible for paying all closing costs and expenses in connection with the loan in amounts determined by the lender. Generally such costs include: points, a fee charged by the lender's attorney, an appraisal fee, mortgage insurance, fees for recording the mortgage, and an origination fee. The Sponsor makes no representation or warranty as to such Closing costs and expenses or as to availability of mortgage financing. In addition the lender is likely to require the Purchaser to obtain title insurance in the lender's favor and pay the premium for the insurance. Example: For a Residential Unit with a purchase price of \$1,404,000, the lender's fees would typically include the following: an origination fee (“points”) of between 0% and 2.5% of the loan (between \$0 and \$28,080 on a \$1,123,200 loan); lender's attorney fees, typically between \$500 and \$1,000; an appraisal fee, typically between \$500 and \$1,000; plus various other fees totaling between \$500 and \$1,000.

The Mortgagee Title Insurance premium for a residential mortgage in the amount of \$1,123,200 would be approximately \$1,243.

For Residential Units with a purchase price above \$500,000, Mortgagee's Title Insurance premiums are based on the following cost rates:

	<u>Mortgage Title Insurance</u>
Minimum Insurance*	344

For each \$1,000 or part

thereof, add

35,000 – 50,000	5.55
50,001 – 100,000	4.54
100,001 – 500,000	3.64
500,001 – 1,000,000	3.31
1,000,001 – 5,000,000	3.05
5,000,001 – 10,000,000	2.71
10,000,001 – 15,000,000	2.55
Over 15,000,000	2.31

*First \$35,000 or under.

For mortgages on Residential Units securing a principal debt or obligation of less than \$500,000, the mortgage tax is \$2.05 for each \$100.00 or major fraction thereof of the principal amount secured. For mortgages on Residential Units securing a principal debt or obligation of \$500,000 or more, the mortgage tax is \$2.175 for each \$100.00 or major fraction thereof of principal amount secured. For mortgages on a Commercial Unit, the mortgage tax is \$2.75 for each \$100.00 or major fraction thereof of principal amount secured. Example: For a Residential Unit with a mortgage of \$1,123,200, the Mortgage Tax would be \$24,430.

A portion of the mortgage tax, to be computed in accordance with Section 339-ee of the Condominium Act, will be paid by the Purchaser to the Sponsor in reimbursement of mortgage tax which the Sponsor previously paid if the Sponsor had previously placed a mortgage on the Building. The portion to be paid is roughly equal to the Purchaser's Percentage Common Interest multiplied by the mortgage tax previously paid by the Sponsor, if any. The portion reimbursed to the Sponsor will be deducted from the mortgage tax due from the Purchaser to the taxing authorities at Closing.

Mortgages from institutional lenders will generally require monthly deposits with the lender of monies applicable to the payment of casualty and mortgage insurance and real estate taxes, as well as a reserve which will be sufficient when included with anticipated monthly deposits to meet the taxes and insurance when due. This amount will vary depending on the institutional lender and the date of the Closing.

There will be no mortgage Closing costs on Units that are not covered by mortgages.

- o Attorney Fees: The fees of the Sponsor's attorney due at Closing are as follows:

\$1,800 for preparation of legal documents and for coordinating the Closing; an additional \$300 attendance fee if, at Purchaser's request and Sponsor's consent, the Closing occurs outside of the Sponsor's attorney's office or other office designated by the Sponsor but in the City of New York or \$500 if in Westchester, Nassau or Suffolk Counties, or an amount determined by the Sponsor's attorney if elsewhere; an additional \$300 fee if the Closing is adjourned at the Purchaser's request on less than forty-eight (48) hours notice (nothing herein shall give a Purchaser a right to adjourn a Closing); an additional \$500 fee if notice of default is issued, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close; and an additional \$500 fee if the Purchaser assigns his, her or its Purchase Agreement.

- o Working Capital Fund Contribution: The Purchaser will be required to pay an amount equal to three month's Common Charges as shown in Schedule A, above, to provide the Condominium with a working capital fund. This amount will not be kept separate from the general funds of the Condominium and will not be refunded. It is not an advance payment of a Unit's monthly Common Charges. During the period in which the Sponsor is in control of the Board of Managers, these funds will not be used to reduce Common Charges without the permission of a majority of Unit Owners other than the Sponsor.
- o Purchaser's Professionals: The Purchaser shall have sole responsibility for payment of all professionals, including attorney(s), retained by the Purchaser.

Based on the information above, the closing costs for a Residential Unit with a purchase price of \$1,404,000 and a mortgage of \$1,123,200 would be:

Owner's Title Insurance	\$5,986
Recording fees	\$200
New York City transfer tax	\$20,372
New York State transfer tax	\$5,719
Mansion Tax	\$14,296
Sponsor's attorney's fee	\$1,800
Working Capital contribution	\$2,123
TOTAL	\$50,496
Mortgage related costs	
Origination fee	\$0 – \$28,080
Lender's attorney's fee	\$500 - \$1,000
Appraisal fee	\$500 - \$1,000
Misc. fees	\$500 - \$1,000
Mortgage recording fee	\$125
Mortgage Title Insurance	\$1,243
Mortgage tax	\$24,430

TOTAL MORTGAGE RELATED FEES	\$27,298 - \$56,878

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

RIGHTS AND OBLIGATIONS OF THE SPONSOR

(This section and subsequent sections of this Plan contain summaries of certain provisions of the By-Laws. No such summary shall modify any provision of the By-Laws. Potential Purchasers and their attorneys are encouraged to review the By-Laws and should note that if there is any inconsistency between the summary in this section and the By-Laws, the By-Laws shall govern.)

The rights and obligations of the Sponsor pursuant to this Plan include the following:

- 1 The Sponsor intends to sell the Units offered pursuant to this Plan and will endeavor in good faith to sell Units rather than rent. Sponsor reserves the unconditional right to rent the Residential Units offered pursuant to this Plan after consummation of this Plan and the unconditional right to rent the Commercial Unit at any time. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more units than the fifteen percent (15%) necessary (i.e., 3 Units) to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. If the Sponsor makes a bulk sale of all or some of its Unsold Units, meaning a sale in bulk to a transferee successor sponsor, then the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell, and its reservation of the right to rent, the Units as specified herein.
- 2 The Sponsor has no obligation to defend any suits or proceedings, nor to indemnify the Board of Managers or the Unit Owners, except in the case of claims arising out of the acts, omissions or representations of the Sponsor, as limited herein. The Sponsor shall defend any suits or proceedings arising out of Sponsor's acts or omissions and indemnify the Board of Managers and Unit Owners with respect to liability due to the Sponsor's acts or omissions, subject to the limitations set forth in this Plan.
- 3 All representations of the Sponsor under this Offering Plan, all the obligations of the Sponsor under the General Business Law and all obligations of the Sponsor

under this Plan which are to be performed after the Closing shall survive delivery of the deed to a Unit.

- 4 Except for costs and expenses to be apportioned as described in the section of this Plan entitled "Closing Costs and Adjustments," above, the Sponsor will pay all costs and expenses incurred prior to the establishment of the Condominium or in connection with the sale of all the Units held or owned by the Sponsor (except for costs and expenses specifically made payable by a Purchaser under this Plan), and will pay all selling expenses including, but not limited to, advertising and printing costs, the Sponsor's architect fees, and the costs of filing this Plan and amendments to this Plan. The Sponsor agrees to pay all Common Charges, assessments and real estate taxes with respect to Unsold Units. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. It will fund its financial obligations to the Condominium from its resources and from the proceeds of the sales or rental of Unsold Units. No bond or other security has been posted to secure the Sponsor's obligations with respect to the aforementioned expenses.
- 5 The rights and obligations of the Sponsor and a Purchaser with respect to a Unit damaged by fire or other casualty are described in the section of this Plan entitled "Terms of Sale," above.
- 6 The Sponsor agrees to procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance. No representation is made as to the amount of the premium for any insurance, as set forth in "Budget for First Year of Condominium Operation, Schedule B," or otherwise.
- 7 In the event of dissolution or liquidation of the Sponsor or the transfer of twenty percent (20%) or more of the total number of Units, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those Units under this Plan, applicable laws or regulations. In the event of dissolution or liquidation, the principals of the Sponsor shall guarantee the performance of such obligations.
- 8 The Sponsor has obtained obtain financing for the construction described in this Plan from the construction lender. In the event such financing is insufficient, then the Sponsor may not be able to complete construction, especially if unforeseen circumstances arise during the course of construction. The construction lender has not imposed any minimum sales requirements before the Plan may be declared effective or any rental restrictions on the Sponsor. The construction lender shall release the Units from the lien of the mortgage upon sale of such Units, provided that Sponsor shall pay to the construction lender upon the release of the individual Unit a release price. To the extent not prohibited by applicable law, the construction lender may, on an occurrence of

default by the Sponsor, exercise the Sponsor's rights under this Plan or other rights as the owner of the Units to the same extent as the Sponsor would have been entitled to exercise such rights, including selling the Property or any part thereof, renting the Units and evicting tenants, and may give all consents, waivers and ratifications in respect thereof and may otherwise act with respect thereto as though the construction lender or its designees were the outright holder of such rights.

- 9 The Sponsor intends to complete the Condominium in accordance with the building plans and specifications identified in this Plan. The Sponsor will maintain each Unit, and the fixtures and personalty contained therein up to the transfer of title to the Unit in question. Sponsor-installed equipment and fixtures shall be in working order at the time of transfer of title. Purchaser shall examine the Unit with a representative of Seller or Selling Agent, if any, during ordinary business hours within twenty (20) days prior to the Closing and will sign and deliver to Seller within three days after said examination a Final Inspection Sheet in the form attached as Exhibit C to the Purchase Agreement. Any work remaining to be done within the Unit pursuant to the Plan and/or the Purchase Agreement shall be itemized in reasonable detail on the Final Inspection Sheet. Seller shall complete the items on the Final Inspection Sheet either before or within a reasonable time after the Closing but, in no event other than those beyond Seller's control, later than ninety (90) days after the Closing. If the Seller completes any items on the Final Inspection Sheet prior to the Closing, Purchaser shall re-inspect the Unit on the day preceding the Closing and sign off on all items that the Seller completed within the Unit by said date. Purchaser's failure to inspect the Unit prior to the Closing and to re-inspect, if necessary, on the date preceding the Closing or to complete, sign and deliver the Final Inspection Sheet shall not excuse Purchaser from paying the Balance Due at Closing and shall constitute Purchaser's full and unconditional acceptance of the Unit.
- 10 The fact that work on the Unit as detailed on a Final Inspection Sheet remains shall not permit a Purchaser to delay a Closing or to claim credit or to require any escrow or otherwise to fail to fully perform a Purchase Agreement. A Purchaser's sole right shall be to require the Sponsor to complete the incomplete work as provided in the preceding paragraph. The Sponsor shall complete all required construction work as promptly as reasonably possible.
- 11 In all events, the Sponsor shall have the right to substitute equipment or materials of equal or better quality or design without having to offer rescission to any Purchaser. The Sponsor shall not change the size or location of Units, Common Elements or other improvements if such changes affect the percentage of Common Interest or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect,

unless all affected Unit Owners consent in writing to such change and all affected Purchases are given a right of rescission.

- 12 Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth in this Plan. During the first year of Condominium operation, construction workers and related personnel may be at the Property from time to time to make adjustments and to perform various tasks related to the completion of construction. Various systems, including, but not limited to, water supply, electricity, air conditioning, heating and ventilation, may require more than a year after any Unit Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and other systems may require eighteen (18) months or more after the first Closing to be completed. The Sponsor may not complete the decoration of the corridors in the Building, including, but not limited to, installing fixtures, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners.
- 13 Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire buildings but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Building ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance the Unit. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. The Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a FCO covering the entire Building within two years from the date of the issuance of the first TCO. However, the Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two-year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPAL ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING AND SHALL EXERCISE THEIR BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO-YEAR PERIOD WHILE KEEPING THE TCO CURRENT, unless prevented from doing so by renovations to Units by the Unit Owners other than the Sponsor prior to the procurement of the FCO, which renovations may delay the issuance of the FCO,

or by violations that are the responsibility of the Board of Managers or the Unit Owners and that are noted or issued for any reason not having to do with the Sponsor, in which case the Sponsor shall extend the TCO or obtain the FCO, as the case may be, within a commercially reasonable time after all such renovations and/or violations are cured and cleared by the parties responsible for doing so. Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing the Sponsor in these undertakings. As described in greater detail in the Plan, Sponsor will maintain sufficient funds in escrow to cover the anticipated costs of obtaining a FCO. However, the TCO may lapse for reasons outside the Sponsor's control. In the absence of a FCO or TCO, it is unlawful to reside in or rent a Unit and will be difficult for Unit Owners or Purchasers to obtain financing or pass clear title. Furthermore, because Sponsor and the By Laws may permit Unit Owners to undertake renovations to Units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO. Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit without an FCO having been issued. A Factsheet on certificates of occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

- 14 If the first Closing will take place prior to the issuance of an FCO, the Sponsor will maintain all deposits and funds in the Escrow Account described in the section of this Plan entitled "Procedure to Purchase," above, unless the Sponsor's architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the FCO. In such cases, the sum exceeding the amount so certified by the Sponsor's architect may be released from the Escrow Account and paid to the Sponsor. Alternatively, the Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit, or post a surety bond, in both cases in the amount so certified or provide other collateral acceptable to the Department of Law.
- 15 The Sponsor will assign to a Purchaser upon the Closing of a Unit any manufacturer's and/or subcontractor's warranty or bond relating to heating, electrical work, plumbing, equipment and appliances installed in the Unit. Such warranties or bonds, if any, with respect to Common Elements shall be assigned to the Board of Managers. The Sponsor undertakes to do the above only to the extent that warranties or bonds are actually made by manufacturers and/or subcontractors and only to the extent such warranties are assignable. All prospective Purchasers are advised that warranties vary in length depending, in part, upon when appliances, equipment, finishes, materials or fixtures covered are first purchased or installed. The Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing date of any particular Unit.

- 16 The Sponsor agrees to pay for all authorized and proper work involved in the Sponsor's construction of the Building, establishment of the Condominium to the extent provided in this Plan, and sale of the Units, and to cause all mechanics' liens with respect to such construction to be discharged or bonded.
- 17 The Sponsor agrees to keep copies of this Plan, the Exhibits and documents referred to in this Plan on file at its office or at the office of its attorney for six (6) years from the date of the first Closing. The Sponsor agrees to deliver a set of "as-built" plans to the Board of Managers.
- 18 No bond or other security has been furnished to secure any of the Sponsor's obligations, including Sponsor's obligations to complete any construction or renovation after Closing title to the first Unit.
- 19 The Sponsor agrees to repair damage resulting from exercise of the Sponsor's rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners, without, however, incurring overtime for labor or other extraordinary charges.
- 20 All the Sponsor's obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. However, nothing herein shall prevent an individual Unit Owner from bringing an action in his, her or its own capacity against the Sponsor if the Board of Managers has failed to take reasonable action to enforce such obligations within ninety (90) days after an individual Unit Owner gives the Board of Managers notice of a claim. During the time the designees of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements and, therefore, the Sponsor agrees that during such period it will in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.
- 21 Before the first Unit Closing, all liens and mortgages affecting the Property shall be paid and satisfied or each mortgagee shall either: (a) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration; or (c) release its lien on the Unit being conveyed and its interest in the Common Elements.
- 22 The Sponsor will pay all contractors, subcontractors and materialmen and all others involved in the construction of the Condominium for work properly performed on behalf of the Sponsor and for fixtures, material and equipment properly supplied or installed in the construction of the Condominium on behalf of the Sponsor and will cause all mechanic's liens arising out of the construction

of the Condominium on behalf of the Sponsor or the furnishing or installation of fixtures or equipment properly on behalf of the Sponsor to be discharged or bonded after the liens are filed.

- 23 In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans filed with the recording of the Declaration are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.
- 24 The Sponsor has the right to use Units or space within the Building as a sales or construction office and/or model apartment.
- 25 The Sponsor has the right to change prices set forth in Schedule A of this Plan by filing amendments to this Plan.
- 26 The Sponsor reserves the right to rent or lease Residential Units to Purchasers as described in the section of this Plan entitled "Interim Leases," above, and to rent or lease Unsold Residential Units at any time after consummation of the Plan and the Commercial Unit at any time, to anyone it may choose without approval of the Board.
- 27 The obligations of the Sponsor hereunder shall be enforceable by the Board of Managers on behalf of Unit Owners. Except as expressly provided herein to the contrary, the obligations of the Sponsor shall be enforceable by individual Unit Owners only if either (i) the Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of a claim by a Unit Owner to the Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Board will expire during the aforesaid ninety (90) day period (in either of which events the Unit Owner may bring an action in the nature of a derivative action against the Board of Managers). However, with regard to the Sponsor's obligations pertaining to the Common Elements, nothing herein shall prevent an individual Unit Owner from bringing an action in his, her or its own capacity against the Sponsor after the aforesaid ninety (90) day period has expired and the Board of Managers has failed to take reasonable action to enforce such obligations within the aforesaid ninety (90) day period. In addition, to the extent permitted by law, the Sponsor will have no liability to any Purchaser, subsequent purchaser of a Unit, Unit Owner, or the Board with respect to its obligations under this Plan (other than for the actual, non-consequential damages, including property damage, personal injury, or wrongful death, arising as a result of the negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan) in excess of the net proceeds paid to

Sponsor from the sale of Units after payment of, or reasonable reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in this Plan.

28 Sponsor's Rights of Access; Alterations

(a) Rights of Access. The Sponsor reserves to itself, its successors, assigns, designees, employees, agents and contractors, easements and rights of access in, and to, Units and Common Elements, consistent with the purposes of this Plan and the Sponsor's rights and obligations hereunder. The rights of the Sponsor and its successors, assigns, designees, employees, agents and contractors include, among other rights:

- 1) Right of access in, and to, Units and Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing (including but not limited to garbage collection) and similar work anywhere in the Building or at the Property;
- 2) Right to show vacant or leased Units; and
- 3) Right to create and use utility and other easements created for the benefit of Unit Owners and the Board of Managers.

If reasonable care, under the circumstances, is exercised to safeguard the Unit Owner's property, such entry shall not render the Sponsor or its authorized agents liable for any damage to the Unit or personalty, equipment, fixtures or furnishings contained therein.

(b) Alterations. The Sponsor (and its successors, assigns, designees, employees, agents and contractors) have the right to alter any Unit or Common Element, subject to the rights of Purchasers under binding Purchase Agreements.

(c) Repairs, Interference. Subject to Unit Owner's responsibility for improvements to Limited Common Elements, the Sponsor agrees to repair damage resulting from the exercise of the above rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners.

29 Article 36-B of the New York General Business Law (the Housing Merchant Implied Warranty Law) does not apply to this offering because the Building contains more than five stories. Sponsor makes no warranties, express or implied, in connection with this offering and all such warranties are excluded, except as expressly set forth in this Plan.

This section of this Plan and the Purchase Agreement together set forth the entire obligations of Sponsor and no others shall be implied. The Sponsor makes no representation or warranty as to the work, materials, appliances, equipment, or fixtures other than as set forth in this Plan.

CONTROL BY THE SPONSOR

The affairs of the Condominium will be governed by the Board of Managers.

Under the By-Laws, as set forth in Part II of this Plan, until the first meeting of Unit Owners, the Board of Managers will consist of three (3) members designated by the Sponsor. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members, subject to Sponsor's right to designate members. The Sponsor shall have the right to designate two members of the Board until the earlier of: (1) five years after the Closing of the first Unit or (2) the time the Sponsor holds less than fifty percent (50%) of the Common Interests. A meeting will be held to elect new members of the Board within thirty (30) days of the termination of the Sponsor's special right to designate members of the Board. During the period in which the Sponsor may designate two members of the Board, Unit Owners, other than the Sponsor, will vote for the remaining Board member. After the period during which Sponsor may designate two members of the Board, all Unit Owners, including the Sponsor, may vote for all members of the Board, including members of the Board that are related or unrelated to the Sponsor.

The number of members of the Board may not be increased without the consent of the Sponsor for so long as Sponsor owns one Unit. The Sponsor may not exercise veto power over expenses described in "Schedule B – Projected Budget for First Year of Condominium Operations," or over expenses required to comply with applicable laws or regulations, or to remedy any notice of violation, or to remedy any work order by an insurer. The Sponsor may exercise veto power over expenses other than those described in the preceding sentence until five (5) years after the Closing of the first Unit or until the Unsold Units constitute less than twenty five (25%) percent of the Common Interest, whichever is sooner.

Because the Sponsor will hold Units as investments, it may have different priorities in operating the Building, such as regarding when and how much to invest in repairs, maintenance or capital improvements.

During the period that the Sponsor controls the Board, as a result of such control the Board may not enforce the obligations of the Sponsor under the Plan or as otherwise required by law and, in such case, the Unit Owners may have to undertake at their expense enforcement of such Sponsor's obligation. During the period that the Sponsor controls the Board, the Sponsor agrees it will enforce such obligations pursuant to a resolution passed by a majority of the Unit Owners, excluding the Sponsor, at a special meeting called for such purpose.

BOARD OF MANAGERS

The Board of Managers will be responsible for management and maintenance of the Condominium. It shall have the powers and duties necessary for the administration of the affairs of the Condominium and may perform any acts necessary therefor, consistent with the Declaration, By-Laws and applicable law. Such acts include: determination and collection of Common Charges and enforcement of the obligation of Unit Owners to pay Common Charges; employment and dismissal of personnel and a managing agent; providing for insurance as to Common Elements; and adoption of Rules and Regulations relating to use and operation of Condominium property. A detailed list of the powers and duties of the Board is contained in Article II, Section 2 of the By-Laws in Part II of this Plan.

Under the By-Laws, as set forth in Part II of this Plan, until the first meeting of Unit Owners, the Board of Managers will consist of three (3) members designated by the Sponsor. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members. The election of members of the Board of Managers shall be subject to the rights of the Sponsor described in the section of this Plan entitled "Control by the Sponsor," above.

Except for designees of the Sponsor, all members of the Board of Managers shall be Unit Owners, mortgagees of Units, partners or employees of a partnership owning a Unit or a mortgage covering a Unit, shareholders, officers, directors or employees of a corporate Unit Owner or corporate mortgagee of Units, fiduciaries or officers or employees of fiduciaries who are Owners or mortgagees of Units, or persons with similar authority over, or interest in, another entity owning or holding a mortgage on a Unit.

The Board of Managers shall elect its officers.

Article II, Section 9 of the By-Laws provide for the calling of special meetings of the Board of Managers. Special meetings may be called by the President of the Board of Managers and shall be called by the President or the Secretary upon the written request of one member of the Board of Managers. Pursuant to Article III, Section 3 of the By-Laws, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by Unit Owners holding twenty five (25%) percent of the Common Interest.

The initial Board of Managers will consist of Aaron Hockett, President, Vida Chang, Vice President, and Alexander Barrett, Secretary/Treasurer.

Article II, Section 14 of the By-Laws discusses indemnification of Board members and liability, and provides that the Unit Owners will severally indemnify the members of the Board of Managers against any claims except those arising out of bad faith or willful misconduct. The members of the Board of Managers may have personal liability for actions taken in bad faith or for willful misconduct. The members of the Board of Managers shall not be liable to the Unit

Owners for any mistake or judgment or negligence or otherwise except for their own individual willful misconduct or bad faith.

All members of the Board of Managers shall serve without compensation.

The term of office of members of the Board of Managers shall be one (1) year. The second meeting of Unit Owners will occur on the first anniversary of the first meeting of the Unit Owners.

The By-Laws provide that a Unit Owner may remove a Board member appointed by the Unit Owner with or without cause. The Board of Managers may remove a Board member, including a member appointed by the Sponsor, with cause at a meeting of the Board. Officers, including officers appointed by the Sponsor, may be removed by a vote of the Board with or without cause. In the event of removal, the Unit Owner who appointed the removed member may appoint another person as Board member. In the event of removal for cause of a Sponsor-appointed member, the Sponsor only shall appoint the new member (provided the new appointment takes place within Sponsor's special right to designate two of the three members). The provision for removal of members of the Board of Managers is contained in Article II, Section 5 of the By-Laws.

The voting rights of Unit Owners are described in Article III, Section 8 of the By-Laws. Each Unit Owner shall be entitled to cast the number of votes equal to his, her or its Common Interest.

Amending the Declaration and the By-Laws

Except with respect to amendments required to implement the rights of owners of Unsold Units to make alterations to their Units, the Declaration may be amended with the approval of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners, in accordance with the provisions of the Declaration, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the consent of all Unit Owners affected.

The By-Laws may be amended with the approval of at least sixty-six and two-thirds percent (66 2/3 %) in number and in Common Interest of all the Unit Owners, as provided in Article X of By-Laws included in Part II of this Plan.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Below is a summary of various provisions of the Declaration and By-Laws, as well as certain provisions of the Condominium Act, respecting rights and obligations of Unit Owners and the Board of Managers. This is intended as an illustrative summary only, and the

Declaration, the By-Laws, and the Rules and Regulations should be carefully reviewed by potential Purchasers and their attorneys. They are fully set forth in Part II of this Plan. The terms of the Declaration, the By-Laws and the Rules and Regulations should not be deemed varied in any way by this section or any other provision of this Plan.

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

Generally, Unit Owners must comply with the Declaration, the By-Laws and the Rules and Regulations of the Condominium and other requirements of the Condominium. Failure to comply may result in liability on the part of a Unit Owner. For example, in the event of default by any Unit Owner in paying Common Charges or any other money due to the Board of Managers, such Unit Owner shall be obligated to pay the maximum legal interest rate on such Common Charges and money from the due date thereof, together with all expenses, including attorney fees, incurred by the Board. Among its remedies, the Board may bring an action for foreclosure of the lien for Common Charges and other money due on the Unit with the potential result that the Unit would be sold and the amounts realized used to satisfy the Unit Owner's obligation to the Board of Managers.

In addition, the violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law, or the breach of any provision of the Declaration shall give the Board the right, among other rights, (a) to enter the Unit which, or as to which, such violation or breach exists and to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein which presents the violation or breach; and/or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (c) to seek compensation for damages caused by the violation or breach.

Sale or Lease of Unit by Unit Owners
Rights of First Refusal of Board of Managers

Each Unit Owner other than the Sponsor and other owner of an Unsold Unit has the right to sell or lease his, her or its Unit (subject to the consent, if required, of his, her or its mortgagee, if any) provided the Board of Managers waives its right of first refusal. The selling Unit Owner must give the Board of Managers thirty (30) days prior written notice of terms of any bona fide sale or lease which he, she or it desires to make. The failure of the Board of Managers to act however, within the thirty (30) day period shall be deemed to constitute waiver of the Board's right of first refusal. If the Board of Managers disapproves the transaction, it shall, within the thirty (30) day period, either (a) produce a purchaser or lessee who will purchase or lease the Unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers or (b) agree to purchase or lease the Unit on behalf of all other Unit Owners upon the same terms as stated in the Unit Owner's notice to the Board of Managers. The Board of Managers, however, may not purchase or lease a Unit without the approval of the Owners of Units constituting sixty-six and two-thirds percent (66 2/3%) of the Common Interest, excluding the Common Interest of the selling/leasing Unit Owner. If the Board of Managers does not have

sufficient funds on hand for the acquisition and maintenance of a Unit which has been approved by the Unit Owners, the Board of Managers may either borrow such funds or assess the Unit Owners therefor in proportion to their respective Common Interests, excluding the Common Interest of the selling/leasing Unit Owner. If the Board of Managers does not either produce a purchaser or lessee for the Unit or agree to purchase or lease the Unit on behalf of all other Unit Owners as set forth above within the aforesaid thirty (30) day period, the Unit Owner shall have the right to consummate the sale or lease on the terms submitted to the Board of Managers. The rights of first refusal described above are governed by more specific terms set forth in the By-Laws.

There are no limitations on the price or rent that a Unit Owner may negotiate with a prospective purchaser or tenant.

Any lease of a Unit shall be in the form recommended for apartments by the Real Estate Board of New York, Inc., except as otherwise provided in the By-Laws or as otherwise approved by the Board of Managers.

The restrictions upon the sale and lease of Units set forth in this section and the rights of the Board of Managers with respect thereto shall not apply to the Sponsor or its designee or other owner of Unsold Units, or to acquisition by an institutional mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure; the Sponsor, its designee, an owner of an Unsold Unit and any such mortgagee shall be free to sell or lease without first notifying or obtaining the consent or waiver of the Board of Managers and not subject to any right of first refusal. The Board of Managers shall cooperate in providing appropriate physical access to any Unit being so sold or leased and related Common Elements, as well as all financial information regarding the Condominium and the Unit in question.

Units acquired or leased by the Board of Managers pursuant to the rights of first refusal described above may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. Such Units may be used in any manner in compliance with the Legal Requirements. Such Units held by the Board of Managers shall not carry any voting rights. Proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective Common Interest. See the subsection of this section of this Plan entitled "Units Acquired or Leased by Board of Managers," below.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other ground prohibited by law.

Subject to the rights of the Board of Managers, Units may be sold or leased by a Unit Owner provided that he, she or it is not in arrears on payment of Common Charges and satisfies other liens against the Unit other than permitted mortgages.

Notwithstanding the rights of the Board of Managers described above, any Unit Owner

who is a natural person may sell or lease his or her Unit to his or her spouse, domestic partner registered as such with the City of New York, adult child, parent, grandparent, parent-in-law or adult sibling, or may convey his or her Unit by gift, devise by will or have it pass by intestacy without complying with the restrictions described above, provided, however, that each succeeding Unit Owner shall be bound by, and his, her or its Unit shall be subject to, the restrictions described above and as more particularly set forth in the By-Laws. In addition, any Unit Owner that is not a natural person may sell, lease or convey its Unit to a controlled or related entity or person as more particularly set forth in the By-Laws.

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's: Common Interest; undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than permitted mortgages) are paid and satisfied at, or prior to, Closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver to the Board of Managers a Unit Owner's Power of Attorney in favor of the Board (and the Sponsor, if applicable), in the form set forth in Part II of this Plan or such other form as the Board of Managers may approve from time to time, in accordance with the Declaration. The new Unit Owner shall be responsible for having said Power of Attorney recorded and returned to the Board of Managers, and paying the fees therefor.

The Board of Managers may establish a reasonable fee for the processing of Unit sales and leases and notices relating to the Board of Manager's rights of first refusal. Such fee shall be payable by the selling or leasing Unit Owner, as the case may be, but not by the Sponsor or an owner of an Unsold Unit.

Further restrictions on, or conditions to, the sale or lease of Units may be made in the future, consistent with the Declaration, the By-Laws and applicable law.

Mortgaging of Units by Unit Owners

Each Unit Owner shall have the right to mortgage his, her or its Unit without restriction, provided that (a) any such mortgage shall be substantially in the form of a New York statutory form mortgage, except for such changes or addition as may be necessary in order to permit a particular bank, trust company, savings and loan association or other institutional lender to make the mortgage loan; (b) the Board is notified in writing in advance of the making of such mortgage and is given a copy thereof promptly; and (c) the Unit Owner making such mortgage is not in arrears for Common Charges and first satisfies all other unpaid liens against his, her or its Unit, other than mortgages placed on his, her or its Unit in compliance with the By-Laws and cures any default under any such mortgage. The Sponsor or its designee, as the owner of Unsold Units, and any other owner of Unsold Units, shall have the right to mortgage the Unsold Units without any restriction or limitation except that the Board shall be notified in writing of the making of such mortgage and shall be given a copy thereof.

Common Charges and Assessments

Each Unit Owner shall have the obligation to pay Common Charges and assessments, proportionate to his, her or its Common Interest, for the operation and maintenance of the Property as determined by the Board of Managers. For the purpose of making such determination, the Board, pursuant to the By-Laws, is required to prepare from time to time (and at least annually) a budget of Common Expenses. Common Expenses include expenses for maintenance and operation of the Common Elements, such as those listed in "Budget for First Year of Condominium Operations, Schedule B," above, and other items enumerated in the By-Laws. The Common Expenses are multiplied by each Unit Owner's Common Interest to determine each Unit Owner's Common Charges. A Unit's percentage of Common Interest is calculated based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit, pursuant to Section 339-i (1) (iv) of the Condominium Act. Common Charges (aside from adjustments made at Closing) will initially be billed monthly. For details see Article V, Section 1 of the By-Laws.

The Board shall have the right to charge any Unit Owner the difference in the cost of any higher insurance premium incurred by the Board if the use of such Unit Owner's Unit has caused such the higher premium.

The Board of Managers may increase Common Charges or collect assessments for the accumulation of reserves for capital expenditures, subject to provisions of applicable tax laws and subject to Sponsor's right, for a limited period, to withhold consent to such action.

No Unit Owner shall be liable for the payment of any part of the Common Charges or assessments assessed against his, her or its Unit subsequent to a sale, transfer or other conveyance of the Unit (with the appurtenant Common Interest) made in accordance with the Declaration and By-Laws.

Under the provisions of Section 339-z of the Condominium Act, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges, together with the interest thereon. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on certain first mortgages of record thereon. Any lien for unpaid Common Charges against a Unit may be filed in the Office of the City Register, Borough of Brooklyn and shall be effective until all sums secured thereby with the interest thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever may be earlier. The By-Laws also impose upon a Unit Owner a responsibility to pay the Condominium's attorney fees incurred in connection with unpaid Common Charges and liens with respect thereto. A lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property and/or an

action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien. Upon the sale or conveyance of a Unit, unpaid Common Charges shall be paid out of the sales proceeds or by the seller, lessor, or transferor, as the case may be. Any seller, lessor or transferor or purchaser, lessee, or transferee, as the case may be, is entitled to a statement from the Board setting forth the accrued amount of unpaid Common Charges against the Unit as of the date of conveyance and such amount shall be the limit of liability of the seller, lessor or transferor or purchaser, lessee, or transferee, as the case may be, as well as the limit of the lien subject to which the Unit may be conveyed.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Condominium Act on Units in which the Sponsor is more than thirty (30) days in arrears of Common Charges while it is in control of the Board of Managers.

Under the provisions of section 339-kk of the Condominium Act, if a non-occupying Unit Owner rents his, her or its Unit to a tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon written notice by the Board of Managers to the non-occupying Unit Owner and tenant, all rental payments from the tenant shall be directed to the Board of Managers and made payable to the Condominium until such time as all payments for Common Charges, assessments or late fees are made current, at which time the Board of Managers shall provide written notice to the non-occupying Unit Owner and tenant within three (3) business days. Thereafter, all rental payments shall be directed and made payable to the non-occupying Unit Owner or his, her or its designated agent. A non-occupying Unit Owner who or that disputes the Condominium's claim to rental payments pursuant to section 339-kk of the Condominium Act shall be entitled to present facts supporting his, her or its position at the next scheduled meeting of the Board of Managers, which must be held within thirty (30) days of the date that the Board of Managers receives notice that the non-occupying Unit Owner seeks to dispute such claim. Payment by a tenant to the Condominium made pursuant to section 339-kk of the Condominium Act shall relieve that tenant from the obligation to pay such rent to the non-occupying Unit Owner and shall be an absolute defense in any non-payment proceeding commenced by the non-occupying Unit Owner against the tenant for such rent.

Pursuant to the By-Laws, the Board has the right to revise its projection of Common Expenses at any time and from time to time during any fiscal year of the Condominium. Any such revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during such fiscal year. However, no such revision shall have a retroactive effect on the amount of Common Charges payable by Unit Owners prior to the date of such revision.

Each Unit Owner shall comply with the By-Laws and any Rules and Regulations and pay Common Charges and assessments to the Board of Managers. In addition to the lien for Common Charges described above, the Board of Managers will have the right to take additional actions to abate and enjoin violations of the By-Laws and Rules and Regulations by Unit Owners, as provided, for example, in Article V, Section 8 of the By-Laws.

Repairs

All maintenance, repairs and replacements to the Common Elements, including Limited Common Elements and whether located inside or outside the Units, will be made by the Board of Managers and the cost thereof will be a Common Expense, except for repairs to Limited Common Elements that are expressly made the responsibility of the Unit Owner of the benefited Unit. All maintenance, repairs and replacements to the Units, whether structural or non-structural, ordinary or extraordinary, other than to the Common Elements contained therein, will be made by each respective Unit Owner at his, her or its expense and shall be completed within a reasonable period of time. All maintenance, repairs and replacements to the Common Elements of the Condominium, including Limited Common Elements and whether located inside or outside the Units, if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors shall be made at the election of the Board of Managers either by the Board, at the expense of the Unit Owner, or by the Unit Owner.

Residential Units 1, PH1 and PH2 shall each have at least one terrace as a Limited Common Element, as shown on the Floor Plans. The owners of such Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terrace, including the terrace's surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the terrace if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to the terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the terraces, it shall be the responsibility of the Board of Managers to replace such element. The owners of such Units may not perform construction in the terraces unless the owners comply with all Legal Requirements and obtain the written approval of the Board of Managers.

Each Residential Unit shall have as a Limited Common Element a condenser unit located on the roof. The Unit Owners shall have the right to place, inspect, maintain, repair and replace their condenser and other condenser equipment serving their respective Units. A Unit Owner, and his, her or its agents and contractors shall have a right of access over and through any areas where the condenser units are located for such purposes. A Unit Owner shall be responsible for the maintenance, repair and replacement of the condenser and condenser equipment servicing his, her or its Unit (including equipment located outside the Unit and all piping and wiring associated with the condenser), as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all common areas, and all elements thereof, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of common areas or elements thereof if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents, guests or

contractors. In the event any common areas or elements thereof require removal or disruption of any condenser unit or associated piping or wiring, or element thereof, it shall be the responsibility of the Board of Managers to replace or repair same. In any event, the Board of Managers and its agents, employees and contractors may have access to all common areas of the Building in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take.

Residential Unit 1 shall have as a Limited Common Element a yard, as shown on the Floor Plans. A Unit Owner may use the yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Unit 1 and their successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of the yard, other than the Building walls, appurtenant to their Units, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other common elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all areas of the yard in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event such repairs require removal or disruption of any element of the yard, it shall be the responsibility of the Board of Managers to replace such element. The owners of Unit 1 may not perform construction in their yard area unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

Residential Units 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, PH1 and PH2 shall each have as a Limited Common Element a storage area in the cellar, as shown on the Floor Plans. The owners of such Units may use their storage areas only in compliance with all Legal Requirements and shall be responsible for maintenance, repair and replacement of their storage areas. The Board of Managers and its agents, employees and contractors may have access to all storage areas in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event that such an action requires removal or disruption of all or a part of the storage areas, it shall be the responsibility of the affected Unit Owners to restore their respective storage areas at the Unit Owners' sole cost.

Those public or other areas of the Building exposed to public view that are required to be maintained by a Unit Owner or the Board shall be kept by each in good appearance in conformity with the dignity and character of the Building as determined by the Board of Managers.

The Board of Managers shall have the right of access to any Unit and Limited Common Element for the purposes of inspecting and making any repairs or replacements to any of the Common Elements or to remedy any condition which would result in damage to any Unit or the Common Elements or which would violate the provisions of any mortgage covering another

Unit or for the purpose of complying with, and determining the Unit Owner's compliance with, Legal Requirements. The Board's right of access shall be exercised so as not to unreasonably interfere with the use of the Units, but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the property of the Condominium or the Units or for the safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium.

Work in the nature of decorating, which does not involve any structural alterations or any electrical or plumbing work, may be done without a building permit. Most construction, such as a deck or gazebo, the addition of rooms or interior stairs, electrical work and alterations to plumbing, requires a permit from the Department of Building and is subject to the requirements of zoning. Certain roof structures and enclosure of a balcony or terrace, if permitted by the Declaration, the By-Laws and Board of Managers, and which may involve the addition of more enclosed space than is permitted by zoning or which are obstructions in required yards, cannot be built as-of-right and require a variance from the Board of Standards and Appeals. The application for a variance may be opposed by the Board of Managers, and for this reason, among others, may be denied.

Additions, Alterations and Improvements
by Board of Managers

Additions, alterations, or improvements may be made by the Board of Managers without approval of Unit Owners, except that (a) no addition, alteration or improvement costing more than \$7,500 shall be made without the approval of the Sponsor and all other owners of Unsold Units as long as there are any Unsold Units (unless such addition, alteration or improvement is necessary in order to comply with Legal Requirements or is necessary to protect the Property from deterioration), and (b) no additions, alterations or improvements costing more than \$7,500 shall be made unless approved by sixty-six and two-thirds percent (66 2/3%%) in number and in Common Interest of the Unit Owners, including the Sponsor or its designee. The Board of Managers shall proceed with duly authorized additions, alterations or improvements and shall assess each Unit Owner his, her or its proportionate share of the cost as part of the Common Expenses or as a special assessment, or shall pay for the addition, alteration or improvement from reserves accumulated for purposes of same or shall borrow funds to pay therefore as described below. Additions, alterations or improvements costing \$7,500 or less may be made by the Board of Managers without approval of Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Whenever in the judgment of the Board of Managers, in connection with the operation, care, upkeep and maintenance of the Common Elements, money must be borrowed on behalf of the Condominium, no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interests or on the Common Elements without the consent of all of the Unit Owners. The Board of Managers may only borrow money on behalf of the Condominium when required in connection with the payment, collection, and disbursement of funds, including reserves, to provide for major and minor maintenance, repairs, additions, improvements,

replacements, working capital, bad debts and unpaid common expenses, depreciation, obsolescence and similar purposes, provided, however, that (i) such debt is incurred no earlier than the fifth anniversary of the first Closing of a Unit and (ii) the incurrence of such debt shall require the consent of majority of all Unit Owners in Common Interest and the Sponsor and any other owner of an Unsold Unit as long as there is an Unsold Unit. If any sum borrowed by the Board of Managers is not repaid by the Board, a Unit Owner who pays to the creditor the proportion of the loan equal to the proportion that the Unit Owner's Common Interest bears to the Common Interest of all Units shall be entitled to a release of any judgment or other lien which the creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

Additions, Alterations and Improvements by Unit Owners

Except as provided below with respect to the Sponsor and Unsold Units and with respect to signs and awnings installed by the owner(s) of the Commercial Unit, (a) no Unit Owner may make any structural addition, alteration or improvement in his, her or its Unit without the prior written approval of the Board of Managers (and, if required, of his, her, or its mortgagee), and (b) 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, if necessary, executed by the Board of Managers, without, however, incurring any liability on the part of the Board of Managers, or any of them, to any contractor, subcontractor, material supplier, architect or engineer, or other professional by reason of such addition, alteration or improvement or to any person having any claim for injury to any person or damage to property arising therefrom. The Board may, at its option, require the Unit Owner to execute an agreement satisfactory to the Board of Managers setting forth the terms and conditions under which such addition, alteration or improvement may be made.

The Sponsor (or its designee) shall have the right without the approval of the Board, the Selling Agent, if any, the Managing Agent, if any, other Unit Owners or holders of mortgages on Units (a) to make alterations, additions, improvements or repairs in, or to, any Unsold Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary and (b) to subdivide, to combine and to change the boundary walls of Unsold Units. At the request of the Sponsor, the Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any structural addition, alteration or improvement, subdivision, continuation, or change made by the Sponsor or its designee to any Unit, provided, however, that the Board of Managers shall not be subjected to any expense or liability by virtue of the execution of the application or such other document.

Non-structural alterations and improvements to a Unit that do not affect the exterior of the Building or the value of other Units may be made by a Unit Owner without the prior approval of the Board of Managers.

In the event that, with the approval of the Board of Managers, a Unit Owner, other than an owner of an Unsold Unit, wishes to construct, either structural or non-structural additions, alterations, improvements in or to his, her, or its Unit or a Limited Common Element associated

with his, her or its Residential Unit, the Board of Managers may regulate one or more of the aspects of construction including, without limitation, the following: (a) the time periods during which work is permitted; (b) the manner in which deliveries and construction debris will be handled; (c) the measures which must be taken to prevent compromising the security of the Building during construction; (d) the interruption of services during construction; (e) liability insurance for contractors during construction; and (f) such other matters as are necessary for the safety and continued enjoyment of the Building by all Unit Owners. The Board of Managers may, at its sole discretion, require that such terms be memorialized in a written agreement with the Unit Owner.

No Unit Owner, other than the Sponsor, may make any changes in, or to, the Common Elements without the prior written approval of the Board of Managers.

The owner(s) or tenant(s) of a Commercial Unit may install commercially reasonable signs and awnings on the Building below the second floor on the portion of the facade enclosing that Unit.

Insurance

The Board of Managers will obtain and maintain, to the extent obtainable at commercially reasonable premiums: (a) fire insurance, with extended coverage, vandalism and malicious mischief endorsements normal for condominiums similar to the Condominium, insuring the Building, including all of the Units, partitions, floors and ceilings within the Residential Units (but not including any equipment, any wall, ceiling or floor decorations or coverings, or furniture, furnishings, fixtures or other personal property within the Unit), together with all Building' service machinery, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to an agreed replacement value of the Building (exclusive of the cost of excavations and foundations) without deduction for depreciation; (b) water damage legal liability insurance; and (c) such other insurance as the Board of Managers may determine.

The amount of fire insurance to be maintained on the Building until the first meeting of the Board of Managers elected by the Unit Owners will be \$7,300,000.

The proceeds of all policies of physical damage insurance will be payable to the Board of Managers in accordance with the terms of the By-Laws, to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners as described in the By-Laws. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless the Unit Owners determine not to repair, restore or rebuild the Building as set forth in Section 339-cc of the Condominium Act.

The Board of Managers will obtain (if available at commercially reasonable rates) policies of physical damage insurance which contain waivers of subrogation and of any defense based on co-insurance or of pro-rata reduction of liability or invalidity arising from any acts of

the insured, and shall provide that such policies may not be canceled by the insurance carrier or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate original certificates of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees, of whom the Board of Managers has notice and who have requested policies, at least ten (10) days prior to expiration of the then current policies and each Unit Owner shall receive a certificate of such insurance.

The Board of Managers shall also obtain to the extent obtainable for commercially reasonable premiums public liability insurance covering the Condominium and each member of the Board of Managers in such amount as the Board of Managers may deem proper and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his, her or its own Unit or due to the acts or omissions of Unit Owners, occupants of Units, or invitees, employees, agents or contractors of Unit Owners; and public liability insurance also shall cover cross-liability claims of one insured against another.

Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of \$2,000,000 in the aggregate or \$1,000,000 per occurrence, covering all claims for bodily injury and property damage with respect to any one occurrence. For details regarding initial insurance coverage see the footnote to "Budget for First Year of Condominium Operations, Schedule B," above.

The cost of all the insurance obtained by the Board of Managers, including that described in this section of this Plan shall be paid by the Board of Managers and shall constitute a Common Expense. The Board may charge a Unit Owner the cost of any increase in an insurance premium if due to any act, omission or activity of the Unit Owner, the occupants of the Unit or the Unit Owner's contractors, employees or invitees or if due to the condition of the Unit.

Unit Owners may carry other insurance at their own expense (covering items not included or included only to a limited extent in the policy of the Board of Managers), provided that such policies contain waivers of subrogation for the benefit of the Board of Managers and other Unit Owners and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance. Examples of items not included in the policy of the Board of Managers are fire and casualty losses to Unit contents, furnishings, replacements, additions, upgraded fixtures and improvements, as well as liability coverage for Unit Owners for occurrences within Units or due to the acts or omissions of Unit Owners, occupants of Units or invitees, employees, agents or contractors of Unit Owners. Insurance policies for such losses within a Unit are generally available. Unit Owners are strongly urged to consider the advisability of obtaining insurance to cover items not included in the policy of the Board of Managers.

Restrictions on Occupancy and Use

In order to provide for the congenial occupancy of the Building and Units and for the protection of the values of the Units, the By-Laws provide that the use of the Units shall be restricted to, and be in accordance with, the following provisions:

The Rules and Regulations provide that the Board of Managers may restrict or prohibit pets and that a subsequent prohibition would apply to all Unit Owners whether or not pets were previously permitted.

Purchasers should note the restrictions contained in the Rules and Regulations regarding television antennas and other objects visible from the exterior of the Building, the use of vestibules, and related matters. If air conditioners and similar objects are permitted to be inserted in windows of the Building, the Board of Managers may prescribe a uniform color for them. The Board of Managers may make such other aesthetic restrictions as it deems advisable.

As more fully set forth in the Declaration, By-Laws and the Rules and Regulations each Residential Unit shall be used only as a residence and for legally permitted uses accessory to residential use and for professional or business use of a permitted residential occupant, provided that such use is in accordance with Legal Requirements. As defined in the Rules and Regulations, a family includes domestic partners registered as such with The City of New York. In addition the Sponsor may, without obtaining the consent of the Board or the other Unit Owners: (a) allow Unsold Units to be used as a professional or business office or for any other purpose, provided that such use is permitted by law and does not violate Legal Requirements and (b) use Unsold Units as a model Unit and sales and/or promotion offices in connection with the sale or rental of the Unsold Units or for any other purpose, subject only to compliance with law. Notwithstanding anything to the contrary in this Plan, the Commercial Unit may be used for any lawful purpose, except for certain potentially disruptive uses described in the section of this Plan entitled "Commercial Units" and in the Declaration in Part II of this Plan. The current zoning law permits the use of up to five hundred (500) square feet, but no more than twenty-five percent (25%) of the Residential Unit, for a home occupation. The term "home occupation" is defined to include certain artistic, professional and teaching activities.

A Unit owned or leased by an individual, corporation, partnership, fiduciary or other entity may be occupied only by said individual, or by a designated officer, director, stockholder or employee of such corporation, or by a designated partner or employee of such partnership or by said fiduciary (including designated officers, directors, stockholders or employees of corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or designated employee of such other entity, respectively, or by members of the family or guests of any of the foregoing. Within thirty (30) days after a Unit is acquired by an owner other than an individual, such non-individual owner shall notify the Board of Managers of the name of the officer, director, stockholder, partner, employee, principal, fiduciary, or beneficiary designated by such owner to occupy its Unit. The person so designated may be changed from time to time by the non-individual owner by similar written notice to the Board of Managers. However, all designees must be bona fide officers, directors, stockholders, partners, employees, principals,

fiduciaries or beneficiaries of the non-individual owner and, under no circumstances, may more than one family occupy a Residential Unit at one time. Guests are permitted only when Unit Owners (or, in the case of Units owned by corporations, partnerships, fiduciaries or other entities, the designees of such Unit Owners) or a family member is present. All of the foregoing restrictions on occupancy shall not apply to Unsold Units.

The Property is mapped with an environmental (E) designation, which include ongoing use restrictions, summarized below and in the Declaration and By Laws. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the remedial action work plan, a copy of which is publicly available via the document repository on the website of the NYC Office of Environmental Remediation ("OER") (with reference number 16CVCP006K), the following activities are prohibited at the Property: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; and higher level of land usage without review and approval by OER.

The Rules and Regulations contain restrictions against illegal or offensive uses.

Self-Help

In the event that any Unit Owner fails to maintain or repair parts of the Property required to be maintained or repaired by such Unit Owner, or in the event of any breach of the Declaration, By-Laws or Rules and Regulations, then, as set forth in the By-Laws, the Board shall have certain rights to perform such maintenance or repairs or to cure such breach at such Unit Owner's expense.

Mechanic's Liens and Judgement Liens

Under the provisions of Section 339-1 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. Liens may arise or be created only against the several Units and their respective Common Interest. A lien for labor performed in, or materials supplied to, a Unit may be filed against the Unit of an Owner who has expressly requested or consented to the same, but in the case of emergency repairs the Owner shall be deemed to have consented thereto. No labor performed in, or materials furnished to, the Common Elements shall be the basis for a lien on the Common Elements, but all Common Charges received and to be received by the Board, and the right to receive such funds, shall constitute trust funds for the purpose of paying the such cost of labor performed or materials furnished at the express request of, or with the consent of, the Board or the managing agent and same shall be expended first for such purpose before expending any part of same for any other purpose.

A lien resulting from a judgment for personal injury and/or property damage arising out of, taking place in, or caused by, the Common Elements may be filed against all the Units.

Easements

As specifically described in the Declaration, each Unit shall have, in common with all other Units: (a) an easement to use, maintain, repair, alter and replace all pipes, wires, flues, ducts, vents, cables, conduits, public utility lines, equipment and facilities and other Common Elements located in other Units or elsewhere on the Property and servicing such Unit; and (b) an easement for the continuance of any encroachment by such Unit on any other Unit or on any Common Elements existing, or that may come into existence, as a result of (i) the settling or shifting of the Building; (ii) any alteration or repair to the Common Elements made by, or with the consent of, the Board of Managers; or (iii) any repair or restoration of the Building (or any portion thereof) or of any Unit 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, so that any such encroachment may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements.

The Sponsor reserves the right, for itself and its designees (so long as the Sponsor or its designee owns a Unit), and for the Board of Managers to grant such additional electric, transformer, amplifier, gas, television, telephone, communications, sprinkler, fire protection, fire alarm, security, air conditioning, water, storm drainage, sewer or other utility easements or to relocate any existing utility easements as the Sponsor, any of its designees or the Board shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the Unit Owners, provided that such additional utilities or the relocation of existing utilities will not prevent, or unreasonably interfere with, the use of the Units for their permitted purposes. Access to any Unit or to the Common Elements in furtherance of such additional or relocated easements shall be exercised in such a manner as shall not unreasonably interfere with the use of the affected Units for their permitted purposes.

The Sponsor and other owners of Unsold Units and prospective Purchasers and tenants of Unsold Units shall have an easement on and through the Common Elements for all purposes relating to the use, sale and rental of such Units, without being subject to any charge or fee. An owner of an Unsold Unit may use its Unit and the Common Elements (at any one or more places designated by the Sponsor) for sales, renting or display purposes, including placing "for sale" or "for rent" signs and other promotional items of such size and content as such owner shall determine.

Termination

Once the Property has been subjected to the provisions of the Condominium Act, the Property shall not be withdrawn therefrom unless at least eighty percent (80%) of the Unit Owners in number and in Common Interest (and if required by the respective mortgages, their first mortgagees, if any, of such Units) agree to the withdrawal of the Property from the provisions in the Condominium Act. The Sponsor or its nominee will not cast any of its votes

for withdrawal, unless eighty percent (80%) of the Unit Owners other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

Relative to termination of the Condominium by withdrawal from the provisions of the Condominium Act, Section 339-t of such law provides as follows:

If withdrawal of the Property from this article is authorized... then 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 sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to any Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit. Such withdrawal of the Property from this article shall not bar the subsequent submission to the provisions of this article in accordance with the terms of this article.

Amendments of By-Laws

The By-Laws may be amended with the approval of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners. Consent of the Sponsor is required for certain changes in the By-Laws. See Article X of the By-Laws included in Part II of this Plan.

Units Acquired or Leased by Board of Managers

The Board of Managers, with the approval of owners of Units constituting sixty-six and two-thirds percent (66 2/3%) of the Common Interest, may purchase or lease a Unit from a Unit Owner desiring to sell or lease it, or at a foreclosure or other judicial sale. In the event the Board of Managers does not have sufficient funds on hand for the purchase or lease of a Unit which has been so approved by the Unit Owners, the Board of Managers either may borrow such funds or may assess the Unit Owners therefor in proportion to their respective Common Interest.

Any Unit acquired or leased by the Board of Managers or its designee shall be held on behalf of all Unit Owners in proportion to their respective Common Interest. The votes appurtenant to the Units so acquired may not be voted by the Board of Managers or its designee.

Power of Attorney in Favor of Board of Managers

Each Unit Owner, on the closing of title to his, her or its Unit, will be required to execute an instrument in the form set forth in Part II of this Plan or such other form as the Board of Managers may from time to time approve, irrevocably constituting the Board of Managers and its successors his, her or its attorneys-in-fact, coupled with an interest, for the purpose, among others, of selling, conveying, mortgaging, leasing or otherwise dealing with any Unit

acquired by, or leasing any Unit leased by, the Board of Managers or its designee on behalf of all Unit Owners.

Severance of Ownership Prohibited

The Declaration and the By-Laws prohibit a Unit Owner from attempting to convey his, her or its Unit separate from its appurtenant interests, the intent of such provision being to prevent any severance of such combined ownership.

Unit Owners of Unsold Units

Each owner of an Unsold Unit shall have the rights and obligations with respect to his, her or its Unit that the Sponsor would have if the Sponsor owned the Unit, provided such owner of an Unsold Unit owns twenty percent (20%) or more of the total number of Units.

The foregoing sections of this Plan are not intended as a complete summary of the Declaration, the By-Laws and the Rules and Regulations or the Condominium Act, but only as reference to some of their important provisions. The Rules and Regulations, By-Laws, the Declaration and other important documents affecting the fundamental nature and operation of the Condominium are reproduced in Part II. Prospective purchasers and their attorneys are urged to review them carefully. In the case of inconsistency between the provisions of Part I of this Plan and the Declaration, the By-Laws or the Condominium Act, the provisions of the Declaration, the By-Laws and the Condominium Act shall govern.

REAL ESTATE TAXES AND TAXES ON THE CONDOMINIUM

As provided in Section 339-y of the Real Property Law and Section 581 of the New York Real Property Tax Law, each Unit and its Common Interest shall be deemed to be a separate tax parcel and shall be subject to separate assessment and taxation by each applicable assessing authority. Under law, the aggregate of the assessment of the Units and their appurtenant interests shall not exceed the total valuation of the Property were it assessed as a single parcel.

After the Units are separately assessed by The City of New York, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

It is possible that separate assessments for each Unit will not be obtained from the tax assessor's office prior to the Unit's Closing. In such event, each Unit Owner will pay to the Board of Managers as a part of Common Charges the proportion of taxes assessed against the Property equal to the Unit's Common Interest, apportioned at the time of the Closing of each Unit and thereafter promptly upon request therefor by the managing agent or the Board of

Managers. At the election of the Board of Managers or the managing agent, payments for real estate taxes may be required to be made in advance in monthly installments.

The "Offering Prices and Related Information, Schedule A" and the notes thereto, above, describe the projected taxes and carrying charges for the first year of Condominium operations, with and without real estate tax benefits. In the schedule, taxes are allocated among Units based on their Common Interest and each Unit's status as a Residential Unit or Commercial Unit. However, the assessing authority, the New York City Department of Finance, may allocate taxes among Units in a different manner when creating separate tax lots. It should be noted that the tax projections and allocations are estimates without warranty of any kind.

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for, nor will the Unit be subject to, any lien arising from the non-payment of, taxes on other Units.

The opinion of the Sponsor's attorney, included in this Plan, describes circumstances under which real estate taxes may be deductible for income tax purposes. In general, real estate taxes paid on a Residential Unit used as the taxpayer's primary residence are deductible. Deductibility in other circumstances is discussed in the attorney's opinion. As a result of changes in real estate taxes, tax laws, assessed values and/or tax rates, the amount of income tax deductions with respect to real estate taxes will vary. See the section of this Plan entitled "Real Estate Taxes," below.

It is estimated that construction of the Building will be substantially completed by September 2017. Upon completion of construction, the estimated aggregate assessed valuation for the Building is \$1,872,115, with an estimated \$1,840,698 applicable to the Residential Units at an estimated applicable tax rate of 12.883% and an estimated \$31,417 applicable to the Commercial Unit at an estimated applicable tax rate of 10.656%. The Department of Finance of the City of New York will allocate the assessed value among the Units. It is anticipated that the allocation will be based on each Unit's Common Interest but no warranty as to the method of allocation is made to any Purchaser or Unit Owner. Pursuant to Real Property Law Section 581, the assessed value of the Property must be determined without regard for whether the Property is owned on a condominium basis or not.

The Sponsor will not apply for real property tax benefits for the Residential Units. The estimated real estate taxes for the Residential Units after completion of construction are approximately \$237,937. Purchasers should note that an owner of a Residential Unit used as such owner's primary residence may qualify for the Coop/Condo Property Tax Abatement, which would reduce the real estate taxes of such qualifying Residential Unit by approximately 17.5%. An estimate of each Residential Unit's real estate taxes assuming the application of the Coop/Condo Property Tax Abatement is included in Schedule A. Purchasers should note, however, that each qualifying Unit Owner is responsible for applying for such abatement and that the Sponsor cannot and will not make any such application. No representation is made as to the Building's or Residential Units' eligibility to receive any such real property tax benefits.

The Commercial Unit may be eligible for real property tax benefits by the City of New York Department of Housing Preservation and Development ("HPD") pursuant to the Industrial and Commercial Abatement program (the "ICAP Benefits"). If HPD determines that the Commercial Unit is eligible for the ICAP Benefits, then the Commercial Unit may receive a certain exemption on the increase in the Unit's assessed value attributable to improvements made for a period of eleven (11) years, with a declining exemption of 80%, 60%, 40% and 20% for years twelve through fifteen. Full taxes would be payable in the sixteenth year. If the ICAP Benefits are granted, the Commercial Unit would pay estimated real estate taxes amounting to approximately \$107 per year.

In connection with its application to HPD to obtain the ICAP Benefits for the Commercial Unit, Sponsor will keep all records required by HPD, make such records available to HPD whenever requested by HPD to do so and, in a timely fashion, file all applications required to be submitted to HPD in connection with the ICAP Benefits and otherwise comply with all procedures required by HPD to procure and maintain the ICAP Benefits. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided to HPD. In addition, Sponsor will make available to the Board of Managers all ICAP Benefits documents for inspection and copying for so long as the Commercial Unit receives any ICAP Benefits.

The Sponsor makes no representation that HPD will approve the ICAP Benefits or a Residential Unit Owner's application for condominium abatement benefits, or, if granted, the length of the benefits or whether they would be in effect at the time of the first Closing, or when real estate taxes are first due and payable by the Unit Owners. A Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from non-compliance by other Units with any law, order, rule, request or demand of HPD or any governmental agency that is involved in the administration of the ICAP Benefits or other abatement benefits, or the non-payment by other Units of their taxes.

Projected real estate taxes for the property were assigned to the Units based on Common Interests.

Real estate taxes for an individual Unit will increase in proportion to any increase in real estate taxes for the Condominium as a whole.

The foregoing estimate of real estate taxes is made based upon assumptions about taxation practices and policies of the City of New York made by Metropolitan Realty Exemptions, Inc., 118 Middleton Street, Brooklyn, NY 11206. No assurance can be given that the practices and policies will be applied as assumed or that the practices and policies will not change. The Sponsor has relied on this letter in the projection of real estate taxes. No assurance can be given that the practices and policies will be applied as assumed or that the practices and policies will not change.

No tax certiorari proceedings challenging the Property's assessed value are pending. The By-Laws provide that the Board of Managers may act as an agent of each Unit Owner who has given his, her or its written authorization to complain or apply to the Board of Assessment Review of the assessing agency by filing a single complaint on behalf of all such Unit Owners pursuant to Section 512 of the Real Property Tax Law and to commence and prosecute a special proceeding for the review of assessment of real property as an aggrieved person pursuant to Section 704 of the Real Property Tax Law of the State of New York. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and charge all such Unit Owner a pro rata share of expenses, disbursements and legal fees, for which charges the Board of Managers shall have a lien pursuant to Section 339 of the Condominium Act.

Certain condominiums that satisfy the requirements of Section 528 (c) (i) of the Internal Revenue Code may elect to be treated as "homeowners associations" for federal tax purposes. In order for the Condominium to qualify as a homeowners association, Section 528 would require, among other things, that substantially all of the units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. In addition, in order for the Condominium to qualify, at least sixty percent (60%) of the Condominium's gross income for the tax year must consist of membership dues, fees or assessments from Unit Owners and at least ninety percent (90%) of the Condominium's expenses for the tax year must consist of expenses to acquire, build, manage, maintain or care for the Property. An analysis of the finances of the Condominium would be necessary to determine if it is desirable to elect to be treated as a "home-owners association." Sponsor's counsel has not opined that the Condominium will qualify as a homeowner's association for federal tax purposes. See the next section of this Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium."

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

The Sponsor has been advised by its counsel that each Unit Owner who is a person will be entitled under present law to deduct from his or her gross income for federal, New York State and New York City income tax purposes the real estate taxes assessed against his or her Residential Unit and paid to the taxing authorities and the amount paid by him or her on any mortgage indebtedness in connection with the purchase of his or her Residential Unit if the Residential Unit is a household's primary residence.

In addition, the Sponsor has been advised by counsel that some Unit Owners, such as veterans of the United States armed forces, may be entitled to exemptions covering part of the real estate taxes otherwise assessed against their Residential Units.

The Condominium is expected to be a taxable entity and will file tax returns. Certain condominiums that satisfy the requirements of Section 528 (c) (i) of the Code, however, may elect to be treated as "homeowners associations" for federal tax purposes. In order for the Condominium to qualify as a homeowners association, Section 528 would require, among other things, that substantially all of the Units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. In addition, in order for the Condominium to qualify, at least sixty percent (60%) of the Condominium's gross income for the tax year must consist of membership dues, fees or assessments from Unit Owners and at least ninety percent (90%) of the Condominium's expenses for the tax year must consist of expenses to acquire, build, manage, maintain or care for the Property. An analysis of the finances of the Condominium would be necessary to determine if it is desirable to elect to be treated as a "home-owners association."

A copy of the opinion of counsel concerning the deductibility of real estate taxes and interest on mortgage indebtedness for the purpose of determining taxable income appears below.

Neither the Sponsor nor counsel for the Sponsor makes any warranty or guaranty that the United States Internal Revenue Service or the New York State Department of Taxation and Finance or the New York City Department of Finance will allow the deductions described above, or any representation or warranty that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof may not change so as to disallow the deductions in whole or in part. Neither the Sponsor nor counsel to the Sponsor shall be liable if, for any such reason, it is held that the Unit Owners are not entitled to such income tax deductions or to other exemptions or abatement as aforesaid.

Metropolitan Realty Exemptions, Inc.

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

April 11, 2016

Barret Design and Development
459 Henry Street
Brooklyn, NY 11231

RE: 8 Saint Marks, LLC
125 3 Avenue
Brooklyn, NY
Block & Lot: 395 - 3

Letter of Opinion Regarding ICAP Real Estate Tax Exemption Benefits for the commercial unit
and Tax Liabilities for the residential and commercial unit:

Dear Sir,

You have requested us to advise you with our opinion in respect to determining the projected Annual Assessment and tax liabilities in regard to the above captioned real property according to our experiences. In addition, to the applicability for partial real estate tax exemption the regulations adopted by the Department of Housing Preservation and Development, and the Industrial And Commercial Abatement Program (ICAP) and the regulations adopted by the Department of Finance, as amended.

The real estate tax benefits available to eligible properties under the ICAP are as follows:

An abatement is granted on that portion of a property's assessed valuation known as the abatement base. The abatement base for each year is limited to the increase in assessed valuation solely attributable to improvements made to the commercial portion of the property.

The ICAP program has replaced the Industrial and Commercial Incentive Program (ICIP) in New York City. The Industrial and Commercial Abatement Program (ICAP) reduces a portion of the increase in real property taxes due to new construction, modernization or rehabilitation of industrial/commercial buildings, by providing up to a maximum of 25-year property tax abatements for qualified projects.

Eligible ICAP applicants receive an abatement of their taxes equal to a percentage of the "Abatement Base". The "Abatement Base" is equal to the "Post-completion Tax" minus 115% of the "Initial Tax". The "Post-completion Tax" is the taxable assessed value (the lower of the actual or transitional assessed values) shown on the assessment roll with a taxable status date immediately following the earlier of (1) completion of construction (issuance of a Final Certificate of Occupancy) or (4) four years from the date of issuance of the project's first building permit multiplied by the "Initial Tax Rate". The "Initial Tax Rate" is the tax rate applicable to the

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assessment roll with a taxable status date immediately preceding the issuance of the first building permit.

The "Initial Tax" is the taxable assessed value indicated on the assessment roll with a taxable status date immediately preceding issuance of the first building permit multiplied by "Initial Tax Rate". Neither the Post-completion Tax nor the Initial Tax include the assessed value of the subject property's land, and the ICAP abatement is not available to reduce the real estate tax attributable to its land.

Commercial retail projects receive the exemption outlined above on the increase in assessed value attributable to the improvements made, for a period of 11 years, followed by 4 years of exemption declining 20 percent phase out per year.

Commercial projects without retail space in designated special exemption areas receive the exemption outlined above for 16 years, with the exemption declining by 10 percent annually for the following consecutive 9 years.

A building consisting of retail and non-retail commercial space, 10% (of the total building) retail space and all non-retail commercial space will get 25 years of benefits. The remaining 90% retail space will receive only 15 years of benefits.

For renovation work in renovation areas (South of 59th Street excluding lower Manhattan/Garment District) receive the exemption outlined above for a period of 5 years, followed by 4 years of exemption declining 20 percent phase out per year and one additional year that receives 20 percent of the benefits.

Additionally, the ICAP benefits are implemented following the initial tax year (July 1 of any year) after completion of construction by obtainment of Final Certificate of Occupancy.

Eligibility Requirements

Applications: Preliminary applications must be filed prior to the receipt of the first building permit (or, if no permit is required, prior to the start of construction). Projects will NOT receive benefits if a building permit is pulled before filing an application.

The Final Application must be filed within one year from the building permit issuance date, or if no permit is required, within one year from the start date of construction. If you file the Final Application later than one year after the building permit was issued or construction started you will automatically be denied.

Time Limit for Construction

There is a 5-year time limit in which to complete construction. Failure to do so will result in termination of inflation protection, if applicable.

Minimum Required Expenditure (MRE)

The MRE for all projects is 30% of the property's assessed value in the tax year with a taxable status date immediately preceding the date of issuance of the project's first building permit. Applicants have 4 years from the date of issuance of the first building permit in which to spend the full MRE.

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

Metropolitan Realty Exemptions, Inc.

In this instance, in regard to the subject premise, the proposal is to construct 1 structure to include 13 Class A residential condominiums and 1 commercial condominium.

Based upon the foregoing information furnished to us by you and your architect, and subject to your timely completion of work and filing of all documentation pursuant to ICAP of the Real Property Tax Law and applicable rules and regulations as is required to obtain the benefits thereof, and assuming presently applicable ICAP provisions apply, it is our opinion that:

- The premises, after construction is completed, will be eligible for partial real estate tax exemption under Section ICAP for a period of 11 years, followed by 4 years of exemption declining 20 percent phase out per year.
- All Section ICAP partial real estate tax benefits may be revoked or reduced if the application misstates or omits to state a material fact and/or for non-payment or underpayment of taxes and for certain other reasons.

Real Estate Tax liabilities due in reference to the above mentioned structure are as follows:

2017/2018 TAX YEAR

Component	Area (Square Feet)	Ratio of Total	Assessed Value	Tax Rate	Real Estate Tax
Residential Condominiums	20,682	98.32%	\$736,279	12.883%	\$94,855
Commercial Condominium	<u>353</u>	<u>1.68%</u>	<u>\$12,567</u>	10.656%	<u>\$1,339</u>
Total	21,035	100.00%	\$748,846		\$96,194

2018/2019 TAX YEAR

Component	Area (Square Feet)	Ratio of Total	AV per Sq. Ft.	Assessed Value	Tax Rate	Real Estate Tax
Residential Condominiums	20,682	98.32%	\$89.00	\$1,840,698	12.883%	\$237,137
Commercial Condominium	<u>353</u>	<u>1.68%</u>	\$89.00	<u>\$31,417</u>	10.656%	\$3,348
ICAP Abatement amount						\$3,241
Comm. Facility Condominium W/ICAP						<u>\$107</u>
Total	21,035	100.00%				\$237,244

ESTIMATED TAXES FIRST YEAR OF CONDOMINIUM OPERATION

83.33% of year 2017/2018 and 16.67% of year 2018/2019	Assessed Value	Tax Rate	Real Estate Tax
Residential Condominiums	\$920,349	12.883%	\$118,569
Commercial Condominium	<u>\$15,709</u>	10.656%	\$1,674
ICAP Abatement amount			\$540
Comm. Facility Condominium W/ICAP			<u>\$1,134</u>
Total	\$936,058		\$120,242

Metropolitan Realty Exemptions, Inc.

The residential component's tax burden is forecasted to equal \$94,855 for the 2017/2018 tax year and \$237,137 for the 2018/2019 tax year (upon completion assessment).

The Commercial unit's tax burden is forecasted to equal \$1,339 for the 2017/2018 tax year and \$107 for the 2018/2019 tax year (upon completion assessment).

The first year of condominium operation will begin in September 2017 and end in August 2018. Taxes for the first year of condominium operation will be comprised of the taxes due for the 2017/2018 tax year (10 months) and 16.67% of the taxes due for the 2018/2019 tax year.

The blended taxes for the first year of condominium operation are forecasted at \$118,569 for the residential units and \$1,674 for the Comm. Facility unit. Following the implementation of the ICAP benefits, the real estate taxes for the Commercial will be \$1,134 totaling to \$120,242.

You are to be advised that this projection is an estimate, as it is unlikely that the post-construction assessed value or tax rate will remain constant for the benefit period. Thus, the actual assessment and real estate tax for each unit may be more or less than the unit's proportionate share of the total assessment and tax amount shown.

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

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

Abatement percentages are shown in the following table:

Average Assessed Value	Benefit Amount Per Year		
	2013/2014	2014/2015	2015/2016
\$50,000 or less	26.5%	28.1%	28.1%
\$50,001 - \$55,000	23.8%	25.2%	25.2%
\$55,001 - \$60,000	21.2%	22.5%	22.5%
\$60,001 and above	17.5%	17.5%	17.5%

Requirements

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

The legislation extending the abatement program that was signed into law on January 30th, grants abatements only to units that are the primary residences of their owners primary residents can then qualify for abatements on up to 2 additional units in the same cooperative or condominium

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as their primary residence. Units held in Trust form that are the primary residence of their occupants qualify for continuing abatements. Those held in corporate ownership form do not.

This letter was prepared at the Sponsor's request. However, we make no representation that Section ICAP benefits will be obtained if any items in the applications are not true, or if the assumptions above listed are incorrect, or if the ICAP law, either statutory or decisional, or ICAP rules and regulations, or present interpretations are modified or changed at the time the construction of the building are completed. In no event will my firm, the Sponsor, the Sponsors' counsel, the Condominium Board or any other person be accountable if the assessed valuation when actually made is lesser or greater than predicted.

Sincerely yours,

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

Martin Joseph
Metropolitan Realty Exemptions, Inc.

MARCUS ATTORNEYS

May 5, 2016

8 Saint Marks, LLC
45 Main Street, Suite 708
Brooklyn, New York

Re: Condominium Offering Plan
8 Saint Marks Condominium
8 Saint Marks Place
Brooklyn, New York

Gentlemen and Ladies:

You have requested our opinion concerning the deductibility for federal, New York State, and New York City income tax purposes of mortgage interest and real estate taxes paid by individual residents of New York who purchase Residential Units ("Residential Units") offered pursuant to the referenced Offering Plan (the "Plan"). You have also requested our opinion concerning whether the allocation of the Common Interest for each Unit of the Condominium complies with Section 339-i of the Real Property Law.

In addition, you have requested us to provide a general description of the federal income tax treatment to 8 Saint Marks Condominium (the "Condominium") of assessments payable by unit owners to meet common expenses of the Condominium ("Common Charges").

In this connection, we have reviewed the Plan (including the exhibits thereto) and relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law (the "State Tax Law"), the New York City Administrative Code (the "City Code"), the Regulations promulgated under the foregoing laws and such other material as we deemed relevant.

The opinions expressed herein are based upon the assumptions that (1) the Plan becomes effective and is consummated in accordance with its terms, (2) condominium ownership of the Residential Units located in the Condominium is established under applicable law and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building and appurtenances thereto, comprising the Condominium, situated at 8 Saint Marks Place, Brooklyn, New York. The Condominium will be comprised of thirteen (13) Residential Units, one (1) commercial unit ("Commercial Unit"), and the common elements ("Common Elements"). This opinion addresses the tax consequences that would result from the ownership of a Residential Unit by an individual taxpayer for use as his or her own primary or secondary residence. It does not address the tax consequences of ownership of Residential Units by

corporations, other entities or foreign persons or of ownership of the Commercial Unit.

I. Deductibility of Mortgage Interest and Real Estate Taxes.

We understand that each Residential Unit Owner will hold title to his or her Unit and an undivided interest in the Common Elements in fee simple and that each Residential Unit Owner may individually place a mortgage on his or her Residential Unit incurring direct liability for the interest or finance charges attributable thereto. Under New York State law, each Residential Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes (Section 339-y, N.Y. Real Property Law). Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Based on the foregoing, it is our opinion that each individual taxpayer who itemizes deductions will be entitled under current law to deduct from his or her gross income, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, for federal, New York State and New York City income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local authority. However, no deduction for real estate taxes is permitted for purposes of the federal alternative minimum tax. Residential Unit Owners should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes, and the effect of the alternative minimum tax.

A taxpayer generally is entitled to a deduction for federal income tax purposes for interest paid during the taxable year on "acquisition indebtedness" or "home equity indebtedness" with respect to a "qualified residence" of the taxpayer. A "qualified residence" means the principal residence of the taxpayer and one other residence of the taxpayer selected by the taxpayer for the taxable year. "Acquisition indebtedness" means any indebtedness which is secured by any qualified residence of the taxpayer and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt). The aggregate amount treated as acquisition indebtedness for any period cannot exceed \$1,000,000 (\$500,000 in the case of a married individual filing a separate return). "Home equity indebtedness" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence over the amount of acquisition indebtedness with respect to such residence. The aggregate amount treated as home equity indebtedness for any period cannot exceed \$100,000 (\$50,000 in the case of a married individual filing a separate return). Accordingly, an owner of a Residential Unit who itemizes deductions and who uses such Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, for federal income tax purposes, interest paid by him or her on (i) acquisition indebtedness incurred with respect to such Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with the respect to a second qualified

residence (if any), does not exceed \$1,000,000 (\$500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to such Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$100,000 (\$50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their Residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses such Unit as a residence will generally be entitled to the same deduction for interest and real estate taxes paid or accrued with respect to such Unit for New York State and New York City income tax purposes as is allowed for federal (regular) income tax purposes. However, although the overall limitation set forth in Section 68 of the Code does not apply, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum tax to the deduction for interest and real estate taxes with respect to their Units.

II. General Description of the Tax Status of the Condominium.

The following discussion is a general description of the federal income tax treatment of the Condominium under present law. It is for informational purposes only and we express no opinion with respect to the method of taxation of the Condominium.

Under the Plan, the Board will, from time to time, assess Common Charges against the Unit Owners generally in proportion to their respective Common Interest in order to pay the costs and expenses of operating, repairing and maintaining the Common Elements.

The Internal Revenue Service may assert that a condominium association such as the Condominium should be treated for federal tax purposes as a separate taxable entity apart from the Unit Owners. In such case the Service may assert that the Condominium is taxable as a corporation and that the assessments paid by the Unit Owners must be treated as income to the Condominium.

Certain condominiums that satisfy the requirements of Section 528 (c) (i) of the Code may elect to be treated as "homeowners associations" for federal tax purposes. In order for the Condominium to qualify as a homeowners association, Section 528 would require, among other

things, that substantially all of the Units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. In addition, in order for the Condominium to qualify, at least sixty percent (60%) of the Condominium's gross income for the tax year must consist of membership dues, fees or assessments from Unit Owners and at least ninety percent (90%) of the Condominium's expenses for the tax year must consist of expenses to acquire, build, manage, maintain or care for the Property. An analysis of the finances of the Condominium would be necessary to determine if it is desirable to elect to be treated as a "home-owners association."

In the event that the Condominium does not qualify for, or chooses not to make, the election under Code Section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium derived from Unit Owners ("membership income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Condominium could be viewed as an agent or conduit for Unit Owners, in which case each Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium should be treated as a separate entity taxable as a corporation. If the Condominium is so treated, it would be subject to tax on its taxable income. In determining its taxable income, the Condominium's deductions attributable to furnishing services to Unit Owners may be limited to its membership income. Certain earnings and profits expended for the benefit of Unit Owners, and possibly rebates, if any, to Unit Owners of excess membership dues, fees or assessments may be treated as dividends to them. In addition, the Condominium would be subject to New York City and New York State franchise taxes.

We express no opinion concerning (a) any federal, New York State, or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of the Plan under the laws of any other local or foreign jurisdiction. Except as explicitly provided, this opinion does not address (i) tax consequences which may result with respect to any Units held in connection with a trade or business, or any Units held for purposes of investment or for the production of income, or (ii) tax consequences which may result to a foreign Unit Owner by reason of his or her foreign status. This opinion also does not discuss the tax consequences which may arise if Units or Common Elements are acquired and/or leased by the Board or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit and the attendant income, estate or other tax consequences. We therefore advise each person contemplating the purchase of a Unit to consult his or her own tax adviser concerning all such tax matters as well as with respect to the matters discussed in this opinion.

It should be noted that this opinion is based solely on the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the federal, New York State and New York City tax laws and regulations and the rulings and decisions thereunder may change, possibly with retroactive effect, and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, although we have advised you that you are obligated to do so.

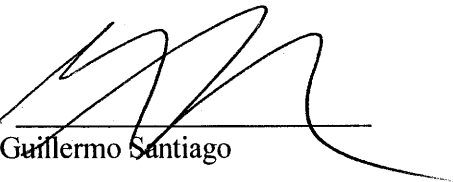
This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the sponsor, the sponsor's counsel, the board of managers of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

III. Compliance with Real Property Law Section 339-i

We understand that, pursuant to Section 339-i (1)(iv) of the Real Property Law, a Unit's percentage of Common Interest is calculated based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit. Based on the factual determinations made by Lindsay Barrett, a licensed real estate broker, it is our opinion that the allocation of the Common Interest for each Unit of the Condominium complies with Section 339-i of the Real Property Law.

Very truly yours,

Marcus Attorneys

By: 

Guillermo Santiago

RESERVE FUND

The budgeted reserve fund, which is set forth in Schedule B, may be held or used for capital expenditures only. Because the reserve fund is a budget item, contributions to the reserve fund are made by each Unit Owner, including the Sponsor, through the payment of Common Charges. The Managing Agent will open an operating account for the Condominium soon after the first Unit Closing and the reserve fund will be available to the Condominium from the opening of such account to the extent then funded. For so long as the Sponsor is in control of the Board, the reserve fund will not be used to reduce Common Charges. Article V, Section 1(a) of the Condominium By Laws authorize the Board of Managers to create a reserve fund. No representation is made that the reserve fund will be, or is intended to be, adequate to cover expenses for any necessary repairs or replacements of capital items for the first or any subsequent year of Condominium operations. If additional funds are required over and above the reserve fund, it may be necessary to increase the Common Charges or to assess Unit Owners. Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the reserve fund.

WORKING CAPITAL FUND AND CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD

Working Capital Fund

A Purchaser shall contribute three months' Common Charges at the time of Closing on his, her or its Unit. The Managing Agent will open a working capital account for the Condominium soon after the first Unit Closing and the working capital fund will be available to the Condominium from the opening of such account to the extent then funded.

The Sponsor will not contribute to the working capital fund for the Units held as Unsold Units.

The working capital fund may be held or used for working capital, to make repairs or for such other appropriate purposes permitted under the By-Laws as will be determined by the Board, in its sole discretion. For so long as the Sponsor is in control of the Board, the working capital fund will not be used to reduce Common Charges.

No representation is made that the working capital fund will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of Condominium operations, 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 or to assess Unit Owners. The Board of Managers may choose to establish a reserve fund for capital expenditures. None is currently provided. Neither the Department of

Law nor any other governmental agency has passed upon the adequacy of the working capital fund.

Closing Adjustments with the Condominium Board

Immediately prior to the first Unit Closing or as soon thereafter as necessary information is available, the Sponsor shall apportion the following items with the Board of Managers as of midnight of the day immediately preceding such Closing:

- o charges for electricity for the Common Elements;
- o water charges and sewer rents on the basis of the fiscal or calendar year for which assessed;
- o vault charges, if any;
- o any prepaid service contract fees or premiums on transferable insurance policies;
- o salaries, wages and benefits for any employees of the Sponsor who will become employees of the Board of Managers;
- o cost of fuel, if any;
- o cost of unopened packages of Building' supplies plus sales tax; and
- o the costs of any renewable permits, licenses, authorization and inspection fees which cover a period running from prior to, to after, such Closing; and
- o any other costs or expenses pertaining to the Property, concerning both a period before and a period after the date of such Closing.

If the result of the closing adjustments is a net credit in favor of the Condominium, the Sponsor shall make a contribution to the working capital fund in the amount of such net credit. If, however, the result of the closing adjustments is a net credit in favor of the Sponsor, same will be paid to the Sponsor by the Board in twelve (12) equal consecutive monthly installments pursuant to the terms of twelve (12) negotiable serial promissory notes to be executed by the Board at the first Closing. The first of these serial promissory notes will mature two (2) months after the date upon which the first Closing takes place and the balance will mature monthly thereafter. Each serial promissory note will contain a provision allowing the Sponsor to accelerate the note's maturity date in the event of a default under any other serial promissory note. The Board of Managers will be entitled to prepay each serial promissory note, in full only, at any time and without penalty. Payments of the serial promissory notes shall be withdrawn from the Working Capital Fund. In the event the Working Capital Fund is insufficient to fully pay off the serial promissory notes, payment of the balance of the same shall be a Common

Expense that will increase the Common Charges.

The Sponsor makes no guarantee or representation of any minimum working capital fund after adjustments, if any, are made with the Condominium.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Braude Building Management, LLC, with an address at 269 Macon Street, #3, Brooklyn, New York 11217, will manage the Building for the first year of Condominium operations. After cancellation, the Board of Managers may select another managing agent or may self-manage the Building. The Managing Agent is not affiliated with the Sponsor or its principals.

The Managing Agent, or if the Building are self-managed, the Board of Managers will perform the following duties, among others:

- (a) cause the Common Elements to be operated and maintained as required by the Board of Managers;
- (b) cause to be hired, paid and supervised, all persons or firms needed for the proper operation and maintenance of the Common Elements;
- (c) take actions to comply with laws, rules and orders applicable to the Common Elements;
- (d) enter into contracts for maintenance services and the purchase of supplies;
- (e) effect insurance coverage required by the Board of Managers;
- (f) cause payment by the Condominium of accounts payable, real estate and other taxes and mortgage debt service applicable to any property owned by the Condominium;
- (g) maintain an operating bank account for the Board of Managers;
- (h) upon request by the Board of Managers, sell and lease Units, lease space in the Building and renew leases;
- (i) supervise the collection of Common Charges and assessments from Unit Owners;
- (j) consider and, when reasonable, attend to complaints of Unit Owners, tenants and subtenants, provided that if the managing agent shall deem any complaint

unreasonable it shall so advise the Board of Managers and give reason for its opinion;

- (k) set up and keep in good order the minute books, records and files of the Condominium;
- (l) prepare and file employee reports, forms, etc.;
- (m) cooperate with the accountants and auditors engaged by the Board of Managers in regard to the preparation of all tax returns and annual statements;
- (n) prepare, for consideration of the Board of Managers, proposed annual operating budgets;
- (o) send all notices, reports, etc. to the Board of Managers and Unit Owners;
- (p) supervise the moving in and out of Unit Owners, tenants and subtenants;
- (q) submit monthly statements to the designated officers of the Board of Managers showing collections, disbursements and amounts necessary to reserve or withhold, if any, to meet the obligations of the Board of Managers;
- (r) send to each Unit Owner each year a statement, furnished by the accountants of the Condominium, showing tax data relevant to the Unit Owners;
- (s) make all arrangements necessary for the holding of the meetings of the Unit Owners and the Board of Managers;
- (t) at the direction for the Board of Managers carry out required procedures and give required notifications as set forth in the By-Laws, in connection with exercise of right of first refusal on the proposed sale or lease of Units; and
- (u) generally, do all things reasonably deemed necessary or desirable by the Board of Managers for the proper management of the Property.

The annual certified financial statement of the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Board of Managers. The accountant's fees are to be paid by the Board and charged to the Unit Owners as a Common Expense.

The Board is obligated to reimburse the Managing Agent for all expenses it incurs in the course of its duties and to indemnify the Managing Agent for all acts properly performed by it pursuant to the management agreement.

The management agreement may not be assigned by the Managing Agent. The management agreement provides that it may be cancelled by either the Managing Agent or the Condominium at any time with one calendar month prior notice.

The notes to "Budget for First Year of Condominium Operations, Schedule B" describe the service contracts that will be binding on the Condominium and the fees and compensation for the services provided by the Managing Agent.

IDENTITY OF THE PARTIES

Sponsor

The Sponsor is 8 Saint Marks, LLC, a New York limited liability company with an office at 45 Main Street, Suite 708, Brooklyn, New York. The principal of the Sponsor is Alexander Barrett.

Alexander Barrett is a practicing architect in New York City and the sole member and a founder of Barrett Design LLC, which is the manager of the Sponsor and which develops residential properties in the brownstone neighborhoods of Brooklyn, New York. Mr. Barrett's business address is 45 Main Street, Suite 708, Brooklyn, New York 11201. He is a principal of the sponsors of the following condominium offering plans: (1) 240 Carroll Street Condominium, located at 240 Carroll Street, Brooklyn, New York; (2) 321 Union Street Condominium, located at 321 Union Street, Brooklyn, New York; (3) 185 Huntington Street Condominium, located at 185 Huntington Street, Brooklyn, New York; (4) 277 President Street Condominium, located at 277 President Street, Brooklyn, New York; (5) 348 Sackett Street Condominium, located at 348 Sackett Street, Brooklyn, New York; (6) 25 Carroll Street Condominium, located at 25 Carroll Street, Brooklyn, New York; (7) 202 President Street Condominium, located at 202 President Street, Brooklyn, New York; (8) 123 Ft. Greene Place Condominium, located at 123 Fort Greene Place, Brooklyn, New York; (9) 440 Atlantic Condominium, located at 438-440 Atlantic Avenue, Brooklyn, New York; (10) 4 Downing Condominium, located at 4 and 8 Downing Street, Brooklyn, New York; and (11) 762 Park Place Condominium, located at 762 Park Place, Brooklyn, New York. Mr. Barrett and the sponsors of the above-referenced condominiums are current in all of their financial obligations pertaining to said condominiums. Mr. Barrett has not otherwise been a sponsor or principal on any other cooperative or condominium development or offering within the past five (5) years and he does not own ten percent (10%) or more of the units or unsold shares in any other condominium or cooperative.

Neither the Sponsor nor any principal nor any person owning or controlling ten (10%) percent or more of the equity interest of the Sponsor nor any entity in which the principals of the Sponsor were principals has any prior felony conviction or any prior conviction, injunction or judgement that may be material to this Plan or an offering of securities generally during the fifteen (15) years prior to the submission of this Plan. Except as stated above, neither the

Sponsor nor any of its principals has offered for sale any properties as cooperatives, condominiums, planned unit development homes or time shares that were first offered in the five (5) years prior to the date of this Plan.

Attorney for Sponsor

Marcus Attorneys, with an office at 13 Greene Avenue, Brooklyn, New York 11217, represents the Sponsor in connection with this Plan. Guillermo Santiago prepared this Plan with information provided by the Sponsor.

Marcus Attorneys has prepared this Plan, including the Exhibits, based on information from the Sponsor. The Sponsor is paying the fees of the law firm for the aforementioned services. Marcus Attorneys has no financial interest in the Property, the Sponsor or any other party in interest in the offering described in this Plan, except that Marcus Attorneys has been paid a fee for its services. Marcus Attorneys will serve as the Escrow Agent under the Purchase Agreements. Marcus Attorneys will represent Sponsor in connection with Unit Closings.

Selling Agent

The selling agent is Compass, 90 Fifth Avenue, New York, New York. It is one of New York City's most active residential brokerage firms and frequently represents sponsors of condominium developments. Lindsay Barrett is the selling agent's real estate broker in connection with this project. She is married to the Sponsor's principal, Alexander Barrett.

To the best of the Sponsor's knowledge neither Selling Agent nor any principal of Selling Agent has any prior felony conviction or any prior bankruptcy, conviction, injunction or judgement that may be material to this Plan or an offering of securities generally during the fifteen (15) years prior to the date of this Plan.

Architect

The Sponsor's certifying architect is Darrin Krumpus, whose address is 68 Jay Street, Suite 411, Brooklyn, NY 11201. Mr. Krumpus has worked on projects similar to the Condominium. He has no financial interest in the Property, the Sponsor or any other party in interest in the offering described in this Plan, except that Mr. Krumpus has been paid a fee for his services.

Managing Agent

Braude Building Management, LLC, with an address at 269 Macon Street, #3, Brooklyn, New York 11217, will manage the Building for the first year of Condominium operations. The managing agent has been in business for over three years and its experience in this field includes managing the following buildings: 137 West 83rd Street, New York, New York, 139 West 83rd Street, New York, New York, 269 Macon Street, Brooklyn, New York, 55

Windsor Place, Brooklyn, New York and 121-123 Fort Greene Place, Brooklyn, New York. The managing agent is not affiliated with the Sponsor or its principal.

To the best of the Sponsor's knowledge neither Managing Agent nor any principal of Managing Agent has any prior felony conviction or any prior bankruptcy, conviction, injunction or judgement that may be material to this Plan or an offering of securities generally during the fifteen (15) years prior to the date of this Plan.

REPORTS TO UNIT OWNERS

Annually, the Board of Managers is obligated to give all Unit Owners:

- o a financial statement of the Condominium prepared by an certified public accountant by a date specified in the agreement between the Board of Managers and the accountant but not later than six (6) months after the end of the Condominium year; such statement shall be certified while the Sponsor is in control of the Board of Managers.
- o prior written notice of the annual Unit Owner's meeting not less than ten (10) days before the meeting.
- o a copy of the proposed annual budget of the Condominium at least fifteen (15) days prior to the date set for adoption thereof by the Board of Managers; while the Sponsor is in control of the Board of Managers such budget shall be certified in the manner in which the budget included in "Budget for First Year of Condominium Operations, Schedule B," in this Plan, above, is certified.

DOCUMENTS ON FILE

The Sponsor shall keep copies of this Plan, all documents referred to in this Plan and all Exhibits submitted to the Department of Law in connection with the filing of this Plan on file and available for inspection without charge and copying at a reasonable charge at the office of the Sponsor's attorney or such other office as the Sponsor may designate for six (6) years from the date of the first Closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the Office of the City Register, Borough of Brooklyn pertaining to the formation of the Condominium at the time of the first Closing.

GENERAL

There are no lawsuits or administrative or other proceedings pending, the outcome of which may materially affect this offering, the Property, the rights of existing tenants, the Condominium, the operation of the Condominium or the Sponsor's capacity to perform its obligations under this Plan.

The Property has not been the subject of any prior cooperative or condominium offering.

In accordance with the laws of the United States, the State of New York and The City of New York, the Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

The 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 this Plan, including revisions affecting the rights, obligations and liabilities of the Sponsor, Purchasers or prospective Purchasers, without obtaining the consent of Purchasers or others. However, the Sponsor may neither unilaterally cancel a Purchase Agreement that has been executed and delivered by the Sponsor, except as therein or herein provided (such as in case of an 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 of this Plan. In the case of material revision adversely affecting the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of the 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 of presentation of the amendment offering such rescission. However, as to a Purchaser who first became an occupant of the Building after this Plan is filed with the Department of Law, such rescission will be conditioned on the cancellation of any Interim Lease and surrender of possession of his, her or its Unit within thirty (30) days after rescission.

Interests under this Plan are offered only to persons, who, if natural persons, must be over eighteen (18) years of age. Under no circumstances is this offering being made in any state or jurisdiction where unlawful.

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements 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 this Plan, by any rider or separate agreement changing or adding provisions to such documents.

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

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

Neither the Sponsor nor any of its principals has entered into any contracts or agreements, oral or written, for the sale or transfer of any of the Units offered in the Plan prior to submission of the Plan to the Department of Law. No deposits or advances of funds have been taken by, or on behalf of, the Sponsor or its principals in connection with the reservation, sale, or transfer of such Units prior to submission of the Plan to the Department of Law. Neither the Sponsor nor any of its principals will enter into any such contracts or agreements, or accept any such deposits or advances, prior to the date the Plan is accepted for filing by the Department of Law.

All Units are vacant and offered for sale.

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

The Sponsor adopts the "Description of Property and Specifications or Building Condition" included in Part II of this Plan. The Sponsor has no knowledge of any material defects or need for major repairs to the Property except as set forth in, and to be addressed by the construction described in, the "Description of Property and Specifications or Building Conditions."

The Property will require a new Certificate of Occupancy in order to be used in accordance with the provisions of this Plan.

8 Saint Marks, LLC

Brooklyn, New York

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8 Saint Marks Condominium

OFFERING PLAN

Part II

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SECTION A

PURCHASE AGREEMENT

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PURCHASE AGREEMENT

Purchaser(s) Name:

Address:

Telephone:

Social Security No.(s):

Unit No.:

Percentage of Common Interest:

Total Purchase Price:

Down Payment:

Balance Due At Closing:

Name(s) and manner in
which title will be taken:

As defined herein, "Plan" includes ___ amendments as of the date of this Agreement.

Statements of Seller and Purchaser

1. Statement of Seller: 8 Saint Marks, LLC, with an address of 45 Main Street, Suite 708, Brooklyn, New York 11201 ("Seller") has promulgated a Plan (the "Plan") of Condominium Ownership of 8 Saint Marks Condominium pursuant to which the land with appurtenances and the units (the "Units") located at 8 Saint Marks Place, Brooklyn, New York (the "Property") will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

2. Statement of Purchaser: Purchaser acknowledges as follows: At least three (3) days prior to the execution of this Purchase Agreement, Purchaser has received a copy of the Plan (which includes the Declaration to be made by Seller and to be recorded in the Office of the City Register, Borough of Brooklyn, the Schedules, By-Laws and Rules and Regulations attached thereto, all of which are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein), including any amendments to the Plan filed with the New York State Department of Law.

Purchaser acknowledges having had a full opportunity to examine the Plan and all amendments thereto for at least three (3) business days prior to signing this Agreement and to

investigate all statements therein, to examine all documents referred to herein, to investigate all statements made herein, and to consult such experts as Purchaser feels are appropriate.

Purchaser has been given an opportunity to examine the architectural plans and specifications for the above-numbered Unit and for the building in which it is located ("the Building").

Purchaser is desirous of purchasing the above-numbered Unit, as designated in the Declaration and on the floor plans filed or to be filed in the Office of the City Register, Borough of Brooklyn, together with an undivided interest in the Common Elements appurtenant thereto (the above-numbered Unit and the undivided interest being hereinafter collectively called the "Unit"). Purchaser hereby adopts, accepts and approves of the Plan (including the proposed Condominium documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Seller (including amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser or the "Budget for First Year of Condominium Operation, Schedule B"). Any such amendments shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset of credit against the total Purchase Price and may be made by Seller without Purchaser's consent or approval, except that in certain circumstances described in the Plan Purchaser may have a right to rescind this Agreement upon the filing of certain amendments to the Plan. The Plan is hereby incorporated in this Agreement 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.

Agreements Between Seller and Purchaser

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

3. Payment for Unit: Seller hereby agrees to sell and Purchaser hereby agrees to purchase the Unit for the Total Purchase Price stated above. The Down Payment stated above has been made on the signing of this Agreement, receipt of which by check subject to collection is acknowledged by Seller. The balance due at Closing shall be payable at the Closing of title, as hereinafter provided in Paragraph 4, by unendorsed certified or cashier's check of Purchaser drawn on a bank or trust company which is a member of the New York Clearing House Association payable to the order of Seller.

TIME IS OF THE ESSENCE CONCERNING PURCHASER'S OBLIGATIONS. This means the time for payment of the balance of the Purchase Price hereunder is of the essence of this Agreement; Purchaser's failure to pay the balance on the Closing Date designated by Seller pursuant to Paragraph 4 shall constitute a default and result in cancellation of this Agreement and such other consequences as are specified in Paragraph 10.

4. Closing of Title: The Closing of title shall take place on no less than thirty (30) days' prior written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the "Closing Date") to be specified by Seller. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Seller shall agree on an earlier Closing Date). The Closing of title may be adjourned to such later date as the parties may agree upon in writing, or as otherwise set forth in the following paragraph, and such adjourned date shall then be deemed the Closing Date hereunder.

Seller shall be entitled to reasonable adjournments of the Closing of title for any reason.

Purchaser shall have the one time right to adjourn the Closing Date for up to fifteen (15) days after the scheduled Closing Date (to a date that shall be acceptable to Sponsor) on five (5) days written notice to Seller, provided however, that Purchaser shall pay to Sponsor at Closing an adjournment fee equal to 0.05% of the Total Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date as a reimbursement of Seller's higher carrying costs for the Unit by virtue of the delay. In addition, the Closing apportionments described in the Plan will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs. The fees described in this paragraph shall also apply during any default-curing period.

At the Closing of title Seller shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts, conveying the Unit to Purchaser, such deed to be substantially in the form contained in Part II of the Plan, executed and acknowledged by Seller in form for recording.

Simultaneously with the delivery of the deed, Purchaser shall cause the balance of the purchase price to be paid to Seller, if applicable, by payment to Seller of the proceeds of any mortgage loan obtained by Purchaser, and shall execute and deliver to the mortgagee the note and mortgage and any other documents required by the mortgagee, as well as any documents required by Seller.

5. Power of Attorney to Board of Managers: At the Closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge a power of attorney for each Board of Managers, as applicable to the Unit, in the form prepared by the attorney for Seller and substantially in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney(s) to Seller at the Closing of title.

6. Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations: Purchaser hereby agrees to be bound by the Declaration, the By-Laws, the Rules and Regulations as contained in the Plan, and the Plan, as such documents may be amended from time to time.

7. Condition of Title: Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan (as well as mortgages, if any, obtained by Purchaser) and as set forth in Exhibit F attached hereto.

Notwithstanding the above, the existence of unpaid taxes or liens of any kind at the Closing of title shall not constitute an objection to title, provided that Purchaser's title insurance company shall be willing to insure against collection of same from the Unit. The parties agree that Seller may pay and discharge any liens and encumbrances upon the Unit, not permitted to remain under the Plan or this Agreement, out of the monies to be paid by Purchaser at the time of the Closing of title.

Subject to the terms of this Paragraph 7, Seller shall give, and Purchaser shall accept, such title as New York Title Services will approve and insure, subject to the liens, encumbrances and other exceptions set forth in the Plan and this Agreement. Purchaser, however, shall have the right to choose its own title insurer.

Purchaser's payment of the balance of the Total Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Seller has satisfactorily performed all its obligations under and stated in the Plan and this Agreement, except those expressly provided to survive the Closing or to be performed after the Closing. However, nothing herein contained shall excuse Seller from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing of title.

Purchaser shall deliver to Seller, at least fifteen (15) days prior to Closing, a statement of any objections to the state of title to the Unit. Delivery to Seller of the title report and amendments or updates thereto shall constitute such statement of objections to the Unit's state of title. In the event that Seller is unable to deliver to Purchaser title to the Unit in accordance with the provisions of this Agreement, Seller will not be obligated to bring any action or proceeding or otherwise incur any cost or expense to render title marketable. If Seller notifies Purchaser of Seller's inability to remedy the defect in title, Purchaser shall have the option (i) to take title subject to such title defect (without any abatement in, or credit against, the Total Purchase Price or claim or right of action against Seller for damages or otherwise), or (ii) to terminate this Agreement. If Purchaser elects to terminate, Seller shall instruct the Escrow Agent (defined below) to return to Purchaser, within ten (10) days after receipt of Purchaser's termination notice, all monies deposited hereunder, with interest earned thereon, if any. Upon making such refund this Agreement shall be null and void and neither party shall have any further rights, obligations or liabilities with respect to the other hereunder or under the Plan. The foregoing option must be exercised by written notice given by Purchaser to Seller no later than ten (10) days after Seller's notice of inability to remedy the title defect. If Purchaser shall not give such notices within said ten (10) day period, it shall be conclusively deemed that Purchaser elected the first option above, to acquire title subject to the title defect.

8. Expenses of Closing and Closing Adjustments: Purchaser will pay the Closing costs and expenses referred to herein or in the Section of the Plan (as same may be amended to date) entitled "Closing Costs and Adjustments," including, if applicable, the amount of any credit for mortgage tax as set forth in said Section. Purchaser shall make the contribution to the working capital of the Condominium referred to in said Section. Real estate taxes and Common Charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. In the event real estate taxes shall not have been levied against the Unit, then real estate taxes shall be apportioned based on the real estate taxes payable

with respect to the Property multiplied by the percentage of Common Interest attributable to the Unit. Purchaser will pay the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax attributable to the delivery of the deed hereunder, as well as the Mansion Tax, if applicable. ANY SUCH EXPENSES OR ADJUSTMENTS PAYABLE TO SELLER IN EXCESS OF \$500 WILL BE PAID BY CERTIFIED CHECK OR BANK CHECK.

The "Customs in Respect of the Title Closing" 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.

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.

9. Agreement Subject to Mortgages: Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph 9, however, on the Closing Date the Unit will not be subject to any such building loan mortgage or developmental loan mortgage, but may be subject to any mortgage(s) obtained by Purchaser.

10. Default by Purchaser: TIME IS OF THE ESSENCE CONCERNING PURCHASER'S PERFORMING HIS, HER OR ITS RESPECTIVE OBLIGATIONS UNDER THIS AGREEMENT WITHIN THE TIME PERIOD PROVIDED FOR HEREIN. If Purchaser shall (i) fail to pay any portion of the purchase price when due, or (ii) fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 4 hereof, or (iii) become a tenant of the Unit or the Building and fail to pay rent or otherwise to comply with Purchaser's lease or tenancy obligations, or (iv) fail to perform any of Purchaser's other obligations hereunder, Seller may send notice to Purchaser of Seller's intention to cancel this Agreement if such default shall not be cured within thirty (30) days thereafter, time being of the essence. Seller's attorney shall impose a fee of \$500 for such notice of default, which will be paid by Purchaser. If within said thirty (30) day period Purchaser shall fail to cure such default, Seller may, at its option, cancel this Agreement by notice to Purchaser. In the event that Seller shall elect so to cancel this Agreement, Seller shall certify to the Escrow Agent that title has not closed because of Purchaser's default and that Seller has elected to cancel this Agreement by reason thereof, and the Escrow Agent shall thereupon pay over to Seller as liquidated damages the Down Payment (plus all sums held by the Escrow Agent with respect to special work in the Unit ordered by Purchaser, which sums, whether paid to the Escrow Agent or paid directly to Seller by Purchaser, Seller may also retain as liquidated damages to the extent of actual costs incurred for such special work) and any interest earned thereon, and upon such payment being made, each of the parties hereto shall be relieved of any further liabilities or obligations

hereunder. If the Agreement shall be canceled by Seller pursuant to this Paragraph 10, Seller may sell the Unit to any third party or otherwise exercise its rights as owner of the Unit in any manner it may choose and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale or such exercise of its rights. The Escrow Agent may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

11. Agreement May Not be Assigned; Marketing Representations: Purchaser shall have no right to assign this Agreement without the prior consent in writing of Seller and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller. Seller's refusal to consent to an assignment shall not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Seller. In the event Seller, in its sole discretion, shall consent to an assignment, the same shall be subject to the conditions that (a) Purchaser wishing to assign his, her or its Purchase Agreement has executed the Purchase Agreement and tendered the required Down Payment; (b) the assignment in a form approved by Seller is executed and delivered by the respective assignee no later than thirty (30) days prior to the Closing Date; and (c) the assignee pays Seller's attorney a fee for legal services in connection with the assignment.

Prior to the Closing, Purchaser shall not offer this Agreement or the Unit for sale or rental, engage any selling agent or broker, list this Agreement or the Unit with any selling agent or broker, link or make reference to or otherwise use any marketing material used by the Seller or its representatives, for the purpose of offering this Agreement or the Unit for sale or rental without the prior, written consent of the Seller. Failure by Purchaser to abide by the restrictions contained in this paragraph shall constitute a default under this Agreement. After the Closing, the Unit Owner shall not link or make reference to or otherwise use any marketing material used by the Seller or its representatives, for the purpose of offering the Unit for sale or rental, without the prior, written consent of the Seller. This paragraph shall survive the Closing.

12. Notices: Except as otherwise stated herein, any notice to be given hereunder shall be in writing and sent to Purchaser at the address given above, with a copy to _____, and to Seller at 45 Main Street, Suite 708, Brooklyn, New York 11201, with a copy to Marcus Attorneys, Attention: Guillermo Santiago, Esq., 13 Greene Avenue, Brooklyn, New York 11238, or such other address as either party may hereafter designate to the other in writing. Notices shall be given by certified mail, return receipt requested, or by overnight delivery. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Notwithstanding anything to the contrary contained in this Agreement or in the Plan, the attorneys for the parties hereto are authorized to give and receive notices on behalf of the parties without having to copy the parties.

13. No Representation: Except as herein or in the Plan specifically set forth, Purchaser acknowledges that Purchaser has not relied upon any plans or specifications, sales plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Seller, Seller's counsel or anyone acting or purporting to act on behalf of Seller, with respect to any matter, including, without limitation, the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical

characteristics thereof, the Building services, the estimated Common Charges and Expenses and real estate taxes allocable to the Unit and any abatement thereof or exemption therefrom, or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans and specifications for the Building or site plan are not accurate or correct provided such layout or dimensions conform substantially to the floor plans and the architectural plans and specifications for the Building and the site as modified or supplemented in accordance with the Plan and that Purchaser will not be relieved from his, her or its obligations hereunder by reason of any minor variation, inaccuracy or error.

14. Recording of Deed and Power of Attorney: At the Closing of title, Purchaser shall also execute the deed thereby accepting and ratifying the provisions of the Condominium Declaration, By-Laws and Residential By-Laws, and Purchaser will deliver the executed deed received from Seller and the executed and acknowledged power of attorney(s) to the representative of the title company, if any, or to Seller for recording in the Office of the City Register, Borough of Brooklyn. Such deed and power of attorney(s) will be substantially in the form set forth in the Plan. Purchaser shall pay the cost of such recording to said representative or Seller, as the case may be, at the Closing of title.

15. Binding Effect: This Agreement shall not be effective or binding on Seller until a counterpart hereof is executed by Seller and delivered to Purchaser. Subject to the provisions hereof, this Purchase Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

16. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel: This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective and shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed in the Plan. If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed canceled. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth herein or in the Plan for the Closing, as such time may be extended as provided herein or in the Plan, for any reason other than Purchaser's default, then, Purchaser may elect to terminate this Agreement upon ten (10) days prior notice. If Seller offers to close within said ten (10) day period, then this Agreement shall remain fully binding. If Seller shall fail to tender a deed and otherwise perform within said ten (10) day period this Purchase Agreement shall be canceled at the conclusion of said ten (10) day period. If this Purchase Agreement is canceled pursuant to the provisions of this paragraph, then not later than fifteen (15) days thereafter, Purchaser shall receive a refund in full of all monies paid by Purchaser hereunder, with the interest earned thereon, if any, and upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

In addition to Seller's rights pursuant to Paragraph 10 of this Agreement relating to default by Purchaser, Seller may cancel this Agreement by forwarding its check in the full amount paid by Purchaser, together with a notice to Purchaser for any of the reasons set forth in the Plan, including, prior to the Plan's being declared effective, without limitation, in the event of the occurrence of any

of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of material necessary in the construction of improvements to the Building and such restrictions shall prevent Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the Unit; or (b) that Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God; or (c) if the installation of public utilities is restricted or curtailed.

17. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing:

(a) The Down Payment pursuant to this Agreement will be ten percent (10%) of the Total Purchase Price for the Unit, which Down Payment shall be increased by the cost of special work or materials, if any, offered by Seller and ordered by Purchaser as itemized in this Agreement. Seller agrees that Seller and its agents, including any selling agents, shall deliver the Down Payment and any W-8 or W-9 form received by them prior to the Closing to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Down Payment by Purchaser. All monies received by Seller directly or through its agents (including any selling agents) or employees pursuant to this Agreement will be deposited with Bank of America, in an escrow account entitled "Marcus Attorneys Escrow Account" at its branch located at 205 Montague Street, Brooklyn, NY 11201. Such funds will be held in trust in accordance with the escrow and trust provisions of Section 352(h) and 352-e 2(b) of the New York General Business Law, and regulations, if any, promulgated pursuant to said Section 352-e 2(b). Such funds will be disbursed only upon written instructions of a member of the law firm of Seller's attorney, as follows: (i) to Seller if the Plan is declared effective and title closes hereunder or if Purchaser defaults hereunder; or (ii) to Purchaser if the Plan is abandoned or withdrawn or title does not close because of Seller's default, or this Agreement is canceled (without default by either party) in accordance with its terms. Down payments, with accumulated interest, if any, shall remain the property of Purchaser except as provided by law.

(b) All deposits, Down Payments, or advances made by Purchaser prior to Closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after receipt of fully executed purchase agreements by the Seller's attorney, in a segregated special escrow account of Marcus Attorneys, the "Escrow Agent", whose address is 13 Greene Avenue, Brooklyn, New York 11238 and whose telephone number is (718) 643-6555. The signatory on this account authorized to withdraw funds is: Jed S. Marcus. This bank is covered by federal bank deposit insurance to the allowed maximum (\$250,000) per individual deposit. Within such five (5) business days, Escrow Agent shall also execute this Agreement. Escrow Agent's execution of this Agreement prior to Sponsor's execution thereof and prior to delivery of a fully executed Agreement to the Purchaser shall not, in any way whatsoever, constitute acceptance of this Agreement by the Sponsor.

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

A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to General Business Law §§

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

The main Escrow Account will be an IOLA account and interest will not be credited to any party. If, however, the Purchaser returns, along with executed Purchase Agreements and the Down Payment, an executed W-8 or W-9 form, as the case may be, in the form attached hereto as Exhibit A, and requests an interest bearing account in writing, then the Down Payment shall be deposited in an interest bearing sub-account and interest will be credited to the Purchaser. Failure by Purchaser to comply with these terms shall result in the Down Payment being deposited in the main IOLA account without any interest being credited to any party.

All checks shall be made payable to or endorsed to the order of "Marcus Attorneys, as Escrow Agent".

Within ten (10) business days after tender of the Down Payment submitted with this Purchase Agreement, the Escrow Agent will notify Purchaser that such funds have been deposited into the escrow account. The notice shall provide the account number and the initial interest rate, if any, to be earned on the Down Payment. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Down Payment, the Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations.

The Escrow Agent will hold funds in escrow until otherwise directed:

- (i) pursuant to the terms and conditions set forth in this Agreement upon closing of title to the Unit; or
- (ii) in a subsequent writing signed by both Seller and Purchaser; or
- (iii) 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 the provisions set forth above, and the Escrow Agent receives a request by either party to release the Down Payment, then the Escrow Agent must give both the Purchaser and Seller prior written notice of not fewer 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 the 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 the provisions set forth above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Down Payment contained in the Escrow Account with the clerk of the county where the Unit is located and shall give written notice to both parties of such deposit.

Seller shall not object to the release of the Down Payment to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or (b) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

Prior to release of the Down Payment, 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.

Under no circumstances shall Seller seek or accept release of the Down Payment of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Seller of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

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

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

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.

Any provision of this Agreement or any separate agreement, whether oral or in writing, by which the Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any deposit in trust is absolutely void. The provisions of the Attorney General's regulations and General Business Law §§ 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.

(c) In the event of an uncured default by Purchaser in his, her or its obligations under this Purchase Agreement, no more than ten percent (10%) of the purchase price plus any interest earned thereon, may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Seller for any special work, materials, labor, machinery or equipment ordered by Purchaser also may be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with this Agreement if there has been a default by Purchaser.

(d) The balance of the purchase price will not be payable until Closing of title to the Unit. The balance shall be paid by wire transfer, certified or official bank or cashier's check drawn on a bank which is a member of the New York Clearing House Association to the order of Seller or to such other party or parties as the Seller may designate, and delivered to the Seller at the Closing.

(e) Purchaser will be given notice of the declaration of effectiveness of the Plan, at least thirty (30) days prior to the Closing date for his, her or its Unit, which notice will also remind Purchaser of the obligation to pay the balance of the purchase price at that time and will state when Common Charges will be due and payable. The Purchaser may waive this thirty (30) day provision by executing a written waiver.

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

18. Equipment and Furnishings: Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, including the "Description of Property and Specifications or Building Condition," which are included in the purchase price of the Unit. Fixtures, equipment, hardware, appliances, furnishings and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale. Optional items, if any, offered by Seller which Purchaser desires to purchase as "extras," and the cost thereof, are listed in Exhibit B attached hereto. Such costs will be added to the purchase price of the Unit. All sums or deposits paid for the optional items shall be deemed to be part of the Down Payment. Purchaser shall select other applicable items for the Unit from Seller's samples within five (5) days after request is made thereof by Seller, and if Purchaser fails to do so Seller shall have the right to make the selection for Purchaser.

19. Acceptance of Condition of Unit; Risk of Loss:

(a) Purchaser shall accept title without abatement of, or credit against, the purchase price (or provision for escrow) notwithstanding that construction of minor details of the Unit has not been completed. Purchaser shall be given a reasonable opportunity to examine the Unit prior to Closing and if work of a "material nature" is found to be incomplete, Sponsor shall furnish Purchaser its written undertaking to complete such incomplete work of a "material nature" prior to or following the Closing, subject to force majeure, said undertaking to be a Final Inspection Sheet in the form attached hereto as Exhibit C. Work of a "material nature" as used in this paragraph shall not include

nail pops, ridging on sheet rock walls, lumber shrinkage, separation in joints of tile or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or minor chips, mars, breaks or other defects in window sashes, window sills, electric fixtures and globes, interior painted surfaces, sinks, tubs, bowls, medicine cabinets, doors, mirrors, ceramic tile, hardware, bath tile grouting, countertops, vanity tops and bases, kitchen tile and cabinets or flooring, hardware, flooring, appliance cabinets, or carpet discoloration and stretching or doors sticking due to weather or door warpage. Subsequent to conveyance of title to a Unit, the Sponsor shall not be responsible for paint touch-ups, or for repair of any condition deemed not of a material nature.

(b) Risk of loss for fire or other casualty remains with Seller until the earlier of the following events:

(i) Legal title to the Unit has been conveyed to Purchaser; or

(ii) Purchaser has taken actual possession of the Unit pursuant to a written agreement with Seller.

20. Possession of Unit prior to Closing: It is expressly understood and agreed that Purchaser shall in no event take possession of the Unit prior to the Closing and full compliance by a Purchaser with the terms of this Agreement except pursuant to an Interim Lease, in the form attached hereto as Exhibit G, and should Purchaser violate this provision, Seller shall have the right to remove him, her or it from the Unit as a squatter and intruder. Upon Purchaser's unauthorized possession, Purchaser shall be deemed in default hereunder at the option of Seller, and if Seller so elects, Seller may cancel this Agreement and all amounts deposited hereunder shall belong to Seller as liquidated damages deemed earned hereunder. It is further understood and agreed that upon Purchaser's taking possession of the Unit, Seller will not be responsible for damage or loss to any property of Purchaser or to the Unit before, on, or after the Closing of title. If, in Seller's sole discretion, Seller shall permit Purchaser to take possession of the Unit prior to the Closing, then and in such event, Purchaser's failure to pay rent or otherwise to comply with Purchaser's lease or tenancy obligations shall be deemed a default by Purchaser under this Agreement.

21. Damage to the Unit: Subject to the Sponsor's right to abandon the Plan due to damage to the Building and for other reasons, as described in the Plan, in the event the Unit is damaged by a casualty or other cause prior to the Closing, the Sponsor will repair the Unit if the cost of the repair is less than or equal to one-half of one percent of the purchase price. If the cost of the repair is more than one-half of one percent of the purchase price, the Sponsor may, but is not obligated to, repair the Unit. The Sponsor shall notify Purchaser in writing of its election to repair or not repair the Unit within fifteen (15) days of the damage to the Unit. The date for the Closing will be extended to give the Sponsor reasonable time to repair the Unit if the Sponsor is obligated to repair the Unit or elects to repair the Unit. If the Sponsor repairs the Unit, then this Agreement shall remain in full force and effect and the Closing shall occur as specified in a notice from the Sponsor to the Purchaser after the repair is completed. If the cost of the repair is more than one-half of one percent of the purchase price, and the Sponsor does not elect to repair the Unit, then the Purchaser may either purchase the Unit with a credit of one-half of one percent of the purchase price or rescind this Agreement, in

either case by giving the Sponsor notice of the Purchaser's choice within thirty (30) days after the Sponsor gives notice of the Sponsor's election not to repair the Unit. If the Purchaser fails to give notice rescinding this Agreement within said thirty (30) day period, then the Purchaser will be deemed to have chosen to be bound by this Agreement and receive the credit described above. A Purchaser of a damaged Unit will be responsible for all repairs to the Unit and for complying with all laws, rules and regulations with respect to the condition of the Unit and repairs. As set forth in the Plan, however, the Sponsor will obtain a certificate of occupancy covering the Unit prior to the Unit's Closing.

22. Limitation of Seller's Liability: Seller's liability under this Agreement for any reason whatsoever, including failure to deliver title, shall be limited to the return of the money deposited hereunder (with interest, if any), provided, however, that Seller may retain any funds paid by Purchaser for construction materials, labor, machinery or equipment specifically ordered by Purchaser to the extent costs therefor have been incurred by Seller, and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder.

23. Definitions: The term "Purchaser" shall be read as "Purchasers" if more than one person or entity are purchasers, in which case their obligations shall be joint and several. The capitalized terms used herein shall have the same meanings as in the Plan.

24. Other Agreements: This Purchase Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered a part hereof.

25. Amendment of Purchase Agreement: This Purchase Agreement may not be amended, altered, discharged or waived except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

26. Brokerage: Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than the broker(s) identified in Exhibit D hereto, if any. Purchaser agrees that should any claim be made against Seller for commissions by any other broker on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Seller free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph shall survive the Closing.

27. Governing Law: This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York.

28. Jury Waiver: Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter arising out of, or connected with, this Purchase Agreement or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

29. Acceptance by Seller: Within fifteen (15) days after delivery to the Seller or Selling Agent, if any, by Purchaser of this Purchase Agreement with the required Down Payment, executed by Purchaser, Seller will either:

- (i) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof, or
- (ii) reject this Agreement and refund the Down Payment tendered by Purchaser.

30. Survival: The Closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance with each and every term of this Purchase Agreement, except as to any item expressly stated to survive Closing.

31. Conflict with Plan: Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

32. Captions: The captions in this Purchase Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Purchase Agreement or the intent of any provision hereof.

33. Closing Fees to Seller's Counsel: All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall be responsible for payment of the following fees to Sponsor's attorneys, Marcus Attorneys, in connection with the closing of title to Purchaser's Unit: \$1,800 for preparation of legal documents and for coordinating the Closing; an additional \$300 attendance fee if, at Purchaser's request and Sponsor's consent, the Closing occurs outside of the Sponsor's attorney's office or other office designated by the Sponsor but in the City of New York or \$500 if in Westchester, Nassau or Suffolk Counties, or an amount determined by the Sponsor's attorney if elsewhere; an additional \$300 fee if the Closing is adjourned at the Purchaser's request on less than forty-eight (48) hours notice (nothing herein shall give a Purchaser a right to adjourn a Closing); an additional \$500 fee if notice of default is issued, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close; and an additional \$500 fee if the Purchaser assigns his, her or its Purchase Agreement.

34. Transfer Tax Return: At Closing, Seller and Purchaser shall each duly complete and sign before a Notary Public the transfer tax return required to be filed by the state and any local government and any affidavits and certificates required in connection with the recording of the deed. The transfer tax return shall be delivered at Closing to the representative of Purchaser's title insurance company (or, if none, to Seller's attorney) for filing with the proper governmental officer. **Purchaser shall also execute and deliver to Seller a W-8 or W-9 Internal Revenue Service form.**

35. Contract Not Subject to Loan: This Agreement is not contingent upon the Purchaser obtaining a loan commitment. In the event the Purchaser obtains financing, he, she or it shall pay the Mortgage Tax applicable to any mortgage given by Purchaser and shall sign, acknowledge, notarize, deliver or complete at the Closing any forms or returns necessary for the calculation or

recording of the portion of the Mortgage Tax to be computed in accordance with Section 339-ee of the Condominium Act, and shall pay such portion to the Sponsor in reimbursement of the Mortgage Tax which the Sponsor previously paid if the Sponsor had previously placed a mortgage on the Property. Purchaser shall give Seller a copy of any loan commitment promptly after Purchaser's receipt.

36. Lead Paint Warning and Disclosure Statement: Purchaser shall execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards attached hereto as Exhibit "E".

37. Further Assurances: Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement and the transactions contemplated herein or to confirm or perfect any right to be created or transferred hereunder or by any such transaction.

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

39. Strict Compliance: Any failure by Seller to insist upon strict performance by Purchaser 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 that may occur, and Seller, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

40. No Lien: No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement this ____ day of _____, 201__.

Purchaser: _____

Purchaser: _____

Accepted:

8 Saint Marks, LLC

By Barrett Design LLC,
Manager

By: _____

Name:

Title:

Escrow Agent (as to Section 17 only):

Marcus Attorneys

By: _____

Name:

Title:

EXHIBIT A

FORMS W-8 AND W-9

EXHIBIT B

PURCHASE AGREEMENT
OPTIONAL EXTRAS

Re: Unit # _____

Date: _____

I request that you supply and install the following optional extras:

Purchaser's Signature

Purchaser's Signature

Accepted:

8 Saint Marks, LLC

By Barrett Design LLC,
Manager

By: _____

EXHIBIT C

FINAL INSPECTION SHEET

Unit: _____

Date of Inspection: _____

Time of Inspection: _____

Present: _____

Defects or Flaws:

Purchaser(s) hereby state that he, she or it accept the Unit "as is" with the exception of the above listed items and that upon reasonable completion of the above listed items the Seller shall have no further obligations to the Purchaser(s) hereunder. Seller shall complete the above listed items as promptly as reasonably possible.

Purchaser: _____

Seller: 8 Saint Marks, LLC

By Barrett Design LLC,
Manager

By: _____

Purchaser: _____

EXHIBIT D

BROKER

Name of Broker: Compass; Lindsay Barton Barrett

Address of Broker: 90 Fifth Avenue, New York, New York 10011

Telephone Number of Broker: 646-663-1092

EXHIBIT E

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligent quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and to notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial)

- _____ (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):
☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

☒ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- _____ (b) Records and reports available to the seller (check one below):
☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

☒ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing, although the premises were built prior to 1978.

Purchaser's Acknowledgment (initial)

- _____ (c) Purchaser has received copies of all information listed above.
_____ (d) Purchaser has received the pamphlet Protect Your Family from Lead in Your Home.
_____ (e) Purchaser has (check one below):
☐ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgments (initial)

- _____ (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

8 Saint Marks, LLC

By Barrett Design LLC,
Manager

By: _____	_____	Seller _____	_____
	Date		Date
Agent _____	_____	Agent _____	_____
	Date		Date
Purchaser _____	_____	Purchaser _____	_____
	Date		Date
Purchaser _____	_____	Purchaser _____	_____
	Date		Date

EXHIBIT F

Permitted Exceptions to Title

- o The Declaration,
- o The Floor Plans,
- o The By-Laws,
- o Survey made by Boro Land Surveying, P.C., dated December 31, 2014, shows two 1-story brick buildings, yard and raised concrete, all within property lines, except for the following encroachments, exceptions and variations: (a) projections over 3rd Avenue: (i) lights 4' 2-1/2", oil fill 1' 5", sign 2' 1", DEP meter 0' 1-1/2", alarm box 0' 7", awnings up to 5' 3-1/2", safety gate and housing 1' 5", telephone box 0' 3-1/2", metal store front 0' 2"; (b) projections over Saint Marks Place: (i) awning 5' 3-1/2", lights 4' 2-1/2", vent 0' 6", DEP meter 0' 1-1/2", safety gate and housing 1' 5", signs 0' 4", roof cap up to 0' 3"; (c) subject 1-story brick building encroaches up to 0' 6-1/2" south of the southerly property line; (d) projections west of the easterly property line: (i) roof caps 0' 2", conduits 0' 2"; (e) variations between fences, walls and property lines. Any additional state of facts a subsequent survey would show,
- o The Power of Attorney as required in the Purchase Agreement, a form of which Power of Attorney is included in Part II of this Plan,
- o Mortgages and UCC financing statements, if any, which are subordinated to the Declaration,
- o Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring the Purchaser's interest in the Unit,
- o Building restrictions and zoning regulations and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction which are not violated by the Building and which do not prevent the use of the Building described in this Plan,
- o Existing violations of building, fire, electrical and similar codes, laws, rules and regulations, subject to the Sponsor's obligation to cure violations as described in the section of this Plan entitled "Rights and Obligations of Sponsor," below,
- o Encroachments of retaining walls, fences, bay windows, fire escapes, stoops, banisters, areas, cellar steps, doors, railings, air conditioners, balconies, drain, vent and other pipes, electrical conduits, lights, trim, foundation, cornices, if any, and similar projections on, over and under the Property and encroachments on to streets, highways and adjoining premises by improvements on the Property, and the rights of

governmental authorities to require the removal of any such projections and variations beyond record lines of the Property,

- o Consents by the Sponsor or the owner or any former owner of the Property for the erection of any structure or structures on, under, or above any street or streets on which the Property may abut,
- o Any other covenants, restrictions, easements or agreements of record, if any, which are not violated by the Building or their use described in this Plan,
- o Any state of facts a physical inspection of the Property would disclose,
- o The terms and conditions of this Plan and any amendments thereto,
- o The lien of any unpaid Federal or State or New York City taxes, provided Sponsor, at the Closing, makes such deposit or guarantee as might be reasonably required by the Purchaser's title insurance company to issue to the Purchaser a policy of title insurance insuring against the collection of such taxes out of the Unit,
- o The revocability of the right to maintain street vaults and other areas under or projections over any sidewalk, if any, and the lien of unpaid vault charges (which are to be paid by the Board of Managers),
- o Any easement or right of use created in favor of any public utility company and the right to install, use, maintain, repair and replace wires, lines, facilities, connections, equipment and the like upon, under and across the Property,
- o Service, maintenance, employment, management and license contracts and agreements, if any, described in this Plan,
- o The lien of unpaid water charges and sewer rents, which shall be paid by the Board of Managers,
- o The lien of unpaid Common Charges and real estate taxes, which shall be apportioned as of the Closing,
- o The lien of any unpaid assessments payable in installments, except the Sponsor will pay all such installments due and payable prior to the Closing date, and the Purchaser will be obligated to pay all installments due at or subsequent to the Closing Date (however, the then current installment shall be apportioned at the Closing),
- o Light and Air Easement Agreement in CRFN 2014000235219,
- o Zoning Lot Development and Easement Agreement in CRFN 2014000235220,

- o Declaration of Zoning Lot Restrictions in CRFN 2014000235222,
- o Zoning Lot Description and Ownership Statement in CRFN 2016000004388,
- o Zoning Lot Certificate in CRFN 2016000004387,
- o Covenants and Restrictions recited in deed in Liber 5517 at Page 116,
- o Any other matter or encumbrance as to which New York Title Services would be willing, in a fee title insurance policy issued by it to the Purchaser, to insure the Purchaser that such matter or encumbrance (a) will not be collected out of the Unit if it is a lien, and (b) will not prevent the use of the Unit for dwelling purposes,
- o Any other declaration or other instrument affecting the Property that the Sponsor deems necessary or appropriate to comply with any Legal Requirement.

EXHIBIT G

Form Interim Lease

This Interim Lease (the "Agreement") is made as of the _____ day of _____, 201__ between 8 Saint Marks, LLC ("Seller") and [Purchaser] ("Purchaser").

WHEREAS Purchaser under a "Purchase Agreement" dated _____ and as amended to date, has agreed to purchase Unit _____ ("Unit") of the 8 Saint Marks Condominium (the "Condominium"), located at 8 Saint Marks Place, Brooklyn, New York (the "Property");

WHEREAS Purchaser has placed \$ _____ (the "Down Payment") in escrow with Marcus Attorneys (the "Escrow Agent") under the terms of the Purchase Agreement and the Condominium offering plan (the "Plan"); and

WHEREAS Purchaser wishes to enter upon the Property and to occupy the Unit prior to the closing of title under the terms hereinafter stated.

NOW, THEREFORE, in consideration of the granting of the right to Purchaser to take possession of the Unit on _____ without first having paid the Total Purchase Price under the Purchase Agreement, Purchaser and Seller jointly agree to the following:

1. Seller leases to Purchaser the Unit at the fee and for the term hereinafter provided. Purchaser shall have the right to use and occupy the Unit as provided in this Agreement. There is no landlord-tenant relationship between Seller and Purchaser. This Agreement is not subject to any lease or lease regulatory laws, rules or regulations.
2. Purchaser will, at Purchaser's expense, promptly comply with all laws, orders, rules, requests and directions of all governmental authorities, Seller's insurers, Board of Fire Underwriters, or similar groups, pertaining to the Unit and the Property and Purchaser's use thereof. Purchaser, Purchaser's agents, guests or invitees and the "Occupants" of the Unit shall not perform any action that may increase the Property's insurance premiums. In the event that any action of Purchaser or Purchaser's agents, guests or invitees shall cause an increase in the Property's insurance premiums, Purchaser shall pay the increase as an additional fee.
3. Subject to the terms of paragraph 17 of this Agreement and to the terms of the Limited Warranty (as set forth in the Plan) to be given to Purchaser at the Closing, Purchaser hereby assumes responsibility for all damages to the Unit and accepts the Unit in its "as is" condition.
4. Purchaser and the Occupants hereby indemnify and hold Seller, Seller's members, managers, agents, employees, successors, assigns and contractors harmless, to the fullest extent permitted by law, from and against any and all claims, liabilities, obligations, damages, penalties, claims, costs, charges and expenses, including reasonable attorney's fees, that may be imposed upon, or incurred by, or asserted against, Seller by Purchaser or Occupants, their agents, employees, successors, assigns, independent contractors, guests or invitees, by reason of any damage arising

from the negligent acts of Seller or Seller's members, managers, agents, employees, successors, assigns or contractors during Purchaser's and/or Occupant's occupancy of the Unit and Property.

5. Purchaser will assume all obligations for maintenance and repair of the Unit during the term of this Agreement, except for those obligations that are the responsibility of the Condominium to maintain or repair pursuant to the Plan and any obligations of Seller under this Agreement. If the Purchase Agreement is cancelled, Purchaser will be responsible for delivery of the Unit at the conclusion of the Agreement in a physical condition equal to that which existed at the time of execution of this Agreement.
6. To secure Purchaser's compliance with all terms of this Agreement, the Down Payment shall also serve as Purchaser's security deposit for this Agreement. If Seller incurs any expenses in connection with a breach of this Agreement by Purchaser, Seller may deduct any fees, additional fees, or any of Seller's reasonable expenses in connection with such breach, including legal fees, from Purchaser's security, without waiving Purchaser's default. Seller and Purchaser, as parties to the Purchase Agreement, hereby direct Escrow Agent to make payment to Seller of any sums due to Seller under this paragraph. If the Seller draws down Purchaser's security pursuant to this Agreement, it shall be an additional breach hereunder if Purchaser shall fail to replenish the amount drawn down within five (5) business days after notice from Seller to Purchaser.
7. Except as otherwise set forth in this Agreement, any mortgage contingency provision contained in, and any other provisions of, the Purchase Agreement that permit the Purchaser to terminate the Purchase Agreement are hereby void and no longer in effect.
8. The term of this Agreement shall commence on _____ and shall end at the earliest to occur of (a) the closing of title to the Unit, (b) _____ or (c) termination of this Agreement pursuant to its terms (the "Term").
9. Purchaser agrees to pay to Seller \$ _____ per month (the "Fee") on or before the first day of each month, in advance, for use and occupancy of the Unit during the Term (or pro rata per day for each day of a partial month of occupancy). The first month's Fee shall be by check or money order made to Seller simultaneously with the execution of this Agreement and this Agreement is subject to the collection of such funds. At the Closing, the amount of the Fee paid covering days following the Closing Date shall be credited (pro rata per day) against the balance of the Unit's Total Purchase Price. If the Purchaser holds over beyond the end of the Term (unless the Term ends because title to the Unit has passed to the Purchaser), Purchaser acknowledges and agrees that a fee shall then be due at the rate of \$ _____ per day for each day past the end of the Term that Purchaser remains in possession of the Unit. Notwithstanding the foregoing, Purchaser (a) acknowledges that Purchaser shall not be entitled to remain in possession of the Unit beyond the end of the Term for any reason whatsoever (unless the Term ends because title to the Unit has passed to the Purchaser) and (b) agrees that Seller shall be entitled to the use of self-help and change the locks to obtain possession of the Unit in the event Purchaser remains in possession of the Unit past the end of the Term in violation of this Agreement.

10. Purchaser has provided proof that he/she has the ability to close title to the Unit and represents that it will continue to maintain the ability until the date of Closing. Purchaser shall maintain all of Purchaser's representations under this Agreement and the Purchase Agreement. Failure to by Purchaser to maintain its representations hereunder and thereunder shall be a material breach of this Agreement and the Purchase Agreement.
11. Purchaser agrees that any default under the Purchase Agreement shall be a default under this Agreement that will permit Seller to cancel this Agreement and any default under this Agreement shall be a default under the Purchase Agreement that will permit Seller to cancel the Purchase Agreement. Purchaser shall be required to vacate the Unit within thirty (30) days after notice from Seller of cancellation of this Agreement or the Purchase Agreement, or within thirty (30) days after rescission or termination of the Purchase Agreement by Purchaser in the event rescission or termination is permitted. If the right to rescind the Purchase Agreement is offered to Purchaser, or if Purchaser has the right to terminate the Purchase Agreement under its terms, then Purchaser's right to rescind or terminate shall be conditioned upon his, her or its surrendering possession of the Unit within thirty (30) days of the service of Purchaser's notice of rescission or termination to Seller, leaving the Unit broom swept, clean, empty of Purchaser's possessions and restored to its condition prior to Purchaser's occupancy and paying any fees due under this Agreement. Nothing contained in this Agreement shall relieve Purchaser of liability for damage caused to the Unit by Purchaser or Purchaser's agents, guests or invitees. Purchaser shall be responsible for payment of the Seller's reasonable costs and attorney's fees if it is necessary for the Seller to bring an action or proceeding to remove Purchaser or anyone claiming under Purchaser from the Unit or if the Seller commences an action against Purchaser for damage caused to the Unit by Purchaser or Purchaser's agents, guests or invitees. Any default under either the Purchase Agreement, beyond the applicable notice and grace periods contained therein, or this Agreement shall terminate this Agreement.
12. Seller and Purchaser waive trial by a jury in any matter that may come up between the parties under or because of this Agreement. In any action or proceeding seeking possession of the Unit, Purchaser shall not have the right to make a counterclaim or set off.
13. Any bill, statement or notice under this agreement must be in writing in accordance with the notice provisions contained in the Purchase Agreement.
14. Seller's acceptance of the Fee or failure to enforce any term in this Agreement is not a waiver of any of Seller's rights. If a term in this Agreement is illegal or unenforceable, the rest of this Agreement remains in full force.
15. If Purchaser requires Seller's consent to any act and such consent is not given, Purchaser's only right is to ask a court to force Seller to give consent. Purchaser agrees not to make any claim against Seller for money or subtract any sum from the fee due hereunder because such consent was not given.
16. Seller is not liable for loss, expense or damage to any person or property unless due to Seller's gross negligence. Purchaser must pay for damages suffered and money spent by

Seller relating to any claim arising from any act or neglect of Purchaser or Purchaser's family, employees, agents, guests or invitees.

17. Execution of this Agreement shall constitute acceptance of the Unit and the Property and all fixtures, machinery, equipment, furnishings, appliances, in good present condition free of all defects and damage on the date of this Agreement and in the condition requested pursuant to the Purchase Agreement as of the date of Closing thereunder, unless Purchaser conducts a final walk through and the parties enter into the Final Inspection Sheet (as defined in the Purchase Agreement) prior to Purchaser's taking possession of the Unit, in which case Seller shall complete, repair or replace, as the case may be, the items in the Final Inspection Sheet in accordance with and pursuant to the Purchase Agreement.
18. This Agreement is subject and subordinate to the following (the "Documents"): (a) the By-Laws, Rules and Regulations and Provisions of the Declaration of Condominium, (b) Powers of Attorney granted to the Board of Managers, Leases, agreements, building loan mortgages, renewals, modifications, consolidations, replacements and extensions to which the Declaration or the Unit are presently or may in the future be subject, and (c) insurance policies covering the Property and/or the Unit. Purchaser and Occupants shall not perform any act or fail to perform an act if the performance or failure to perform would be or if done or not done would be, a violation of or default under any of the Documents. Purchaser shall not exercise any right or privilege under this Agreement the performance of which would be a default under or violation of any of the Documents. Purchaser acknowledges it had the opportunity to read the Documents. Purchaser and Occupants agree to observe and be bound by all the terms contained in the Documents that apply to the occupant or user of a Condominium unit or a user of Condominium common areas and facilities.
19. Purchaser shall not assign this Agreement or sublease its right of possession to the Unit under any circumstances without Seller's prior written consent, which consent may be withheld for any reason whatsoever.
20. Purchaser shall arrange for and pay for any service for which the Unit is separately metered or monitored, such as, but not limited to, gas, electric, telephone, internet and cable service, if applicable.
21. In the case of any inconsistency between the terms of this Agreement and the Purchase Agreement, the terms of this Agreement shall control, except that nothing herein shall limit the right of Seller to declare Purchaser in default under the Purchase Agreement according to its terms.
22. Until the end of the Term, Seller may, at reasonable times and upon prior notice to Purchaser, enter the Unit to examine or to make repairs or alterations to it or to show it to lenders or mortgage or real estate brokers or prospective buyers.
23. If all of the Unit or Property is taken or condemned by a legal authority, the term of this Agreement and Purchaser's rights shall end as of the date the authority takes title to the Unit or Property. If any part of the Unit or Property is taken, Seller may cancel this Agreement on

notice to Purchaser. The notice shall set a cancellation date not less than 30 days from the date of the notice. If the Agreement is canceled, Purchaser must deliver the Unit to Seller on the cancellation date together with any fees due to that date. The entire award for any taking belongs to Seller. Purchaser gives Seller any interest Purchaser may have to any part of the award. Purchaser shall make no claim for the value of the remaining part of the term.

24. This Agreement is binding on Seller and Purchaser and those that lawfully succeed to their rights or take their place.
25. Purchaser shall not alter the Unit in anyway without Seller's prior written consent.
26. The liability of the persons constituting Purchaser shall be joint and several.
27. This Agreement may be changed only by an agreement in writing signed by and delivered to both parties. Terms used but not defined herein shall have the meaning given to them in the Purchase Agreement.
28. This Agreement is effective when Seller delivers to Purchaser a copy signed by all parties.
29. This Agreement may be executed in counterparts and by facsimile or e-mail/.pdf signatures, each of which shall be deemed an original and all of which shall be deemed to constitute a single instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties herewith have signed this Agreement as of the date above written:

8 Saint Marks, LLC

By Barrett Design LLC, its Manager

By: _____
Name:
Title:

[Purchaser]

SECTION B

POWER OF ATTORNEY

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UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a Plan for condominium ownership of the premises known both as 8 Saint Marks Condominium and by the street number 8 Saint Marks Place, Brooklyn, New York (the "Condominium") under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded in the Office of the City Register, Borough of Brooklyn on _____ as CRFN _____ (hereinafter referred to as the "Declaration"), or (b) in the By-Laws of the Condominium and the By-Laws of the residential portion of the Condominium (hereinafter referred to together as 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 _____, with an address at _____, the owner of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot _____ in Block _____ of the Borough of Brooklyn on the Tax Map of the City of New York, (does) (do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers (the "Board"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with the power of substitution, in their own names, as members of the Board or in the name of their designee (corporate or otherwise), on behalf of (me) (us)* and all Unit Owners, in accordance with the Unit Owners' respective Common Interest, subject to the provisions of the By-Laws and the Declaration then in effect, (1) (a) to acquire or lease any Unit, together with the Appurtenant Interests in connection with any Right of First Refusal, (b) to acquire any Unit, together with its Appurtenant Interests, whose Owner elects to abandon or surrender the same pursuant to the terms of the By-Laws, (c) to acquire any Unit, together with its Appurtenant Interests, 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 (a) or (c) of this Paragraph) at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and (2) 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 said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in respect to any such Unit that the undersigned could do if the undersigned were personally present and (3) to execute, acknowledge and deliver any (a) consent, covenant, restriction, easement, application, certification, declaration or other instrument affecting the Condominium and the Property necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, guideline or requirement of the City or State of New York or of the federal government or any public department, agency or authority thereof, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or any use thereof permitted pursuant to the Declaration or the By-Laws, or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Board deems necessary or appropriate.

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

The undersigned (does) (do)* hereby irrevocably nominate, constitute, and appoint 8 Saint Marks, LLC (hereinafter referred to as the "Sponsor"), as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, (1) to amend from time to time said Declaration, By-Laws and the Rules and Regulations, or any of said documents, when such amendment (a) shall be required to reflect any changes in Unsold Units and/or re-apportionment of the Common Interest of the affected Unsold Units resulting therefrom made by the Sponsor or its designee in accordance with the Declaration or (b) shall be required by (i) any governmental agency having regulatory jurisdiction over the Condominium, or (ii) any title insurance company selected by the Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this Paragraph shall not (x) change the Common Interest of the Undersigned's Unit, (y) require 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 a bank, savings bank, insurance company, government agency, investment bank with a net worth in excess of \$100,000,000, or a mortgage company affiliated with any of the foregoing covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (x) or (y) of this Paragraph) or the holder of such mortgage (in the event described in subdivision (z) of this Paragraph) shall consent thereto in writing and (2) to execute, acknowledge and deliver (a) any consent, covenant, restriction, easement, application, certification, declaration or other instrument affecting the Condominium and the Property that the Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, guideline or requirement of the City or State of New York or of the federal government or any public department, agency or authority thereof, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Unsold Units or any use thereof permitted pursuant to the Declaration or the By-Laws, or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unsold Units or any of them, as shall be permitted by the Declaration and the By-Laws. The terms, covenants and conditions contained in, and the powers granted pursuant to, this Paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have) executed the Unit Owner's Power of Attorney as of the _____ day of _____, 201__.

STATE OF NEW YORK)
)ss.:
COUNTY OF)

On the day of , 201__, before me, the undersigned personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
)ss.:
COUNTY OF)

On the day of , 201__, before me, the undersigned personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Notary Public

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SECTION C

FORM OF UNIT DEED

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UNIT DEED

THIS INDENTURE, made the _____ day of _____, 201__, between 8 Saint Marks, LLC having an address at 45 Main Street, Suite 708, Brooklyn, New York 11201 ("Grantor"), and _____, having an address at _____ ("Grantee"),

WITNESSETH:

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

The Unit known as Unit No. _____ (hereinafter called "the Unit") in the building (hereinafter referred to as the "Building") known as 8 Saint Marks Condominium, 8 Saint Marks Place, Brooklyn, New York, referred to in the declaration establishing 8 Saint Marks Condominium (which Building together with the land hereinafter described is hereinafter called the "Condominium Property"), made by the Grantor under the Article 9-B of the Real Property Law of the State of New York), dated _____, recorded in the Office of the City Register, Borough of Brooklyn on _____ as CRFN _____ and designated as Tax Lot ____ in Block ____ of the Borough of Brooklyn on the Tax Map of the City of New York.

The land area (the "Land") of the Condominium Property is described on Schedule A attached hereto and made a part hereof.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, rules, regulations and easements all set forth in the Declaration and documents attached thereto and recorded therewith as the same may be amended from time-to-time;

TOGETHER with the appurtenant interests as described in the Declaration and by-laws of the Condominium and the by-laws of the residential portion of the Condominium (together the "By-Laws") as the same may be amended from time-to-time;

TOGETHER with an undivided _____% interest appurtenant to the Unit in the Common Elements of the Condominium Property (hereinafter called the "Common Elements");

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

TOGETHER with an easement in common with the owners of other Units to use any pipes, wires, ducts, cables, conduits, utility lines, equipment and facilities, flues and other Common Elements located in any of the other Units or elsewhere on the Condominium Property, and serving the Unit;

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

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

TOGETHER with the right, if any, of the use of the Limited Common Elements as is set forth in the Declaration and subject to the rights of other Unit Owners to use the Limited Common Elements appurtenant to their Units, if any, as set forth in the Declaration, as the same may be amended from time-to-time;

TOGETHER with the easements created by the Declaration, which are incorporated herein by references as though fully set forth herein, as the same may be amended from time-to-time;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to: (1) any state of facts an accurate survey would show; and (2) any other covenants, restrictions, easements, liens, agreements, documents and instruments that Grantor or the Board of Managers of the Condominium (the "Board of Managers") may record against the Condominium Property for the construction of improvements and the use, maintenance and operation thereof;

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

SUBJECT also to an easement in favor of the owners of other Units and the Board of Managers to use, maintain, repair, remove, replace and relocate the pipes, wires, ducts, conduits, cables, utility lines, equipment and facilities, flues and other Common Elements now or hereafter located in the Unit or elsewhere on or in the Condominium Property and serving such other Units;

SUBJECT also to the terms, conditions, covenants and provisions of the Declaration and of the By-Laws, as the same may be amended from time-to-time, which terms, conditions, covenants and provisions shall run with the land and shall bind any person having at any time any interest or estate in the Unit as though such provisions were recited herein;

SUBJECT also to the Power of Attorney(s) from Grantee to the Board of Managers relating, among other things, to disposition of Units acquired or leased by the Board of Managers;

SUBJECT also to the rights reserved in the Declaration, as the same may be amended from time-to-time, to establish, grant and create additional utility easements in, under and through the Condominium Property including the Unit, to relocate existing utility easements in any portion of the Condominium Property including the Unit and to dedicate any or all of such easements and/or facilities or equipment therein to any governmental body, public benefit corporation or utility company;

SUBJECT also to easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

SUBJECT also to rights of owners of other Units and the Board of Managers through the Common Elements to the public streets;

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

The use for which the Unit is intended is that permitted by the By-Laws and the Declaration, as the same may be amended from time-to-time.

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

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

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof as the same may be amended from time to time.

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

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

The term "Board of Managers" shall mean the Board of Managers.

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

8 Saint Marks, LLC

By Barrett Design LLC,
Manager

By: _____

Grantee:

Grantee:

STATE OF NEW YORK)
)ss.:
COUNTY OF)

On the day of , 201__, before me, the undersigned personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
)ss.:
COUNTY OF)

On the day of , 201__, before me, the undersigned personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
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COUNTY OF)

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Notary Public

SCHEDULE A
8 Saint Marks Place
Brooklyn, New York

The Unit known as Unit No. _____ in the building known as and by the street number 8 Saint Marks Place, Brooklyn, New York, designated and described as Unit No. _in the Declaration establishing a plan for condominium ownership of said building and the land on which it is erected made by 8 Saint Marks, LLC under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York) dated _____ recorded in the office of the Register of the City of New York in the County of Kings on _____ as CRFN _____ and designated as Tax Lot No. _____ in Block ____ 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 for the Building filed in the office of the Register of the City of New York, County of Kings on _____ as Condominium Plan No. _____.

TOGETHER with an undivided _____% interest in the Common Elements.

THE Land on which the Building lies is described as follows:

SECTION D

**DESCRIPTION OF PROPERTY AND SPECIFICATIONS
OR BUILDING CONDITION**

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Darrin Krumpus
BORO Architects, LLC
68 Jay Street, Suite 411
Brooklyn NY 11201

ARCHITECTS DESCRIPTION OF PROPERTY AND SPECIFICATIONS
8 Saint Marks, Brooklyn NY 11217

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A. LOCATION AND USE OF PROPERTY

The property and proposed use will comply with the following zoning and use requirements at closing.

- (1) Address _____ 8 Saint Marks Place
- (2) Block and Lot Number _____ Block 395, Lot 3.
- (3) Zoning _____ R7A / C2-4
- (4) Permissible Uses: _____ Use Groups 1-9, 14

(i) Residential (Zoning Use Groups 1-2), which allows for use of the Units as residences; and

(ii) Community Facility (Zoning Use Groups 3-4), which allows for certain educational, religious, health, recreational and other uses essential for communities.

(iii) Retail and Services (Zoning Use Groups 5-9)

The Condominium contains multi-family dwellings (Use Group 2) and a commercial retail space (Use Group 6). The Condominium does not contain community facilities.

B. STATUS OF CONSTRUCTION

- (1) Construction of the building began in February 2016. It is anticipated that the construction will be substantially completed on or about September 2017, unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions, approvals or preemption, damages by fire or the elements or any other cause over which the Sponsor has no control.
- (2) Class of Construction: The Building will be classified as Class I-B (Non-Combustible, Fire Resistant). It will conform to applicable regulations of the Building Code of the City of New York ("Building Code"), including two-hour fire rated structure and separations for residential units and egress paths. The Department of Buildings of the City of New York ("Department of Buildings") has approved the plans under the 2014 NYC Building Code. New Building Application No. 320908746 was issued for the construction of this building.
- (3) Certificate of Occupancy: After completion of construction, the Sponsor will apply for a Certificate of Occupancy for the Buildings from the Department of Buildings. Prior to the first Condominium Unit closing, Sponsor will obtain either a Temporary Certificate of Occupancy for the Condominium Units which are to be closed or a Final Certificate of Occupancy covering the Building. In the event a Temporary Certificate of Occupancy is obtained, Sponsor will continue to extend the same until a Final Certificate of Occupancy is issued unless prevented from doing so by violations that are the responsibility of the Condominium's Board of Managers or the Unit Owners and that are noted or issued for any reason not having to do with the Sponsor, in which case the Sponsor shall extend the Temporary Certificate of Occupancy or obtain the

Final Certificate of Occupancy, as the case may be, within a commercially reasonable time after all such violations are cured and cleared by the party responsible for doing so.

- (4) Where materials, appliances, equipment, fixtures and other construction and design materials and details are specified in this report, the Plan and/or construction related documents, the Sponsor reserves the right, in all cases, to substitute in their place similar materials, appliances, equipment and/or fixtures of equivalent or better quality.
- (5) The Condominium will have the responsibility and the obligation to maintain and service equipment owned in common and common area installations at its own cost and expense and in accordance with applicable manufacturer instructions and warranties. Such responsibility shall not inure to the Sponsor.
- (6) Landmark Status: None.
- (7) When complete, the Building will be subject to Local Law 11 of 1998, which requires periodic façade inspections and filings with the Department of Building at least once every five years. These periodic inspections and filings shall be the responsibility of the Board of Managers and the cost thereof shall be a Common Expense.
- (8) The building is a Quality Housing project. As such, it will comply with the following Quality Housing requirements:
 - (a) Dwelling unit sizes: each residential unit will have an area of at least 400 square feet;
 - (b) Windows: all windows shall be double glazed;
 - (c) Refuse storage and disposal: a residential refuse chute and refuse room are provided;
 - (d) Daylight in corridors: a glazed area of at least 20SF will be provided at 1st floor;
 - (e) Laundry facilities: each residential unit will have a washer and dryer.
 - (f) Recreation spaces: a common roof deck and ground floor recreation room will be provided with an area of at least 3.3% of the total residential floor area;
 - (g) Planted areas: there is no area between the street line and street wall, as such, no planting will be provided;
 - (h) Dwelling unit density: a maximum of 4 dwelling units per story per corridor will be provided.

C. SITE

- (1) Location: 8 Saint Marks, Brooklyn NY, 11217
Block 395, Lot 3
- (2) Size: The lot is a corner lot with frontages on St Marks Place and Third Avenue in Brooklyn. The lot size measures as follows: BEGINNING at a corner formed by the intersection of the Southerly side of St. Marks Place and the Easterly side of Third Avenue; THENCE Easterly along the Southerly side of St. Marks Place, 65 feet; THENCE Southerly parallel with Third Avenue, 60 feet 8-1/2 inches; THENCE Westerly parallel with St. Marks Place, 65 feet to the Easterly side of Third Avenue;

THENCE Northerly along the Easterly side of Third Avenue, 60 feet 8-1/2 inches to the point of place of BEGINNING.

- (3) Number of buildings and Use: There will be one eight (8) story building with a below grade cellar and stair and elevator bulkheads above the main roof. The building will contain 13 Residential Condominium Units and 1 Commercial Condominium Unit.
- (4) Streets: There are no streets owned or maintained by the project. The site is on the South side of Saint Marks Place and the East side of Third Avenue. The streets are owned and maintained by the City of New York and are typical of New York City streets, paved with asphalt.
- (5) Sidewalks and Ramps: The existing sidewalk in front of the property will be replaced with new concrete sidewalk in compliance with the requirements of the New York City Department of Transportation ("DOT"). New sidewalk, curb cuts and any ramps/aprons shall be ADA compliant. The sidewalk will be pitched to drain to sewer catch basins in the street. Sidewalks providing access to the building shall be free of tripping hazard and ponding. The Condominium shall be responsible for maintaining the sidewalks per DOT and any other applicable requirements, the cost of which shall be a common expense.
 - (i) Three (3) trees will be planted as required in front of the property, (2) along 3rd Ave and (1) along St. Marks Place.
 - (ii) Any street lighting would be provided by the City of New York
 - (iii) There will be no sidewalk vaults in new sidewalk.
- (6) Parking: No parking will be provided.
- (7) Right-of-Egress: No Right-of-Egress is required from adjacent neighbors.

D. UTILITIES

- (1) Utilities will enter the building below grade from 8 Saint Marks Place and Third Avenue.
- (2) Electricity: Consolidated Edison Company, Inc. (Con Ed) will supply three-phase electric service to the building. Service will be distributed and separately metered for different building loads. Each Residential Condominium Unit will be provided with a 200 Amp, 120/208V, single-phase service. The Commercial Condominium Unit will be provided with a 100 Amp, 120/208V, three-phase service. Each Condominium Unit Owner shall be separately metered and pay actual usage charges directly to Con Edison on the basis of approved rates then in effect. There will be a separate electrical meter for the common areas, the cost of which will be part of the monthly common charges.
- (3) Gas: National Grid will supply low-pressure gas service with one (1) meter for common hot water and for gas fired heating of common spaces. Gas usage for the common areas will be common expenses and part of the monthly common charges. There will be no separate gas supply for the commercial unit.
- (4) Steam: There will be no steam service provided.

- (5) Water: The building water service will connect to the City of New York public water main through one (1) combined 6" domestic and fire water service in accordance with the New York City Department of Environmental Protection. The charges for water service provided to the building (including Units and common areas) will be levied on the basis of a master city meter and shall be part of the monthly common charges.
- (6) Sewer: The building sanitary service and storm systems will connect to the City of New York public combined sewer drainage system through one (1) 8-inch combined (storm and sewer) outflow pipe in accordance with the New York City Department of Environmental Protection. The charges for sewer service provided to the building (including Units and common areas) will be levied on the basis of a master city meter and shall be part of the monthly common charges.
- (7) Telephone: Telephone service will be available to each Residential Condominium Unit through wiring provided from a telephone company patch panel in the cellar to a single location within each Residential Condominium Unit. Each Residential Condominium Unit will have distribution wiring from that location to telephone jacks in various locations throughout the Residential Condominium Unit. Empty conduits will be installed from the Commercial Condominium Unit to the patch panel in the cellar, providing a path for future telephone and data infrastructure. The Commercial Condominium Unit owner will be responsible for installing the telephone and data infrastructure servicing their space.
 - (i) Each Condominium Unit Owner will be responsible for arranging final connections, obtaining a service account, maintenance of wiring within the Condominium Unit, and the cost of telephone use for their individual Condominium Unit.
 - (ii) The telephone charges with respect to the public areas of the building (such as the elevator alarm, fire alarm, etc.) will be part of the monthly common charges.
- (8) Cable Television: Cable Television service will be available to each Residential Condominium Unit through wiring provided from a central patch panel in the cellar to a single location within each Residential Condominium Unit. Each Residential Condominium Unit Owner will be responsible for arranging final connections, obtaining a service account, maintaining wiring within the Residential Condominium Unit, and the cost of cable television use for their individual Residential Condominium Unit.
 - (i) The building will not be equipped with a master television antenna system.

E. SUB-SURFACE CONDITIONS

- (1) Sidewalk grades surrounding the building range from an elevation of 22.00' to 22.57', Brooklyn Topographical Datum.
- (2) A subsurface investigation consisting of two (2) borings and 4 test pits was completed in January of 2016. The subsurface soil profile primarily consists of soft materials such as clay, silt, and peat extending to a depth of 25 feet below grade. At depths of approximately 45 feet below grade the soil is stiffer, composed of clay and silt. At depth

of 55 to 58 feet the soil is composed of silty sand and at 102 feet below grade the soils consisted of a dense glacial till. Depth to groundwater ranges from 11.55 to 11.92 feet below grade.

- (3) The property is located in FEMA zone X, which is described as “areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.” The ground surface of the site is believed to be stable. As of the date hereof, there is no history of flooding at this location known to the Sponsor, either from water table or overflow from other bodies of water.
- (4) Concrete foundation walls are water proofed with either a liquid applied or sheet applied membrane. Foundation walls adjacent to soil are faced with rigid insulation. Concrete floor slabs in the cellar are placed over crushed stone to improve drainage. A vapor barrier is installed between the crushed stone and the underside of the concrete slab.
- (5) The property is mapped with an environmental (E) designation. In connection with such designation, an additional investigation of the property’s soil and subsurface conditions was conducted. Among other things, the investigation consisted of installation of 5 soil borings across the site, collection of soil samples for chemical analysis, installation of 3 groundwater monitoring wells, collection of groundwater samples for chemical analysis, and the installation of 4 soil vapor probes. The findings from this investigation are described in more detail in Section Z, below.

F. LANDSCAPING AND ENCLOSURES

- (1) The Condominium will be responsible for future repair and maintenance street trees and tree pits.
 - (i) Grass Cover: None
 - (ii) Plantings: Ornamental plantings in exterior landscape area at the rear of building at cellar level.
 - (iii) Fencing: Open slat wood or aluminum privacy fencing at rooftop mechanical areas, anchored to steel posts and supports. Fencing is constructed from standard dimensional lumber or aluminum extrusions with openings between slats not exceeding 4”. Metal hardware and supports are corrosion resistant, either aluminum or galvanized or painted.
 - (iv) Gates: Open slat wood or aluminum access gate at rooftop mechanical areas in fencing. Wood gates are constructed from standard dimensional lumber or aluminum extrusions with openings between slats not exceeding 4”. Metal hardware and supports are corrosion resistant, either aluminum or galvanized or painted.
 - (v) Garden Wall: New, exposed concrete foundation wall along perimeter of interior courtyard. Concrete foundation walls are 12” thick, cast-in-place, steel reinforced concrete with grade beam footings.

- (vi) Display Pools & Fountains: None

G. BUILDING SIZE

- (1) Total Height: The total height of the building from the average curb (base plane) elevation (22.34') to top of the roof slab elevation will be 80'-0".
- (2) Cellar: There will be one Cellar. The distance from the top of the first floor commercial slab to the top of the Cellar slab will be 10'-0", subject to change per field and construction conditions.
- (3) Number of Floors: There will be 8 floors, a cellar, and elevator and stair bulkheads above the main roof level.
 - (i) The approximate top-of-floor-slab to top-of-floor-slab heights of the Condominium Units will be as follows:

<u>Floor(s)</u>	<u>Approx. Floor-to-Floor Heights</u>
2 nd through 8 th Floor	10'-0"
1 st (Ground) Floor	9'-10"
 - (ii) Due to installation of mechanical, electrical, plumbing and fire protection systems, some spaces and areas will have dropped soffits and ceilings to contain the systems, thereby reducing the approximate ceiling heights in certain areas. These typically occur in bathrooms, hallways and closets, and may occur in other areas as well.
- (4) Equipment Rooms: Equipment rooms will be located in the Cellar and roof bulkheads. The approximate height from top of roof slab to top of the elevator shaft-way enclosure on the roof will be approximately 14'-0".
- (5) Parapet/ railing: The height from the top of occupied, walking roof surfaces to the top of parapet coping or railing will be a minimum of 3'-6".

H. SYSTEMS

- (1) Foundation:
 - (i) The foundation system consists of cast-in-place, steel reinforced concrete columns, foundation walls and shear walls bearing on reinforced concrete pile caps and grade beams, bearing on a series of concrete piles.
 - (ii) The cellar slab consists of a steel reinforced concrete slab on grade over a vapor barrier over crushed stone. The cellar walls are reinforced concrete walls bearing on concrete strip footings and pile caps. Cellar walls are water proofed and faced with rigid insulation. There is no sub-grade drainage system for the foundation walls.

(2) Superstructure:

- (i) The superstructure will consist of cast-in-place, steel reinforced concrete columns, shear walls, and floor slabs.
- (ii) The lateral system will be designed for both wind and seismic loading as required by the NYC Building Code.

(3) Wall Construction: Purchasers should note that the building, including, but not limited to, its exterior walls, cladding and other elements thereof may need to be maintained periodically, and that such maintenance shall be the responsibility of the Board of Managers and the cost thereof shall be a Common Expense. Above grade exterior walls will be insulated in compliance with the requirements of the New York State Energy Code. Above grade exterior walls will be sealed on the exterior face with a membrane air barrier.

- (i) First Floor Wall Construction: Where load bearing concrete structural columns or shear walls are located along the building perimeter, they will serve as the structural back-up for exterior cladding. Infill between the structural concrete will consist of metal stud walls with cavity insulation, overlain with glass mat gypsum sheathing. Both the concrete and metal stud backup walls will be finished with an air & vapor barrier and continuous rigid insulation, and either brick cladding or EIFS. Brick cladding will be modular bricks with drainage cavity, weeps, steel support angles, and vertical ties. EIFS will be back drained continuous insulation system such as StoTherm NEXT by Sto Corp, or similar. Brick and EIFS systems will be installed in accordance with manufacturer details and provided with any standard manufacturer's warranty that is issued. Portions of the residential lobby, the Commercial Unit storefront, and the residential recreation room will be enclosed by a glass and aluminum storefront system. (Refer to section 5, Windows – Storefront below).
- (ii) Second Floor through Eighth Floor Wall Construction: Exterior walls will be cast-in place concrete or metal stud backup walls as described above. The North and West walls that run along the property lines will be clad with brick as described above. The South and East walls will be clad with an EIFS system as described above. Portions of the 7th and 8th floor residential units will be enclosed by a glass and aluminum storefront system. (Refer to section 5, Windows – Storefront, below),
- (iii) R-values of exterior walls will meet or exceed NYSEC requirement of R-7.5 continuous insulation with R-13 batt insulation. Typical exterior walls will be insulated with batt insulation on the interior side.

(4) Windows - Casement:

- (i) Windows will be designed and erected meeting structural requirements of the Building Code of the City of New York and local and state agencies having jurisdiction.
- (ii) Casement windows, manufactured by Alumil, will be thermally broken aluminum frames, supplied with a 20 year manufacturer warranty. Warranties given by the

manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor. Windows will be flashed with sheet applied waterproofing membranes and aluminum sheet metal flashing. Windows will be caulked with exterior grade sealant compatible with waterproofing system. Window hardware will be corrosion resistant.

- (iii) Glass will be a 1-1/8" Low- E Insulated Glass Unit (I.G.U.), supplied with a 10 year manufacturer warranty. Warranties given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor.
- (iv) Windows to be a combination of fixed units and operable casements.
- (v) The following residential units have lot line windows, as shown on the Floor Plans, that are not necessary for legal light and air. Purchasers should note that lot line windows may have to be sealed if a building or structure is built on the property neighboring the lot line windows and such building or structure blocks the lot line windows. If the lot line windows are blocked, the Board of Managers will seal the lot line windows and the costs thereof shall be a Common Expense, but any repairs (and the costs thereof) to the inside surface of the walls of the Units where the windows were located shall be the responsibility of each Unit Owner affected.

Lot Line Windows in Units

Unit	Number of windows
2A	1
3A	1
4A	1
5A	1
6A	1
PH1	1
PH2	1

- (5) Windows - Storefront (Located on ground floor at residential lobby, Commercial Unit storefront, and recreation area. Also located at PH1 and PH2 terraces.):
 - (i) Storefront window system will be designed and erected meeting structural requirements of the Building Code of the City of New York and local and state agencies having jurisdiction.
 - (ii) Storefront window system will be thermally broken aluminum frames, manufactured by Alumil and supplied with a 20 year manufacturer warranty. Warranties given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor. Windows will be flashed with sheet applied waterproofing membranes and aluminum sheet metal flashing. Windows will be caulked with exterior grade sealant compatible with waterproofing system. Window hardware will be corrosion resistant.

- (iii) Glass will be a 1-1/8" insulated glass unit, supplied with a 10 year manufacturer warranty. Warranties given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor.
- (iv) Glazed access doors provided at ground floor, PH1 and PH 2 terraces will consist of thermally broken aluminum frames and a 1" insulated glass unit, are manufactured by Alumil and are supplied with a 20 and 10 year manufacturer warranty, respectively. Warranties given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor.
- (v) Operable units will be provided in PH1 and PH2 storefront systems for ventilation.

(6) Parapets & Coping:

- (i) The roof parapet construction will be a continuation of the metal-framed walls fiber cement or EIFS cladding, or equivalent; in each case with non-corrosive aluminum metal coping and flashing. Parapets vary between 6" to 1' above finished floors at Terraces and Roof.

(7) Chimneys & Caps:

- (i) Bathroom mechanical equipment exhaust vents will be provided with roof top fan systems exhausting to the exterior at the main roof levels and may be located on or adjacent to private terraces. Greenheck Model G Exhaust Fans, or equivalent, with aluminum cover and any required curb cap, will be provided.
- (ii) There will be no fireplaces or associated chimneys in the building.

(8) Rooftop Terraces:

- (i) A portion of the roof will be used for mechanical equipment. A portion of the first floor terrace will be designated as a common terrace.
- (ii) Seventh and eighth floor setbacks will be used to provide private terraces appurtenant to Units PH1 and PH2. A portion of the first floor terrace will be used to provide a private terrace appurtenant to Unit 1.
- (iii) See Section H. 12 (ii) for Rooftop Terrace construction.
- (iv) Terrace railings will consist of metal rails and posts or their equivalent. Railings will be minimum 42" above occupied, walking roof surfaces. As per NYC building code, no opening will be large enough to allow passage of a 4" diameter sphere. Railings will have either vertical or horizontal code compliant balustrades.
- (v) Terrace dividers will be steel posts with wood slats or aluminum privacy fencing

or their equivalent.

- (vi) Exterior metals, including fasteners, shall be corrosion resistant.
 - (vii) The common terrace will have a door for access to the elevator and egress via the common recreation room. Access to private terrace spaces will be from the individual Residential Condominium Units. See Section H. 10 (Exterior Entrances) and H. 17 (Elevator) for specific manufacturer information.
 - (viii) For those residential Condominium Units that have terraces, a GFI receptacle, exterior lighting, and a hose bib will be provided.
 - (ix) Unit Owners may place furnishings on terraces subject to rules established by the Condominium's Board of Managers and subject to the terms of the Condominium Declaration, By Laws and Rules and Regulations. Unit Owners will not be permitted to perform construction on the terraces, enclose any space, or install decking or pavers on the terraces without express written permission from the Board of Managers, and if required, from the Department of Buildings.
- (9) Balconies: (None)
- (10) Exterior Entrances:
- (i) The main residential entrance will be accessed off Saint Marks Place near the center of the building street façade. A private entrance to Unit 1 will be located off Saint Marks Place near the East side of the building street façade. The Commercial Unit entry will be located off Third Avenue.
 - (ii) Entrances will comply with applicable requirements of ICC A117.1 and Chapter 11 of the New York City Building Code for access by the disabled, providing access to lobby and elevator.
 - (iii) Exterior entrances at the lobby, commercial storefront, and recreation areas will consist of self-closing, thermally broken aluminum door frames with insulated glass panels manufactured by Alumil, or their equivalent. All other exterior doors at stairwell egress and roof access doors will be self-closing, thermally broken, fire-rated, insulated, painted hollow metal doors, or their equivalent. Corrosion resistant locks, hardware, and fasteners will be provided. Any warranty given by

the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor.

- (iv) Vestibule door at the residential lobby will be a self-closing, aluminum frame door with tempered glass panels manufactured by Alumil, or their equivalent. Electric strike lock will be provided.
 - (v) Mailboxes will be provided in the main lobby.
 - (vi) There will be exterior lighting at the entrance.
 - (vii) Drainage away from the building entrance is provided via sloped sidewalk.
 - (viii) Floor finish for the lobby and common hallways is polished concrete or equivalent.
 - (ix) There are no separate exterior service entrances.
- (11) Garage Entrance: (None)
- (12) Roof & Roof Structure:
- (i) The Board of Managers will have right of access to roof areas including setback roofs and including private terraces and balconies for necessary inspection, maintenance or repairs.
 - (ii) Roofs will be constructed of cast-in-place concrete structural slabs with an inverted roofing membrane system manufactured by Siplast, or its equivalent, applied directly to the structural slab.
 - (a) The roofing system will consist of a liquid applied waterproofing membrane covered by a protection mat, drainage board, and rigid insulation.
 - (b) Continuous rigid insulation will provide min. R-20 insulating value for roofs, satisfying the requirements of the New York State Energy Code. Concrete pavers, gravel ballast, or insulation with integral ballast, or equivalent, will be provided at roof areas.
 - (iii) Bond or Guarantee: Roof installer will provide a 10 year warranty effective at substantial completion of the project.
 - (iv) Drains:
 - (a) Number: There will be approximately 14 control flow drains throughout the various levels of roof. Some of these drains may be on private terraces, which will need to be maintained by the Condominium and kept clear of debris by the unit owner.
 - (b) Material & Type: Cast Iron

- (c) Gutters & Leaders: Painted aluminum gutters and leaders at bulkhead will spill to roof.
- (v) Skylights:
 - (a) One skylight will be provided over each of the two common Residential stairwells; total of two (2) skylights. Skylights will be electric venting and tied into the Fire Alarm system. Each skylight will be approximately 2' x 4'.
 - (b) Skylights will be designed and erected meeting structural requirements of the Building Code of the City of New York and local and state agencies having jurisdiction.
 - (c) Skylight construction will be aluminum frames with safety glass, or equivalent. Minimum curb height (distance from the top of the roof surface to the top of the skylight) will be 8".
- (vi) Bulkheads: Mechanical, elevator, and stairwell bulkheads will be cast-in-place concrete or metal stud framed walls with glass matt gypsum sheathing. Bulkhead walls will be clad with EIFS or cement panel rain screen or equivalent.
- (vii) Metal Work at Roof Levels: Metal work at roof and terrace levels includes steel guardrails, or equivalent, 42" above finish floor surface; bulkhead access ladders, and metal curbs for support of mechanical equipment. Exterior steel metal work will be galvanized or finished with corrosion resistant primer and two coats of corrosion resistant paint. Exterior hardware will be corrosion resistant.
- (viii) Rooftop Facilities: A common rooftop terrace is provided for use by Residential Unit Owners. The size of the common rooftop terrace is approximately 569 SF and occupies 43% of the overall roof area. The area of rooftop terrace complies with Quality Housing requirements which is described in more detail in Section B, above.
 - (a) The common rooftop terrace will be accessed directly from the egress stairwells and the elevator.
 - (b) A GFI receptacle, exterior lighting, and a hose bib will be provided for the common rooftop terrace.
- (ix) Rooftop Mounted Mechanical Equipment:
 - (a) Toilet exhaust fans and rooftop mechanical equipment will be located on the main roof level. Mechanical equipment will also be located on the first floor terrace at the inner court.
 - (b) Rooftop air-cooled condensing units will be mounted on metal curbs with vibration isolators, or equivalent.
- (13) Fire Escapes (None)
- (14) Yards & Courts: A 1,200 SF inner court will be maintained to provide light and air

requirements in accordance with New York City zoning regulations. The inner court will consist of a terrace at the first floor and a recessed garden at the cellar level. The garden will be provided for the use of Unit 1. The garden will be raised slightly above the level of the cellar and drained through an area drain connected to the city storm water system. Access from the first floor terrace to the recessed garden at the cellar level will be provided by a stair. Painted steel stringers, risers and treads with a painted steel handrail.

(15) Interior Stairs

- (i) Egress Stairs: There will be two (2) switchback egress stair providing means of egress for all levels. The egress stairs will extend from the cellar up to the main roof. One stair will discharge into the lobby hall while the other will discharge directly onto the street.
 - (a) Enclosure: Each egress stair will be enclosed with a fire rated cast-in-place concrete or concrete masonry unit enclosure.
 - (b) Stair Construction: metal steel pan with concrete
 - (c) Treads and Landings: concrete
 - (d) Stringers and Risers: Painted steel
 - (e) Hand Rails: Painted steel pipe handrail or its equivalent
 - (f) Balustrade: Painted steel or equivalent

(16) Interior Doors & Frames

- (i) Residential Condominium Unit Entrance Doors: The entrance door to each Residential Condominium Unit will be Fire Proof Self Closing (FPSC), ¾ hour rated, painted hollow metal doors with painted hollow metal frames, STC 35, with aluminum saddles or its equivalent. FPSC doors will be labeled.
- (ii) Commercial Condominium Unit Entrance Doors: The Commercial Condominium Unit will open directly to the street. See section H.10 (iii) above for exterior door information.
- (iii) Doors within Residential Condominium Units: Interior doors within the Residential Condominium Unit will be non-rated, painted wood doors with painted wood frames or equivalent. Bathroom doors have aluminum tile transition strips or similar.
- (iv) Doors within Commercial Condominium Units: Interior doors within the Commercial Condominium Unit will be non-rated hollow metal doors with hollow metal frames and aluminum saddles.
- (v) Egress Stair Doors: Egress stair doors will be flush-panel painted hollow metal, fire rated, self-closing doors (FPSC) with painted hollow metal frames with non-combustible saddles or its equivalent. FPSC doors will be labeled.

- (vi) Roof Doors, Cellar Doors & Frames: Doors and frames will be hollow-metal and will meet the New York City Building Code requirements.

(17) Elevators

(i) Residential Elevator

- (a) Elevator will be accessible from the lobby and comply with applicable requirements of ICC A117.1 and Chapter 11 of the New York City Building Code for access by the disabled.
- (b) Quantity: One (1)
- (c) Type: Otis Gen 2 3000 Machine Room-Less (MRL) Passenger
- (d) Capacity in Pounds: 2,500 lbs (10 passengers)
- (e) Speed: 150 fpm
- (f) Number of Landings: Ten (10) at Cellar, Floors 1-8 and Roof
- (g) Control Location: Rooftop Bulkhead
- (h) Smoke detector within the elevator shaft is tied to the fire alarm system. When activated, it will send a signal to the central office, recall the elevator to the ground floor and open the shaftway vent.
- (i) Maintenance Contract: Sponsor, for and on behalf of the Condominium, will procure manufacturer's standard 12 month maintenance contract.

(ii) Elevator Cab

- (a) The passenger elevator cab enclosure will be finished with stainless steel walls and ceiling and rubber tile floor, or equivalent. Cabs will be handicapped accessible in compliance with applicable requirements of ICC A117.1 and Chapter 11 of the New York City Building Code.

(18) Sound Transmission

- (i) 8" thick cast-in-place concrete slab floors, providing min. STC 50 as per NYC Building Code. An acoustic mat beneath wood flooring will provide additional sound attenuation.
- (ii) Stud walls between Condominium Units include 2 layers of drywall per side, resilient mounting channels for drywall and batt insulation in the wall cavity. Sound Transmission Coefficient (STC) is at minimum 50, in compliance with NYC Building Code.

I. AUXILIARY FACILITIES

- (1) **Laundry Room:** No common facility will be provided. Residential Condominium Units will have individual washers and dryers in the Units, which will be the responsibility of the individual owners. Individual dryers will be electric, non-venting condenser dryers. Open louvers in the base of laundry closet doors will provide ventilation for the closets.
- (2) **Storage:** Twelve (12) individual wire mesh storage bins (one for each Residential Condominium Unit except for Unit 1) will be located in the Cellar. The storage area shall be enclosed with a 2 hr fire rated concrete masonry unit partition or cast-in place concrete walls and will be fully sprinklered.
- (3) **Bicycle Storage:** Eight (8) bicycle spaces will be provided in the cellar storage room, as shown in the Floor Plans, for use by the owners and occupants of the Residential Units. Use of bicycle storage will be on a first-come first-serve basis.
- (4) **Refuse Disposal:**
 - (i) Incinerators: None
 - (ii) Compactors: One compactor to be located in the residential Refuse Room in the cellar.
 - (iii) Approvals: None Required
 - (iv) Storage Location: Residential refuse will be stored in the Refuse Room in the cellar.
 - (v) Pickup Schedule: Building staff will set residential trash and recyclable materials at curbside for collection on the days designated by the NYC Department of Sanitation.
 - (vi) Storage of Commercial Condominium Unit refuse and its placement on the curbside for collection will be the responsibility of the Commercial Condominium Unit owner.

J. PLUMBING & DRAINAGE

- (1) **Permits required:** Approval of sanitary / storm water house connections to the city sewers in Saint Marks Place and for connection to domestic water and fire service to the city water main on Saint Marks Place will be obtained from the New York City Department of Environmental Protection.
- (2) **Plumbing services** are provided with steel pipe for gas service (by National Grid), 8" iron pipe for combined (storm and sewer) outflow drain, and a combined 6" iron pipe for domestic and fire protection service water supplies.
- (3) **Water Supply:** Potable water will be supplied via New York City public water system. The water piping shall be copper tubing.
 - (i) Water supply is an upfeed system originating at a duplex domestic water booster pump, or equivalent in the Cellar. Pumps take suction from a 3-inch metered

supply system to 3" before duplex pump from Saint Marks Place municipal water main. A reduced pressure zone device (RPZ) is positioned downstream from the meter.

- (ii) There will be two (2) gas fired storage type water heater, A.O. Smith Cyclone model #BTH-120A, or equivalent, located on the roof. The capacity of the tanks will be 120 gallons each. Hot water for the Commercial Condominium Unit and for each of the Residential Condominium Units will be supplied from this water heater. The hot water consumption rate has been calculated per 2011 ASHRAE Handbook of HVAC Application. A hot water recirculation pump, Taco Smartplus 006-IQBC7-IFC, or equivalent will be provided. The manufacturer warranty, if any, for this model is not yet known. Any warranty given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor.
 - (iii) There will be a single water meter for the Condominium Units. Water charges will be a common expense. The Commercial Condominium Unit will not have a separate submeter.
 - (iv) Hot and cold water piping will be insulated in compliance with the New York City Building code. Insulated cold water piping will have ½" fiberglass insulation. Insulated hot water piping ½" diameter or less will have ½" fiberglass insulation. Insulated hot water piping larger than ½" diameter will have ¾" fiberglass insulation with canvas jacket.
- (4) Water Pressure: Domestic water pressure will be maintained by a Quantumflo Genius V2, or similar duplex domestic booster pump in the Cellar. The manufacturer warranty, if any, is not yet known. Any warranty given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor.
- (5) Sanitary Sewage System: The sanitary sewage system will be a gravity type that is connected to the Saint Marks Place municipal sewers.
- (i) Sanitary piping will be cast iron throughout.
- (6) Storm Drainage System: The storm water will be drained from the cellar yard, roof, and terraces by means of 4" and 3" roof, area, and overflow drains. These drains will connect to leaders that drop to the cellar and discharge through an underground detention tank, 8" trap, and 8" combined house drain connection to Saint Marks Place.
- (i) Storm piping will be cast iron throughout.
 - (ii) Storm drains will be located at the cellar yard; 1st, 7th and 8th floor terraces; and the main roof. The system will be sized per New York City Building Code.
 - (iii) A sump pump, Stancor Model SE-50 or equivalent, will be provided in the elevator pit. The manufacturer warranty, if any, for this model is not yet known. Any warranty given by the manufacturer will be assigned to the Board of

Managers, without any representation or warranty by, or recourse against, the Sponsor.

- (7) Fire Protection System: The entire building interior will be protected throughout with a combination automatic wet fire sprinkler and standpipe system. The fire protection system will be in accordance with NFPA, the City of New York Building and Fire Codes.
- (i) The sprinkler and standpipe system will be supplied with water from a combined domestic and fire-protection water service connected to the New York City water main in Saint Marks Place. Automatic fire and jockey pumps installed in a pump room in the cellar will augment pressure for this system. Charges for water used in the sprinkler and standpipe system will be a common expense.
 - (ii) The combination sprinkler / standpipe risers will have a capped hose valve at every floor. The sprinkler / standpipe risers will be centrally located in the egress stairs. The risers will have a flow control valve water flow with tamper switch and drain connection at each floor.
 - (iii) There will be sprinklers installed in the lobby, public corridors, and utility rooms. Sprinklers will also be installed in the Commercial Condominium Unit and within the Residential Condominium Units in living rooms, bedrooms, kitchens, hallways, and miscellaneous other spaces, in accordance with New York City laws. Sprinkler heads will be of upright, pendant, or side-spray types, depending on the locations and installations conditions.
 - (iv) One (1) Siamese Connection for the sprinkler and standpipe system will be accessible from the sidewalk.
 - (v) The sprinkler and standpipe installation will be inspected and signed off prior to obtaining a Certificate of Occupancy.

K. HEATING: Specific warranties, if any, on the following equipment are not yet known. Any warranty given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponsor. The heating system is designed to meet the requirements of the New York City Energy Code. When outside conditions are 22 degrees Fahrenheit, the heating system is designed to maintain inside conditions of 70 degrees Fahrenheit.

- (1) Each Residential Condominium unit is provided with a standalone variable refrigerant flow (VRF) split type heat pump system. The outdoor condensing units will be located on the roof. Each condensing unit will be a Limited Common Element appurtenant to the Unit it serves. The indoor units will be ceiling recessed cassette units, by LG or equivalent. Programmable, remote, wall mounted thermostats control individual VRF units.
- (2) The Commercial Condominium Unit is provided with wall mounted electric unit heaters. Installation of additional heating equipment for the Commercial Condominium Unit will

be the responsibility of the unit owner. An extruded aluminum louver ban will be provided across the façade of the Commercial Condominium Unit for ventilation of such equipment.

- (3) Accessory residential and mechanical spaces in the cellar will be heated by cabinet unit heaters or VRF cassette units, or equivalent.

(4) Insulation:

- (i) Refer to Building Systems section above for insulation of building envelope.
 - (ii) Duct Insulation: Ductwork will be insulated in compliance with the New York City Building Code. Insulated ducts will use flexible, mineral-fiber blankets, or mineral-fiber board or equivalent with the following thermal resistances: R-5 for unconditioned spaces within the building, R-8 for ductwork outside of the building.
- (5) Energy efficiency: Proposed heating loads, equipment and system sizing have been calculated and selected per ASHRAE/ACCA 183. HVAC equipment performances requirements will be as prescribed in ECC Table 503.2.3 (2). As such, the performance values for such equipment will meet or exceed 7.7 HSPF in heating mode.

L. GAS SUPPLY:

- (1) Type: National Grid, a public utility company, will supply low pressure gas service, size of service line to be determined by utility company.
- (2) Meters: There will be one (1) meter tracking gas usage. Gas usage will be a common expense.
- (3) Piping: Piping is steel with threaded malleable iron fittings.

M. AIR CONDITIONING:

- (1) The Commercial Condominium Unit will not be delivered with any air conditioning systems. The installation of air conditioning equipment for the Commercial Condominium Unit will be the responsibility of the unit owner. An extruded aluminum louver ban will be provided across the façade of the Commercial Condominium Unit for ventilation of such equipment.
- (2) Air conditioning (and heating) for each Residential Condominium Unit is provided by a standalone variable refrigerant flow (VRF) split type heat pump system. The outdoor condensing units will be located on the common roof. Each condensing units will be a Limited Common Element appurtenant to the Unit it serves. Exterior metals for this equipment, including fasteners, will be corrosion resistant. The indoor units will be ceiling recessed cassette units, by LG or equivalent. Programmable, remote, wall mounted thermostats control individual VRF units.

- (3) Each room, bedroom, office and living / dining areas have different air handling units depending on the load requirement of the room. Each Residential Unit will have the following units, installed with equivalent cooling and heating capacities as follows:

LOCATION	Manufacturer and Model	Cooling Capacity (BTU/h)	Heating Capacity (BTU/h)
UNIT 1	LG, ARNU283BGA4	28,000	31,500
	LG, ARNU363BGA4	36,200	40,600
A LINE	LG, ARNU283BGA4	28,000	31,500
	LG, ARNU363BGA4	36,200	40,600
B LINE	LG, ARNU283BGA4	28,000	31,500
	LG, ARNU363BGA4	36,200	40,600
PH1	LG, ARNU243BGA4	24,000	27,300
	LG, ARNU303BGA4	30,000	34,000
	LG, ARNU363BGA4	36,200	40,600
PH2	LG, ARNU243BGA4	24,000	27,300
	LG, ARNU303BGA4	30,000	34,000
	LG, ARNU363BGA4	36,200	40,600

- (3) Individual room thermostats for each of the air conditioning cassette units control the room to its selected temperature.
- (5) Individual Residential Condominium Units are designed to meet all requirements of NY State Energy Code. When outside conditions are 95 degrees Fahrenheit, the system is designed to maintain inside conditions of 75 degrees Fahrenheit.. Proposed cooling loads, equipment and system sizing have been calculated and selected per ASHRAE/ACCA 183. HVAC equipment performances requirements will be as prescribed in ECC Table 503.2.3 (2). As such, the performance values for such equipment will meet or exceed 13.0 SEER in cooling mode.
- (6) Separate package or split air-cooled HVAC units, or their equivalent, will be provided for main entrance lobby, corridors, and miscellaneous mechanical rooms. Exterior metals for this equipment, including fasteners, will be corrosion resistant.

N. VENTILATION:

- (1) Each Residential Condominium Unit bathroom will be provided with mechanical exhaust by a central roof exhaust fan connected to an exhaust shaft-way in accordance with applicable New York City Code requirements.
- (2) Spaces noted as "Accessory" on Floor Plans in Residential Condominium Units are accessory residential spaces. They do not meet the light and air requirements for use as bedrooms or living rooms and may not be used as such.
- (3) Individual laundry dryers will be non-vented, condensing type dryers. Air intake will be provided at the bottom of dryer closets through door louvers.

- (4) There will be one (1) toilet exhaust fan located on the main roof, (1) toilet exhaust fan located on the bulkhead, and one (1) general exhaust fans located on the bulkhead.
- (5) Gas meter room will be vented to the outside.
- (6) The outside air ventilation requirements for the Residential Condominium Units are met by means of natural ventilation through operable windows in accordance with regulatory code. Additional fresh air ventilation will be provided by through-wall, heat recovery ventilation devices located in bedrooms and living rooms, E2 by Lunos or equivalent.
- (7) Maintenance rooms, elevator hoist way and miscellaneous rooms are exhausted, heated and / or ventilated according to the applicable requirements of the NYC Building Code.
- (8) The overall height of exhaust and ventilation systems as measured above terrace pavers shall vary as needed per individual mechanical units ventilation requirements.

O. ELECTRICAL SYSTEM:

- (1) The electrical service will enter underground from Saint Marks Place. The electrical service will be three-phase provided by Con Edison.
- (2) There will be one (1) electrical room located on the Cellar floor and one Point of Entry. The electrical service room will contain the main electrical switchgear and Consolidated Edison meters. There will be (1) Con Edison electric service meter for common building use, including hot water heating, booster pump operation, and lighting. There will be one (1) meter for the fire pumps and smoke detection sprinkler alarm system. There will be one (1) meter for the Commercial Condominium unit. There will thirteen (13) individual Residential Condominium Unit meters.
 - (i) The Point of Entry room is located on the Cellar level. Access shall be made available whenever required.
- (3) There will be four (4) main service switches located in the Cellar electric room. The service switches are approximately as follows:
 - (i) One (1) 600 amp, 208 volt, 3 phase, 4 wire switch, fused at 600 amps that will serve the building common areas, core, and mechanical loads.
 - (ii) One (1) 800 amp, 208 volt, 3 phase, 4 wire switch, fused at 600 amps, will serve the Commercial Condominium Unit.
 - (iii) One (1) 1200 amp, 240 volt, 3 phase, 4 wire switch, fused at 900 amps will serve the fire pump located on Cellar level.
 - (iv) One (1) 600 amp, 240 volt, 3 phase, 4 wire switch, fused at 600 will serve residential loads.
- (4) Condominium Unit Service: The Commercial Condominium Unit will have a three phase, 208/120 volt circuit breaker panel (load center). Each Residential Condominium Unit will have a single phase, 208/120 volt circuit breaker panel (load center).

- (i) The Commercial Condominium Unit will have an electrical panel (load center) with a bus rating of 100 amps and 30 poles with a minimum of 15 spares.
 - (ii) Residential Condominium Units will have electrical panels (load centers) with bus ratings of 200 amps. A and B line units will have load centers with 24 poles with a minimum of 3 spares. PH1, PH3, and Unit 1 will have 30 poles with a minimum of 3 spares. These circuits will be adequate to power lighting, HVAC units, modern kitchen appliances and usage (range, microwave, power for electric washer and dryer, refrigerator, dishwasher, toaster, and coffee maker) and convenience outlets.
 - (iii) 120V, single phase, 20A branch circuits supplying outlets installed in dwelling unit family rooms, dining rooms, living rooms, bedrooms, closets, hallways, or similar rooms will be protected by a listed arc-fault circuit interrupter. Ground Fault Circuit Interrupters will be installed in bathrooms, kitchens, and other locations where required by code.
 - (iv) The Commercial Condominium Unit will have commercial grade light fixtures in the main space and bathroom. Each Residential Condominium Unit will have commercial grade ceiling light fixtures in the kitchen / living room, bedrooms, bathrooms, and home offices. Some lighting fixtures will use three-way switches.
 - (v) General outlets will be provided in each room as required by the National electrical code 2008 and N.Y.C. amendments.
- (5) Fire pump disconnect switch and fire alarm system fuse cut out will be fed from line side of the house service switch.
 - (6) Lighting in common areas will comply with all applicable codes. Lighting will be furnished in egress corridors (Cooper, APW-GPW232), lobby (Halo, H471ICAT and Y Lighting, VSO Pendant), hallways (Halo, H471ICAT), mechanical rooms (Cooper, APW-GPW232) and roof deck (Juno COS-26CF), or equivalent.
 - (7) No backup generator will be provided.

P. INTERCOM & SECURITY:

- (1) A video intercom system (Unitone 3000, or equivalent) will be provided for all Residential Condominium Units in the building. The manufacturer warranty, if any, is not yet known. Any warranty given by the manufacturer will be assigned to the Board of Managers, without any representation or warranty by, or recourse against, the Sponser.

Q. FIRE AND SMOKE DETECTION SYSTEMS:

- (1) Fire Alarm System: A Code compliant fire alarm system will monitor the building fire alarm devices including sprinkler and fire pump flow, tamper switches, and smoke and heat detectors in common areas.

(2) Smoke Detection System:

- (i) Each Residential Condominium Unit will contain a combination carbon monoxide / smoke detector located in the vicinity of the bedrooms. The detector will be wired to 120-volt local power and will be self-contained with its own sounding device. Maintenance of the carbon monoxide / smoke detectors shall be the responsibility of the individual Residential Unit Owners.
- (ii) Smoke detectors will be provided in the Electric Room, the Fire Pump and mechanical rooms, the top of the elevator shaft, and in common hallways where required by code. The system will also include flow and tamper switches for each floor sprinkler system. Maintenance of smoke detectors in other locations shall be the responsibility of the Board of Managers.

R. GARAGE & PARKING AREAS (None)

S. SWIMMING POOLS (None)

T. RECREATION FACILITIES

- (1) A common terrace is provided for use by the owners and occupants of the Residential Units. See previous section H-8 for information and details.
- (2) A recreation room is provided at the ground floor, labeled in the floor plans as "Amenity Space," for use by the owners and occupants of the Residential Units.
- (3) Safety, security, and maintenance of the roof deck and recreation room are the responsibility of the Condominium.

U. PERMITS, CERTIFICATIONS, AND APPROVALS:

- (1) The construction work will be performed in compliance with applicable provisions of the New York City Zoning Resolution, the New York State Multiple Dwelling Law, and the 2014 New York City Building Code.
- (2) The plans have been filed with the Department of Buildings. The Building Application number is: 320 908 746
- (3) The following inspections and signoffs will be required to obtain a Temporary Certificate of Occupancy: Construction, Plumbing, Elevator, Fire Pump, Fire Alarm
- (4) To obtain a construction signoff, Equipment Use Permits will be required for air conditioning and sprinkler and standpipe inspections.
- (5) Upon issuance of a Final Certificate of Occupancy, the Condominium must register the building with the Department of Housing Preservation and Development as a Multiple Dwelling. The Condominium must renew this registration every year, at its cost.
- (6) During normal operation of this building regular elevator inspections will be required, including Periodic, One Year, and Five Year Inspections. These will be the responsibility of the Condominium, at its cost.

(7) Landmark Status: None

V. VIOLATIONS. Any open violations as of this date will be resolved prior to the issuance of a Final Certificate of Occupancy.

W. UNIT INFORMATION

- (1) The estimated square foot area of the Condominium Units set forth in the Floor Plans, Schedule A of the Offering Plan and Exhibit B to the Condominium Declaration, are approximate, subject to normal construction variances and based upon the following method of tabulation: Square footage is calculated from exterior face of exterior walls (perimeter and mechanical pipes are not deducted); centerline of demising walls, non unit side of any wall or partition separating the unit from any common areas, stairs, elevators & other mechanical equipment spaces or any common elements.
- (2) Any common elements located within a Condominium Unit are not considered part of such Condominium Unit.
- (3) Measured vertically, each Condominium Unit will consist of the volume from the top of the concrete floor slab below (located under the finish flooring and sub-floor materials) to the underside of the concrete slab above. The clearance between the top of the concrete floor slab and bottom of the concrete slab above will be approximately as follows:

Floor(s)	Approx. Slab-Slab
1 st -5 th Floor	9'-4"
6 th Floor	9'-0"
7 th -8 th Floor	9'-4"

Spaces with dropped ceilings will have approximate ceiling heights of 8'-0". Certain areas within condominium units may have clearances of less than this to accommodate facilities or piping located about the ceiling or otherwise to respond to field conditions.

- (4) Accessory spaces shown on floor plans may not be used as bedrooms or living rooms.
- (5) Sponsor reserves the unconditional right to make changes due to unforeseen conditions in accordance with the Offering Plan.

X. FINISHES, FIXTURES & EQUIPMENT

(1) Residential Condominium Unit Fixtures & Equipment

- (i) Walls are gypsum board, primed and painted with one coat of primer and two finish coats or equal. Flooring is 5/8" thick engineered wood strip flooring. Ceilings are exposed structural concrete or suspended primed and painted gypsum board.
- (ii) Bathrooms have ceramic tile floors and partially tiled walls. Ceilings are painted gypsum board.

- (iii) Kitchens: The kitchen has wood flooring and painted gypsum board walls. Cabinets will be cabinet grade plywood, medium density fiberboard, or particle board, or equivalent, with lacquered or wood veneer faces, or equivalent. Fixtures or equivalent fixtures are provided as set forth below.
- (iv) Subject to Sponsor's right to make substitutions as set forth in the Offering Plan or herein, the individual Residential Condominium Units will be equipped with fixtures and appliances as follows or with their equivalent. Substitutions shall be equivalent or better than what is specified.
 - a. Master Bathrooms:
 - Toilet: Toto, Aquia II Dual Flush, or equivalent.
 - Sink: WS Bath, Unlimited Series, or equivalent.
 - Sink fittings: California Faucets, Avalon series, or equivalent
 - Tub: Kaldewei, Cayono 747, or equivalent.
 - Fittings: California Faucets, Avalon series or similar
 - b. Second Bathrooms:
 - Toilet: Toto, Aquia II Dual Flush, or equivalent.
 - Sink: Duravit, Vero or 2nd Floor, or equivalent.
 - Sink fittings: DaVinci, Minimal Series, or equivalent.
 - Tub: Kaldewei, Cayono 5ft, or equivalent.
 - Fittings: DaVinci, Minimal series, or equivalent.
 - c. Kitchens:
 - Dishwasher: Bosch, 300 Series, or equivalent
 - Cooktop: Bosch, 500 series, 30" induction, or equivalent
 - Refrigerator: Summit, FFBF285SSX or equivalent
 - Sink Faucet: Grohe, 32665DC1, or equivalent
 - Sink fittings: Blanco, 22" undermount SS, or equivalent
 - Hood: XO XO127S & XORFK04, or equivalent
 - d. Laundry Appliances

Clothes washer: Bosch, Ascenta WAP24200UC, or equivalent

Clothes dryer: Bosch, Ascenta WTB86200UC, or equivalent

(2) Finish schedule for spaces other than Residential Condominium Units

(i) Abbreviations for finishes:

CMU	Exposed Concrete Masonry Units
CONC	Concrete
CT	Ceramic Tile
DECK	Metal Deck
GWB	Gypsum Wallboard
PCON	Polished Concrete
WD	Wood

(ii) Finish Schedule – Common Areas:

Space	Floor	Wall	Base	Ceiling
Public Corridors	PCON	GWB	WD	GWB
Recreation Room	PCON	GWB	WD	GWB
Lobby	PCON	GWB/CONC	WD	CONC
Stairs	CONC	CMU/GWB	N/A	CONC
Refuse Room	CONC	CMU	N/A	CONC
Mechanical Rooms	CONC	CMU	N/A	CONC
Storage Rooms	CONC	CMU	N/A	CONC

(iii) Finish Schedule – Commercial Condominium Unit

Space	Floor	Wall	Base	Ceiling
First Floor	CONC	GWB	N/A	CONC
Bathrooms	CT	GWB	CT	GWB

Y. DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGEMENT

- (1) At the first Unit Closing, the Sponsor shall, without any representation or warranty by, or recourse against, the Sponsor, assign to the Board of Managers any assignable manufacturers' warranties with respect to the Sponsor-installed equipment in or serving the Building. At the Closing of a Unit, the Sponsor shall, without any representation or warranty by, or recourse against, the Sponsor, assign to the Purchaser any assignable manufacturers' warranties with respect to the equipment and appliances in the Unit. Upon transfer of control of the Board of Managers from the Sponsor to the Unit Owners, the Sponsor shall also provide the Board with copies of any manuals in Sponsor's possession for the operation and maintenance of the Building's equipment and systems, as well as the Building's "as-built" drawings (as maintained during construction).

Z. ADDITIONAL INFORMATION

(1) Notice of (E) Designation:

In 2011, as part of the rezoning of 31 blocks in the Boerum Hill neighborhood of Community District 2 (ULURP Application No. 110252ZMK), the subject property was mapped with an environmental (E) designation, explained below.

(2) Definition of E Designation:

An (E) designation provides notice of an environmental requirement on a particular tax lot. (E) designations, governed by Section 11-15 (Environmental Requirements) of the Zoning Resolution, are established in connection with changes in zoning or an action pursuant to a provision of the Zoning Resolution that would allow additional development to occur on property, or would permit uses not currently allowed. An (E) designation is not a notice of a building violation.

After the establishment of an (E) designation, a property may be used in any legal manner, as it was before the (E) designation. However, in general, before any new construction or change in land use can take place, the environmental requirements of the (E) designation need to be satisfied.

(3) Satisfaction of (E) designation requirements by Sponsor:

The Sponsor has investigated environmental conditions and provided remediation in compliance with requirements set forth by the NYC Office of Environmental Remediation ("OER"), as part of the New York Voluntary Cleanup Program. An abbreviated description of investigative and remedial activities is provided below. A full copy of the Remedial Action Work Plan is publicly available via the document repository on the OER website. The reference number for this Voluntary Clean Up Plan is 16CVCP006K.

(i) Remedial Investigation:

During April of 2015 Hydro Tech Environmental, Corp. conducted an investigation of the property's soil and subsurface conditions. The investigation included visual site inspections, installation of 5 soil borings across the site, collection of soil samples for chemical analysis, installation of 3 groundwater monitoring wells, collection of groundwater samples for chemical analysis, and the installation of 4 soil vapor probes.

The findings from this investigation did not indicate the presence of polychlorinated biphenyls ("PCBs"). Some volatile organic compounds ("VOCs"), pesticides, and metals were detected in shallow soils. No PCBs or VOCs were discovered in groundwater, however some dissolved metals were present. Soil vapor samples collected indicated the presence of low concentrations of petroleum related derivatives.

(ii) Remedial Action Work Plan:

A remedial action work plan was developed in consultation with the OER. The intent of the plan was to provide for public health and environmental

protections in a manner consistent with the intended property use, and compliant with applicable environmental standards, laws and regulations. Briefly summarized, the steps taken as part of the remedial action work plan were as follows:

a. High ambient noise levels:

In order to ensure an acceptable interior noise environment, the building envelope is designed to provide a minimum of 31 dB(A) window / wall attenuation in order to maintain an interior noise level of 45 dB(A). In order to allow residents the option of maintaining a closed-window condition, additional fresh-air ventilation is also provided through the use of Lunos E2 through-wall heat-recovery ventilation devices, or equivalent.

b. Hazardous materials:

Various measures taken during construction helped reduce the possibility that excavated soils could adversely impact the environment. Measures included air monitoring, equipment wash down, and the proper testing and disposal of excavated materials.

To provide additional safeguards for use of the site, a minimum 31.5 mil thick vapor barrier was installed below grade level foundations, walls, and slabs and sealed per manufacturer instructions. In addition, all exposed landscaped areas have been provided with new, clean soil to a depth of 24".

c. Ongoing institutional controls

Subsequent to completion of construction activities, the property's (E) designation will remain. Ongoing use restrictions, summarized below, will also remain. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the Remedial Action Work plan, the following activities will be prohibited: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; higher level of land usage without review and approval by OER.

CERTIFICATION:

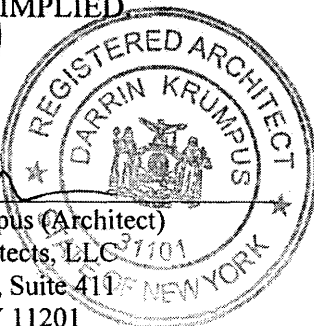
I have examined the building records at the New York City Department of Buildings and personally inspected the premises. To the best of my knowledge and belief, this report contains an accurate description of the building. Except as noted in this report, no representation is made as to the condition or legality of those elements of the building that cannot be seen. Many of the components of the building are concealed, obstructed or are not available for inspection, and no representation can be made as to the length of time components and systems currently in working order will remain so.

To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the Energy Conservation Construction Code of New York State, using chapter 8.

SPONSOR RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REPLACE ANY OR ALL MATERIALS, FIXTURES, APPLIANCES, OR OTHER ITEMS STATED IN THIS REPORT WITH THOSE OF EQUAL OR BETTER QUALITY.

SPONSOR MAKES NO REPRESENTATION AS TO ANY MATTER IN THIS ARCHITECT'S REPORT EXCEPT AS EXPRESSLY CONTAINED HEREIN AND NO REPRESENTATION SHALL BE IMPLIED.


Darrin Krumpus (Architect)
BORO Architects, LLC
68 Jay Street, Suite 411
Brooklyn NY 11201



Date: July 14, 2016

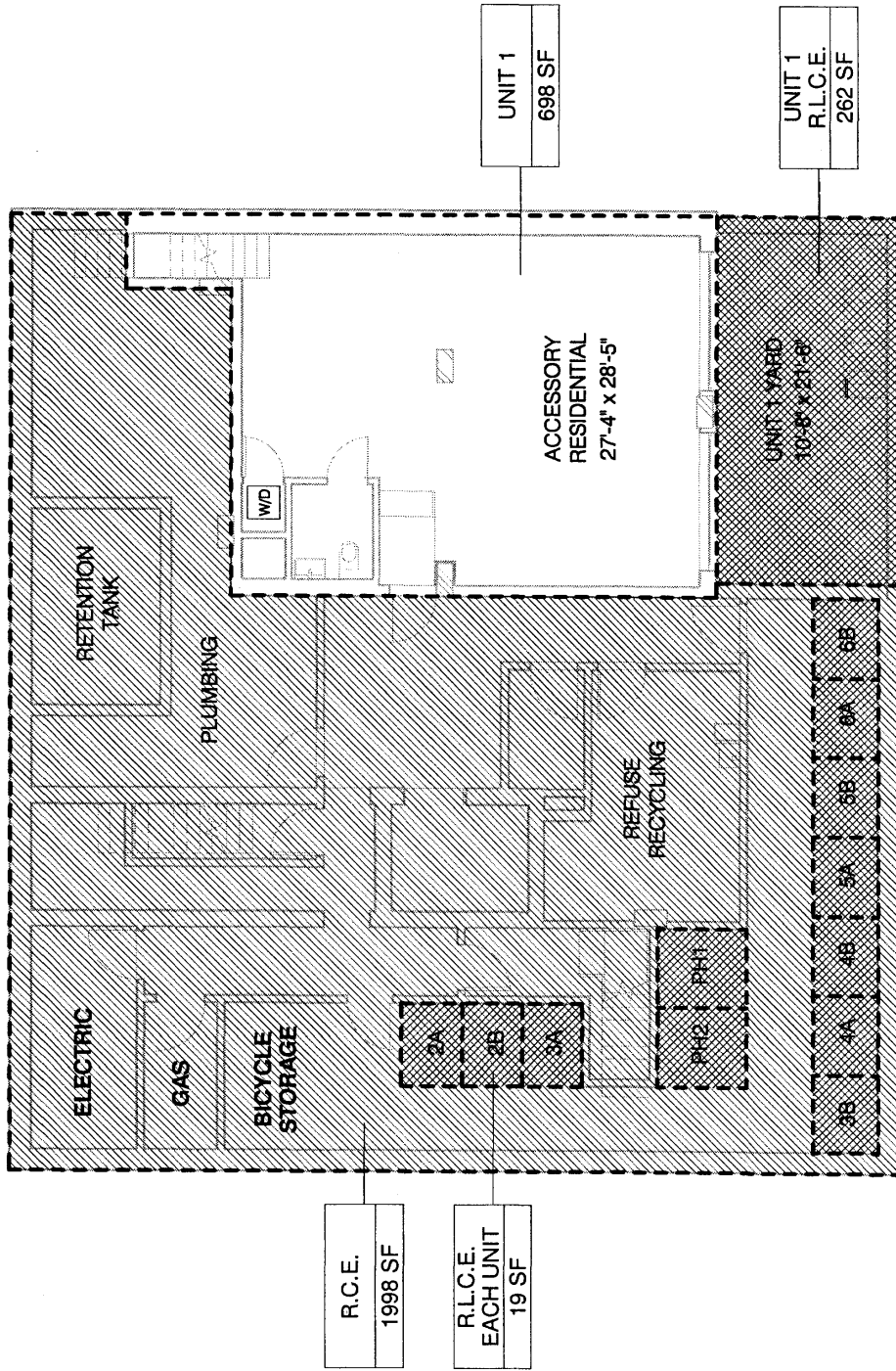
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SECTION E

FLOOR PLANS

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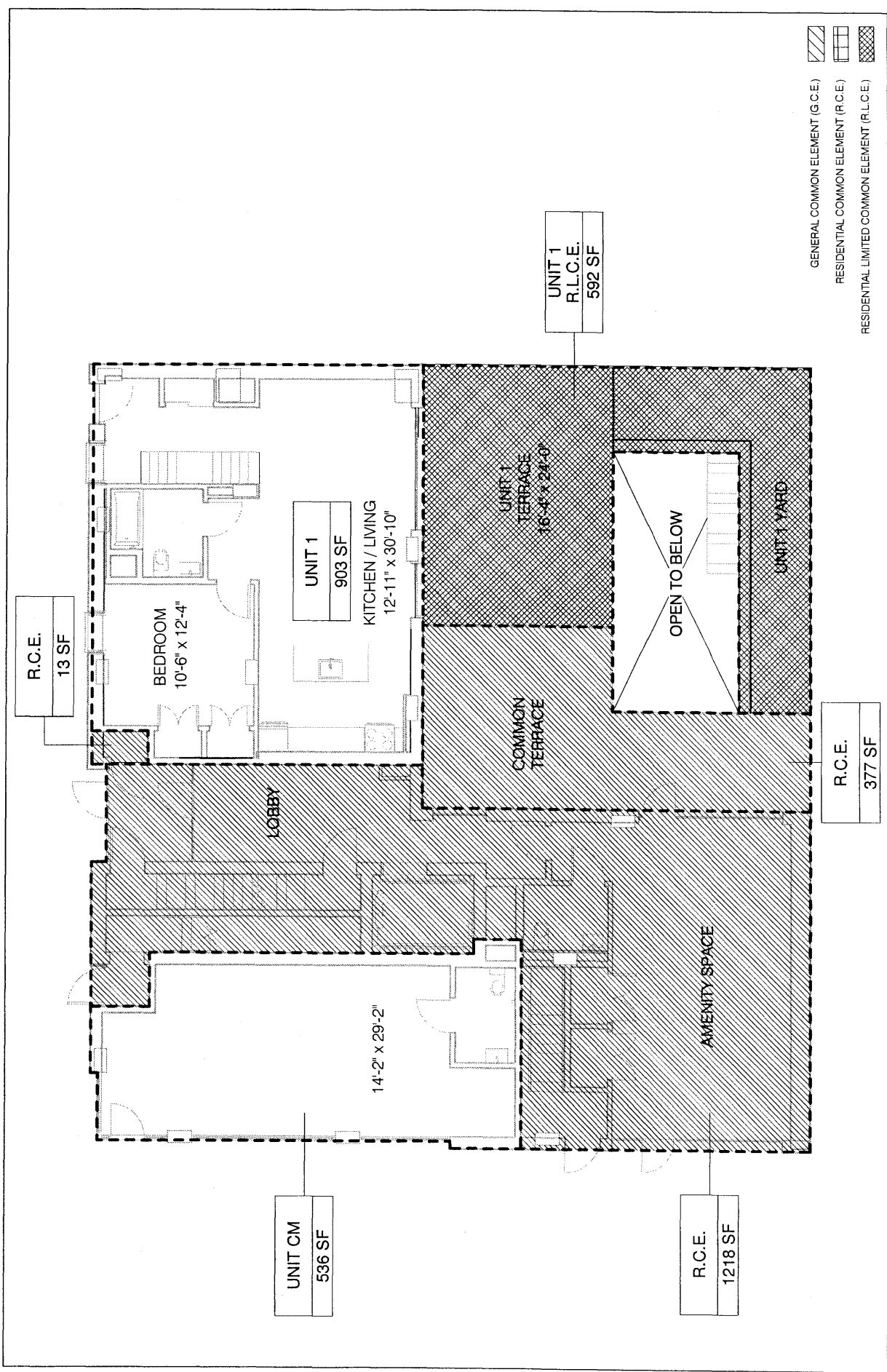
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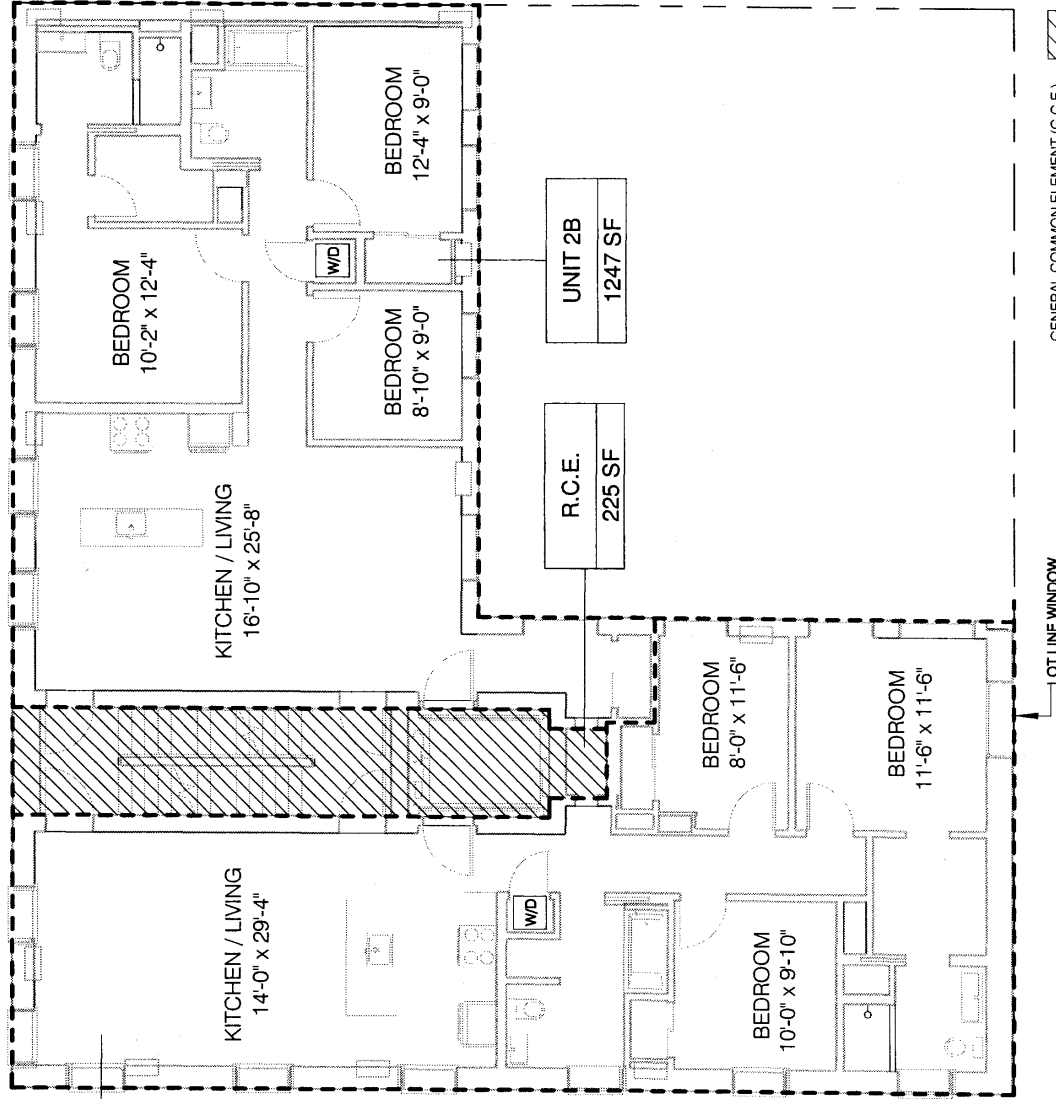
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2nd Floor Plan

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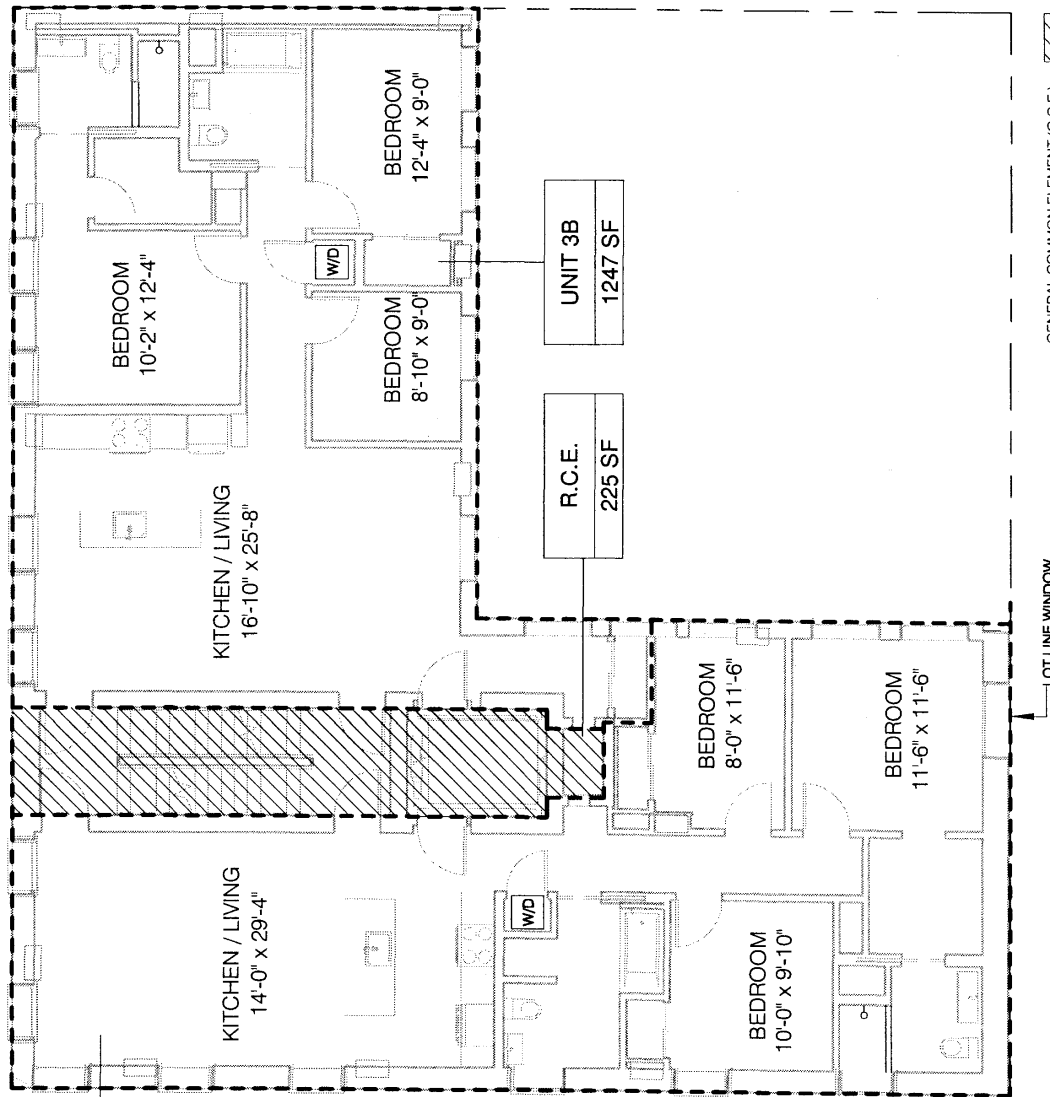
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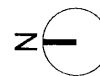
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BROOKLYN, NY 11217



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3rd Floor Plan

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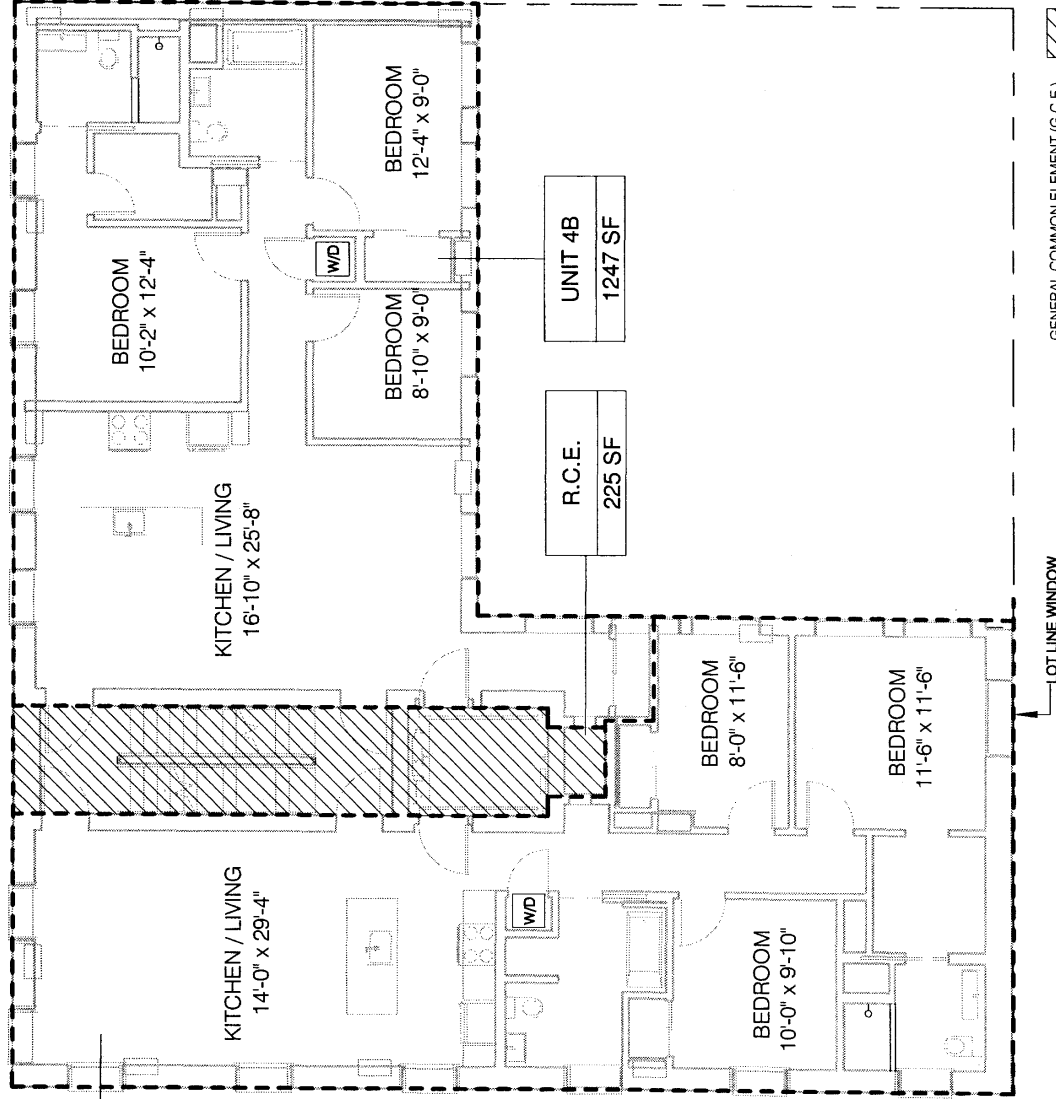
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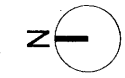
4th Floor Plan

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BROOKLYN, NY 11217

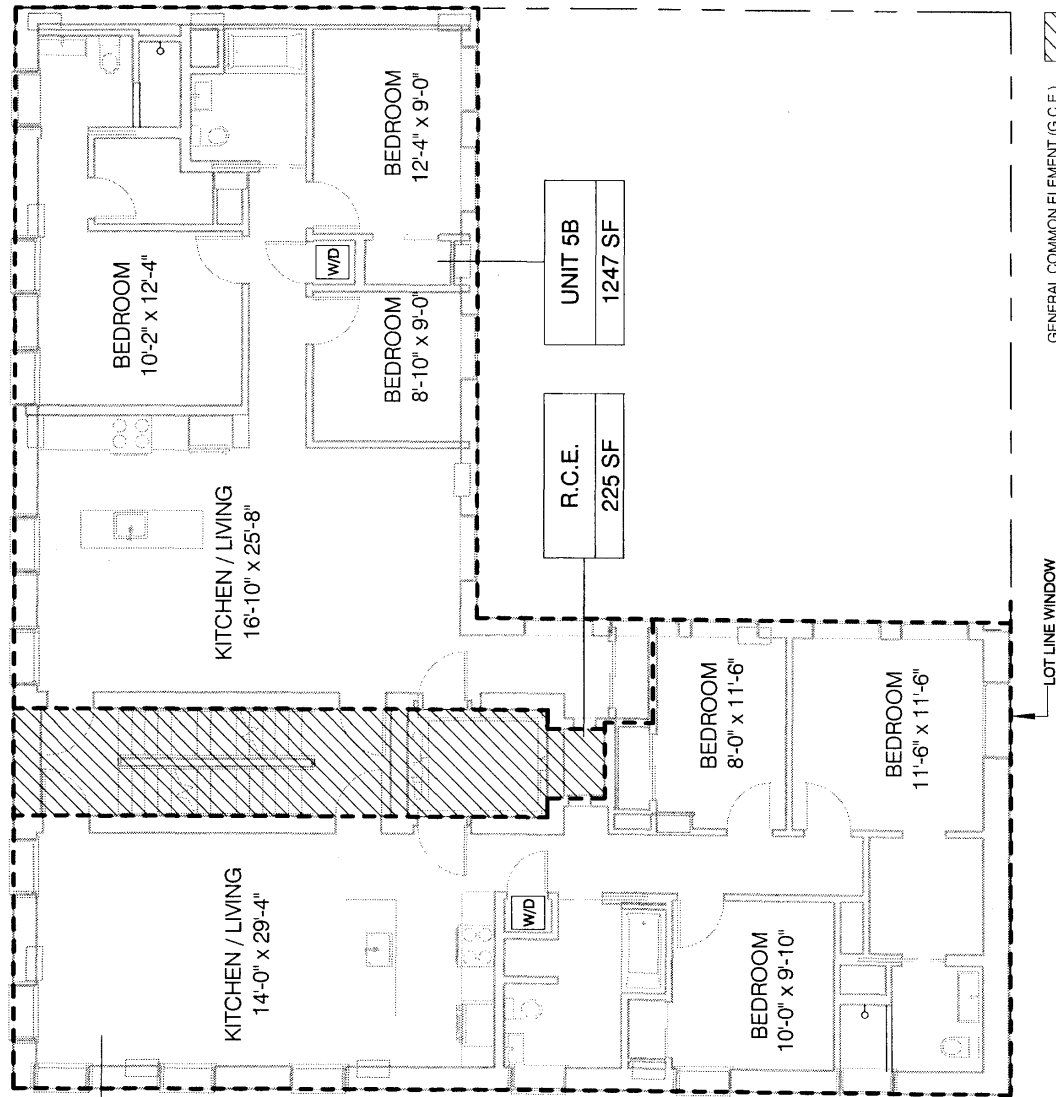


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UNIT 5A
1276 SF

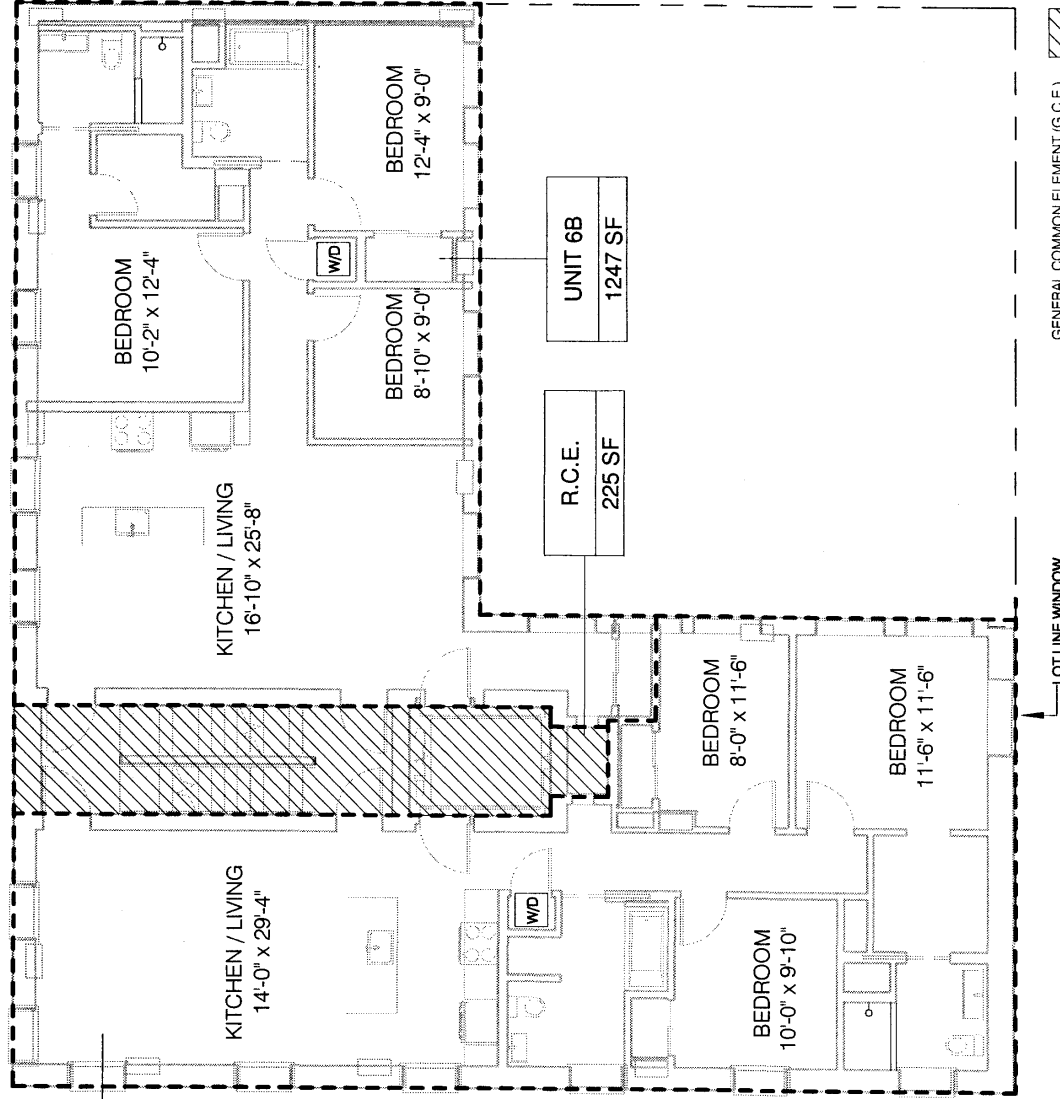
R.C.E.
225 SF

UNIT 5B
1247 SF

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LOT LINE WINDOW

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6th Floor Plan

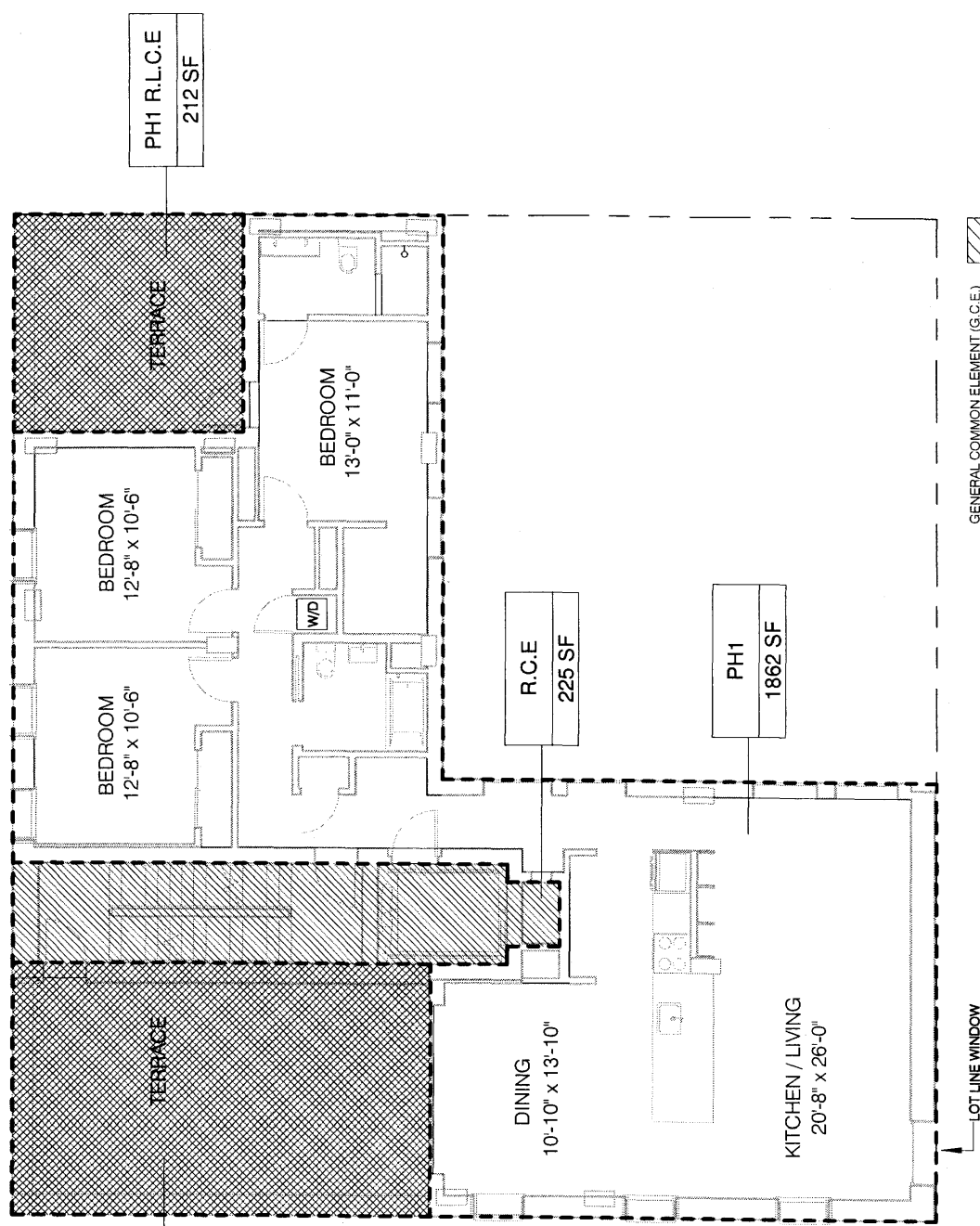
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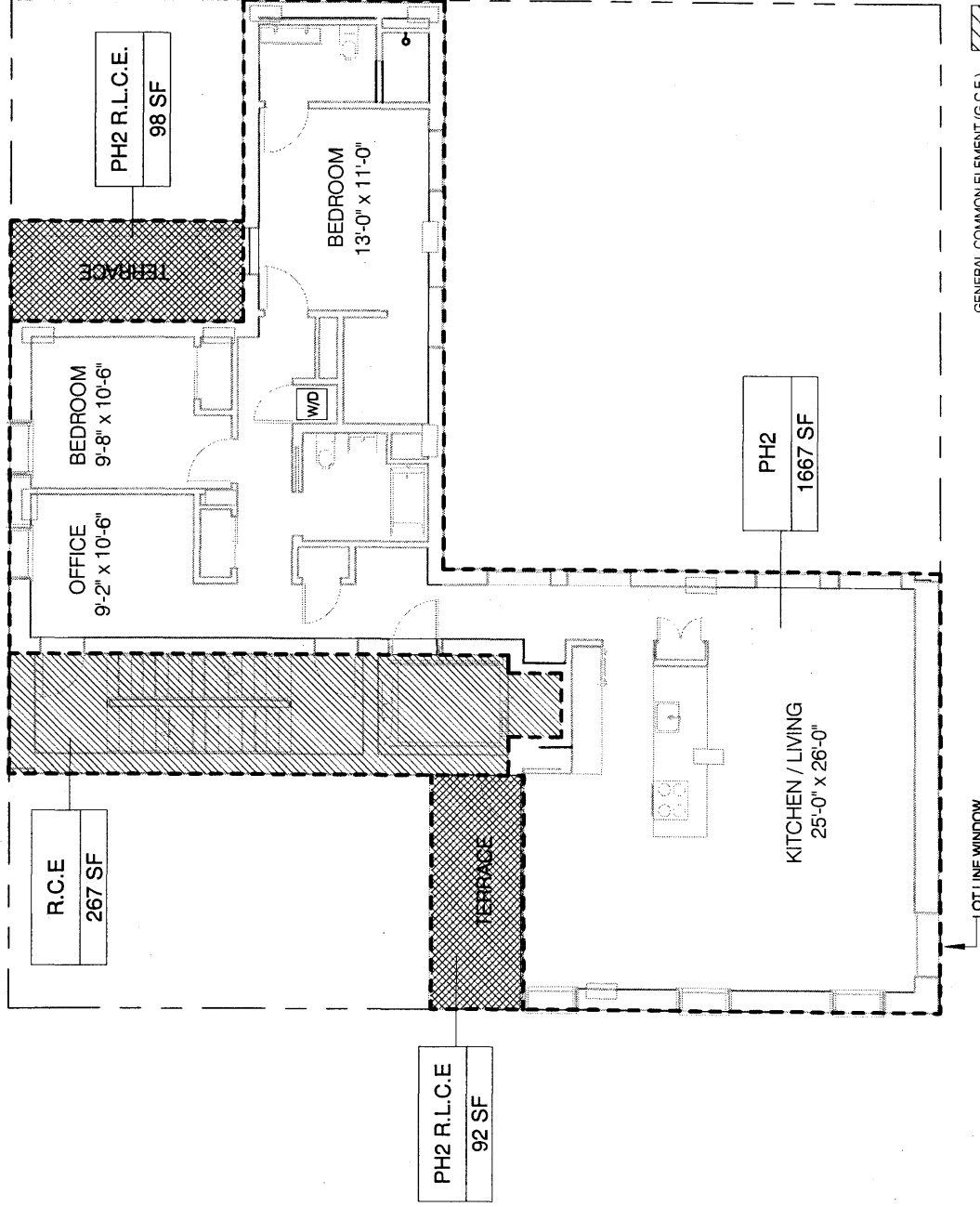
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8th Floor Plan

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HATCHED AREA: FDNY
ACCESS ZONE PER FC
504.4.1

FDNY ACCESS
ZONE PER FC
504.4.1

R.C.E.
315 SF

R.C.E.
788 SF

ROOF DRAIN, TYP.
REFER PLUMBING

MECHANICAL

R.C.E.
79 SF

MECHANICAL
EQUIPMENT

R.C.E.
755 SF

ROOF

ROOF DRAIN, TYP.
REFER PLUMBING

HATCHED AREA: FDNY
ACCESS ZONE PER FC
504.4.1

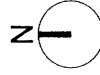
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BROOKLYN, NY 11217



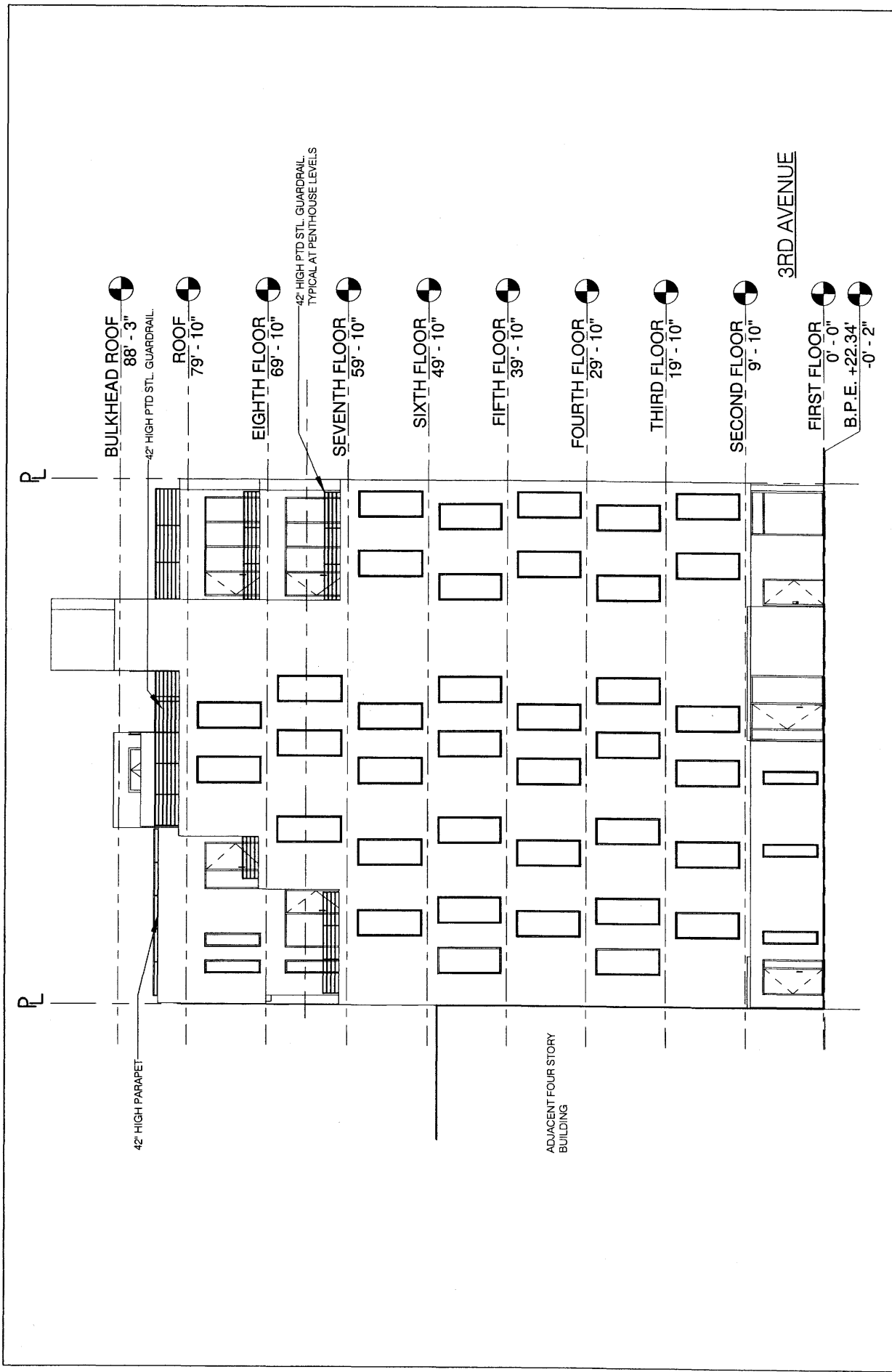
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Roof Plan

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A-009

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DWG No.:
A-10

DRAWING TITLE
North Elevation

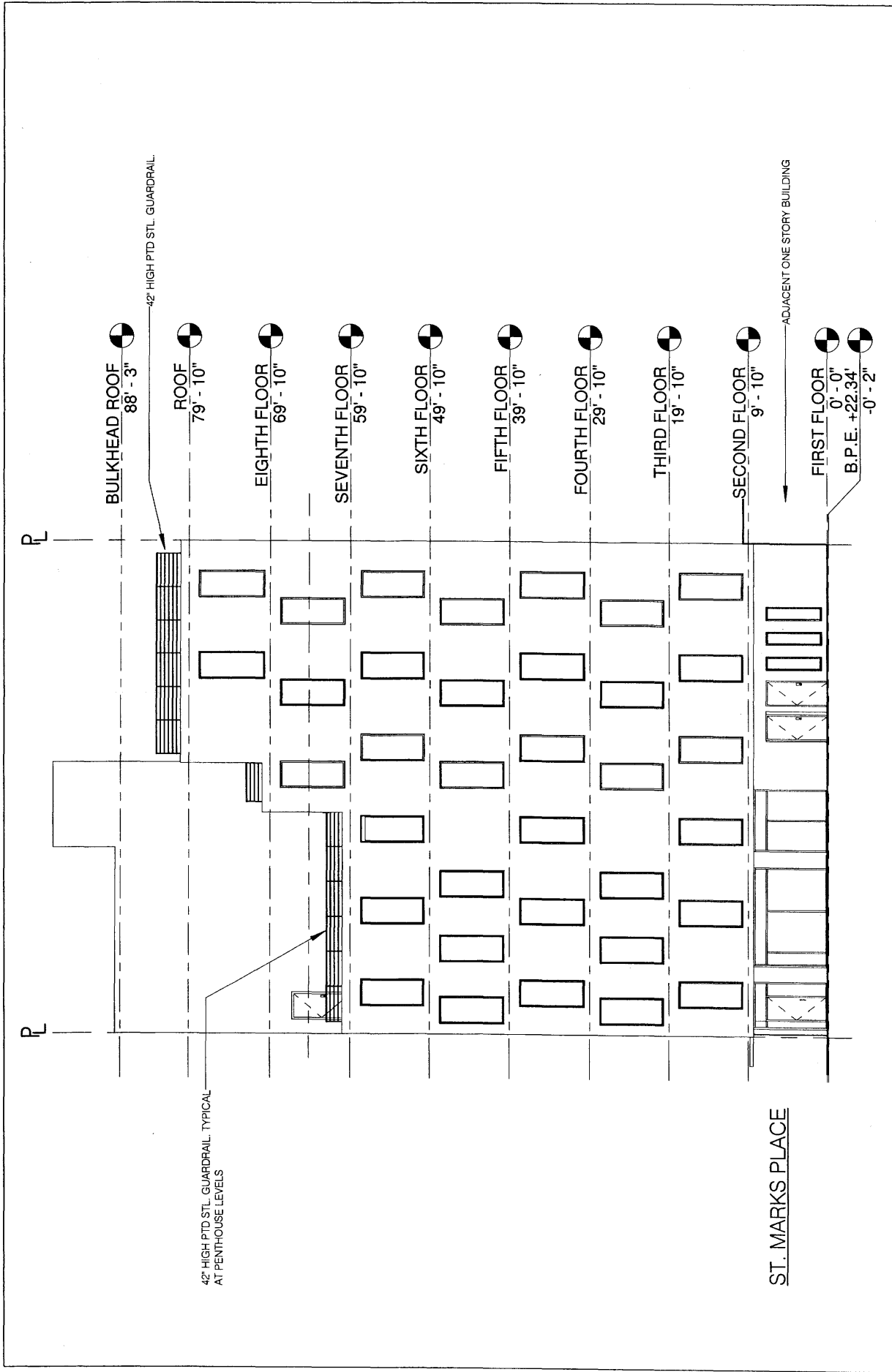
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BROOKLYN, NY 11217

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SCALE: 1/16" = 1'-0"

DATE: 07.14.2016

REV.	DESCRIPTION	DATE



Barrett Design

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Brooklyn, NY 11201
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DWG No.:
A-11

SCALE: 1/16" = 1'-0"

DATE: 07.14.2016

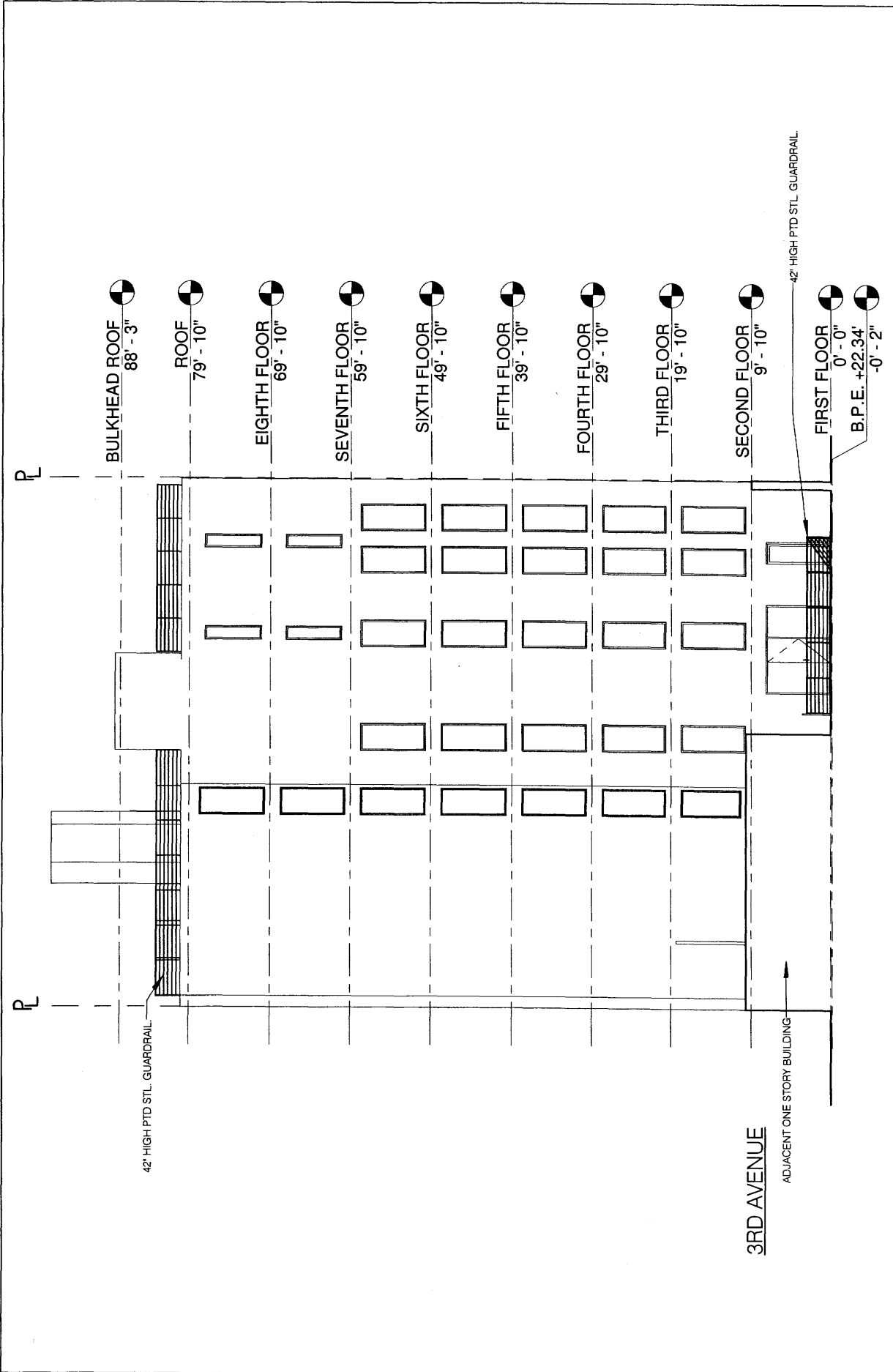
DRAWING TITLE
West Elevation

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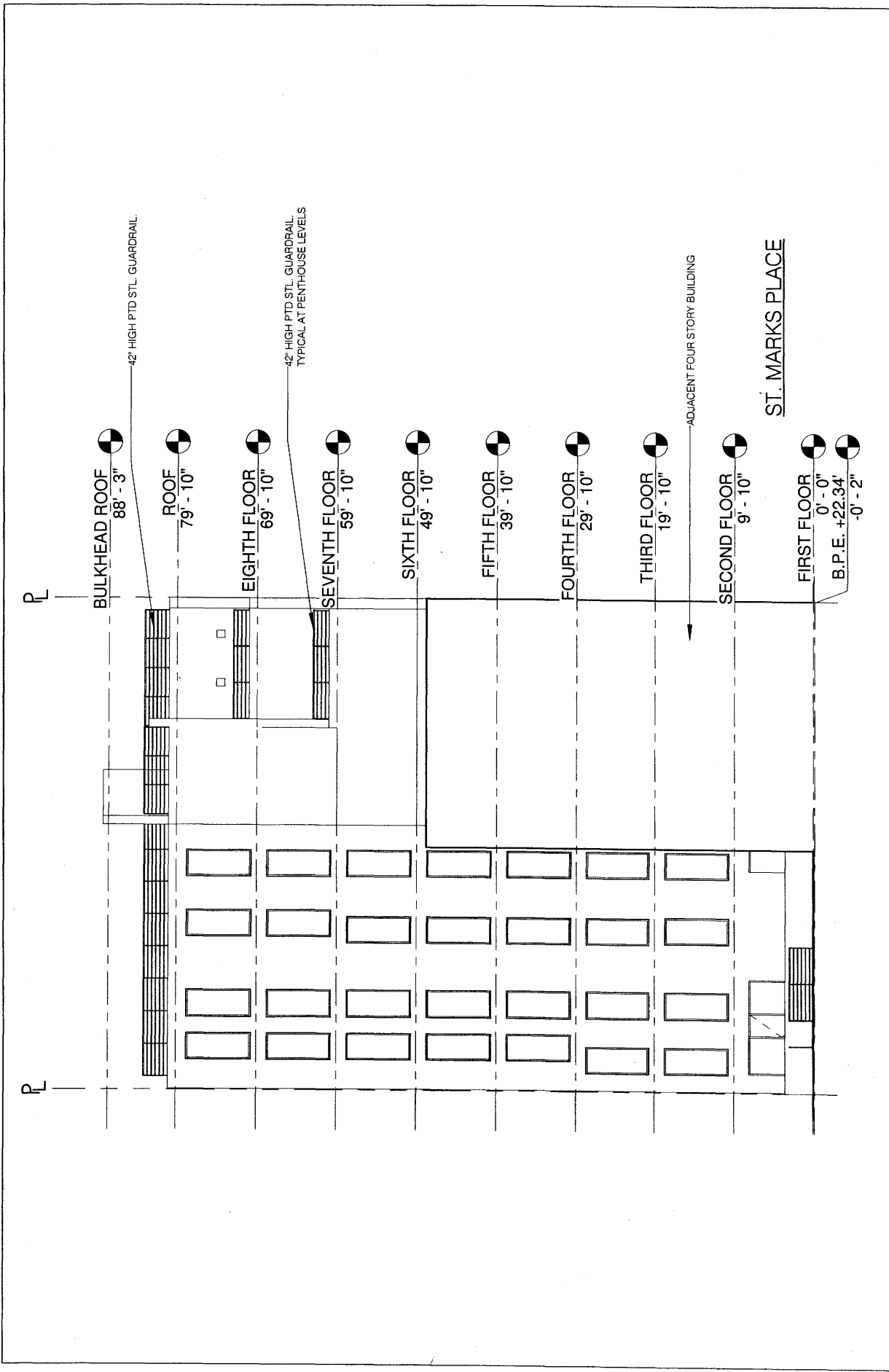
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BROOKLYN, NY 11217

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SECTION F

DECLARATION OF CONDOMINIUM

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DECLARATION OF CONDOMINIUM

Establishing a Plan of Condominium Ownership
of Premises Located at 8 Saint Marks Place,
County of Kings, City and State of New York,
Pursuant to Article 9-B of the Real Property Law
of the State of New York

Name: 8 Saint Marks Condominium, 8 Saint Marks Place, Brooklyn, New York 11217

Sponsor: 8 Saint Marks, LLC, 45 Main Street, Suite 708, Brooklyn, New York 11201

Date of Declaration: _____

Block No.: ____

Lot FKA: ____

Lots NKA: _____ through _____

Record and Return:

Marcus Attorneys
13 Greene Avenue
Brooklyn, New York 11238
(718) 643-6555

Declaration Establishing a Plan for Condominium Ownership of Premises to be known as 8 Saint Marks Condominium, at 8 Saint Marks Place, in the County of Kings, City and State of New York, pursuant to Article 9-B of the Real Property Law of the State of New York.

8 Saint Marks, LLC, having an address at 45 Main Street, Suite 708, Brooklyn, New York 11201, hereinafter referred to as the "Sponsor," does hereby declare:

1. Submission of Property: The Sponsor hereby submits the land described in Exhibit A, attached hereto and made a part hereof (the "Land"), together with the buildings and improvements thereon erected (collectively, the "Building"), owned by the Sponsor in fee simple absolute (the Land and Building together referred to as the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

2. Area and Location of Land: The Land has an area of approximately _____ square feet and is located in the County of Kings, City and State of New York.

3. Description of the Building: The Building will consist of cast-in-place, steel reinforced concrete columns, shear walls and floor slabs, and will contain a cellar, eight stories, an elevator, thirteen (13) Residential Units and one (1) Commercial Unit.

4. Name of Condominium: The condominium shall be known as "8 Saint Marks Condominium".

5. Units:

(a) List and Description: Annexed hereto and made a part hereof as Exhibit B is a list of all Units containing their designations and tax lot numbers, locations and approximate areas of the Units, number of rooms in each Unit, the Common Elements and Limited Common Elements to which each has immediate access (all as shown on the floor plans of the Building (the "Floor Plans") intended to be filed in the Office of the Register of the City of New York, Borough of Brooklyn simultaneously with the recording of this Declaration), and the percentage of interest of each Unit in the Common Elements (the "Common Interest"). The location of the Building is shown on the site plan intended to be filed in the said Office of the Register of the City of New York, Borough of Brooklyn, as part of the Floor Plans. Any heating, hot-water and/or air-conditioning systems located inside or outside the Unit together with any piping and/or ductwork attached thereto, and/or any equipment which only serves the individual Unit shall be deemed a fixture and part of the individual Unit.

(b) Dimensions: A Unit's square footage is calculated from exterior face of exterior walls (perimeter and mechanical pipes are not deducted), centerline of demising walls, non-Unit side of any wall or partition separating the unit from any common areas, stairs, elevators & other mechanical equipment spaces or any Common Elements. Vertically, each Unit will consist of the volume from the top of the concrete floor slab below (located under the finish flooring and sub-floor materials) to the underside of the metal deck above. However, any Common Elements located within a Unit shall not be considered a part of the Unit. No Unit

shall include any Common Element. The provisions of this subdivision (b) may not be amended without the approval of the Unit Owner (defined below) of every Unit affected.

(c) Subdividing the Commercial Unit. The Commercial Unit may be subdivided or former parts of the Commercial Unit may be combined by its or their owner or owners, without the consent or approval of the Board of Managers or the other Unit Owners. The Board of Managers shall execute and deliver such documents and instruments (including, without limitation, an amendment to the Declaration) and take such actions as are necessary or otherwise to implement such subdivision or combination, provided that the Common Interest of no other Unit shall be affected thereby and provided further that the owner(s) of the Commercial Unit being divided or combined shall pay all costs and expenses associated therewith.

6. Certain Definitions:

(a) The owner of each Unit is herein referred to as the "Unit Owner," which term shall have the meaning ascribed to it in the Condominium Act. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. The number of Unit Owners shall be equal to the number of Units, regardless of whether an owner owns more than one Unit, except as expressly provided herein, when a Unit is owned by the Board of Managers.

(b) "Board of Managers" shall mean the Board of Managers of 8 Saint Marks Condominium.

(c) "By-Laws" shall mean the By-Laws of 8 Saint Marks Condominium as from time to time amended pursuant thereto.

(d) "Commercial Unit" shall mean Unit CM, as described on the Floor Plans.

(e) "Condominium" shall mean 8 Saint Marks Condominium, which is composed of the Units and the Common Elements (hereinafter defined).

(f) "Legal Requirements" shall mean all requirements and limitations of all laws, ordinances, rules, regulations, guidelines and determinations of any government, governmental authority or quasi-governmental authorities and agencies, case law and all judicial rulings, judgments and orders, the requirements of insurers, insurance underwriting agencies, agreements, instruments and insurance policies, and of mortgages and the holders of mortgages on the Property or any part thereof binding on the Board of Managers or affecting the Condominium this Declaration, the By-Laws and the Rules and Regulations and of the By-Laws, this Declaration and the Rules and Regulations.

(h) "Party Wall" shall mean a wall which is common to, and separates, two Units or a Unit and a Common Element.

(i) "Plan" or "Offering Plan" shall mean the Offering Plan for 8 Saint Marks Condominium dated _____, 201__, as the same may be amended.

(j) "Residential Units" shall mean Units 1, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, PH1 and PH2, as described on the Floor Plans.

(k) "Rules and Regulations" shall mean the rules and regulations included in the Plan as amended from time to time by the Board of Managers.

(l) "Sponsor-affiliates" shall mean (i) an entity in which the Sponsor possesses a legal or beneficial interest or a person or entity which possesses a legal or beneficial interest in the Sponsor or an entity which controls or is controlled by an entity which is otherwise a Sponsor-affiliate or (ii) a person or entity succeeding to the rights of Sponsor as an owner of one or more Unsold Units, as defined in the Offering Plan.

(m) "Units" shall mean the Residential Units and the Commercial Units, each of which is also referred to herein as a "Unit".

7. Use: (a) The Residential Units may be used only for residential use and for legally permitted uses accessory to residential use and for legally permitted professional or business offices subject to the provisions of the certificate of occupancy for the Building, except that the Sponsor or its designee(s) shall have the right to maintain a general and sales office in any Unit owned by it and to use such Unit as a model and for other promotional purposes. (b) The Commercial Unit may be used for any legal purpose, including uses that may result in heavy traffic or be noisy or create odors or be otherwise disruptive, except for any obscene or pornographic or commercial sex use or any use involving nude or semi-nude performances or employees or for the sale of sexual paraphernalia other than that typically sold in a pharmacy, or as a nightclub, a disco, a dance hall, a social club, a trade school, or a drug treatment clinic. The Commercial Unit may be subdivided or former parts of the Unit may be combined by its or their owner or owners, without the consent or approval of the Board or the other Unit Owners. The Board of Managers shall take all actions necessary in order to permit the Commercial Unit to be used as permitted, including, among other things, amending the Certificate of Occupancy of the Building from time to time and to permit the subdivision and combination of such Unit as described above, provided the owners of such Unit pay the costs associated with the subdivision and combination. (c) The Building shall be used solely for the purposes for which the Units contained therein may be used.

8. Common Elements: The "Common Elements" shall mean the entire Property, including all parts of the Building other than the Units and including, without limitation, the following:

(a) General Common Elements

- (i) The Land described in Exhibit A to this Declaration;
- (ii) All roofs and all other elements thereof down to but not the unexposed side of the plaster or sheetrock, if any, of the ceiling of a Unit immediately below the roof, if any, foundations and concrete floors;
- (iii) All foundations;

(iv) All columns, girders, joists, beams, load bearing walls and supports but not any plaster, sheetrock or similar covering within a Unit;

(v) All portions of the exterior walls, beyond the hidden face of the interior plaster, sheetrock or similar material walls, if any; all portions of Party Walls located beyond the unexposed sides of the plaster, sheetrock or similar material walls within Units; the space between the top of the concrete or other decking or lowest wood decking where there is wood decking, and the unexposed upper surface of the plaster, sheetrock or similar material ceiling below or, if the ceiling below is not finished with plaster, sheetrock or similar material, the exposed surface of the structural members and decking of the ceiling of each floor between Units or within a Unit;

(vi) All central and appurtenant installations for services such as electricity, light, gas, heating, air conditioning, trash collection, storage and disposal, sprinklers, fire alarms and protection, telephone, television, communications, water, waste, piping and roof drains, including all pipes, flues, ducts, wires, cables and conduits used in connection therewith, whether located in or outside of the Units and not installed by, or on behalf of, any Unit Owner;

(vii) The corridors, lobby, hallways, stairs, stairways, roof, common roof deck, common terrace, elevator, bicycle storage area, amenity space and all chases, shafts and chutes;

(viii) All others parts of the Property and all machinery, equipment, apparatus and installations now or hereafter existing in the Building or at the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

(b) "Limited Common Elements" are Common Elements which are available for the use, for certain purposes, solely by the Owners of Units to which such Limited Common Elements are appurtenant and by the occupants of such Units and invitees of such Owner and occupants. The Limited Common Elements are as follows.

(i) Residential Units 1, PH1 and PH2 shall each have at least one terrace as a Limited Common Element, as shown on the Floor Plans. The owners of such Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terrace, including the terrace's surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the terrace if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to the terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the terraces, it shall be the responsibility of the Board of Managers to replace such element. The owners of such Units may not perform construction in the terraces unless the owners comply with all Legal Requirements and obtain the written approval of the Board of Managers.

(ii) Each Residential Unit shall have as a Limited Common Element a condenser unit located on the roof. The Unit Owners shall have the right to place, inspect, maintain, repair and replace their condenser and other condenser equipment serving their respective Units. A Unit Owner, and his, her or its agents and contractors shall have a right of access over and through any areas where the condenser units are located for such purposes. A Unit Owner shall be responsible for the maintenance, repair and replacement of the condenser and condenser equipment servicing his, her or its Unit (including equipment located outside the Unit and all piping and wiring associated with the condenser), as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all common areas, and all elements thereof, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of common areas or elements thereof if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents, guests or contractors. In the event any common areas or elements thereof require removal or disruption of any condenser unit or associated piping or wiring, or element thereof, it shall be the responsibility of the Board of Managers to replace or repair same. In any event, the Board of Managers and its agents, employees and contractors may have access to all common areas of the Building in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take.

(iii) Residential Unit 1 shall have as a Limited Common Element a yard, as shown on the Floor Plans. A Unit Owner may use the yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Unit 1 and their successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of the yard, other than the Building walls, appurtenant to their Units, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other common elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all areas of the yard in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event such repairs require removal or disruption of any element of the yard, it shall be the responsibility of the Board of Managers to replace such element. The owners of Unit 1 may not perform construction in their yard area unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

(iv) Residential Units 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, PH1 and PH2 shall each have as a Limited Common Element a storage area in the cellar, as shown on the Floor Plans. The owners of such Units may use their storage areas only in compliance with all Legal Requirements and shall be responsible for maintenance, repair and replacement of their storage areas. The Board of Managers and its agents, employees and contractors may have access to all storage areas in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event that such an action requires removal or

disruption of all or a part of the storage areas, it shall be the responsibility of the affected Unit Owners to restore their respective storage areas at the Unit Owners' sole cost.

9. Determination of Percentages in Common Elements: The percentages of interest of the Units in the Common Elements are based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit, pursuant to Section 339-i (1) (iv) of the Condominium Act, and shall be as set forth in Exhibit B, a part hereof. A Unit Owner may not convey his, her or its Unit separate from its appurtenant interest in the Common Elements. No change will be made to the Units' percentages of Common Interest without the consent of all owners of Units directly affected, without the consent of Sponsor's construction lender (so long as the construction lender holds a lien on the Property), and without the consent of a Purchaser's lender, if any and if required by the same.

10. Encroachments: If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now or upon completion of construction by the Sponsor substantially in accordance with the Floor Plans encroaches upon any other Unit or upon any portion of the Common Elements, as a result of the construction of the Building, or if any such encroachment shall occur hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building (or any portion thereof), any Unit or the Common Elements after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings of all or any portion of a Unit or the Common Elements or by reason of alteration or repair to the Common Elements made by, or with the consent of, the Board of Managers, a valid easement for the encroachment and for the maintenance of the encroachment so long as the Building stands shall exist.

11. Condemnation: In the event of taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers. If the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall arrange for such repair and restoration, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. If the Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of the By-Laws.

12. Easements:

(a) Each Unit Owner shall have an easement in common with the owners of other Units to use, maintain, repair, alter and replace all pipes, wires, flues, ducts, vents, cables, conduits, public utility lines, equipment and facilities and other Common Elements located in any of the Units or elsewhere on the Property and serving his, her or its Unit. Each Unit shall be subject to an easement in favor of the owners of all other Units and the Board of Managers (i) to use the pipes, flues, ducts, cables, wires, conduits, utility lines, equipment and facilities and other Common

Elements serving other Units and located in such Unit, and (ii) for the Board of Managers and its agents, employees and contractors to have access to each Unit to inspect the Unit, to remove violations of Legal Requirements, and (iii) to maintain, repair, replace or modify Common Elements contained therein or elsewhere in the Building.

(b) Each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit and in favor of other Units and the Common Elements.

(c) The Sponsor, Sponsor-affiliates and their successors, assigns, invitees, licensees, contractors, employees, and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in, and access to, Units and Common Elements consistent with the purposes of the Offering Plan and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, alter, maintain, repair, replace, refurbish, offer, sell and lease Units and appurtenant interests and Common Elements; and (ii) reserve the right to establish, grant and create easements for any additional electric, transformer, amplifier, gas, television, telephone, communications, sprinkler, fire protection, fire alarm, security, air conditioning, water, storm drainage, sewer or other utility or service lines and appurtenances in, under and through the Property including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes. Any governmental agency, utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such agency, company or corporation, shall have the right of access to any Unit, to the Common Elements, and to the Limited Common Elements included in the exercise of the rights to which such easements pertain, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the affected Units for their permitted purposes.

(d) The user of any easement granted by subparagraph (b) or (c) of this Article 12 shall have the responsibility of repairing any damage to Common Elements resulting from such use. A Unit Owner shall have the responsibility of repairing any damage to his, her or its Unit resulting from such use.

(e) Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for use thereof.

(f) In addition to the specific easements set forth in this Article 12, the Property and every portion thereof shall be subject to all easements and the rights of access prescribed in the Condominium Act.

(g) Notwithstanding the foregoing, no person shall use or enjoy the Common Elements or Limited Common Elements except in accordance with the reasonable purposes for which they are intended and, subject to such purposes, without encroaching unreasonably upon the rights of other persons to do so in accordance with this Declaration.

13. Power of Attorney to Board of Managers: Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, in such form as the Board of Managers may from time to time approve, to, among other things, acquire title to or lease any Unit whose Owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers or its designee, corporate or otherwise, and to convey, sell, lease, mortgage or otherwise deal with any such Unit so acquired or to sublease any Unit so leased by the Board of Managers.

14. Acquisition of Units by Board of Managers: In the event any Unit Owner shall surrender his Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively called the "Appurtenant Interest") pursuant to the provisions of Section 339-x of the Condominium Act, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale a Unit together with its Appurtenant Interests, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interest.

15. Person to Receive Service of Process: The Secretary of State of the State of New York is hereby designated as agent of the Board of Managers upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process against it served upon him or her is Board of Managers, 8 Saint Marks Place, Brooklyn, New York 11216. As required by law, the Board of Managers shall notify the Secretary of State of any change in the managing agent or person authorized to receive a copy of any process served against the Secretary of State. Until the first meeting of Unit Owners, Alexander Barrett, having an office at 45 Main Street, Suite 708, Brooklyn, New York 11201 is hereby designated to receive service of process in any action which may be brought against the Condominium. Following said meeting any member of the Board of Managers is hereby designated to receive service of process in any such action.

16. Units Subject to Declaration, By-Laws and Rules and Regulations: All present and future Unit Owners, tenants, sub-tenants and occupants of Units and invitees, employees, agents, and contractors of Unit Owners 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 for, or the entering into a lease for, 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 shall be binding on all sub-tenants, invitees, employees, agents and contractors, 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 thereof.

17. Amendment of Declaration:

(a) This Declaration may be amended with the approval of owners of sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners, in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the consent of all Unit Owners affected, and provided further that no right granted herein to the Sponsor or a Sponsor-affiliate shall be modified without the written consent of the Sponsor so long as the Sponsor or a Sponsor-affiliate shall own a Unit.

(b) The Sponsor or a Sponsor-affiliate shall have the right without vote or consent of other Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Office of the City Register, Borough of Brooklyn and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plans and maps as may be required to effectuate the same) to reflect (i) any changes in Units and the reapportionments of the Common Interests resulting therefrom, made by the Sponsor pursuant to Article 19 hereof; or (ii) any construction of the Building which shall not have been completed on the date of recording of this Declaration, including, without being limited to, the final location, dimensions or size of the Building and the Units therein.

(c) Notwithstanding the provisions of Section 17(a), above, no amendment to this Declaration that would have a materially adverse impact on the holders of Unit mortgages may be made without the approval of at least fifty-one percent (51%) of such holders of Unit mortgages. The Board shall serve on all holders of Unit mortgages a copy of such a proposed amendment by certified mail, return receipt requested to such addresses as designated by the mortgagees from time to time, in writing, to the Board of Managers. In the event any holder of Unit mortgages shall fail to respond in writing to the Board within sixty (60) calendar days after being served with such a proposed amendment, then said holder of Unit mortgages shall be deemed to have consented to such proposed amendment. For purposes of this paragraph, the date of mailing shall be deemed to be the date of the giving of notice.

18. Termination: If withdrawal of the Property from application of the Condominium Act is authorized by at least eighty percent (80%) of the Unit Owners in number and in Common Interest (and if required by the respective mortgages, their first mortgagees, if any, of such Unit), then the Property shall be subject to an action or partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his, her or its share of

such net proceeds all liens on his, her or its Units. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty percent (80%) of the Unit Owners other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

In addition to the termination requirements set forth herein, at least fifty one percent (51%) of the mortgagees of Units must consent to termination before the Property may be withdrawn from application of the Condominium Act.

19. Changes in Sponsor-Owned Units: For any Units owned by the Sponsor or its designee(s) or a Sponsor-affiliate, if not prohibited by the Condominium Act (as the same may be amended from time to time), the Sponsor or a Sponsor-affiliate shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions, or improvements in, to, and upon, the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Units or otherwise; and (iv) reapportion among such Units affected by such changes in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. The provision of this Article 19 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s).

20. Specially Allocated Expenses: The Board of Managers shall not allocate specific expense items to a Unit, whether Commercial or Residential, if the owner of said Unit pays such items directly, or to the Commercial Unit if the Commercial Unit receives no or minimal benefit from such expense. An expense from which a Unit is exempt shall be specially allocated to the Units which are not exempt. A specially allocated expense is charged to a Unit based on the proportion that the Common Interest of said Unit bears to the total Common Interest of all Units not exempt from said expense. As of the date of this Declaration, the following Condominium budget items are specially allocated to the Residential Units and the costs thereof shall be borne 100% by the Residential Units: common labor, electricity and service contracts costs. The Board of Managers, acting reasonably, shall determine which items of expense shall be specially allocated as aforesaid, and inform the owners of the Units thereof and the owners of the Units shall determine the amounts thereof. As of the date of this Declaration, the following Condominium budget items are specially allocated to the Residential Units and the costs thereof shall be borne 100% by the Residential Units: common labor, electricity and service contracts costs. Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for

water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents. The Board of Managers shall have all the rights with respect to the collection of such specially allocated expenses and the creation of liens therefor and the enforcement of such collection and liens and the foreclosure of such liens, as the Board of Managers has with respect to Common Charges. Disputes as to expenses which a Unit owner pays directly and which are to be specially allocated pursuant to this Article shall be settled by arbitration pursuant to the commercial arbitration rules of the American Arbitration Association or, if such association shall not exist, such other closest analogous organization as the Board and the owners of Units in dispute may agree upon.

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

22. Waiver: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations of any provision hereof.

23. Gender and Number: The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and neuter and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

24. Further Assurances. (a) Any person who is subject to the terms of this Declaration, whether such a person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of such other person requesting the same, execute, acknowledge and deliver to such other person such instrument, in addition to those specifically provided for herein, and take such other action as such other persons may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(b) If any Unit Owner or any other person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or person is required to take pursuant to this Declaration, the Board of Managers 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 or other person.

(c) If any Unit Owner, the Board of managers or any other person who is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action which the Board of Managers, Unit Owner or person is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor or the Sponsor's affiliate, then the Sponsor or the Sponsor's affiliate is hereby

authorized as attorney-in-fact for such Unit Owner, the Board of Managers or other person, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, the Board of Managers or other person and such document or action shall be binding on such Unit Owner, the Board of Managers or other person.

25. Covenants to Run With the Land. (a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 25, 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 shall be binding upon, and shall inure to the benefit of, 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. All present and future Unit Owners, tenants and occupants of Units shall be subject to, Regulations, as the may be amended from time to time. The acceptance of a deed or conveyance, the entering into a lease, or the entering into an 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 Unit Owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having, at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease.

(b) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or 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 shall 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 or 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 or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of 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.

(c) Subject to the terms of paragraph (b) of this Article, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration or the By-Laws shall nevertheless be valid and binding upon, and shall 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 or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the land.

26. Successors and Assigns.. The rights and/or obligations of the Sponsor or its designee as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with consent of the Sponsor or its designee, any transferee of all of the then Unsold Units. Subject to the foregoing, the Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise, transfer its interest herein, whether by merger, consolidation, lease, assignment or otherwise, without the consent of the Board of Managers or any other person.

27. Captions. The captions are included 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.

28. Actions Adversely Affecting the Commercial Unit. Neither the Board of Managers nor the Unit Owners can act, adopt resolutions or amend the By Laws or the Declaration in a way that would adversely affect the Commercial Unit without the consent of the owner(s) of the Commercial Unit.

29. Property's (E) Designation and Prohibited Activities. The Property is mapped with an environmental (E) designation, which include ongoing use restrictions, summarized below. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the remedial action work plan, a copy of which is publicly available via the document repository on the website of the NYC Office of Environmental Remediation ("OER") (with reference number 16CVCP006K), the following activities are prohibited at the Property: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; and higher level of land usage without review and approval by OER.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed
this ____ day of _____, 201__.

8 Saint Marks, LLC

By Barrett Design LLC,
Manager

By: _____

STATE OF NEW YORK)
)ss.:
COUNTY OF)

On the day of , 201__, before me, the undersigned personally
appeared , personally known to me or proved to me on the basis of
satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the
person on behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT A
8 Saint Marks Place
Brooklyn, New York

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 corner formed by the intersection of the Southerly side of St. Marks Place and the Easterly side of Third Avenue;

THENCE Easterly along the Southerly side of St. Marks Place, 65 feet;

THENCE Southerly parallel with Third Avenue, 60 feet 8-1/2 inches;

THENCE Westerly parallel with St. Marks Place, 65 feet to the Easterly side of Third Avenue;

THENCE Northerly along the Easterly side of Third Avenue, 60 feet 8-1/2 inches to the point or place of BEGINNING.

FOR INFORMATION ONLY: Said premises also known as 125 Third Avenue, Brooklyn, NY.

EXHIBIT B
8 Saint Marks Condominium
8 Saint Marks Place
Brooklyn, New York
Block 395

Unit No.	Tax Lot No.	Location	Approx. Area (sq. ft.)	Bedrooms / Baths	Common Interest	Limited Common Elements	Immediately Accessible Common Elements
CM		1 st Floor	536	0/1 half bath	3.0%	None	Cellar, lobby.
1		Cellar, 1 st Floor	1601	1/1 and 1 half bath	8.7%	Condenser; Yard (262 SF); Terrace (592 SF)	Cellar, lobby, stairs & stairways, roof.
2A		2nd Floor	1276	3/2	6.9%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
2B		2nd Floor	1247	3/2	6.8%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
3A		3rd Floor	1276	3/2	6.9%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
3B		3rd Floor	1247	3/2	6.8%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
4A		4th Floor	1276	3/2	6.9%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
4B		4th Floor	1247	3/2	6.8%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
5A		5th Floor	1276	3/2	6.9%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.

5B		5th Floor	1247	3/2	6.8%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
6A		6th Floor	1276	3/2	6.9%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
6B		6th Floor	1247	3/2	6.8%	Condenser; Storage (19 SF)	Cellar, lobby, stairs & stairways, roof.
PH1		7th Floor	1862	3/2	10%	Condenser; Storage (19 SF); Terraces (653 SF)	Cellar, lobby, stairs & stairways, roof.
PH2		8th Floor	1818	2/2	9.8%	Condenser; Storage (19 SF); Terraces (190 SF)	Cellar, lobby, stairs & stairways, roof.

TOTAL 100%

SECTION G

CONDOMINIUM BY-LAWS

Page without text

BY-LAWS
of
8 Saint Marks Condominium
County of Kings
City and State of New York

Record and Return To:
Marcus Attorneys
13 Greene Avenue
Brooklyn, New York 11238

By-Laws
of
8 Saint Marks Condominium

ARTICLE I
Plan of Unit Ownership

Section 1. Unit Ownership. The property located in the County of Kings, City and State of New York at 8 Saint Marks Place has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") by the Declaration (the "Declaration") recorded in the Office of the Register of the City of New York, Borough of Brooklyn simultaneously herewith and shall hereinafter be known as 8 Saint Marks Condominium (hereinafter called the "Condominium"). The Residential Units and the Commercial Unit are herein sometimes called the "Units". The owner of a Unit is herein referred to as a "Unit Owner". All capitalized terms not defined herein shall have the meaning set forth in the Condominium Act.

Section 2. Applicability of By-Laws.

(a) The provisions of these By-Laws are applicable to the Property of the Condominium and to the use, operation and occupancy thereof. The term "Property" as used herein shall include the land, the buildings and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements) known as 8 Saint Marks Place, Brooklyn, New York, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use, operation and occupancy thereof.

(b) All present and future owners, mortgagees, lessees, sublessees and occupants of Units and their employees, invitees, agents and contractors and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the rules and regulations (the "Rules and Regulations") attached hereto as Schedule A, each as amended from time to time.

The acceptance of a deed or conveyance or the entering into of a lease or the occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulation and the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 3. Office. The office of the Condominium and of the Board of Managers of the Condominium (the "Board of Managers") shall be located at the Property, unless another office in the County and State of is designated by the Board of Managers.

ARTICLE II
Board of Managers

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Managers which shall consist of three persons. Until the first meeting of Unit Owners held pursuant to Section 1 (a) of Article III of these By-Laws, the Board of Managers shall consist of three (3) persons designated by the sponsor of the Condominium, 8 Saint Marks, LLC (the "Sponsor"). As used in these By-Laws "Unsold Units" shall mean a Unit owned, at the time in question, by the Sponsor or its designee or successor who or which does not occupy the Unit for his, her, its or their own use. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members, subject to the Sponsor's right to designate two members of the Board until the earlier of: (1) five years after the Closing of the first Unit or (2) the time the Sponsor holds less than fifty percent (50%) of the Common Interests. A meeting will be held to elect new members of the Board within thirty (30) days of the termination of the Sponsor's special right to designate members of the Board. During the period in which the Sponsor may designate two members of the Board, Unit Owners, other than the Sponsor, will vote for the remaining Board member. After the period during which Sponsor may designate two members of the Board, all Unit Owners, including the Sponsor, may vote for all members of the Board, including members of the Board that are related or unrelated to the Sponsor. Each member of the Board of Managers shall be an owner of a Unit, a mortgagee of a Unit, general partner, partner or designated employee of a partnership owning a Unit or holding a mortgage covering a Unit, a shareholder, officer, director or designated employee of a corporate Unit Owner or corporate mortgagee of a Unit, a fiduciary or officer or designated employee of a fiduciary who is the owner or mortgagee of a Unit, or a person with similar authority over, and interest in, another entity owning or holding a mortgage on a Unit, or in the case of the Sponsor or a Sponsor-affiliate, shall be a designee of the Sponsor. A person designated by the Sponsor or a Sponsor-affiliate under this Article need not be a Unit Owner or holder of an office or interest in a Unit Owner. As used in these By-Laws, the term "Sponsor-affiliate" shall mean (i) any person or entity which the Sponsor may designate to acquire title to a Unit or exercise other rights of the Sponsor hereunder or under the Declaration or the Offering Plan for the Property (the "Plan"), (ii) an entity in which the Sponsor possesses a legal or beneficial interest or a person or entity which possesses a legal or beneficial interest in the Sponsor or an entity which controls or is controlled by an entity which is otherwise a Sponsor-affiliate or (iii) a person or entity succeeding to the rights of Sponsor as an owner of one or more Unsold Units, as defined in the Offering Plan. A Sponsor-affiliate shall have the right to designate a person or entity to succeed to its rights. The term Sponsor-affiliate is also used to refer to any such designee.

Section 2. Power and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things except such acts or things which by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

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

(b) Determination of the Common Expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property, and specially allocated expenses as described in Section 1 (d) of Article V hereof.

(c) Collection from the Unit Owners of the Common Charges, assessments and other sums due under these By-Laws or the Declaration.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adoption and amendment of Rules and Regulations covering the details of the occupancy, operation and use of the Property.

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

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

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

(i) Acquiring in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, as described in the Declaration and these By-Laws.

(j) Selling, leasing, mortgaging, borrowing money with respect to, or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

(k) Organizing corporations and other entities to act as designees of the Board of Managers in acquiring title to, or leasing of, Units or rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, on behalf of all Unit Owners.

(l) Obtaining insurance for the Property, the Condominium and the Board of Managers pursuant to the provisions of Article V, Section 2 hereof.

(m) Making of repairs, additions and improvements to, or alterations of, the Property subject to the provisions of Section 13 of Article V hereof and making of repairs to, and restoration of, the Property in accordance with the other provisions of these By-Laws after

damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(n) Borrowing money on behalf of the Condominium when required in connection with the payment, collection and disbursement of funds, including reserves, to provide for major and minor maintenance, repairs, additions, improvements, replacements, working capital, bad debts and unpaid Common Expenses, depreciation, obsolescence and similar purposes, provided, however, that (i) such debt is incurred no earlier than the fifth anniversary of the first conveyance of a Unit and (ii) the incurrence of such debt shall require the consent of a majority of all Unit Owners in Common Interest; and in connection with such borrowing, to give such security interest as may be permitted by law.

(o) Borrowing money on behalf of the Condominium when required in connection with any matter not included in the preceding paragraph, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests (as defined in Article VII, Section 1(a) of these By-Laws) or on the Common Elements without the consent of all of the Unit Owners. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (o) is not repaid by the Board of Managers, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

(p) Levying fines against Unit Owners for violations of the Rules and Regulations.

(q) Adjusting and settling claims under insurance policies obtained pursuant to Article V, Section 2 and executing and delivering releases upon settlement of such claims on behalf of all Unit Owners.

(r) Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or any Sponsor-affiliate shall continue to own a Unit or Units constituting twenty five percent (25%) or more of the Common Interest, but in no event for a period in excess of five (5) years from the Closing of title to the first Unit, the Board of Managers may not, without the Sponsor's or Sponsor-affiliate's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation or addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in the Budget for First Year of Condominium Operation, Schedule B of the Offering Plan for the Property (the "Plan") to the extent that the aggregate amount of such fund does not exceed ten percent (10%) of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient). The Sponsor and Sponsor-affiliates shall have the right to withhold its or their consent to any of the foregoing actions. However, notwithstanding the provisions of this paragraph (r), the Sponsor and Sponsor-affiliates may not exercise veto power over expenses described in said Schedule B or over expenses required to comply with applicable law or regulations, to remedy any notice of violation, or to remedy any work order by an insurer.

(s) Notwithstanding anything to the contrary contained in there By-Laws, so long as there shall be an Unsold Unit, the Board of Managers may not, without the consent of the Unit Owner of each Unsold Unit (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or any Sponsor-affiliate or any Unit owned thereby; or (ii) interfere with: the offer and sale or leasing of Units; operation of general or sales and leasing offices of the Sponsor or any Sponsor-affiliate at the Property; actions necessary for construction, renovation, repair alteration, maintenance, operation and replacement of the Property or any parts thereof by, or on behalf of, the Sponsor or any Sponsor-affiliate and permitted pursuant to the Plan and/or the Declaration.

(t) The Board of Managers may act as an agent of each Unit Owner who has given his written authorization to complain or apply to the Board of Assessment Review of the assessing agency by filing a single complaint on behalf of all such Unit Owners pursuant to Section 512 of the Real Property Tax Law and to commence and prosecute a special proceeding for the review of assessment of real property as an aggrieved person pursuant to Section 704 of the Real Property Tax Law of the State of New York. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and to charge all such Unit Owner a pro rata share of its expenses, disbursements and legal fees in connection with the review of assessments, for which charges the Board of Managers shall have a lien pursuant to Section 339 of the Condominium Act.

Section 3. Managing Agent and Manager. The Board of Managers may employ a managing agent and/or manager (including the Sponsor or a corporation or other entity organized or controlled by the Sponsor) for the Condominium at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to any manager or managing agent all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (g), (h), (i), (j), (k), (n) and (o) of Section 2 of this Article II.

Section 4. Election and Term of Office. The term of office of the members of the Board of Managers elected by Unit Owners at the first meeting of Unit Owners held pursuant to Section 1(a) of Article III of these By-Laws shall expire on the date of the second meeting of the Unit Owners held pursuant to Section 1(b) of Article III of these By-Laws. At the second meeting and all subsequent meetings of the Unit Owners held for the purpose of electing members of the Board of Managers, the term of office of the three (3) members of the Board of Managers shall be fixed at one year.

Section 5. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or a Sponsor-affiliate (who may be removed by the Unit Owners at such a meeting only for cause) may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or a Sponsor-affiliate may be removed by the Sponsor for

any reason. If a member of the Board of Managers ceases to be a Unit Owner or Unit mortgagee (or a designee of an entity which owns a Unit or holds a mortgage on a Unit), unless such member is a designee of the Sponsor or a Sponsor-affiliate, he or she shall be deemed to have resigned effective as of the date such ownership or mortgage interest ceases.

Section 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person selected shall be a member of the Board of Managers until the next annual meeting of the Unit Owners, at which meeting a successor shall be elected for such member. Notwithstanding any other provisions of these By-Laws, vacancies for any reason of members designated by the Sponsor or Sponsor-affiliate shall be filled only by the Sponsor or a Sponsor-affiliate.

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

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by the members of the Board of Managers, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers by mail or fax at least three (3) business days prior to the day of such meeting.

Section 9 Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers given by mail or fax, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) member of the Board of Managers.

Section 10. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him or her of the time and place thereof. Any one or more members of the Board of Managers or any committee thereof may participate in a meeting of the Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of the Board of Managers. At all meetings of the Board of Managers, a

majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, the meeting must be adjourned. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers may be taken without a meeting if all members of the 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 proceedings of the Board.

Section 12. Fidelity Bonds. The Board of Managers may obtain a fidelity bond in the amount of \$25,000 or more for all officers and employees of the Condominium and of the managing agent handling or responsible for Condominium funds. The Board of Managers may obtain such other fidelity bonds as it deems proper. The premiums on such bonds shall constitute a Common Expense.

Section 13. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 14. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to any Unit Owner for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all liability to others arising from their acts as, or by reason of the fact that such person was, a member of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his, her or its interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent on behalf of the Board of Managers shall be deemed made on behalf of the Unit Owners, and the Board of Managers and the managing agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability thereunder as his, her or its interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Members of the Board of Managers designated by the Sponsor or a Sponsor-affiliate shall not incur any liability for self-dealing in connection with any contract made by the Board of Managers on behalf of the Unit Owners with the Sponsor or Sponsor-affiliate provided that any compensation paid under such contract shall be no more than at then competitive rates for similar goods and services in Kings County.

ARTICLE III
Unit Owners

Section 1. Annual Meetings.

(a) First Meeting. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor shall call the first meeting of Unit Owners for the election by Unit Owners of the members of the Board of Managers, subject to the Sponsor's right to designate members. The full Board of Managers shall then be composed of three (3) members. Persons designated by the Sponsor or a Sponsor-affiliate need not be Unit Owners.

(b) Annual Meetings. Annual meetings of Unit Owners shall be held at the first anniversary of the first meeting of the Unit Owners held pursuant to Section 1(a) of this Article III and annually thereafter unless such day shall fall on a Saturday, Sunday or legal holiday, in which event, the meeting for that year shall be held on the succeeding Monday or day which is not a legal holiday.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by Unit Owners holding twenty percent (20%) of the Common Interest of all Unit Owners in the Common Elements. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than forty (40) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Board of Managers. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least thirty (30) days prior to such meeting.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum has not attended, the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(a) Roll Call.

- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Managers and/or managing agent.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Managers (when so required).
- (i) Unfinished business.
- (j) New Business.

Section 7. Title to Units; Status of Holder of Title as Unit Owner. Title to Units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation, partnership, limited liability company, a fiduciary, non-profit organization or governmental entity (upon waiver of diplomatic immunity, as, if and when required by the Board of Managers), or other entity provided such entity is empowered to own real property and otherwise comply with the obligations of a Unit Owner and be sued in the courts of the State of New York. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section. This section shall not constitute consent or the condoning of any activity not permitted by laws, ordinances, rules, regulations, guidelines and determinations of any government, governmental authority or quasi-governmental authorities and agencies, case law and all judicial rulings, judgments and orders, the requirements of insurers, insurance underwriting agencies, agreements, instruments and insurance policies and of mortgages and the holders of mortgages on the Property or any part thereof binding on the Board of Managers or affecting the Condominium this Declaration, the By-Laws and the Rules and Regulations and of the By-Laws, this Declaration and the Rules and Regulations (hereinafter called the "Legal Requirements").

Section 8. Voting. Each Unit Owner (as determined by the Board of Managers) or some person designated by a Unit Owner to act as proxy on his, her or its behalf and who need not be a Unit Owner shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary by the Unit Owner so designating. Any or all of such Unit Owners may be present at any meeting of the Unit Owners and (those constituting a group acting unanimously) may vote or take any other action as a Unit Owner either in person or by proxy. The total number of votes of all Unit Owners shall be one hundred and each Unit Owner (including the Sponsor or Sponsor-affiliates if the Sponsor or a Sponsor-affiliate shall then own or shall then hold title to one or more Units) shall be entitled to

cast the number of votes at all meetings of the Unit Owners equal to his, her or its percent of interest in the Common Elements applicable to his, her or its Unit. A fiduciary shall be the voting party with respect to any Unit owned in a fiduciary capacity.

Section 9. Quorum. Except as otherwise provided in these By-Laws or the Declaration, the presence in person or by proxy of Unit Owners representing a majority of the Common Interest shall constitute a quorum at all meetings of the Unit Owners.

Section 10. Majority Vote. The vote of Unit Owners constituting a majority of the percentage of Common Interest present at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes unless a provision of these By-Laws or the Declaration shall expressly require approval by a higher or different number of votes or Unit Owners. Members of the Board of Managers shall be elected by a plurality of the percentage of Common Interest present except as provided in these By-Laws with respect to members designated by the Sponsor.

Section 11. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consents in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with records of the Condominium.

ARTICLE IV Officers

Section 1. Designation. The principal officers of the Condominium shall be the President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint a vice president, an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and any vice president, if any but no other officers, need be members of the Board of Managers.

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

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

Section 4. President. The President shall be the chief executive officer of the Condominium and must be a member of the Board of Managers. He or she shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint members of committees created by the Board of Managers from among the Unit Owners or otherwise from time to time as he or she may in his or her discretion decide are appropriate to

assist in the conduct of the affairs of the Condominium.

Section 5. Vice President. If a Vice President is elected, the Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If the President is absent or not able to act and if there is no Vice President or the Vice President is also absent or not able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President on an interim basis. The Vice President also shall perform such other duties as shall from time to time be imposed upon him or her by the Board of Managers or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he or she shall have charge of such books and papers as the Board of Managers may direct; and he or she shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for causing full and accurate financial records and books of account showing all receipts and disbursements to be kept, and for the preparation of all required financial data. He or she shall be responsible for directing the deposit of all moneys and other valuable effects in the name of the Board of Managers or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he or she shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) persons who shall be officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Liability of Officers. The officers of the Condominium shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the officers of the Condominium against all liability to others arising from his or her acts as, or by reason of the fact that such person was, an officer. It is intended that the officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of the officers shall be limited to such proportion of the total liability thereunder as his, her or its interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements.

ARTICLE V
Operation of the Property

Section 1. Determination of Common Expenses and Fixing of Common Charges.

(a) The Board of Managers shall, from time to time and at least annually, prepare a budget for the Common Expenses of the Condominium and fix the Common Charges payable by the Unit Owners. The Common Charges payable by a Unit Owner shall be the same portion of the Common Expenses as his, her or its interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements, except as provided in (d) of this Section. Common Charges shall be payable in such installments and at such times as the Board of Managers may determine. The Common Expenses shall include the cost of all insurance premiums on all policies of insurance required to be or which the Board of Managers has obtained pursuant to the provisions of Section 2 of this Article V. The Common Expenses may also include (i) such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year, (ii) such amounts as may be required for the purchase or lease by the Board of Manager or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit which the Board of Managers decides to acquire and lease pursuant to these By-Laws, (iii) such assessments as are necessary to provide funds for other Condominium purposes including, without limitation, capital improvements to, and repairs and replacements of Condominium real or personal property, the acquisition of real or personal property on behalf of the Unit Owners, and expenses which were not anticipated at the last time Common Expenses were determined, and (iv) if Units have not been separately assessed for real estate tax and assessment purposes, such proportion of real estate taxes and assessments assessed against the Property equal to the Unit's Common Interest. After the Units are separately assessed, the Board of Managers shall reimburse Unit Owners for any overpayment of taxes or assessments or assess Unit Owners for any underpayment of taxes or assessments. Notwithstanding any other provision of these By-Laws, any Common Expense of the nature described in (iii) above and which is in excess of \$15,000 shall require the approval of sixty-six and two thirds percent (66 2/3%) in number and Common Interest of the Unit Owners. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Expenses and the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Expenses and Charges are based to all Unit Owners (and their respective mortgagees, if required). The Board of Managers may from time to time increase or decrease its prior determination of Common Expenses for a year or portion thereof. No determination of Common Expenses shall have any effect on the amount of Common Charges payable by any Unit Owner for any period prior to the date of such determination.

(b) Section 2 of Article II of these By-Laws contains additional limitations on the Board of Managers powers to set Common Expenses.

(c) The Sponsor or a Sponsor-affiliate shall be responsible for the Common Charges

assessed against a Unit owned by it from the date of the first conveyance of title to a Unit in the Building in which such Sponsor-owned Unit is located until such Unit is sold to a bona fide purchaser.

(d) Specially Allocated Expenses. The Board of Managers shall not allocate specific expense items to a Unit, whether Commercial or Residential, if the owner of said Unit pays such items directly, or to the Commercial Unit if the Commercial Unit receives no or minimal benefit from such expense. An expense from which a Unit is exempt shall be specially allocated to the Units which are not exempt. A specially allocated expense is charged to a Unit based on the proportion that the Common Interest of said Unit bears to the total Common Interest of all Units not exempt from said expense. The Board of Managers, acting reasonably, shall determine which items of expense shall be specially allocated as aforesaid, and inform the owners of the Units thereof and the owners of the Units shall determine the amounts thereof. As of the date of these By Laws, the following Condominium budget items are specially allocated to the Residential Units and the costs thereof shall be borne 100% by the Residential Units: common labor, electricity and service contracts costs. Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents. The Board of Managers shall have all the rights with respect to the collection of such specially allocated expenses and the creation of liens therefor and the enforcement of such collection and liens and the foreclosure of such liens, as the Board of Managers has with respect to Common Charges. Disputes as to expenses which a Unit owner pays directly and which are to be specially allocated pursuant to this Section shall be settled by arbitration pursuant to the commercial arbitration rules of the American Arbitration Association or, if such association shall not exist, such other closest analogous organization as the Board and the owners of Units in dispute may agree upon.

(e) The omission or failure of the Board of Managers to determine the Common Expenses for any year or portion thereof shall not affect the obligation of a Unit Owner to pay Common Charges, but Common Charges on the basis of the Common Expenses as last determined for a year or portion thereof shall continue to be the Common Charges due from each Unit Owner until a new determination of Common Expenses shall be made.

Section 2. Insurance.

(a) The Board of Managers shall obtain and maintain, to the extent obtainable at commercially reasonable premiums, the following insurance: (1) fire insurance with extended coverage, including provision for "additional living expense" of Unit Owners, vandalism and malicious mischief endorsements normal for a condominium of this type, insuring the Building, (including partitions, floors and ceilings within the Units and installed by the Sponsor or the Board of Managers but not including any equipment, any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or other personal property within the Units)

together with all property real, personal or mixed part of, or used in connection with, the Common Elements and covering the interests of the Condominium (collectively, the "Insured Property"), the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building (exclusive of the cost of excavation and foundations) and all other Insured Property, without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers; (2) water damage legal liability insurance; and (3) such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers and that the net proceeds thereof shall be payable to the Board of Managers.

The amount of fire insurance to be maintained until the first meeting of the Board of Managers following the first meeting of the Unit Owners shall be in at least the sum of \$7,300,000.

(b) The Board of Managers shall also be required to obtain and maintain, to the extent obtainable at a cost deemed reasonable by the Board of Managers, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the officers, the managing agent, the manager, and each Unit Owner and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except such policy shall not cover liability of a Unit Owner arising from an occurrence from within his, her or its own Unit. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year or prior to renewal of a policy if a policy covers a multi-year period. Until the first meeting of the Board of Managers following the second meeting of the Unit Owners, such public liability insurance shall be a single limit of not less than \$2,000,000 in the aggregate and \$1,000,000 per occurrence, covering all claims for bodily injury and property damage with respect to any one occurrence.

(c) To the extent obtainable at a cost deemed reasonable by the Board of Managers, all policies of physical and liability insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of pro-rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' a prior written notice to all of the insured, including all mortgagees of Units of which the insurer has notice. Duplicate originals of all physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units of which the Board of Managers has notice and who has requested copies at least ten (10) days prior to the expiration of the then current policies. Each Unit Owner shall receive a certification of such insurance. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the Building (exclusive of the cost of excavation and foundations), including all of the Units, and all of the Common Elements therein including such property, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

(d) If the Property is within a federally designated flood plain the Board of Managers shall insure the Insured Property against flood damage in such amounts as the Board of Managers determines.

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

(f) The Board of Managers shall have the right to charge any Unit Owner the cost of any increase in an insurance premium if due to any act, omission or activity of the Unit Owner, the occupants of the Unit or invitees, employees, agents or contractors of the Unit Owner, or if due to the condition of the Unit.

Section 3. Repair or Reconstruction after Fire or Other Casualty. In the event of damage to, or destruction of, the Building as a result of fire or other casualty (unless a Unit Owner or lienor exercises a right of partition as provided in the Condominium Act, the Board of Managers shall arrange for prompt repair and restoration of the Building (including all of the Units and the equipment installed by the Sponsor or the Board of Managers and partitions, floors and ceilings within the Units and installed by the Sponsor or the Board of Managers but not including any equipment, any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or other personal property within the Unit) and the Board of Managers shall disburse the proceeds of all insurance policies and such additional sums, if any, as may be required, to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner except pursuant to applicable provisions of the Condominium Act.

If, as a result of damage or destruction of the Building by fire or casualty, the Property becomes subject to an action for partition by any Unit Owner or lienor, in accordance with the provisions of the Condominium Act, the Building will not be repaired and the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3 and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his, her or its Unit, in the order of the priority of such liens.

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

No Unit Owner shall be liable for the payment of any part of the Common Charges or assessments assessed against his, her or its Unit subsequent to a sale, transfer or other conveyance by him, her or it (made in accordance with the provisions of Section 1 of Article VII of these By-Laws) of such Unit, together with the Appurtenant Interests (as defined in Section 1 of Article VII hereof.) In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his, her or its Unit is free and clear of liens and encumbrances (other than a first mortgage from an institutional lender) and the statutory lien for unpaid Common Charges, convey his, her or its Unit, together with the Appurtenant Interests, to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, without any compensation and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed against such Unit prior to the acquisition by him, her or it of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for, and such Unit shall not be subject to a lien for the payment of, Common Charges assessed prior to the foreclosure sale.

Section 5. Default in Payment of Common Charges or Assessments. In the event of a default by any Unit Owner other than the Sponsor in paying any installment of the Common Charges or any assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay a charge thereon at the lower of eighteen percent (18%) per year or the highest lawful rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Managers in, and prior to, any action or proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments together with interest thereon, and such expenses, in an action or proceeding to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by the Condominium Act, in the manner provided by the Condominium Act or otherwise as permitted by law.

Pursuant to Real Property Law Section 339-kk, if a non-occupying Unit Owner rents his, her or its Unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such Unit within sixty days of the expiration of any grace period after they are due, upon notice per the By-laws, all rental payments from the tenant shall be directly payable to the condominium association. Payment by a rental tenant to the condominium association made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying Unit Owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying Unit Owner against such tenant for such rent. If the common charges, assessments or late fees due for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying Unit Owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges,

assessments and late fees from the non-occupying Unit Owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying Unit Owner. Thereafter all rental payments shall be made payable to the non-occupying Unit Owner or a designated agent. A non-occupying Unit Owner who disputes the association's claim to rental payments pursuant to Real Property Law Section 339-kk shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the date that such Board receives notice that such Unit Owner seeks to dispute such claim.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Condominium Act on Units in which the Sponsor is more than thirty (30) days in arrears of Common Charges while it is in control of the Board of Managers.

Section 6. Foreclosure of Liens for Unpaid Common Charges. If any action or proceeding is brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his, her or its Unit for any period of such use from the time of failure to pay Common Charges, until judgment and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges, interest thereon as specified in Section 5 of this Article and expenses of the Board of Managers in connection with the collection thereof (including attorneys' fees and disbursement) shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7. Statement of Common Charges and Assessments. The Board of Managers (or a managing agent on its behalf) shall promptly provide to any Unit Owner so requesting the same in writing, a written statement of all unpaid Common Charges, assessments and other sums due from such Unit Owner.

Section 8. Abatement and Enjoinment of Violation by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any provision of these By-Laws, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right by law or as set forth in these By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof or thereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or otherwise for the safety of occupants of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium or any Unit); and/or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (c) to seek compensation for damages caused by the violation or breach.

Section 9. Maintenance and Repair. (a) All maintenance, repairs and replacements to a Unit,

whether structural or non-structural, ordinary or extraordinary (other than maintenance of, and repairs to, any Common Element contained therein and not necessitated by the negligence, misuse or neglect of the owner of such Unit or his, her or its tenants, invitees, employees, agents or contractors), shall be made by the owner of such Unit at his, her or its expense. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements, that result from his, her or its failure to perform such maintenance, repair or replacements.

(b) All maintenance, repairs and replacements to the Common Elements, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner or his, her or its tenants, invitees, agents, employees or contractors, in which case such expense shall be charged to such Unit Owner) shall be made by the Board of Managers and be charged to all Unit Owners as a Common Expense except as provided in these By-Laws with respect to specially allocated expenses and assessments.

(c) Maintenance, repair and replacement of the windows shall be the responsibility of the Board of Managers and the costs thereof shall be a Common Expense, except that Unit Owners shall be responsible for the cost of cleaning the inside face of windows at their Units. The Board of Managers may choose to require that all Unit Owners grant access to their Units to persons retained by the Board of Managers to clean the exterior surfaces of the windows and to maintain, repair and/or replace the windows.

(d) Notwithstanding the above, the Board of Managers shall have the responsibility (which shall constitute its only responsibility regarding those items) of painting or refinishing the exterior of doors opening out of Units (should same ever become necessary) in compliance with all applicable laws.

Section 10. Limited Common Elements. The Limited Common Elements shall be as described in the Declaration.

Section 11. Heating, Hot Water and Air-Conditioning Systems. All maintenance, repairs and replacements to the heating, hot water, and air-conditioning system solely serving a Unit, if any, shall be made by the Unit Owner at the Unit Owner's expense. Maintenance, repairs and replacements to any heating, hot water, or air-conditioning system serving the common areas and/or all Units in common shall be made by the Board of Managers and the costs thereof included in the Common Charges.

Section 12. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) All Units shall be used only in the manner and for the uses permitted in the Declaration and in conformity with all Legal Requirements.

(b) The Common Elements shall be used by Unit Owners and their invitees, employees, agents, and contractors and occupants of Units only for the furnishing of the services and

facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which unreasonably interferes with the peaceful possession or proper use of the Property by other Unit Owners and other occupants.

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof by Unit Owners and their invitees, employees, agents, and contractors and occupants of Units, and all Legal Requirements relating to any portion of the Property or the use or condition thereof, shall be complied with, by and at the sole expense of each Unit Owner or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property except such expense shall be borne by a Unit Owner if the Unit Owner or other occupant of the Unit or any of the Unit Owners' invitees, employees, agents, or contractors caused the condition which must be remedied. The provisions of this paragraph shall not limit the rights of the Sponsor and Sponsor-affiliate to change the use and alter Units they own or the rights of the owner of the Commercial Unit to alter the Unit and change its use.

(e) No portion of a Residential Unit (other than the entire Residential Unit and its appurtenant interests) may be rented, and no transient tenants may be accommodated therein.

(f) No Unit Owner shall keep or do anything in a Unit or the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building, or contents thereof, without the prior written consent of the Board of Managers, except that nothing herein shall restrict the right to use the Commercial Unit for the purposes permitted by the Declaration and any such increase due to such use shall be a specially allocated expense to be paid by the Owners of the Commercial Unit. Without affecting the obligation of the Owner of a Unit other than the Commercial Unit to remove or abate anything which increases the rate of such insurance, the Unit Owner shall pay to the Board of Managers the amount of such increase within three (3) days of written demand.

(g) Those public or other areas of the Building exposed to public view that are required to be maintained by a Unit Owner or the Board of Managers shall be kept by each in good appearance in conformity with the dignity and character of the Building, as determined by the Board of Managers.

(h) The Property is mapped with an environmental (E) designation, which include ongoing use restrictions, summarized below. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the remedial action work plan, a copy of which is publicly available via the document repository on the website of the NYC Office of Environmental Remediation ("OER") (with reference number 16CVCP006K), the following activities are prohibited at the Property: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; and higher level of land usage without review and approval by OER.

Section 13. Additions, Alterations or Improvements by Board of Managers. Additions,

alterations, or improvements may be made by the Board of Managers without approval of Unit Owners, except that (a) no addition, alteration or improvement costing more than \$7,500 shall be made without the approval of the Sponsor and all other owners of Unsold Units as long as there are any Unsold Units (unless such addition, alteration or improvement is necessary in order to comply with Legal Requirements or is necessary to protect the Property from deterioration), and (b) no additions, alterations or improvements costing more than \$7,500 shall be made unless approved by sixty-six and two-thirds percent (66 23/%) in number and in Common Interest of the Unit Owners, including the Sponsor or its designee. The Board of Managers shall proceed with duly authorized additions, alterations or improvements and shall assess each Unit Owner his, her or its proportionate share of the cost as part of the Common Expenses or as a special assessment, or shall pay for the addition, alteration or improvement from reserves accumulated for purposes of same or shall borrow funds to pay therefore as described below. Additions, alterations or improvements costing \$7,500 or less may be made by the Board of Managers without approval of Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 14. Additions, Alterations or Improvements by Unit Owners. No Unit Owners shall make any addition, alteration or improvement in or to his, her or its Unit which is structural or which affects the value of other Units or which affects the exterior of the Building, without the prior written consent thereto of the Board of Managers (and if required, of his, her or its mortgagee), except with respect to signs and awnings installed by the owner or owners of the Commercial Unit. The Board of Managers shall answer any written request by a Unit Owner for approval of a proposed addition, alteration or improvement in or to a Unit, within thirty (30) days after such request; and failure to do so within such time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. The Board of Managers may condition its approval in any way it deems appropriate. Any application to any governmental authority having or asserting jurisdiction, for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any Unit Owner, contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. This Section 14 shall not apply to a Unit owned by the Sponsor or Sponsor-affiliate.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement or repair or any subdivision, combination or change in the boundary walls made by the Sponsor or a Sponsor-affiliate to any Unit held by it, provided, however, that neither the Board of Managers nor any of them nor any Unit Owner other than the Sponsor or Sponsor-affiliate shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers, except any alterations and/or improvements to an appurtenant Limited Common Element shall require the prior approval of the Board of Managers, which approval may be

withheld or conditioned at the sole discretion of the Board of Managers.

In the event that a Unit Owner wishes to make either structural or non-structural additions, alterations, improvements in or to his, her, its Unit or the Limited Common Element associated with his, her or its Unit, the Board of Managers may regulate:

- (a) the time periods during which work is permitted;
- (b) the manner in which construction debris will be handled;
- (c) the measures which must be taken to prevent compromising the security of the Building during construction;
- (d) the interruption of services during construction;
- (e) liability insurance for contractors during construction; and
- (f) such other matters as are necessary for the safety and continued enjoyment of the Building by all Unit Owners.

The Board of Managers may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which the addition, alteration or improvement may be made.

Section 15. Use of Common Elements and Facilities.

(a) A Unit Owner shall not store any furniture, packages or objects or any kind in any part of the Common Elements other than a Limited Common Element appurtenant to his, her or its Unit.

(b) The Common Elements and facilities shall be used only for those purposes for which they are reasonably suited and capable. No Unit Owner shall make any addition, alteration, improvement or change in, or to, any Common Element (including, without limitation, the exterior of the Building) without the prior written consent of the Board of Managers (and the holders of Unit first mortgages, if required), except as permitted with respect to Limited Common Elements. The Sponsor and any Sponsor-affiliate shall have the right to alter and use the Common Elements, without charge, for the purposes and in the manner permitted herein and in the Declaration.

Section 16. Right of Access. A Unit Owner shall grant a right of access to his, her or its Unit, including any appurtenant Limited Common Element, to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his, her or its Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations, additions or repairs to the mechanical or electrical services or other Common Elements in his, her or its Unit or elsewhere in the Building

or to correct any condition which violates any Legal Requirement, provided that request for entry is made in advance and that any such entry is at a time reasonably convenient to the Unit Owner and further provided that such right shall be exercised in such a manner as will not unreasonably interfere with the proper use of the Units. In case of any emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 17. Water, Gas and Electricity. Electricity to Units will be supplied by the public utility companies serving the area through individual meters and billed by such companies to each Unit Owner. The cost of electricity for common areas, as measured by one or more building meters, will be borne by the Unit Owners and will be included in the Common Charges, subject to special allocation, if any, as described in Section 1 of Article V of these By-Laws. The cost of gas for the 4 Downing Building only, as measured by one or more building meters, will be borne by the Unit Owners at the 4 Downing Building and will be included in their Common Charges. Water will be supplied to all Units by the City of New York or other public utility and the cost thereof will be included in the Common Charges, except as otherwise provided in these By-Laws.

Section 18. Rules and Regulations.

(a) The rules and regulations adopted by the Board of Managers may be promulgated and amended from time to time by the Board of Managers provided that copies of such Rules and Regulations are furnished to each Unit Owner not less than five (5) days prior to the time that they become effective. Any rule or regulation may be rescinded by a vote of owners of two-thirds (2/3rds) of the Units at a meeting duly called for such purpose.

(b) The Condominium's initial rules and regulations are attached hereto as Schedule A.

Section 19. Default by Unit Owners and Expenses of Board of Managers.

(a) In the event a Unit Owner fails to make any payment due to the Board of Managers by the due date thereof, then a charge shall accrue on the unpaid sum at the lower of eighteen percent (18%) per annum and the highest rate permitted by law from the due date thereof until payment is made.

(b) In the event the Board of Managers incurs any expense (including attorneys' fees) in connection with the failure of any Unit Owner to abide by the provisions of these By-Laws or the Declaration, then the defaulting Unit Owner shall pay to the Board of Managers the amount of such expense no later than three (3) days after notice of the amount thereof from the Board of Managers or its designee to the defaulting Unit Owner.

(c) If a Unit Owner shall fail to pay any sum due to the Board of Managers pursuant to this Section 19, the Board of Managers shall have all of the rights with respect to such sum and such failure which the Board of Managers would have with respect to a failure to pay Common Charges to the extent permitted by the Condominium Act.

Section 20. Subdividing the Commercial Unit. The Commercial Unit may be subdivided or former parts of the Units may be combined by its or their owner or owners, without the consent

or approval of the Board of Managers or the other Unit Owners. The Board of Managers shall execute and deliver such documents and instruments (including, without limitation, an amendment to the Declaration) and take such actions as are necessary or otherwise to implement such subdivision or combination, provided that the Common Interest of no other Unit shall be affected thereby and provided further that the owner(s) of the Unit or Units being divided or combined shall pay all costs and expenses associated therewith. The provisions of this paragraph shall supercede anything to the contrary contained in these By Laws.

Section 21. Actions affecting the Commercial Unit. Neither the Board of Managers nor the Unit Owners can act, adopt resolutions or amend the By Laws or the Declaration of Condominium in a way that would adversely affect the Commercial Unit without the consent of the owner(s) of the same.

ARTICLE VI

Mortgages

Section 1. Mortgage of Units. Each Unit Owner shall have the right to mortgage his, her or its Unit without restriction provided that any such mortgage shall be granted to a bank or insurance company or a savings and loan association or a mortgage company affiliated with any of the foregoing or a governmental agency, or unless such mortgage shall be substantially in the form available from the Board of Managers, and provided further that a copy of each mortgage and the note secured thereby shall be delivered to the Board of Managers promptly after execution and delivery thereof together with a written notice of the name and address of the mortgagee for the purposes of notices to the mortgagee.

Section 2. Notice of Unpaid Common Charges or Other Default. The Board of Managers, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid Common Charges or assessments levied by the Board of Managers due from, or any default by, the owner of the mortgaged Unit.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or assessments or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address had theretofore been furnished to the Board of Managers and which requested such notice.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

ARTICLE VII

Sales and Leases of Units

Section 1. Sales and Leases. The Board of Managers shall have the rights set forth in this

Section ("Right of First Refusal") with respect to the sale and lease of Residential Units.

(a) No Unit Owner may sell his, her or its Residential Unit or any interest therein except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer (hereinafter called an "Outside Offer") for the purchase of his, her or its Unit, which offer shall be deemed to include, for the purposes of this Article VII, the purchase of (i) the Unit Owner's undivided interest in the Common Elements; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, and the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (which interests are collectively referred to as "Appurtenant Interests") which the Unit Owner intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, to the Board of Managers, or its designee, corporate or otherwise, on behalf of the owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who received the Outside Offer to the Board of Managers on behalf of the other Unit Owners that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect by notice to such Unit Owner either (iv) to purchase such Unit, together with the Appurtenant Interests (or to cause the same to be purchased by its designee (corporate or otherwise) on behalf of all other Unit Owners) on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner, on the same terms and conditions contained in the Outside Offer and as stated in the notice from the offering Unit Owner, or (v) to produce a purchaser who will purchase such Unit, together with the Appurtenant Interests, on the same terms and conditions contained in the Outside Offer and as stated in the notice from the offering Unit Owner. In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to cause the same to be purchased by its designee, corporate or otherwise, title shall close at the office of the attorneys for the Condominium in accordance with the terms of the offer but not more than sixty (60) days after the giving of notice by the Board of Managers of its election to accept such offer. At the Closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) to the Board of Managers or to its designee, on behalf of all other Unit Owners by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale, unless the Outside Offer permits otherwise. Real estate taxes, mortgage interest on any mortgage assumed by the Board of Managers or other purchaser and Common Charges and Expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of midnight of the day immediately preceding such Closing date. In the event the Board of Managers or its designee shall fail to accept such offer or to produce a purchaser within thirty (30) days as aforesaid or fails to act within said thirty (30) days, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interest, within ninety (90) days after the expiration of the period in which the Board of Managers or its designee might have elected to purchase or cause the purchase of such Unit with Appurtenant Interests on the terms and conditions set forth in the notice from the Unit Owner to the Board of Managers of the Outside Offer. Any deed to

an outside purchaser shall provide that the acceptance thereof 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. In the event the offering Unit Owner shall not, within said ninety (90) days, contract to sell such Unit, together with the Appurtenant Interests, to the outside purchaser on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell such Unit, together with the Appurtenant Interests, to such outside purchaser on the terms and conditions in the Outside Offer, but such sale shall not be consummated pursuant to the terms of such contract, then should the offering Unit Owner thereafter elect to sell such Unit (any such sale being deemed to include the Appurtenant Interests) to the same or another outside purchaser on the same or other terms or conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VII.

(b) No Unit Owner may lease his, her or its Residential Unit except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer for a lease (the "Lease Offer") of his, her or its Unit, which he, she or it intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, the terms of the proposed lease, references for the proposed lessee, and such other information as the Board of Managers may reasonably require and shall offer to lease such Unit to the Board of Managers, or its designee, corporate or otherwise, on the same terms and conditions as the Lease Offer. The Board of Managers shall have the same right of election to lease the Unit on behalf of all Unit Owners or to produce a lessee for the Unit as contained in subsection (a) above relating to the purchase of Units. In the event the Board of Managers or its designee shall fail to accept the Lease Offer or to produce a lessee to accept the Lease Offer or fails to act within the time period set forth in subsection (a) the Unit Owner shall be free to lease such Unit to the proposed lessee of the Lease Offer on the terms and conditions contained in the Lease Offer, provided such lease shall be executed within sixty (60) days after the expiration of the period in which the Board of Managers or its designee might have elected to lease or produce a lessee on the terms and conditions of the Lease Offer.

Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the lessee shall not sublet the demised premises or any part thereof without the prior consent in writing of the Board of Managers, that the Board of Managers shall have power to terminate such lease and/or to bring summary proceedings to evict the lessee in the name of the landlord thereunder in the event of default by the lessee under the provisions of such lease, and the Board of Managers shall have the right to terminate the lease on not less than thirty (30) days prior written notice upon foreclosure of the lien for Common Charges granted herein and pursuant to the Condominium Act. Except as hereinbefore set forth, 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 as may be otherwise provided herein or by the Board of Managers.

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

(d) The Board of Managers may establish a reasonable fee for the processing of Residential Unit sales and leases and notices relating to the Board of Manager's rights of first refusal. Such fee shall be payable by the selling or leasing Unit Owner, as the case may be.

Section 2. Consent of Unit Owners to Purchase of Units by Board of Managers. The Board of Managers shall not exercise any option to acquire or lease a unit as set forth in Section 1 of this article set forth to purchase or lease any Unit without the prior approval of owners of Units constituting sixty six and two-thirds percent (66 2/3%) of the Common Interest, not including the Unit Owner who or which wishes to sell or lease. If the Board of Managers does not have sufficient funds on hand for the acquisition and maintenance of a Unit which has been approved by the Unit Owners, the Board of Managers may either borrow such funds or may assess the Unit Owners therefor in proportion to their respective Common Interest, not including the Unit Owner of the sold or leased Unit.

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

Section 4. Release by Board of Managers of Right of First Refusal. The Right of First Refusal may be released or waived by the Board of Managers, in which event the Unit, together with the Appurtenant Interests, may be leased, sold or conveyed free and clear of the provisions of Section 1 of this Article VII.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged and in recordable form by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VII have been met by a Unit Owner, or have been duly waived by the Board of Managers, and that the rights of the Board of Managers thereunder have terminated, shall conclusively bind the Board of Managers and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VII or with respect to whom the provisions of such Section have been waived, upon request.

Section 6. Financing of Purchase and Lease of Units by Board of Managers. Acquisition and lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners and payment of the costs and expenses associated therewith may be made from the working capital and Common Charges in the hands of the Board of Managers, or if such fund are insufficient, the Board of Managers may levy an assessment against each Unit Owner, excepting the Unit Owner

of the sold or leased Unit, in proportion to such owner's interest in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 5 and 6 of Article V, or the Board of Managers, in its discretion, may borrow money to finance the acquisition or lease of such Unit (together with associated costs and expenses), provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with its Appurtenant Interests, so to be acquired by the Board of Managers.

Section 7. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his, her or its Unit and Appurtenant Interests by gift, or to devise his, her or its Unit and Appurtenant Interests by will or to pass the same by intestacy without restriction.

Section 8. Waiver or Right of Partition with Respect to Such Units As Are Acquired by the Board of Managers, or Its Designee, on Behalf of All Unit Owners As Tenants in Common. In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 9. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his, her or its Unit unless and until the Unit Owner shall have paid in full to the Board of Managers all unpaid Common Charges and assessments and expenses theretofore assessed by the Board of Managers against the Unit and until he, she or it shall have satisfied all unpaid liens against such Unit, except permitted mortgages or except in the case of a foreclosing mortgagee.

Section 10. Exceptions. The provisions of Section 1 of this Article VII shall not apply with respect to (a) any sale, conveyance or lease of a Unit and Appurtenant Interests to a Unit Owner's spouse, including domestic partners registered as such with the City of New York, or child or children over the age of eighteen (18) years or parent or parents or brother or sister, or any more than one of them, or (b) any sale, conveyance or lease of a Unit and Appurtenant Interests to a trust for the benefit of the Unit Owner or for the benefit of one or any more than one of the persons stated in (a) of this Section 11, or (c) the acquisition, conveyance, sale or lease of a Unit and Appurtenant Interests by the Sponsor, a Sponsor-affiliate or a other owner of an unsold unit, (d) the acquisition, sale or lease of a Unit, together with its Appurtenant Interests, by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure or (e) any sale, conveyance or lease of the Commercial Unit and its Appurtenant Interest. The Board of Managers shall be required to cooperate in providing appropriate physical access to any Unit (and related Common Elements) described in Subdivision (c) and (d) of this Section 10, as well as all financial information regarding same.

Section 11. Mortgage of Units. Each Unit Owner shall have the right to mortgage his, her or its Unit without restriction provided that any such mortgage shall be granted to a bank or insurance company or a savings and loan association or a mortgage company affiliated with any of the foregoing or a governmental agency, provided that such mortgage shall be substantially in the form available from the Board of Managers, and provided further that a conformed copy of each note and mortgage shall be delivered to the Board of Managers promptly after execution and

delivery thereof.

Section 12. Voting Rights and Proceeds. Units held by the Board of Managers shall not carry any voting rights. Proceeds from the disposition of a Unit held by the Board of Managers shall be received by the Board on behalf of all Unit Owners in proportion to their respective Common Interest.

Section 13. Power of Attorney to Board of Managers. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver to the Board of Managers a Unit Owner's Power of Attorney in favor of the Board (and the Sponsor, if applicable), in the form required by the Board, in accordance with the Declaration. The new Unit Owner shall be responsible for having said Power of Attorney recorded, returnable to the Board, and paying the fees therefor.

Section 14. Abandonment. No Unit Owner may exempt himself from liability for his common charges by waiver of the use or enjoyment of any of the common elements or by abandonment of his Unit. Subject to such terms and conditions as may be specified in the By-Laws, any Unit Owner may, by conveying his Unit and his Common Interest to the Board of Managers on behalf of all other Unit Owners, exempt himself from common charges thereafter accruing.

ARTICLE VIII Records

The Board of Managers shall keep detailed records of the actions of the Board of Managers, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

An annual report of the receipts and expenditures of the Condominium, certified or audited, as the Board of Managers may choose, by an independent certified public accountant, shall be given by the Board of Managers to all Unit Owners and to all mortgagees of Units who have requested the same promptly after the end of each fiscal year but not later than six (6) months after the end of the Condominium year. The cost of such report shall be paid by the Board of Managers as a Common Expense.

ARTICLE IX Miscellaneous

Section 1. Notices. All notices hereunder shall be sent by registered or certified mail to the

Board of Managers at the office of the Board of Managers or to such other address as the Board of Managers may designate from time to time by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the Unit Owner at the Building or to such other address as may have been designated by the Unit Owner from time to time by notice in writing to the Board of Managers. All notices to mortgagees of Units shall be sent by registered or certified mail to their respective addresses, as designated by the respective mortgagee from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received. Where these By-Laws permit the use of notice by facsimile, such notice shall be deemed effective on the date faxed.

The Board shall notify by first-class mail holders of Unit mortgages and, to the extent known by the Board, guarantors of a Unit mortgage, of (a) any condemnation or casualty loss affecting either a material portion of the Property or the Unit securing a mortgage, (b) a lapse, cancellation or materially adverse modification of the insurance policy maintained by the Board and (c) any proposed action by the Board that requires the consent of holders of Unit mortgages. For purposes of this paragraph, the date of mailing shall be deemed to be the date of the giving of notice.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3. Captions. Captions are inserted in these By-Laws only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision hereof.

Section 4. Gender and Number. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the neuter. The singular shall be deemed to include the plural and vice-versa whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation, or provisions contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Definition of "Mortgagee." As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage which shall be a lien on a Unit.

Section 7. Application of Payments. The Board of Managers, and the managing agent on its behalf, may apply any funds received on or on behalf of any Unit Owner to any sum due from such Unit Owner to the Condominium which the Board of Managers or the managing agent may elect, notwithstanding any direction from the Unit Owner as to how any payment shall be applied or any notation on any check or any condition attached to such payment.

Section 8. No Discrimination. The Board of Managers shall not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital

status or other grounds prohibited by law.

Section 9. Termination. If withdrawal of the Property from application of the Condominium Act is authorized by at least eighty percent (80%) of the Unit Owners in number and in Common Interest (and if required by the respective mortgages, their first mortgagees, if any, of such Unit), then the Property shall be subject to an action or partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his, her or its share of such net proceeds all liens on his, her or its Units. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty percent (80%) of the Unit Owners other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

Section 10. Arbitration. Any controversy between Unit Owners or any claim by a Unit Owner against the Condominium or another Unit Owner arising out of or in relation to the Declaration, By-Laws or Rules and Regulations of the Condominium shall be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitration may be entered in any court having jurisdiction thereof.

ARTICLE X Amendments to By-Laws

Except as hereinafter provided otherwise, these By-Laws may be modified or amended with the approval of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all the Unit Owners, upon notice as provided in Section 4 of Article III of these By-Laws.

The following provisions of these By-Laws may not be amended without the consent in writing of the Sponsor or Sponsor-affiliate so long as it shall be the owner of one or more Units:

(a) Section 2 of Article II - Insofar as it provides that the Board of Managers may not exercise certain powers without the Sponsor's or Sponsor-affiliate's consent for a period specified therein or so long as the Sponsor or a Sponsor-affiliate shall continue to own one or more Units.

(b) Section 1 of Article III - Insofar as it provides that the Sponsor or Sponsor-affiliate, so long as it is the owner of a Unit, shall be entitled to elect members of the Board of Managers, which members need not be Unit Owners.

(c) Section 8 of Article III - Insofar as it provides that the Sponsor or Sponsor-affiliate, so long as it is the owner of one or more Units, may cast the votes appurtenant thereto.

(d) Section 14 of Article V - Insofar as it provides that the provisions of such Section shall not apply to any Units owned by the Sponsor, Sponsor-affiliate, or any designee of same.

(e) Section 15 of Article V - Insofar as it provides for rights of the Sponsor and Sponsor-affiliate with respect to the use and alteration of the Common Elements so long as the Sponsor or a Sponsor-affiliate owns one or more Units.

(f) Section 11 of Article VII - Insofar as it applies to the Sponsor or a Sponsor-affiliate.

(g) This Article X.

(h) Any other provision of these By-Laws granting the Sponsor or a Sponsor-affiliate rights as such, or the amendment of which would adversely affect the Sponsor or any Sponsor-affiliate.

ARTICLE XI

Conflicts

These By-Laws are intended to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XII

Certain Remedies

Section 1 Self Help. If any Unit Owner shall violate or breach any provision of the Declaration, these By-Laws or the Rules and Regulations and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Board of Managers (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure diligently to completion) or immediately in the case of an emergency, the managing agent if any, and the Board of Managers shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In the event that the Board of Managers shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building the Board of Managers may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 2 Abatement and Enjoinment.

(a) If any Unit Owner shall violate or breach any provision of the Declaration, these By-Laws or the Rules and Regulations, the Board of Managers shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings either at law or in equity.

(b) Any violation or breach of any provision of the Declaration, these By-Laws or the Rules and Regulations with respect to any of the rights, easements, privileges or licenses granted to the Sponsor or other owner of an Unsold Unit shall give to Sponsor or such owner, the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings either at law or in equity.

Section 3 Remedies Cumulative; Non-Waiver. The remedies specifically granted to the Board of Managers, to the Sponsor or other owner of an Unsold Unit in this Article or elsewhere in the Declaration, these By-Laws or the Rules and Regulations shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, all in the sole discretion of the Board of Managers, the Sponsor or other owner of an Unsold Unit, as the case may be. The exercise of any remedy or failure to exercise any remedy shall not operate as a waiver, or preclude the exercise, of the remedy at any time or any number of times or the exercise of any other remedy.

Section 4 Costs and Expenses. All sums of money expended, and all costs and expenses (including reasonable attorneys fees and disbursements) incurred, in connection with any breach or violation of the Declaration, these By-Laws or the Rules and Regulations and any cure, abatement, remedy, injunction, proceeding or other action in connection with such breach or violation, (a) by the Board of Managers or (b) by the Sponsor or other owner of an Unsold Unit shall be paid immediately upon demand (y) by the Unit Owner committing the breach or violation to the Board of Managers (if expended or incurred by the Board of Managers) or (z) by the offending party (i.e., the Board of Managers or a Unit Owner or Unit Owners) to the Sponsor or other owner of an Unsold Unit (if expended or incurred by the Sponsor or such owner). All sums due pursuant to the preceding sentence shall bear interest from the date of the demand until paid at the lower of 18% per year or the maximum rate of interest permitted by law. The Board of Managers shall have a lien for all sums payable by a Unit Owner to the Board of Managers pursuant to this Section 4 in the same manner as a lien for Common Charges.

SCHEDULE A

Rules and Regulations

1. The Residential Units shall be used only for residential use and for legally permitted uses accessory to residential use and for a "home occupation" (as defined and limited by the New York City Zoning Resolution) subject to the provisions of the certificate of occupancy for the Building, except that the Sponsor or its designee(s) may, without obtaining the consent of the Board or the other Unit Owners: (a) allow Unsold Units to be used as a professional or business 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 and (b) use Unsold Units as a model Unit and sales and/or promotion offices in connection with the sale or rental of the Unsold Units or for any other purpose, subject only to compliance with law. The Commercial Unit may be used for any legal purpose, including uses that may result in heavy traffic or be noisy or create odors or be otherwise disruptive, except for any obscene or pornographic or commercial sex use or any use involving nude or semi-nude performances or employees or for the sale of sexual paraphernalia other than that typically sold in a pharmacy, or as a nightclub, a disco, a dance hall, a social club, a trade school, or a drug treatment clinic. The Commercial Unit may be subdivided or former parts of the Unit may be combined by its or their owner or owners, without the consent or approval of the Board or the other Unit Owners. The Board of Managers shall take all actions necessary in order to permit the Commercial Unit to be used as permitted, including, among other things, amending the Certificate of Occupancy of the Building from time to time and to permit the subdivision and combination of such Unit as described above, provided the owners of such Unit pay the costs associated with the subdivision and combination. The Building shall be used solely for the purposes for which the Units contained therein may be used.

2. Except as provided in Rule 1 above, and except for the Commercial Unit, which may be used for any legal purposes subject to the limitations set forth in the Declaration and whose owners may install signs and awnings pursuant to Rule and Regulation 26 below, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted on any part of the Property, nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the Property or in any Unit therein nor shall any Unit be used or rented for transient, hotel or motel purposes. Notwithstanding the above, the right is reserved by the Sponsor, Sponsor-affiliates and the Board of Managers, and their agent, (a) to place "For Sale," "For Rent" or "For Lease" signs on any Units owned by any of them, and (b) to erect, lease, manage and maintain commercial and recreational facilities on various portions of the Property as permitted by applicable law or regulation, and as contemplated by the Offering Plan, as amended. The right is hereby given to any mortgagee, who may become the owner of any Unit, to place the above described signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one foot by two feet.

3. Nothing shall be done or kept in the Units or the Common Elements or the

Limited Common Elements which will increase the rate of insurance of the building, or contents thereof, without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in the cancellation of insurance of the building, or contents thereof, or which would be in violation of any Legal Requirement. No Unit Owner or occupant or any agents, servants, employees, licensees or visitors or contractors of a Unit Owner shall at any time bring into or keep in his, her or its Unit, any Limited Common Element appurtenant thereto, or vestibule, any flammable, combustible or explosive fluid, material, chemical or substance (except gasoline in automobile tanks) except as appropriate to construction being performed therein or in connection with a permitted use of the Commercial Unit, in any case in compliance with all Legal Requirements. No waste shall be committed in the Common Elements or Limited Common Elements.

4. All radio, television or other electrical or communications 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 thereof, and the Unit Owner alone shall be liable for any damage or injury or interference caused by any radio, television or other electrical or communications equipment in such Unit. No such installation shall interfere with reception of the master television antenna, if any.

5. Nothing shall be done in any Unit or in, on or to the Common Elements or Limited Common Elements which will impair the structural integrity of any building or which would structurally change the Building without the written consent of the Board of Managers.

6. Nothing shall be altered or constructed in, or removed from, the Common Elements, except upon the written consent of the Board of Managers.

7. No animal of any kind shall be raised, bred, or kept in any Unit or in the Common Elements or Limited Common Elements, except subject to the rules and regulations adopted by the Board of Managers from time to time. Such rules and regulations may prohibit animals. In any event no animal shall be kept, bred or maintained for any commercial purposes and any bird, animal or reptile causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed by the owner of such animal(s) from the Property upon three (3) days' written notice from the Board of Managers. In no event shall any dog be permitted in any portion of the Common Elements unless carried or on a leash, or in any grass or garden plot under any circumstances. A Unit Owner will be bound by any rule or regulation concerning pets adopted by the Board of Managers even if such rule or regulation is more restrictive than the rules in affect at the time the pet was first brought in to the Unit.

8. No noxious or offensive activity (including without limitation the production or release of offensive odors or excessive noise) shall be carried on by any Unit Owner in any Unit or in or on the Common Elements or Limited Common Elements, nor shall anything be done therein or thereon, either willfully or negligently, which may be or become an annoyance or nuisance to any other Unit Owner or occupant.

9. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Board of Managers except that the Limited Common Elements may be used for any purpose not prohibited by any Legal Requirement.

10. Except in recreational or other areas designated as such by the Board of Managers or in the Declaration, there shall be no playing, lounging, or parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches or chairs, on any part of the Common Elements (except that Limited Common Elements may be used for any purpose not prohibited by any Legal Requirement). Storage by Unit Owners in areas designated by the Board of Managers or in the Declaration shall be at their own risk.

11. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung out of a Unit or exposed to any part of the Common Elements. The Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials, nor shall any rugs or mats be shaken or hung from or on any of the windows, doors, railings, or vestibules, nor shall be a Unit Owner sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

12. Each Unit Owner shall keep his, her or its 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 his, her or its own Unit in accordance with the provisions of the By-Laws and these Rules and Regulations.

13. No lobby or landing shall be decorated or otherwise altered without the consent in writing of the Board of Managers.

14. The agents of the Board of Managers and the managing agent, and any contractor or workman authorized by the Board of Managers or the managing agent, may enter any room or Unit in the Building at any reasonable hour of the day upon reasonable advanced notice 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.

15. The Board of Managers, or its designated agent, may retain a pass key to each Unit and any other area under the control of the Unit Owner. No Unit Owner shall alter any lock or install a new lock on any door of the Unit or other area without the written consent of the Board of Managers. In case such consent is given, the Unit Owner shall provide the Board of Managers, or its agent, with an additional key to afford access to the Unit and other area. If entry is required in an emergency and the key has not been furnished as required by these Rules, an agent of the Board of Managers or the managing agent (with authorization from an officer of the Board of Managers) may forcibly enter the Unit or other area without liability for damages or trespass, provided that reasonable care is exercised.

16. If any key or keys are entrusted by a Unit Owner or occupant or by his, her or its agent, servant, employee, licensee or visitor to an employee of the Board of Managers, whether

for such Unit or for an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or occupant, and the Board of Managers shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

17. Any consent or approval given under these rules and regulations may be added to, amended or repealed at any time by resolution of the Board of Managers.

18. In order to retain the structural integrity and aesthetic appearance of the Building, no additional window or through-the-wall air-conditioning appliances may be installed in any Residential Unit and no radio or television or other aerial or similar device shall be attached to or hung from the exterior of the Building by a Unit Owner without the written consent of the Board of Managers. If air conditioners and similar objects are permitted to be inserted in windows of the Building, the Board of Managers may prescribe a uniform color for them.

19. Not more than one family may occupy a Residential Unit at any one time. A family member includes spouse, domestic partner registered as such with the City of New York, child, parent, grandparent, parent-in-law and sibling.

20. A Unit owned or leased by an individual, corporation, partnership, fiduciary or other entity may be occupied only by said individual, or by a designated officer, director, stockholder or employee of such corporation, or by a designated partner or employee of such partnership or by said fiduciary (including designated officers, directors, stockholders or employees of corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or designated employee of such other entity, respectively, or by members of the family or guests of any of the foregoing. Within thirty (30) days after a Unit is acquired by an owner other than an individual, such non-individual owner shall notify the Board of Managers of the name of the officer, director, stockholder, partner, employee, principal, fiduciary, or beneficiary designated by such owner to occupy its Unit. The person so designated may be changed from time to time by the non-individual owner by similar written notice to the Board of Managers. However, all designees must be bona fide officers, directors, stockholders, partners, employees, principals, fiduciaries or beneficiaries of the non-individual owner. Guests are permitted only when a Unit Owner (or, in the case of Units owned by corporations, partnerships, fiduciaries or other entities, the designee of such Unit Owners) or a family member is present.

21. A Unit Owner shall ensure that seventy-five (75%) percent of exposed flooring in the Residential Unit, except for kitchens or bathrooms, is carpeted or similarly covered

22. In the event that any Residential Unit shall be used for home occupation or professional purposes in conformance with the Declaration and By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby or landing. This Rule shall not confer any right to use any Unit in a manner not otherwise permitted.

23. Water-closets and other water apparatus shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown in to 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.

24. These Rules and Regulations may be altered or amended by vote of the Board of Managers, as set forth in the By-Laws and Rules and Regulations may be rescinded as set forth in the By-Laws.

25. Each Unit Owner must notify the Board of Managers (and the Managing Agent, if any) in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Unit Owner must maintain all window guards installed in the Residential Unit and shall not remove the same until permitted by applicable law and in any event, without full knowledge of the Board of Managers (and the Managing Agent, if applicable).

26. The owners or tenants of the Commercial Unit may install commercially reasonable signs and awnings on the portion of the Building's facade enclosing the Commercial Unit.

27. The Property is mapped with an environmental (E) designation, which include ongoing use restrictions, summarized below. Compliance with these restrictions will be the responsibility of the Condominium and the Unit Owners. As outlined in the remedial action work plan, a copy of which is publicly available via the document repository on the website of the NYC Office of Environmental Remediation ("OER") (with reference number 16CVCP006K), the following activities are prohibited at the Property: vegetable gardening and farming; use of groundwater without treatment rendering it safe for the intended use; disturbance of residual contaminated material; and higher level of land usage without review and approval by OER.

SECTION H

CERTIFICATIONS

Page without text

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTIONS
20.2 (c) AND 20.4 (b) OF THE REGULATIONS GOVERNING THE CONVERSION OF
NEWLY CONSTRUCTED, VACANT OR NON-RESIDENTIAL CONDOMINIUMS, ISSUED
PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

Re: 8 Saint Marks Place
Brooklyn, New York

We are the sponsor and the principal of the sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the 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 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, or 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 representations or statement made;

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

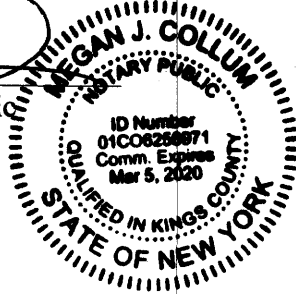
We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

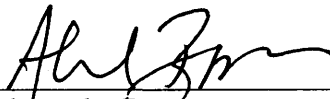
8 SAINT MARKS, LLC

By Barrett Design LLC, Manager

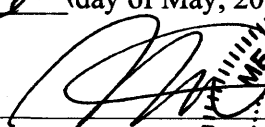
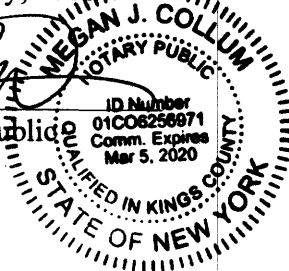
By: 
Alexander Barrett, Sole Member

Sworn to before me this
10th day of May, 2016


Notary Public



Alexander Barrett

Sworn to before me this
10th day of May, 2016


Notary Public


CERTIFICATE OF SPONSOR'S ARCHITECT PURSUANT TO PART 20
OF THE REGULATIONS OF THE DEPARTMENT OF LAW PURSUANT
TO GENERAL BUSINESS LAW ARTICLE 23-A AS AMENDED

Re: 8 Saint Marks Place
Brooklyn, New York

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction of the property (the "Report"). I/We examined the building plans and specifications that were prepared by Barrett Architecture, PLLC, dated March 28, 2016, and prepared the Report dated July 14, 2016, a copy of which is intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report.

I am/We are a registered architect in the State in which the property is located.

I/We understand that I am/we are responsible for complying with article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I/We Certify that the Report:

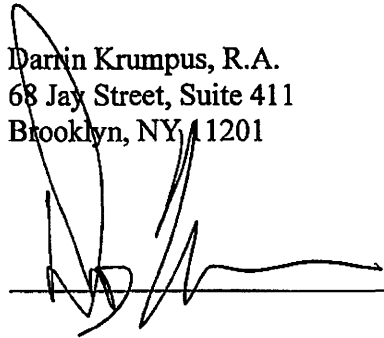
- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;
- (ii) in my/our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;
- (iii) does not omit any material facts;
- (iv) does not contain any untrue statement of material fact;
- (v) does not contain any fraud, deception, concealment, or suppression.
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I/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.

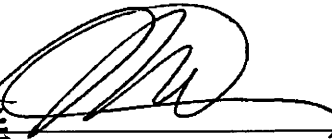
I/We further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Darrin Krumpus, R.A.
68 Jay Street, Suite 411
Brooklyn, NY 11201



STATE OF NEW YORK)
) ss.:
COUNTY OF KINGS)

On the 14th day in JULY, the year 2016 before me personally appeared DARRIN KRUMPUS, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

**CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO PART 20 OF
THE REGULATIONS OF THE DEPARTMENT OF LAW PURSUANT TO GENERAL
BUSINESS LAW ARTICLE 23-A, AS AMENDED**

**Re: 8 Saint Marks Place
Brooklyn, New York**

The sponsor of the condominium offering plan for the captioned property retained my firm to review Schedule B and Schedule B-1, containing projections of income and expenses for the first year of condominium operation and of gas and electricity costs for individual units. Braude Building Management, LLC has been in business for over three years and our experience in this field includes managing the following buildings:

137 West 83rd Street, New York, New York
139 West 83rd Street, New York, New York
269 Macon Street, Brooklyn, New York
55 Windsor Place, Brooklyn, New York
121-123 Fort Greene Place, Brooklyn, New York

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and Schedule B-1.

I have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying them with due diligence in order to form a basis for this certification. I also have relied on our experience in managing residential buildings.

I certify that the projections in Schedule B and Schedule B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedules:

- (i) set forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;

- (v) do not contain any fraud, deception, concealment, or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation or statement which is false, where I:
- (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

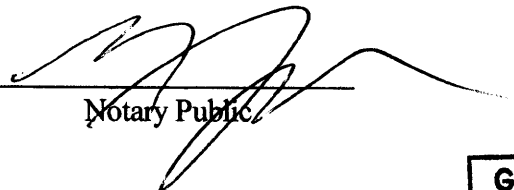
I further certify that my firm is not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law."

Braude Building Management, LLC

By: 
Talia Braude, Member

Sworn to before me this
28th day of June, 2016


Notary Public

GUILLERMO JOSE SANTIAGO
Notary Public, State of New York
No. 02SA6277505
Qualified in Kings County
Comm. Expires March 11, 2017

**CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY
THE COMMERCIAL UNIT OWNER(S) PURSUANT TO PART 20 OF THE REGULATIONS
OF THE DEPARTMENT OF LAW PURSUANT TO GENERAL BUSINESS LAW ARTICLE
23-A, AS AMENDED**

**Re: 8 Saint Marks Place
Brooklyn, New York**

The sponsor of the condominium offering plan for the captioned property retained my firm to review Schedule B which includes projections of common charges payable by the owners of the commercial unit. Braude Building Management, LLC has been in business for over three years and our experience in this field includes managing the following buildings:

137 West 83rd Street, New York, New York
139 West 83rd Street, New York, New York
269 Macon Street, Brooklyn, New York
55 Windsor Place, Brooklyn, New York
121-123 Fort Greene Place, Brooklyn, New York

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit listed in Schedule A of the offering plan.

I have reviewed the Schedule as it impacts upon the commercial unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on our experience in managing residential buildings.

I certify that the projections in Schedule B for common charges payable by the owners of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit:

- (i) set forth in detail the projected common charges for the commercial unit 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 common charges payable by the owners of the

commercial unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

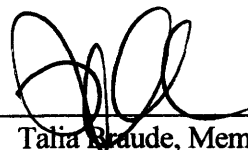
(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

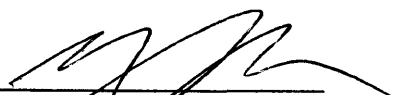
I further certify that my firm is not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for 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. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Braude Building Management, LLC

By: 
Talia Braude, Member

Sworn to before me this
28th day of June, 2016


Notary Public

GUILLERMO JOSE SANTIAGO
Notary Public, State of New York
No. 02SA6277505
Qualified in Kings County
Comm. Expires March 11, 2017

