THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM

OWNERSHIP CONDOMINIUM OFFERING PLAN FOR THE 61 MARTENSE STREET CONDOMINIUM 61 MARTENSE STREET, BROOKLYN, NEW YORK 11226

	Price to Tenant Purchasers*	Price to Non-Tenant Purchasers
TOTAL OFFERING PRICE FOR 60 UNITS:	$ 39,455,000	$ 47,346,000
Total Offering Price for 43 Parking Space Licenses:	$ 2,150,000	$ 2,150,000
Total Offering Price for Units and Licenses:	$ 41,605,000	$ 49,496,000
Reserve Fund**	**$ 1,183,650**	**$ 1,183,650**

* See the Section entitled "Rights of Existing Tenants" for a discussion of the rights of bona fide tenants to buy their own Units during the first 90 days of this offering.

** This is an estimate of the minimum amount of the Reserve Fund required under the terms of a law enacted by the New York City Council without deduction for credits allowed to Sponsor. The actual amount cannot now be determined. See the Section entitled "Reserve Fund."

Each Purchaser will contribute two (2) months' Common Charges in effect at the time of closing to the Working Capital Fund upon the closing of title to each Unit. Sponsor will not make a contribution to the Working Capital Fund. The Working Capital Fund may be expended for any purpose, including the reduction of Common Charges, during any period, including the period that Sponsor controls the Condominium Board. See the Section entitled "Working Capital Fund and Apportionments".

The Condominium will have 60 Units, all of which are being offered for sale hereby. In addition, Sponsor is offering for sale licenses for 43 Parking Spaces.

SPONSOR
61 MARTENSE STREET LLC
2001 EAST 9TH STREET, SUITE 1K
BROOKLYN, NEW YORK 12223
(877) 233-2950

SELLING AGENT
CORCORAN GROUP
30 IRVING PLACE, 5TH FLOOR
NEW YORK, NEW YORK 10003
(212) 500-7007

The term of the initial offering of this Plan commenced on _____, 2018 and expires on _____, 2019 unless said date is extended in a duly filed amendment.

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

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISK SECTION OF THE PLAN). THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS.

SEE PAGE v FOR SPECIAL RISKS TO PURCHASERS.

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PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASER

(See the "Definitions" Section in Part I of this Plan and see Exhibit C to the Declaration in Part II of the Plan for definitions of capitalized terms)

THE CAPTIONS ARE INSERTED AS A MATTER OF CONVENIENCE AND REFERENCE, AND IN NO WAY DEFINE, LIMIT OR DETERMINE THE SCOPE OF THE DISCLOSURES INCLUDED IN THE OFFERING PLAN.

ALL SPECIAL RISKS ARE IMPORTANT AND SHOULD BE READ CAREFULLY BY PURCHASERS.

The disclosures set forth herein are provided by Sponsor, as required by N.Y. Gen. Business Law § 352-e, et. seq. (the "Martin Act") and governing regulations.

1. Current Building Condition and Required Repairs.

A. As more particularly set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain structural elements are in varying degrees of repair and require certain renovations (collectively, the "Building Remediation Program") as follows:

(i) Structural System. The stratification and soil types that exist beneath the Building footprint are unknown. Visual inspection of the ground floor walls and floors, the exterior foundation walls, and floor slabs that are visible from the cellar show signs of vertical and horizontal cracking. In addition, such inspection revealed signs of cracking of the reinforced concrete foundation walls within the Garage access driveway, cracking of the concrete encasement of structural steel members throughout the ground level of the Building not believed to be caused by natural settlement of the Building, some mortar joint decay (but no excess friability of any joints), and delamination on the rear exterior walls. The cellar is dry and shows no sign of moisture or seepage or ground water infiltration and there is no danger from flooding, either due to the water table in the area or due to any overflow from other bodies of water. Further, the Building is not located in a FEMA flood zone. While the footing elements of the Building providing foundational support in the soil are not visible such that a full assessment can be made as to the structural integrity of the Building without further testing, Sponsor's architect did not observe any signs of distress to the foundation. However, further structural inspections are recommended to determine the nature and extent of repairs that may need to be made to the Building's foundation.

(ii) Parking Garage, Cellar, and Ground Floor. The Parking Garage is situated at the rear of the ground floor and incorporates a steel framed structure of beams and columns, encased in concrete for fire and corrosion protection of the steel. A reinforced concrete slab serving as a yard for the building, provides a roof over the Parking Garage. Cracking and spalling of approximately 10% of the concrete encasement of the parking garage

columns and beams was observed by Sponsor's Architect. The Building's Cellar is also constructed with structural steel columns and beams. These steel members are protected by concrete encasement as is typical throughout the ground floor. Sponsor's Architect has determined that there is delaminating and spalling off of the concrete encasement from the bottom flanges of the visible floor beams. In several cases, complete delaminating of the beams has occurred. In other cases; however, some portion of the fire protection has remained. In general, the Cellar, the Parking Garage, and the underside of the first floor need fire-protection repair and upgrade, consisting of the re-encasement of approximately 25% of the structural steel members. Additionally, the underside of the reinforced concrete ground floor slabs that are visible from the cellar, revealed cracking, spalling and delaminating.

Based on the age of the building, and the structural damage observed within the ground floor, Sponsor's Architect recommends that wet floor areas of the Building, such as bathrooms and kitchens, be inspected to verify the condition of the existing floor joists and to determine whether and to what extent any joist replacement is required. The method of waterproofing for the foundation walls and floor slab is unknown. The joists at the roof of the Parking Garage is also potentially compromised and should also be inspected for damage.

The Sponsor has commenced, at its cost and expense, the Building Remediation Program to address the foregoing conditions and reserves the right to perform future improvements to the Building. Any plans and/or work for future improvements will be disclosed in an duly filed amendment to the Plan. Details of the Building Remediation Program, including the projected cost thereof, are set forth in Exhibit 4-A in Part II of the Plan.

B. Sidewalk and Curb. The sidewalks and sidewalk curb are concrete and in overall fair condition. There are some cracks near the tree pit that are in need of replacement. Sponsor has not received a proposal for the scope of work or the cost of such repairs however the approximate cost is estimated to be $30,000. If, after Consummation of the Plan the Board of Managers determine that to undertake such repairs, the Condominium will be responsible for all such costs and expenses.

C. Roof and Roof Structures. The roof over the building is rubber roofing and appears to be in fair condition. Sponsor does not currently anticipate making any repairs to the roof. However, repairs will likely be warranted within 5 years. The approximate cost of replacing the roof is $85,000. If, after Consummation of the Plan the Board of Managers determine that the Roof should be repaired or replaced, the Condominium will be responsible for all such costs and expenses.

D. Exterior Stairs. Stairs at the left of the courtyard (when facing the building) are concrete and in fair condition. The stairs at the right of the courtyard are steel and are in need of a repainting. One tread is missing and needs to be repaired. The approximate cost of exterior stair replacement is $26,000. If, after Consummation of the Plan the Board of Managers determine that the exterior stairs should be repaired or replaced, the Condominium will be responsible for all such costs and expenses.

E. Local Law 11 and Building's Façade.

(i) Purchasers are advised that a Technical Report as to Periodic Inspection of Exterior Walls and Appurtenances (also known as a Local Law 11 report) that was filed with the DOB on June 15, 2015 by the prior owner of the Building indicated no unsafe façade conditions. However, as of June 10, 2016, the DOB issued a "partial vacate" order to all persons occupying any part or parts of balconies at the southeast/southwest elevations at the 4th, 5th, and 6th floors of the Building. The order was "issued because there is imminent danger to life or public safety or safety of the occupants or to property...due to brick masonry bulging, spalling and cracked at the south elevation, [and because] balconies approximately between 4th to 6th floors are in imminent fall hazard." Sponsor retained Solomon Engineering Group to address this condition and plans have been filed with the DOB under Application #32141827 to perform corrective work to the façade (the "Façade Correction Work") as recommended in the Façade Renovation Status Report by Salomon Engineering. It is anticipated that as part of the Façade Correction Work, balconies of Units 4A, 4D, 5A, 5D, 6A, 6D will be removed and replaced. All Façade Correction Work will be performed at Sponsor's sole cost and expense and is anticipated to be completed by September 1, 2018. See the Section entitled "Sponsor's Statement of Building Condition" in Part I of the Plan, the "Description of Property" included as Exhibit 4 in Part II of the Plan, the "Façade Renovation Status Report by Salomon Engineering" included as Exhibit 4-B in Part II of the Plan, and the Local Law 11 Report set forth as Exhibit 6 in Part II of the Plan.

(ii) Balconies appurtenant to certain Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. The Sponsor is not responsible for, nor can it make any guarantees regarding the privacy which will be afforded to Unit Owners on their Balcony. A Unit Owner who has a Balcony appurtenant to his or her Unit shall have the exclusive use of same, subject to the right of the Board to regulate its use and subject to all applicable Law. All Maintenance of any Balcony which does not involve Structural Alterations shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any Structural Alterations to such Balcony (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. The Board will have the right to require a Unit Owner to obtain the consent of the Board prior to installing Balcony Installations on the Balconies and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the Board determines, in its discretion, that such Balcony Installations adversely affect the integrity of the Roof or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove Balcony Installations from the Balcony, if requested by the Board, to facilitate access to the roofing system, walls, Facade or other Common Elements pursuant to the Declaration or the By-Laws. No Balcony may be enclosed without the express written consent of the Condominium Board. Prior to installing Balcony Installations, the Board may require, in its sole discretion, that the Unit Owner enter into an alteration agreement with the Board. Purchasers are advised that until completion of the Façade Correction Work and the partial vacate order shall have been removed, occupants of Units 4A, 4D, 5A, 5D, 6A, 6D will not be permitted entrance unto or use of the appurtenant Balconies. See the Section entitled

"Sponsor's Statement of Building Condition" in Part I of the Plan and the Description of Property and Local Law 11 Report set forth in Part II of the Plan.

(iii) The Building was completed circa 1953 and a program of ongoing maintenance is typically required to insure the integrity of a building. Under the terms of Local Law 11 of 1998, property owners are obligated to have the facades of their buildings periodically inspected and perform remedial work as determined by the licensed engineer performing the required inspections.

(iv) Sponsor makes no representations or warranties regarding the façade of the Building except as otherwise set forth in the Plan. Sponsor makes no representations regarding future expenditures which may be required to comply with Local Law 11 or the costs of the inspections therefor which will be the responsibility of the Condominium Board. See the Section entitled "Sponsor's Statement of Building Condition" in Part I of the Plan and the Description of Property and Local Law 11 Report set forth in Part II of the Plan.

F. Finishes for Areas Other than Units.

(i) The lobby has a tiled floor and the walls and ceilings are painted concrete and/or plaster and are in fair condition. Sponsor plans to renovate but has not yet determined finishes or a scope of work.

(ii) The stair halls are concrete and/or plaster and are in fair condition. Sponsor is in the process of re-plastering, as necessary and repainting the area.

(iii) The storage rooms are concrete and/or plaster and are in fair condition. Sponsor plans to renovate but has not yet determined finishes or a scope of work.

(iv) The utility rooms are concrete and are in fair condition. Sponsor has no plans to renovate the area.

(v) The corridor floors are vinyl tile and/or carpet; the walls and ceilings are painted concrete. They are in fair condition. Sponsor plans to replace the floors with vinyl tile and/or carpet, repaint walls; wallpaper portions of the walls and put new sheetrock on ceilings. Sponsor does not yet have a commencement date for this work.

(vi) The gym area is new and will have a rubber floor and walls and ceilings which will be a combination of concrete, plaster and gypsum board. The walls may also have mirrors.

(vii) A mailroom area is new and will have a ceramic floor and painted gypsum board walls.

Please see the Description of Property set forth in Part II of the Plan.

2. Procedure to Purchase and Terms of Sale

A. At the time an Agreement is executed, a Purchaser is required to make Deposit of 10% of the Purchase Price. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further details).

B. The balance of the Purchase Price shall be paid by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or, at Sponsor's election, upon not less than two days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not members of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Deposit, for a Unit unless otherwise agreed by Sponsor. Sponsor makes no representations or guarantees that the foregoing will not be further modified. (See the Section entitled "Procedure to Purchase" under the subsection entitled "Escrow and Trust Fund Requirements" set forth in Part I of the Plan.)

C. Purchasers are further advised that (i) the risk of loss of any portion of the Deposit(s) deposited in accordance with the terms of the Plan and the Agreement shall be borne by Purchaser; (ii) if a Purchaser deposits the Deposit(s) and/or Custom Work Deposits in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (iii) if a Purchaser has any additional accounts where the Master Escrow Account is held, the funds in said accounts will be added together with the Deposit(s) and Custom Work Deposit held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Purchasers are encouraged to visit http://www.fdic.gov. for further information and updates. (See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan)

D. In the event a Purchaser defaults under the Agreement, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser thereunder, and Purchaser does not cure such default within 30 days after Sponsor gives written notice to the Purchaser of such default, TIME BEING OF THE ESSENCE with regard to the obligation of purchaser to cure within such 30 day period, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchaser and retain the Deposit, the Custom Work Deposit, if any, and all other sums deposited by Purchaser under the Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that such sums may be in excess of the Deposit and that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iii) bring an action against Purchaser for specific performance or (iv) exercise all other remedies available to Sponsor at Law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). In addition, Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the

Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details.).

E. For purposes of this Plan and the Agreement, the term "**TIME BEING OF THE ESSENCE**" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and constitutes a default entitling Sponsor to the remedies set forth in this Plan and the Agreement. (See the Section entitled "Procedure to Purchase," in Part I of the Plan for further details).

F. The Agreement provides that Purchaser shall be obligated to reimburse Sponsor (if Sponsor prevails in defending or enforcing Sponsor's rights) for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Agreement or if Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement or otherwise enforcing Purchaser's obligations thereunder. **THE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT, EXCEPT AS PROHIBITED BY LAW, THE PARTIES WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN, THE AGREEMENT OR THE RELATIONSHIP CREATED THEREBY.** To the extent not prohibited by Law, disputes shall be resolved by arbitration conducted in accordance with the provisions of the Agreement (an "Arbitration"). Each Arbitration shall be conducted before one (1) arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. (See the Agreement, in Part II of the Plan for further details).

G. Upon submission of a signed Agreement and check for the Deposit (subject to collection) to Sponsor or the Selling Agent, a prospective Purchaser will be notified within 15 days after such submission as to whether the Agreement has been accepted or rejected. Such Agreement will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor or Sponsor's Counsel to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request and obtain information concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law. Purchaser acknowledges and agrees that Sponsor may obtain certain information about Purchaser's (or Purchaser's principals or permitted assignees) credit history prior to counter-executing an Agreement in order to permit Sponsor to comply with the requirements of the applicable federal laws (including without limitation, the Fair Credit Reporting Act). Purchaser, upon execution of an Agreement thereby authorizes Sponsor, prior to Sponsor counter-executing the Agreement, to obtain such information from a credit reporting agency or elsewhere and agrees to execute any documentation necessary in this regard. If such Purchaser receives no response within the 15 day period, the Agreement will be deemed rejected and canceled and all monies paid thereunder shall be refunded to Purchaser within 5 business days thereafter. Upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. (See the Section of the Plan entitled "Procedure to Purchase" set forth in Part I of the Plan.)

H. If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.04% of the purchase price of the Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date. See the Sections entitled "Procedure to Purchase," and "Closing Costs and Adjustments," in Part I of the Plan for further details.

I. Except as set forth otherwise in the Plan and the Declaration and By-Laws, there are no limitations on who may purchase Units. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to one year of Common Charges then in effect to secure their obligations under the Condominium Declaration for the payment of Common Charges and/or assessments and otherwise. Sponsor will not knowingly accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law. Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Condominium Board, any Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder. See the Sections entitled "Procedure to Purchase" and "Terms of Sale" set forth in Part I of the Plan.

J. A Purchaser may not be a Prohibited Person (defined hereinafter) at any time prior to closing. Each Purchaser must be in full compliance with all applicable orders, rules, regulations and recommendations of The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The term "Prohibited Person" shall mean any person or entity: (a) listed in the Annex to, or otherwise subject to the provisions of, the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the "Executive Order"); (b) that is owned or controlled by, or acting for or on behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Order; (c) with whom Beneficiary is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Order; (d) who commits, threatens or conspires to commit or supports "Terrorism" as defined in the Executive Order; (e) that is named as a "Specially Designated National and Blocked Person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, www.ustreas.gov/Offices/enforcement/ofac or at any replacement website or other replacement official publication of such list; or (f) who is an affiliate of or affiliated with a person or entity listed above. (See the form of Agreement set forth in Part II of the Plan.)

K. Prior to the closing of title to a Unit, the Purchaser thereof shall not be permitted to conduct any invasive testing in the Unit, including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, mildew, spores, fungi or other toxins or for any other purpose. See the Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

3. Purchaser Financing.

A. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase.

B. Neither Sponsor nor the Selling Agent make any representations as to the terms or availability of any mortgage financing. In the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Some restrictions imposed by lenders include higher loan to value ratios as well as the requirement that a certain percentage of the units in a given building be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the sponsor or holder of unsold units has not sold a substantial percentage of the units in the building, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. Purchasers may also find it difficult to resell units if prospective buyers are unable to obtain loans due to the aforementioned requirements or any other reason. Pursuant to existing Law, except as otherwise set forth herein, Sponsor may declare the Plan effective upon selling a minimum of 15% of the Units offered for sale in the Building (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately acquire title to the Unit. Notwithstanding the foregoing, if, after the Plan shall have been declared effective but prior to the First Closing, all Agreements are caused to be rescinded or terminated, Sponsor shall re-declare the plan effective in order to effectuate Consummation of the Plan, regardless of whether a Declaration shall have been recorded (See the Section entitled "Effective Date," in Part I of the Plan for further details.)

C. Any prospective Purchaser who executes an Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Purchasers who require financing are advised to consult with a lending institution before execution of an Agreement. No representation is made by the sponsor as to the availability or cost of such financing. In addition, a lending institution could withdraw its commitment if it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased or for any other reason. (See the Sections entitled "Procedure to Purchase," and "Closing Costs and Adjustments" in Part I of the Plan for further details.).

D. If Purchaser obtains a mortgage loan for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to N.Y. Real Property Law § 339-ee(2), which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under N. Y. Real Property Tax Law § 255. In such event Purchaser will be obligated to pay any costs of fees incurred in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details.

4. Custom Work. Sponsor may agree, in its sole discretion, to perform Custom Work to a Unit. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the Custom Work Costs which Custom Work Costs shall be due and payable by Purchaser to Sponsor upon the execution of the Agreement for the Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan (the "Custom Work Deposit"). The Custom Work Deposit or any part thereof may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been commenced in the Unit. In the event a Purchaser becomes entitled to rescission after Custom Work or any portion thereof has been commenced, the Purchaser shall not receive a refund of any Custom Work Deposit, if any, actually incurred to perform Custom Work in the Unit nor shall Purchaser receive a refund of funds used to order materials for the Custom Work Costs. If there is a default by Purchaser under the Agreement (beyond any applicable grace period), Sponsor shall be entitled to retain the Deposit and Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor.. Notwithstanding the foregoing, if Sponsor abandons the Plan or is otherwise unable to deliver title to the Unit in accordance with the terms of the Agreement, Sponsor shall not be entitled to any Restoration Costs or Custom Work Costs. (See the Section entitled "Procedure to Purchase" in Part I of the Plan).

5. Assignment of Agreements.

A. Purchasers are advised that Agreements are non-assignable. Any purported assignment by Purchaser in violation of the Agreement will constitute a default thereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Agreement or give rise to any claim for damages against Sponsor. Please refer to the Section of the Plan entitled "Assignment of Agreements" in Part I of the Plan for further detail.

B. The Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease prior to the Closing. Subsequent to the Closing, a Unit Owner (other than a Unit Owner purchasing for such Purchaser's own or their immediate family's occupancy) may not advertise, list or sell the Unit for 12 months after acquisition of the Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. If any Purchaser engages in any of the foregoing activities, it shall be considered a default under the terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the Agreement. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details. See the Section entitled "Sales and Leases of Units," in Part I of the Plan for further details.

6. Closing Procedures and Costs.

A. At the closing of title to a Unit, Sponsor will collect from each Purchaser of a Unit, on behalf of the Condominium Board, an amount equal to two months' Common Charges to be deposited into the Working Capital Fund. Other than Sponsor, a Purchaser of a Unit occupied by a Non-Purchasing Tenant will pay a contribution to the Working Capital Fund in an amount equal to two months' Common Charges then applicable to such Unit being purchased to furnish services and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. The Working Capital Fund may be expended for any purpose, including the reduction of Common Charges, during any period, including the period that Sponsor controls the Condominium Board. The Working Capital Fund may be augmented by allocations from the monthly Common Charges collected from each Unit. No representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. Purchasers are advised that if Sponsor enters into leases for Unsold Units, the tenants thereunder will not be obligated to contribute to the Working Capital Fund. The Working Capital Fund may be insufficient for the payment of unanticipated expenses, if any, and Unit Owners may be subject to a Special Assessment to pay for the costs of such unanticipated expenses, if any. Sponsor will not make a contribution to the Working Capital Fund. See the Sections of this Plan entitled "Working Capital Fund and Apportionments", "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" and "Closing Costs and Adjustments" which may be found in Part I of this Plan for more details.

B. Upon Closing, Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Estate Transfer Tax which by Law are generally the primary obligation of a seller and not the buyer. For purposes of calculating the taxes payable, the amounts of such taxes will be "grossed up", i.e., included in the consideration subject to such tax. Purchasers who acquire two or more Units that have not been combined into a single residence prior to the transfer will be obligated to pay the NYC Real Property Transfer Tax at the commercial rate of 2.625% assuming that the purchase price of a Unit exceeds $500,000. If the purchase price of the Unit is $1,000,000 or more (as same may be "grossed up" by the State or City), Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently 1% of the purchase price, which by Law is the primary obligation of the Purchaser. (See the Section entitled "Closing Costs and Adjustments" set forth in Part I of the Plan for further details.

C. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Stroock & Stroock & Lavan LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 for the preparation of closing documents and attendance at closing, (ii) if the Purchaser requests the Closing to occur other than at the offices of Stroock & Stroock & Lavan LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; and (iv) if Purchaser, Purchaser's counsel or Purchaser's lender is more than one hour late to the Closing, Sponsor reserves the right to adjourn or delay the Closing and cause Purchaser to pay an adjournment fee of $500. Please refer to the Section of the Plan entitled "Closing Costs and Adjustments" in Part I of the Plan for further details.

D. Upon closing each Purchaser will be required to pay Sponsor the sum of $2,500 to defray Sponsor's costs of forming the Condominium.

Each Purchaser will be obligated to enter into a Power of Attorney at the closing of title to the Unit. The form of Power of Attorney, set forth in Part II of the Plan, grants broad powers to the Condominium Board to enter into agreements affecting the General Common Elements. The Power of Attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to Unsold Units and to effectuate such other rights granted to Sponsor under the Declaration and By-Laws and irrevocably nominates, constitutes and appoints the Sponsor or the owner of Unsold Units as the party entitled to make all determinations regarding whether to restore the Building pursuant to N.Y. Real Property Law § 339-cc, in the event more than 75% of the Building is destroyed or substantially damaged. Please refer to the form of Power of Attorney set forth in its entirety in Part II of the Plan

1. Unit Measurements.

A. Square footage dimensions set forth in this Plan are based on measurements from exterior walls of the Units; they do not accurately represent the interior space in the Unit and may significantly exceed the actual floor area. Floor area includes hallway vestibules, columns, mechanical pipes shafts, shaft ways, chases, chase ways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Units and certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units and certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units. Kitchens, bathrooms and hallways typically have dropped ceilings. Each prospective **Purchaser should carefully inspect the Units being purchased and review the Floor Plans set forth in Part II of the Plan prior to entering into an Agreement for such Unit to determine its actual dimensions, layout, ceiling heights and physical condition**.

B. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Sponsor has recently acquired the Property and has not accessed all of the occupied Units in the Building. Consequently, Sponsor makes no representation, warranty or guarantee as to whether all of said alterations were completed in compliance with all applicable governmental Law or whether such occupied Units conform to the layouts set forth on the Floor Plans set forth in Part II of the Plan. Purchasers of such Units may be required to perform corrective alterations within their Units to conform to applicable building codes at such Purchasers' sole cost and expense. Please refer to the Footnotes to Schedule A in Part I of the Plan the "Description of Property" in Part II of the Plan for further details.

E. Real Estate Taxes. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Building payable with respect to each Unit for the First Year of Condominium Operation will be allocated in proportion to each Unit's Common Interest as set forth on Schedule A. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price or imputed market value rather than its Common Interest, and, if so, Units having the same or similar percentage interest which are determined to have a higher purchase price or market value will pay higher real estate taxes than are reflected on Schedule A. Currently, the Property is assessed and taxed as a single tax lot. No representation is made as to the first assessment roll or tax bill for which the Units will be separately assessed or taxed. Upon separate assessment of the Units by the New York City tax authorities the taxes for each individual Unit will be determined separately and may no longer remain proportional to the Unit's Common Interest Percentage. After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes for Units other than its respective Unit(s). In no event will a Purchaser be entitled to a readjustment of real estate taxes paid at Closing. Purchasers are advised that the Property does not currently receive any J-51 tax benefits. **SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.**" Please refer to the Section of the Plan entitled "Real Estate Taxes" set forth in Part I of the Plan for further details.

7. Sponsor Control and Voting.

A. Sponsor will have voting control over the Condominium Board until the earlier to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 50% of the aggregate Common Interest appertaining to all Units, or (ii) 5 years after the First Closing ("Sponsor Control Period"). Sponsor reserves the right to relinquish or regain voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

B. During the Sponsor Control Period, since Sponsor will designate a majority of the Members and shall have voting control of the Condominium Board, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the

Condominium, and will determine the Common Charges to be paid by all Unit Owners. Moreover, during the Sponsor Control Period, the Condominium Board may not enforce (as a result of the Sponsor's control thereof) the obligations of 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 the obligations of Sponsor. However, Sponsor shall cause the Condominium Board to file a lien against any Unsold Units for which Sponsor has not paid Common Charges.

C. Sponsor may continue to exercise veto power over certain actions of or contemplated by the Condominium Board after the Sponsor Control Period. For so long as Sponsor shall continue to own Unsold Units representing at least 25% in aggregate Common Interest of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (i) make any Alterations to the General Common Elements, the Common Elements or to the Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of, employees referred to in the Plan; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any General Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided however that Sponsor shall have no veto right and Sponsor's written consent shall not be not necessary to perform any function or take any action described in items (i) through (vi) above if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board (x) to comply with Laws of any governmental authority having jurisdiction over the Condominium; (y) to remedy any notice of violation; or (z) to remedy any work order by an insurer; or (w) to protect against imminent threat to the health or safety of the residents of the Building.

8. Super's Unit. The apartment designated on the Floor Plans as the Super's Unit is currently, and is intended to continue to be, used as the living quarters for the on-site Superintendent. In the event that any New York City agency deems that the Super's Unit may not be used as living quarters for the on-site superintendent, the apartment will be vacated. Purchasers should note that in such case, the Condominium will not have a superintendent living on the premises, and either (i) the Condominium will provide for a Superintendent that lives within 200 feet of the building pursuant to New York State Multiple Dwelling Law, Title 3 § 83, or, (ii) the Condominium will provide for janitorial services to be performed on a twenty-four-hour-a-day basis in accordance with the requirements of the New York City Department of Housing Preservation and Development, pursuant to Section 27-2053(3) of the New York City Administrative Code. The Super's Unit will be designated as a General Common Element of the Condominium.

9. Use of Units. Except as otherwise provided in this Plan and the Declaration and By-Laws, the Units shall be used for residential purposes. The Board, may in its sole discretion, permit a Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing certificate of occupancy and complies with all applicable governmental regulations. Sponsor may use the Unsold Units for any purpose permitted by Law and may

modify the certificate of occupancy to reflect a change in use. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the Subsection entitled "Use of Units" and the Declaration and By-Laws in Part II of the Plan for further details.

10. Rights and Obligations of Sponsor. A. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, Special Assessments and/or real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to the Unsold Units for so long as such Unsold Units are owned by Sponsor. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

B. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Unsold Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a Unit General Common Element or Limited Common Element as part of a newly created or expanded Unit or General Common Element or Limited Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan prior to any sale of any affected Unit.No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement is then in effect unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. No material change will be made in the size or number of Units and/or their respective Common Interest and/or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if an Agreement has been executed and delivered to Sponsor for that Unit and Purchaser is not in default beyond any applicable notice and cure period.

11. Sales of Units to Tenants/Tenant Rights. A. In accordance with the terms of this Plan, Sponsor has the right, following the expiration of the 90 day Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or may lease occupied units to others or to retain vacated Units for future rental. Sponsor's right to rent, rather than sell Units is unconditional and exercisable in Sponsor's sole discretion. Accordingly,

it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than 15% of all Units in the Building offered for sale under this Plan (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale) to parties indicating that they intend to ultimately occupy the Unit, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. There is no limit on the number of purchasers who may purchase for investment rather than personal occupancy. The Condominium By-Laws do not require that after the Sponsor Control Period, a majority of the members of the Board be owner-occupants of a Unit who are unrelated to the Sponsor and its principals. (Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan.)

B. Any sales of Units occupied by Non-Purchasing Tenants, are subject to the rights, if any, of such Non-Purchasing Tenants, to continued occupancy under applicable Rent Laws and to purchase their Units during a subsequent Exclusive Purchase Period which occurs prior to the effective date. Sponsor has further reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party and to cease marketing Units for sale at any time. Accordingly, the Condominium may consist of residents who are Unit Owners, Non-Purchasing Tenants and tenants leasing from Sponsor or other Unit Owners after the Property is submitted to a condominium regime. Owner occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, such as purchase of a home as opposed to purchase for investment.

C. To the extent permitted by Law, Sponsor reserves the right to selectively offer, in its sole discretion, buyout payments in amounts to be determined by sponsor and subject to tenants' rights to negotiate money or other incentives to some bona fide tenants in occupancy to induce them to vacate and surrender their apartments. Purchasers are advised that the Department of Law takes no position on the legality of buyout agreements and recommends that tenants seek the advice of counsel on whether acceptance of a buyout offer is a waiver of rights under the rent regulation laws. Sponsor has not entered into any such agreements as of the date the Plan is accepted for filing.

D. Individuals leasing Units from Sponsor will not, except as expressly provided in their respective leases, have any special rights to purchase such Units. In addition, a Purchaser of such Unit will be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. Any lease or other occupancy agreement for a Unit entered into with a Purchaser, other than a Tenant Purchaser, will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease in accordance with applicable Law. In addition, each Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor, at its sole option, to terminate such Agreement and to exercise any remedies therein provided. Individuals who rent vacant Unsold Units from Sponsor are not Tenant Purchasers

under this Plan and shall have no rights to purchase thereunder. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $2,000 assuming that the Purchaser's counsel does not negotiate the terms of the lease. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan).

12. Reserve Fund. A law enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund. The exact amount of the Reserve Fund cannot be ascertained until the Plan is declared effective. Sponsor reserves the right, and intends, to take a credit against the Reserve Fund for qualifying work performed in the Building, including all qualifying work associated with the Building Remediation Program as well as all qualifying work comprising the Proposed Renovations. No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items likely to be needed or how the Condominium Board, which will initially be controlled by Sponsor, will utilize the Reserve Fund, although Sponsor anticipates that the balance of the Reserve Fund will be utilized by the Condominium Board for qualifying work, including, without limitation, Local Law 11 work and window replacements. While it is likely that the Reserve Fund will be utilized by the Condominium Board to perform certain capital improvements (e.g., replacement of windows) Sponsor makes no representations or assurances as to what work might be done by the Condominium Board or how much might remain in the Reserve Fund after the Condominium Board performs such work. Moreover, if Sponsor elects to fund the Reserve Fund through supplemental contributions, there may not be a sufficient amount in the Reserve Fund at the time repairs are deemed necessary or appropriate and, if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against the Unit Owners or Sponsor may elect to advance its contributions to the Reserve Fund and take a credit against future supplemental contributions. (See the Section of this Plan entitled "Reserve Fund" which may be found in Part I of this Plan and the Reserve Fund Law (Local Law 70) which may be found in Part II of this Plan for more details.)

13. Fannie Mae and FHA Financing. Sponsor, at its sole cost and expense, and in its sole discretion, shall have the right, but shall not be obligated to file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete and file said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchaser's should further be advised that if FHA approval is granted to the Condominium no more than 30% of the total Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind an Agreement if, for any reason, Sponsor does not apply to Fannie Mae and FHA or if Sponsor's application to either or both of Fannie Mae and FHA, is not approved. In addition, Fannie Mae and FHA, may require that at least 10% of the total operating budget for the First Year of Condominium Operation be placed in a contingency in order to fund the replacement reserves for capital expenditures and deferred maintenance (the "Contingency Reserve"), as more particularly described in Schedule B-

"Projected Budget for First Year of Condominium Operation", in Part I of the Plan. There is no guarantee or assurance that the Contingency Reserve will be provided for as a line item in the operating budget after the First Year of Condominium Operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The Condominium Board reserves the right, in its sole discretion (including without limitation, during the Sponsor Control Period), to use the Contingency Reserve towards any capital expenditures it deems appropriate.

14. Sponsor's Mortgage. A. The acquisition of the Building and the Building Renovations to the Building and Units are being financed by Signature Bank ("Lender"), which financing is secured by, among other things, a mortgage and security agreements (collectively the "Mortgage").

B. While Sponsor currently intends to sell all of the Units offered for sale under the Plan, Sponsor reserves the right to stop marketing such Units and continue to rent Unsold Units which are subject to Rent Laws. The Mortgage does not establish an explicit requirement that the Sponsor sell rather than rent Units which are subject to Rent Laws.

C. Lender will release a Unit from the mortgages and liens securing the Mortgage upon: (i) receipt from Sponsor of payment to Lender of a minimum release price as specified in the Mortgage; and (ii) payment of all of Lender's reasonable attorneys' fees and expenses incurred in connection with the release of any Unit. (See Section entitled "Rights and Obligations of Sponsor" under subsection "Sponsor's Obligations with Respect to the Building" set forth in Part I of the Plan.)

15. Offering Prices and Common Charges. A. The Offering Prices, estimated Common Charges and estimated real estate taxes for the individual Units offered for sale under the Plan are set forth on "Schedule A, Offering Prices and Related Information" ("Schedule A") in Part I of the Plan and discussed in the Notes to Schedule A annexed thereto. (See Schedule A in Part I of the Plan and the Floor Plans for the Units set forth as an Exhibit in Part II of the Plan.) From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. The Condominium Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners at least two business days prior to the date of its adoption and make copies of the budget available to Permitted Mortgagees.

B. Notwithstanding the above, Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan during the Waiver Period as of the First Closing provided that prior to the date of the First Closing, Sponsor shall have filed an amendment to the Plan disclosing Sponsor's election to waive such collection and the anticipated length of the Waiver Period. Sponsor shall be solely responsible for payment of Waiver Period Expenses during the Waiver Period on a timely basis.

Provided that Sponsor submits an amendment to the Plan for filing with the DOL within 30 days after the expiration of the Waiver Period, the Waiver Period shall terminate and the collection of Common Charges shall commence upon the earlier to occur of: (i) the date set forth in a notice from Sponsor to Owners given at least 30 days prior to such commencement, (ii) the date upon which Sponsor has conveyed title to 75% of the Units, or (iii) the date upon which the third year of condominium operation commences. Purchasers should note that while Schedule B – Budget for the First Year of Condominium Operation will not be in effect until the expiration of the Waiver Period, Sponsor will nonetheless continue to update Schedule B to the extent required pursuant to Part 23 of Title 13 NYCRR. All Waiver Period Expenses paid by Sponsor during the Waiver Period are based on the actual costs of operating the Building (including, without limitation, insurance premiums and any reserve fund payments required by Sponsor's lenders, if any) and not on estimates set forth in Schedule B. Waiver Period Expenses will not include (i) real estate taxes attributable to a Unit Owner's Unit, during any period during which the Unit may not be separately assessed or (ii) the funding of the Contingency Fund. Unit Owners will remain responsible for the payment of real estate taxes during the Waiver Period, which expenses shall be separately allocated to each Unit Owner based upon the Common Interest of such Unit, as more particularly set forth in Schedule A. In accordance with the terms of the By-Laws, Sponsor must maintain a listing of all receipts and expenditures during the Waiver Period. Purchasers are advised that Unit Owners will not be charged a Special Assessment after the expiration of the Waiver Period for any item set forth in the Schedule B and attributable to the Waiver Period or for expenses which would have otherwise been anticipated to have been funded through Common Charges, had there been no Waiver Period. (See Section entitled "Condominium Board of Managers" set forth in Part I of the Plan and copy of the By-Laws set forth as an Exhibit in Part II of the Plan.)

16. First Year of Condominium Operation. The First Year of Condominium Operation is set forth in Schedule B-"Projected Budget for First Year of Condominium Operation", in Part I of the Plan. As with any project involving renovations to an existing building, given the vagaries of the construction process, it is difficult to predict, with precision, the date Sponsor will first be able to close title to the Units. Accordingly, the First Closing may occur before, during or after the projected First Year of Condominium Operation and closings to certain Units may occur substantially before or after closings for other Units. In addition, Sponsor reserves the right, at any time, to change the anticipated First Year of Condominium Operation by amendment to the Plan. (See the Section entitled "Description of Property and Improvements" under the subsection "Proposed Renovations to Building and Units" set forth in Part I of the Plan.)

17. General Condition of the Units and the Building.

A. Subject to the disclosures set forth in Special Risk 1 above and elsewhere in this Plan, including the "Description of Property" included as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan, the Units are being sold "as is" in the condition in which they exist at the time a Purchaser signs an Agreement, subject to ordinary wear and tear. As set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain elements such as the lobby, original plumbing and drain lines, electrical wiring, and laundry room are in varying degrees of repair. To address the foregoing

conditions, Sponsor has commenced the following improvements to the Building, including: a building-wide electrical upgrade, installation of additional lighting in the public hallways, installation of new flooring in certain public hallways, replacement of certain windows in the Common Elements, renovation of the lobby, and the creation of a recreational room for use by Unit Owners (collectively, the "Proposed Renovations") Sponsor anticipates, but does not guarantee, that the Proposed Renovations will be completed by the First Occupancy. In addition, Sponsor reserves the right to expand the scope of the Proposed Renovations (including, without limitation, the right to create lot line windows). Any such material modifications or addition will be disclosed in an amendment to the Plan and, if such modifications or additions are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements.

Purchasers are cautioned that no final determination has been made at this time as to the exact scope, nature and time frame for the completion of any future improvements and Sponsor shall not be obligated to make any future renovations. Notwithstanding, any plans and/or work for future improvements will be disclosed in a duly filed amendment to the Plan. Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building, except as recommended in the "Description of Property" set forth as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan. In addition, Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls.

(1) The Martin Act requires that the Sponsor disclose the terms of the offering made under this Plan. With regard to the description of property, the Martin Act requires that Sponsor disclose the detailed terms of the transaction, which shall include a description of the property, the nature of the interest, and how title thereto is to be held. See N.Y. Gen. Bus. Law § 352-e(1)(b). As required by the Department of Law regulations, the Sponsor hereby discloses that it is obligated to perform Building Renovations, to the extent Sponsor undertakes the same, in accordance with all applicable Laws and the Plans and Specifications as well as the provisions of the Plan. See 13 N.Y.C.R.R. § 20.3(t)(10). The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) which only applies to new dwellings of 5 stories or less, is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit, Common Element or Limited Common Element, if applicable, and Purchasers are advised that no such warranties exist under the laws governing the offering. Purchasers are further advised that the Martin Act is a disclosure statute that does not require Sponsor to provide any specific warranties of any nature regarding the Units that are offered under the Plan. Sponsor makes no representation or warranty with respect to sound transmission, odors emanating from within or without the Condominium, air, views or light quality. As stated above, Sponsor is obligated to undertake Building Renovations in accordance with all applicable Laws and the Plans and Specifications, and any conflict between: (a) the disclaimers and (b) the Sponsor's obligation to undertake Building Renovations in accordance with all applicable Laws and the Plans and Specifications as disclosed in the Plan, shall be resolved in favor of the Sponsor's obligation to perform the Building Renovations in accordance with all applicable Laws and the Plans and Specifications set forth in the Plan.

(2) Sponsor hereby discloses that it makes no warranty or guaranty as to the presence of mold, mildew, spores, fungi or other toxins at the Condominium. Mold and mold spores are present throughout the environment and residential condominium construction cannot practicably be designed to exclude the introduction of mold spores. According to public statements made by the EPA, molds are part of the natural environment, and can be found everywhere, indoors and outdoors. Mold is not usually a problem, unless it begins growing indoors. Moisture is the primary mold growth factor that can be controlled in a condominium setting. Accordingly, Unit Owners are advised to minimize or control moisture in their respective Units so as to minimize or eliminate mold growth in their respective Units. For additional information on mold, purchasers are advised to visit the EPA's website at the following address: https://www.epa.gov/mold.

(3) With respect to the presence and/or existence of molds, mildew and/or microscopic spores at the Condominium, Sponsor hereby discloses that it shall not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the issues described in this Paragraph (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, costs incurred if a Unit Owner vacates the Unit or its contents during any period that such Unit Owner seeks to remediate any condition described in this Paragraph. The foregoing disclaimers and waivers of Purchaser shall also apply to any "consumer product" as defined in the Magnuson-Moss Warranty Act, which consumer products shall not be warranted by Sponsor but instead by the manufacturer, if applicable. (See the Section entitled "Rights and Obligations of Sponsor" under the subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion).

B. The Building was built in 1953 and as with any program of repairs, renovations and replacements of an existing building, Sponsor may be required to alter the Plans and Specifications of any Proposed Renovations to address existing conditions uncovered in the course of renovation. Purchasers are advised that the Building, when initially constructed, complied with then applicable codes; however, portions of the Building, if constructed today may not comply with New York City Department of Building Code (the "Building Code") or handicap accessible requirements. Such noncompliance is deemed "grandfathered" pursuant to the Building Code and accordingly does not constitute a basis for an objection to or closing of title to a Unit.

C. Renovating an existing building is a complicated process requiring the coordination of numerous tasks, contractors and suppliers 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 years of Condominium operation, construction workers and related personnel may be at the Property from time to time completing the Building Remediation Program, the Proposed Renovations, and the Facade Correction Work (collectively, the "Building Renovations") making adjustments and corrections and performing various tasks related to the completion of the Building Renovations, which may occur at all hours and could compromise the Building's security systems. During this period, various Building Systems may need to be shut down temporarily. Sponsor will have the right to,

and may, utilize elevators and other Building Systems and may install and retain scaffolding and other equipment on and in the Building to complete the Building Renovations. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobby or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular portion of the Building is complete or a particular floor is fully occupied by Unit Owners.

D. The Condominium Board may refuse to permit a Unit Owner to perform Alterations in or to a Unit until such time as the Building Renovations has been completed and an updated Permanent Certificate of Occupancy, if required in connection with the Building Renovations, has been obtained therefor. Any Alterations performed by a Unit Owner must be performed in accordance with the provisions of the By-Laws and each Unit Owner shall be required to enter into an Alteration Agreement with the Condominium Board substantially in the form contained in Part II of the Plan, or such other form of alteration agreement as may be adopted by the Condominium Board. As more particularly set forth in the Alteration Agreement, the Unit Owner performing such Alterations shall be obligated (unless otherwise waived in writing by the Condominium Board) to (i) provide a security deposit to the Board, in such amount as determined by the Condominium Board, in its sole discretion, which security deposit shall be held as security for the faithful performance and observance by Unit Owner of the terms and conditions of the Alteration Agreement, and (ii) pay a processing fee to the Managing Agent for its review of the proposed plans, and (iii) pay any other review fees required under the Alteration Agreement or adopted by the Condominium Board from time to time. All services required to be provided by Law (if any) shall be provided as of the date of the First Closing. Certain non-essential services, such as telecommunications, cable, internet and other similar services shall be provided no later than one year after First Closing. Such services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor; provided however that Sponsor has the sole right to initially select such outside suppliers in its sole discretion. Sponsor does not know whether or not there may be other outside suppliers who could possibly provide these services upon equal or better terms and conditions and makes no representations or guarantees with respect thereto.

E. Certain amenities which may be provided at the Building for use by Unit Owners as part of the Proposed Renovations may not be available for use as of the First Closing, or the date that a Purchaser closes title to its Unit, provided however that same shall be provided no later than one year after First Closing. The fact that such portions of the Building have not been completed or are not available for use by Unit Owners is not a basis for a Unit Owner to refuse to close title to the Unit, delay the Closing or receive any abatement or credit against the Purchase Price. In the event that some or all of the amenities are not available as of the First Closing, the budget will remain the same although some of the actual costs incurred may be lessened.

F. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the closing of title to certain Units or lines of Units until such hoists, elevators or temporary facilities are no longer needed and are removed. Purchasers of such Units shall remain obligated to purchase such Unit and pay the balance of the Purchase Price notwithstanding any such delay.

G. During the period when Sponsor is completing the Building Renovations, moves into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades.

H. Neither Sponsor, the Selling Agent, the Managing Agent nor the Board will in any event be liable for the interruption, discontinuance or quality of any of the Building services or amenities, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, including Building personnel or otherwise. There is no guaranty that any of the foregoing services or amenities will continue to be available to Unit Owners or occupants or tenants of Units in the future or that any change in the foregoing will not adversely impact upon the value of the Units.

I. Certain portions of the plumbing and heating system date from the initial construction of the Building. While some repair and replacement of the plumbing lines and fixtures have been performed by Sponsor and others, there is no guarantee that the plumbing does not leak or that repairs will not be required. Purchasers should be aware that replacement of certain of the old pipes in the Building could cause pipes and fixtures that have not been repaired or replaced to burst. All Maintenance of the pipes which does not involve Structural Alterations shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any Structural Alterations to such pipes (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Purchasers are advised to review the Section entitled "Sponsor's Statement of Building Condition" in Part I of the Plan and the Description of Property and Local Law 11 Report set forth in Part II of the Plan.

J. Except as noted herein below, Sponsor makes no representations or warranties regarding building construction in the geographic area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Unit or Balconies (if any). In addition, Sponsor shall not be responsible for obstructed and/or adversely impacted views from Units or Balconies (if any) located on the lower floors of the Building due to trees, landscaping and/or lamp posts erected at the street level.

18. Lot Line Windows. As set forth in the Description of the Property in Part II of the Plan, there are lot line windows on the North and South elevations of the Building. In particular, the "A" line units have two (2) lot line windows, one (1) 2'-10" x 5'-3" at the living/dining room and one (1) 2'-6" x 5'-3" at the bedroom. If an addition is constructed on such existing neighboring building, the lot line windows (which are located in each of the Units as noted on the Floor Plans set forth in Part II of the Plan for each of the Units), which are within 30 feet in a direct line (whether horizontally, vertically or diagonally) of such neighboring building, will have to be permanently closed and covered from the interior side with sheetrock. The obligation to permanently close the windows, and the cost therefor, will be borne by each Owner of a Unit subject to the foregoing closure requirement. It is anticipated that the cost of such closure will be approximately $1000 per window. In the event that any windows must be covered as aforesaid,

it is anticipated but not guaranteed that the affected space within a Unit may continue to be legally utilized as a bedroom because the affected windows are not necessary for light and air requirements for such rooms. Sponsor has no actual knowledge of any plans by owners of neighboring parcels or buildings to either construct a new building or to increase the height of any existing building and makes no representations or guarantees with respect thereto. (Please refer to the "Description of Property" in Part II of the Plan for further details regarding the windows.)

19. Lead Paint. Local Law 1 of 1982, requires the elimination of all lead paint, both peeling and intact, in a building constructed prior to 1960. Sponsor makes no representation regarding the scope or nature of any future enactments regarding lead-based paint or whether Local Law 1 will be modified or whether the City or State of New York will adopt other laws dealing with lead based paint or what the provisions of such law may be. Prospective purchasers are urged to review Local Law 1 or any successor statute thereto and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owner thereunder. Unit Owners shall be deemed "owners" of their respective Units with the obligation to comply with the requirements of the Unit for purposes of compliance with all environmental laws, including, without limitation, requiring the removal or abatement of asbestos containing material or lead-based paint. Based upon the age of the building, it is probable that there is lead-based paint or lead-based paint hazards in the Building, however, Sponsor is not aware of any lead-based paint or lead-based paint hazards in the Building that need to be remedied, and has no records or materials pertaining to same. Sponsor shall comply with applicable Law concerning the use of lead-based paint. Set forth as an Exhibit in Part II of this Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead based paint. In accordance with the terms of the rider annexed to the Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. Please refer to the Agreement set forth in Part II of the Plan for further details. While Sponsor has received no specific reports regarding the presence of lead based paint in the Property, given the age of the Building and the wide spread routine use of lead based paint in preceding decades, it can be assumed that there is some lead based paint present in the Building.

20. Window Guards. Each Unit Owner is obligated to notify the Managing Agent in writing when a child or children under the age of 11 years lives or resides (even temporarily) in the Unit. Each Unit Owner shall be obligated to install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall be obligated to Maintain all window guards installed in the Unit and not to remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent.

21. Building Amenities and Services.

A. There is one common laundry room located on the ground level for the use of the Unit Owners. The laundry room contains 3 coin-operated washers and 2 coin-operated dryers. The laundry room is designated as a portion of the Common Elements and therefore the costs and expenses incurred to operate and Maintain the common laundry room, including the cost for water and electricity and water, will be included as part of the Common Charges regardless of whether a Unit Owner uses such laundry room. It is a requirement that low suds

laundry detergent be used in the washers. Failure to use a low suds detergent may lead to the washer over flowing and causing a flood in the Common Elements in which event the Unit Owner violating the Rules and Regulations will be liable for damages. Please refer to the "Description of Property and Building Condition" set forth as Exhibit 4 in Part II of the Plan for further details.

B. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels.

C. Except as otherwise provided in the Plan, and except as otherwise required under the Rent Laws, all determinations with respect to the continuance of services and facilities will be made by the Condominium Board, which, until the expiration of the Sponsor Control Period, will be controlled by Sponsor. Please refer to the Sections of this Plan entitled, "Control by Sponsor" and "Description of Property" under the subsection entitled "Services and Facilities" for further details regarding services and facilities at the Property.

D. Purchasers are advised that utility costs may increase dramatically during certain periods and there is no guaranty that the utility costs will be as estimated in the Plan given the current energy situation. See Schedule B and Schedule B-1 entitled "Projected Energy Costs," in Part I of the Plan, and the "Description of Property" in Part II of the Plan for further details.

22. Parking Licenses. A. The Building contains a Parking Garage with space to park up to 43 vehicles. Sponsor hereby offers Purchasers the opportunity to purchase Parking Licenses as more particularly set forth herein. Since there are fewer parking spaces available then there are Units, Sponsor make no representations or guarantees that Unit Owners will be guaranteed an opportunity to purchase Parking Space Licenses. Sponsor reserves the right, in its sole discretion, to determine which Purchasers will be entitled to purchase Parking Space Licenses. If a Parking Space Rider is entered into, a Purchaser shall be required to pay a Parking Space Deposit for the Parking Space License under the same terms as those required upon executing an Agreement for a Unit. Parking Space Licensees shall be responsible for paying a monthly License Fee to the Condominium Board. The monthly License Fee for the Parking Spaces for the First Year of Condominium Operation is set forth on Schedule A.

B. At the closing of title to the Unit, the Purchaser of a Parking Space License must execute a Parking Space License substantially in the form set forth as an Exhibit in Part II of the Plan. The provisions of the Parking Space License and Condominium Declaration and By-Laws shall govern the operation, access and Maintenance of the Parking Garage. Purchasers are advised that by its terms, the Parking Space License is revocable by the Condominium Board.

C. Sponsor anticipates that the Parking Garage will be available for use as of the First Closing, however Sponsor cannot guarantee the foregoing and cannot predict the length of any potential delays. Accordingly, in the event that the Parking Garage is not available for use on the Closing Date for any reason, Purchaser shall remain obligated to close title to its Unit,

and pay the balance of the Purchase Price for such Unit and Parking Space License. In the event that the Parking Garage is unavailable for use as of the Closing Date as aforesaid, the Parking Garage Purchase Price shall be paid to Escrow Agent and Parking Space License shall be executed at Closing and the Parking Garage Purchase Price and Parking Space License shall be held in escrow by the Escrow Agent. Upon notification from Sponsor that the Parking Space is available for use, Escrow Agent shall release the Parking Space Purchase Price to Sponsor with interest earned thereon, if any, and shall deliver the Parking Space License to Purchaser.

D. Parking Space Licenses may only be assigned by the licensee thereof to a person acquiring a Unit or to another Unit Owner in the Condominium. Upon conveyance of a Unit, the Condominium Board will enter into a new Parking Space License with the transferee of such Unit, in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Condominium Board. In no event may a Unit Owner retain usage or rights to a Parking Space License after conveyance or transfer of such Unit Owner's Unit. In the event a licensee elects to terminate a Parking Space License or sells its Unit and does not assign same to another Unit Owner or to a person acquiring a Unit, the rights to the Parking Space License in question will devolve to the Condominium Board and the Condominium Board shall have the right, in its sole discretion, to issue a new Parking Space License to another Unit Owner or a person acquiring a Unit at the Condominium or retain such Parking Space License. The foregoing restrictions shall not apply to Sponsor.

E. The Condominium Board will be responsible for ensuring that the Parking Garage shall be used in accordance with all applicable Law, including without limitation applicable Laws relating to handicapped parking spaces and shall be responsible for hiring employees that the Condominium Board, in its sole discretion, determines are necessary to operate the Parking Garage.

F. Parking Space A-1 has been designated as a handicapped parking space and will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of Parking Space A-1 and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

(i) In the event the present or future owner of a unit in the Condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of the parking space, said unit owner has the right to demand that the owner of the Parking Space trade the handicapped parking space he/she owns with said handicapped owner.

(ii) In the event the present or future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of Parking Space sell it at then current, fair market value to said handicapped owner. All costs and expenses entailed in the transfer of title to the parking spaces, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer.

The owner of Parking Space A-1 must comply with the aforementioned demand upon 30 days' written notice.

If the parties cannot agree on the fair market value of Parking Space A-1, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the condominium.

G. Purchasers are further advised while the Parking Garage is intended to be used solely for the storage of passenger vehicles of the occupants of the Building, pursuant to *N.Y. Mult. Dwell Law § 60*, if all or a portion of the Parking Garage is not used by the Building's Occupants, the Sponsor will have the right to make the unused Parking Spaces available to the public. However, any such Parking Space which has been rented shall be made available to an occupant of the Building within 30 days after written request therefor.

Purchasers are advised to review the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "Services, Facilities and Amenities" set forth in Part I of the Plan. A copy of the form of the Parking Space License and the Floor Plan for the Parking Spaces are set forth as separate Exhibits in Part II of the Plan.

23. Maintenance Obligations.

A. The Condominium Board, with respect to the General Common Elements and Limited Common Elements, and each Unit Owner, with respect to its Unit, will be responsible for ensuring that the mechanical equipment servicing the Common Elements, or the Unit, as the case may be, is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for nor can it make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units. In addition, Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building other than those portions which comprise Limited Common Elements, for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, Maintaining, altering, rebuilding, restoring and replacing Satellite Equipment (to be located generally on Roof, Facade and other Common Elements including stairs and elevator bulkhead) and other communication equipment on the Roof and Facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the installation, operation and Maintenance thereof; and (c) for the purpose of performing Alterations, including the right to install columns and other supports in furtherance thereof as such term is hereinafter defined. The aforementioned easements may be used by Sponsor for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Sponsor or any purpose permitted by Law. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any Satellite Equipment placed upon the Roof or Facade of the Building or elsewhere on the Common Elements by Sponsor or its designee, assignee, tenant, licensee or other transferee shall be the exclusive property of Sponsor, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto.

B. The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to the Roof, Balconies or other parts of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same will cause damage to the Building) by the Unit Owner or the Condominium Board, whichever is responsible for the Maintenance thereof. In the event a Unit Owner fails to keep such Unit Owner's Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts necessary to cure such default. (See the subsection entitled "Rights of Access" set forth in Part I of the Plan).

C. The exterior surface of all windows in the Building, if so determined by the Board, shall be washed and cleaned by the Board at least once annually and the cost and expense thereof shall be a Common Expense which may be charged to Unit Owners to the extent that same is not provided for in the annual budget. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details. The Budget for First Year of Condominium Operation includes an expenditure for window washing. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law.

D. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. However, Purchasers are advised that materials used as finishes, whether natural or engineered, have certain inherent risks associated with such use. Risks associated with certain wood products (including, without limitation, wood flooring, furniture, cabinetry and molding) include but are not limited to the following: appearance of cracks between the floor boards, squeaks, variation in color, differences in material and/or color between the interior and exterior of cabinetry, variation in wood grain, texture, occurrence of knots and cupping. Lack of or excessive humidity can cause wood floors to crack, squeak, expand or shrink causing gaps, as well as cause cupping, which in turn may cause damage to any such wood product. Such expansion, contraction and cupping are more noticeable in dry seasons or periods, prolonged periods of high heat and/or humidity or extended periods of heat use. Cracks, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring,

Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. All wood products should be maintained in accordance with manufacturer's recommendations. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board of Managers" set forth in Part I of the Plan.)

E. Purchasers are advised that certain specialty stones such as marble or limestone have natural variations in colors and markings which may require cleaning with neutral cleaners that are free of acidic or alkaline solutions, bleach, ammonia or abrasives that can break down sealers and damage the stone surface. Natural stone surfaces that may have been sealed so as to prevent absorption and staining will require sealing and resealing at various points in the future. Such sealant will help with water absorption and staining which may alter coloration. Purchasers are advised that impregnating sealants, and daily stone cleaners, which have been especially developed, are recommended for proper Maintenance. In any event, maintenance and cleaning of any stone surfaces by Unit Owners should be done in accordance with the recommendations of the Marble Institute of America. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board of Managers" set forth in Part I of the Plan.)

24. Insurance. The proposed insurance coverage for the First Year of Condominium Operation includes terrorism insurance. There is no assurance that such insurance will be available in the future or at a price that the Condominium Board would be prepared to pay for the costs thereof. It can be reasonably anticipated that without terrorism insurance, in the event of a terrorist attack, the Property would not be insured or would have insufficient insurance to rebuild or repair any damage and Unit Owners could be assessed to cover the costs of restoration and failure to pay such assessment could lead to a foreclosure of the Unit. Purchasers should further note that the insurance coverage maintained on behalf of the Condominium does not cover the individual Units or any property contained in a Unit (including without limits, windows facing into each Unit which comprise part of the Unit). Purchasers should refer to the Declaration in Part II of the Plan for a description of the Units. Pursuant to the By-Laws, each Unit Owner will, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon the Unit or any part thereof and any Limited Common Elements appurtenant to the Unit, in such limits as reasonably determined by the Condominium Board from time to time, based upon commercially reasonable standards, but initially, as a minimum, limits of liability of $2,000,000 for bodily injury or death and property damage arising out of any one occurrence and (b) tenant's property insurance covering the perils insured under the Insurance Service Office (ISO) "special causes of loss form" (formerly known as "all risk" coverage in respect of property damage occurring in, upon, or from the Unit or any part thereof and any Limited Common Elements appurtenant to the Unit (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage) and any personal property contained therein. The limits of liability set forth above may be reasonably increased or otherwise modified by the Condominium Board from time to time. The insurance required above will be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies having an AM Best's Rating of "A –" "VII", and authorized to do business in the State of New York. Upon 10 calendar days' written notice from the Condominium Board or its managing agent, the Unit Owner will deliver to the Condominium Board certificates of insurance

evidencing such insurance or such other confirmation satisfactory to the Condominium Board. It is anticipated that the policies will provide that they cannot be canceled without at least 30 days prior notice to the Condominium Board. Without limiting the remedies of the Condominium Board for a Unit Owner's default, in the event that a Unit Owner (or any tenant or occupant of all or any portion such Unit Owner's Unit) fails to provide a certificate or other evidence of insurance required to be provided by each Unit Owner (or such tenant or occupant) hereunder and does not cure such default within 10 business days after notice from the Condominium Board or a Recognized Mortgagee (as the case may be), the Condominium Board or such Recognized Mortgagee shall be authorized (but not required), if the same remains uncured, to procure such coverage on behalf of such Unit Owner and the cost thereof (if made by the Condominium Board) shall be charged back to such Unit Owner as a Unit Owner Expense. In addition, the Condominium Board may, in its sole and absolute discretion, impose such fines and penalties as the Condominium Board may determine in its sole discretion, including, without limitation, a per diem penalty for each day that the Unit Owner does not provide evidence of coverage and in either event such sums shall, for all purposes, constitute Common Charges payable by such Unit Owner.

25. Easements and Reserved Spaces. Sponsor shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other information systems), (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) Sponsor, its designee, assignee, tenant, licensee or other transferee (collectively the "Reserved Space Party") indemnifies the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of a Reserved Space Party's use of the Reserved Spaces, except that Sponsor shall not in any case, be responsible for consequential damages, and (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such uses of the Reserved Spaces could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Condominium Board shall be obligated to enter into such documentation with Sponsor at Sponsor's request, for Sponsor's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of the Reserved Space Party and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of the Sponsor for its own account or the account of any Reserved Space Party or for any purpose permitted by Law. (See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the subsection entitled "Easements," in Part I of the Plan and the form of Alteration Agreement set forth in Part II of the Plan for further details.).

26. Risk of Loss. Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor but without any obligation or liability by Sponsor to repair or restore any Unit. A Purchaser who enters into an Interim Lease for a Unit prior to Closing assumes the risk of loss to personal property. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser the Deposit, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain the Deposit and any Custom Work Costs together with interest earned thereon, as and for liquidated damages. See the Section entitled "Procedure to Purchase," "Rights and Obligations of Sponsor," and "Repair or Reconstruction After Fire or Other Casualty," in Part I of the Plan for further details.

27. Carbon Monoxide Detectors. New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in condominiums. Tenant Purchasers are responsible, at their sole cost and expense, for installing carbon monoxide detectors in compliance New York City Local Law 7 of 2004 if their Unit does not contain one. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. (See the subsection entitled "Sponsor's Obligations with Respect to the Building" under the Section entitled "Rights and Obligations of Sponsor," and the Section entitled "Sponsor's Statement of Building Condition," in Part I of the Plan for further details.)

28. General.

A. No party other than the Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan. (See the Section entitled "General," in Part I of the Plan for further details.)

B. Sponsor reserves the right, during the Sponsor Control Period, to engage in negotiations with neighboring property owners to create a "BID" (i.e a business improvement district, which is a partnership between property and business owners who elect to deliver supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification in a designated area) and enter into a "BID Agreement" with such neighboring property owners. In the event such BID Agreement is entered into, the entities executing such BID Agreement would be responsible for the costs of such services agreed to. Unit Owners would be responsible for the Condominium's pro rata costs associated therewith and such costs would be payable as a General Common Expense. If Sponsor enters into any such BID Agreement, Sponsor will revise the budget to reflect any such additional costs.

C. While Units are being offered for sale or lease by Sponsor, there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such construction, selling or leasing activity will terminate. Sponsor, the Condominium Board and/or the Managing Agent shall not be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the gross negligence of Sponsor, the Condominium Board and/or the Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. See the subsection entitled "General," under the Section entitled "Description of Property and Improvements," in Part I of the Plan for further details.

29. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Accordingly, the tax information and projections disclosed in this offering plan may be inaccurate because such are based on federal tax law as it existed prior to 2018. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes. Purchasers should not rely on any representations in this offering plan addressing taxes without first consulting a tax expert.

30. The foregoing Special Risks are reasonably believed by Sponsor to involve significant risks to purchasers or be reasonably likely to affect disproportionately or unusually the Common Charges or obligations of Unit Owners in future years of Condominium operation. However the foregoing does not reflect all of the material terms of the offering, which are set forth in detail in the Plan, certain of which may all be deemed by some Purchasers and not others to involve significant risks. Therefore all Purchasers should carefully review the entire Plan for complete disclosure of the terms before deciding whether or not to purchase a Unit.

INTRODUCTION

A. 61 Martense Street LLC, a New York limited liability company (the "Sponsor") hereby presents this Offering Plan for the conversion to condominium ownership of the Land together with the Building containing 60 residential Units. The Land and the Building are collectively referred to herein as the "Property." The condominium will be known as "The 61 Martense Street Condominium" and is herein called the "Condominium".

B. The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of 60 Units and 43 Parking Licenses to Purchasers.

C. Sponsor may from time to time amend or supplement the Plan by filing an amendment with the Department of Law and serving such amendment on Purchasers and Unit Owners.

D. The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the First Year of Condominium Operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein and Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge at Sponsor's office and for inspection and copying at reasonable fees at the offices of the Department of Law. A copy of the Plan and the exhibits thereto may be obtained from Sponsor upon payment of a $300 deposit which amount will be non-refundable. Copies of the Plan will be served upon all Tenant-Purchasers in accordance with Section 352-eeee of the General Business Law ("GBL").

E. Prices of Units are not subject to approval by the Department of Law.

F. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions," unless otherwise indicated.

G. All of these documents are important and should be carefully read by prospective purchasers. PROSPECTIVE PURCHASERS ARE ALSO ADVISED TO CONSULT WITH THEIR OWN ATTORNEYS OR OTHER ADVISERS BEFORE AGREEING TO PURCHASE.

The Condominium

A. Sponsor acquired fee title to the Land and related structures thereon on May 16, 2016. The Building was constructed in 1953. The Building contains seven (7) stories above grade. The floors in the Building are named (from bottom to top): Lobby or Ground, and floor 1 through 6.

B. As more particularly described herein, the 60 Units, the 43 Parking Spaces, the Common Elements and the Limited Common Elements are the components comprising the Building.

C. The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is the Condominium Act. The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording of the Declaration. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

D. Purchasers are advised that a Technical Report as to Periodic Inspection of Exterior Walls and Appurtenances (also known as a Local Law 11 report) that was filed with the DOB on June 15, 2015 by the prior owner of the Building indicated no unsafe façade conditions. However, as of June 10, 2016, the DOB issued a "partial vacate" order to all persons occupying any part or parts of balconies at the southeast/southwest elevations at the 4th, 5th, and 6th floors of the Building. The order was "issued because there is imminent danger to life or public safety or safety of the occupants or to property…due to brick masonry bulging, spalling and cracked at the south elevation, [and because] balconies approximately between 4th to 6th floors are in imminent fall hazard." Sponsor retained Solomon Engineering Group to address this condition and plans have been filed with the DOB under Application #32141827 to perform corrective work to the façade (the "Façade Correction Work"). It is anticipated that as part of the Façade Correction Work, balconies of Units 4A, 4D, 5A, 5D, 6A, 6D will be removed and replaced. All Façade Correction Work will be performed at Sponsor's sole cost and expense

Features of Condominium Ownership

A. The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to such Unit Owner's Unit and is entitled to the exclusive possession thereof and the exclusive use of the Limited Common Elements (for example, balconies) if any, appurtenant to such Unit Owner's Unit subject to certain limitations more particularly described below. A Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements, and, in common with the owners of all other Units, an undivided interest in (and right to use) the General Common Elements.

B. Balconies appurtenant to certain Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. A Unit Owner who has a Balcony appurtenant to his or her or her Unit shall have the exclusive use of same, subject to the right of the Board to regulate its use, and shall be responsible for all routine Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements (unless caused by the Unit Owner having exclusive use thereof), shall be charged to all Unit Owners as a Common Expense. The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing Balcony Installations on the Balconies and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the Condominium Board determines, in its discretion, that such Balcony Installations adversely

affect the integrity of the Roof or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove Balcony Installations from the Balcony, if requested by the Board, to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or the By-Laws. No Balcony may be enclosed without the express written consent of the Condominium Board. Prior to installing Balcony Installations, the Board may require, in its sole discretion, that the Unit Owner enter into an alteration agreement with the Board. The Board may establish such other rules and regulations as it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

C. Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage such Unit Owner's Unit(s) with such lender and in such amount as the Unit Owner chooses. However, Sponsor makes no representations about the ability to finance any Unit. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

D. A Unit Owner may decorate the interior of such Unit Owner's Unit in any way desired, subject to compliance with the By-Laws, the Rules and Regulations and Law, and will be solely responsible for the cost of Maintenance to such Unit Owner's Unit after Closing.

E. Each Unit will be taxed as a separate tax lot for real estate tax purposes, and after the Units have been separately assessed for taxes, no Unit Owner will be responsible for the payment of, nor will such Unit Owner's Unit be subjected to any lien arising from the non-payment of, real estate taxes on other Units. Please refer to the opinion of Stroock & Stroock & Lavan LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Unit.

F. Subject to certain exceptions set forth in Article 8 of the By-Laws, any sale or lease of a Unit together with its Common Interest by a Unit Owner, will be subject to a right of first refusal by the Board, either by its designee (corporate or otherwise) or on behalf of the Unit Owners on the same terms and conditions as agreed to by the owner of such Unit and the proposed transferee. The Board's right of first refusal shall be exercised as more particularly set forth in Article 8 of the By-Laws, which is set forth as an Exhibit in Part II of the Plan. The Board shall not exercise its right of first refusal to purchase or lease any Unit without the prior approval of a Majority of all Unit Owners. However, no such consent shall be required in the event a designee of the Board purchases or leases a Unit. If the Board, on behalf of Unit Owners, elects to exercise its right of first refusal to purchase a Unit, certain taxes (such as any applicable New York State Real Property Transfer Gains Tax, New York State Additional Tax and the New York City Real Property Transfer Tax) and other monies, which may be the responsibility of the buyer, will be the responsibility of the seller. Other than exercising its respective right of first refusal, the Board shall not have a right to approve or disapprove prospective purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. There is no limit on the number of purchasers who may purchase for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. For a more complete discussion of the

foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units".

G. The costs and expenses of operating and maintaining the General Common Elements will generally be shared by all Unit Owners in proportion to their respective Common Interests except as otherwise provided in Schedule B-"Projected Budget for First Year of Condominium Operation" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of General Common Expenses and Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with Law.

H. The Condominium Board will be responsible for deciding all matters solely concerning the Condominium. Matters affecting all Units, Limited Common Elements or affecting the General Common Elements will be decided by the Condominium Board, which shall consist of representatives of the Unit Owners. Sponsor will control the Condominium Board during the Sponsor Control Period. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan.

I. Purchasers should note that Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or may lease occupied units to others or to retain vacated Units for future rental. Sponsor's right to rent, rather than sell Units is unconditional and exercisable in Sponsor's sole discretion. Except where otherwise prohibited by law, certain Unsold Units may be occupied under short-term leases (having a term in excess of 30 days). Accordingly, it is possible that a significant number of Unit Owners will not be residents of the Building and that a significant portion of occupants in the Building may not be Unit Owners. As a consequence of the foregoing, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because there is no commitment on the part of Sponsor to sell more than 15% of the Units to declare the Plan effective (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale), owner-occupants may never gain effective control and management of the Condominium. Purchasers should be aware that they may be living in a mixed rental/owner occupied Building for an indeterminate period of time. Owner occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, such as purchase of a home as opposed to purchase for investment. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan.

J. To the extent permitted by Law, Sponsor reserves the right to selectively offer, in its sole discretion, buyout payments in amounts to be determined by sponsor and subject to tenants' rights to negotiate money or other incentives to some bona fide tenants in occupancy to induce them to vacate and surrender their apartments. The Department of Law takes no position on the legality of buyout agreements and recommends that tenants seek the advice of counsel on whether acceptance of a buyout offer is a waiver of rights under the rent regulation

laws. Sponsor has not entered into any such agreements as of the date the Plan is accepted for filing.

K. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 23.3(s) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers, including investors, for 15% of the Units offered under the Plan(i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale). If the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales because there is no guarantee that purchasers counted towards effectiveness will ultimately close title to their Units. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details. Notwithstanding the foregoing, if, after the Plan shall have been declared effective but prior to the First Closing, all Agreements are caused to be rescinded or terminated, Sponsor shall re-declare the plan effective in order to effectuate Consummation of the Plan, regardless of whether a Declaration shall have been recorded.

L. The Property is currently encumbered by a Mortgage held by the Lender in the original principal amount of $10,200,000.00 Dollars (the "Mortgage Amount") and dated as of May 16, 2016. Each Unit will be released from the lien of the Mortgage at the Closing of title to such Unit pursuant to the terms of the Mortgage.

M. Sponsor reserves the right to sell some or all of the Unsold Units to a Person which assumes the rights and obligations of Sponsor with respect to such Units. If Sponsor makes a bulk sale of all or some of the Unsold Units, and if required by Law, the transferee successor Sponsor would be bound by Sponsor's representations regarding its commitment to sell Units. However, insofar as Sponsor has not made any such commitment to continue to sell the Units offered, a bulk transferee would similarly not be required to sell the Units rather than rent. Please refer to the section entitled "Rights and Obligations Of Sponsor" for more details.

N. The cost of Alterations to the Common Elements, will be determined by the Condominium Board and assessed against all Unit Owners in proportion to their respective Common Interests. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. (See Schedule A set forth in Part I of the Plan.)

O. As more particularly set forth in the By-Laws, the Condominium Board will have the authority to manage the Condominium, and the Unit Owners will have the right to vote for the members of the Condominium Board. As more particularly set forth in the By-Laws and in accordance with the Condominium Act, Real Property Law Sections 339-i and 339-m, the cost of operating and maintaining the General Common Elements will be Common Expenses borne entirely by the Unit Owners. Common Charges shall also be deemed to include any Special Assessment imposed by the Condominium Board. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-(i) and (m).

Purchasers should note that the amounts budgeted for projected energy usage are based upon estimates made by Sponsor's consulting engineer. However, in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict whether the budgeted amount will be sufficient to pay for the actual costs incurred in the First Year of Condominium Operation and actual utility costs and Common Charges may be higher than projected in Schedule B and Schedule B-1.

P. After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Unit, including its fixtures, flooring, wall coverings, appliances, equipment and personal property and improvements and betterments situated within such Unit Owner's and constituting a part of such Unit, as well as liability insurance with respect to occurrences in or about such Unit Owner's Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. All Unit Owners must comply with the terms of the Declaration and By-Laws, Rules and Regulations, Alteration Agreement, and any other requirement of the Condominium Board. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board of Managers" set forth in Part I of the Plan and a copy of the By-laws set forth as an Exhibit in Part II of the Plan.)

Q. Except as otherwise provided in the Plan and in the Declaration and By-Laws, there are no limitations on who may purchase Units. Sponsor will not knowingly accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

R. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to 1 year of Common Charges then in effect to secure their obligations under the Declaration for the payment of Common Charges and/or Special Assessments and otherwise. Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Board, any Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (see the Section entitled "Procedure to Purchase" for more details)

S. A Purchaser may not be a Prohibited Person (defined hereinafter) at any time prior to closing. Each Purchaser must be in full compliance with all applicable orders, rules, regulations and recommendations of The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The term "Prohibited Person" shall mean any person or entity: (a) listed in the Annex to, or otherwise subject to the provisions of, the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the "Executive Order"); (b) that is owned or controlled by, or acting for or on

behalf of, any person or entity that is listed to the Annex to, or is otherwise subject to the provisions of, the Executive Order; (c) with whom Beneficiary is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Order; (d) who commits, threatens or conspires to commit or supports "Terrorism" as defined in the Executive Order; (e) that is named as a "Specially Designated National and Blocked Person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, www.ustreas.gov/Offices/enforcement/ofac or at any replacement website or other replacement official publication of such list; or (f) who is an affiliate of or affiliated with a person or entity listed above. (See the form of Agreement set forth in Part II of the Plan.)

T. **THE PURCHASE OF A CONDOMINIUM HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.**

Offering of Units for Sale

A. Sponsor hereby offers 60 Units and 43 Parking Space Licenses in the Building for sale under this Plan. The Offering Prices, estimated Common Charges and estimated real estate taxes for each of the Units offered for sale hereby are listed below in the Section entitled, Schedule A "Offering Prices and Related Information" (hereinafter referred to as "Schedule A"). **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.** While Sponsor is currently offering the Units for sale, Sponsor has reserved the right to rent, rather than sell Units which right is unconditional and exercisable in Sponsor's sole discretion.

B. The Offer to Present Tenants

Tenant Purchasers (defined in the Section of the Plan entitled "Rights of Existing Tenants" set forth in Part I of the Plan), have the exclusive right to purchase their respective

Units within 90 days from the Presentation Date of this Plan to them (the "Exclusive Purchase Period") at the discounted Offering Prices set forth in Schedule A. There will be no increase in prices to Tenant Purchasers during any Exclusive Purchase Period for Tenant Purchasers and Sponsor will not accept Agreements from Non-Tenant Purchasers for occupied Units during any Exclusive Purchase Period.

The Offering Prices offered to Tenant Purchasers for the Units are approximately 16% below the Offering Prices offered to Non-Tenant Purchasers.

In order to qualify for the foregoing benefits during the 90 day Exclusive Purchase Period, a Tenant Purchaser must submit to the Selling Agent during the 90 day

Exclusive Purchase Period, a signed Agreement and Deposit. See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan for more details.

If prior to the expiration of any Exclusive Purchase Period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted an Agreement and Deposit before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

The Offer to Non-Tenant Purchasers

Sponsor hereby offers for sale those Units in the Building set forth in Schedule A to Non-Tenant Purchasers on the following terms:

(i) They shall have the opportunity to purchase a vacant Unit (if any) at the prevailing "Offering Price" for Non-Tenant Purchasers as set forth on Schedule A; and

(ii) They shall have the opportunity to purchase an occupied Unit either following the 90 day Exclusive Purchase Period afforded Tenant Purchasers or upon receipt of a written waiver by the Tenant Purchaser of his or her right to purchase during the 90 day Exclusive Purchase Period at the prevailing Offering Price for Non-Tenant Purchasers as set forth on Schedule A.

(iii) In order to qualify for the foregoing benefits, a Non-Tenant Purchaser must submit to the Selling Agent a signed Agreement and Deposit, subject to collection. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further details). See the Section entitled "Procedure to Purchase" set forth in Part I of the Plan for more details.

General

For further details concerning the closing of title to the Units, the costs and adjustments with respect thereto and the time periods which must elapse before closings may occur, see the Sections of the Plan entitled "Effective Date," "Closing Costs and Adjustments" and "Terms of Sale" set forth in Part I of the Plan for more details.

This offering is restricted to individuals of the age of 18 years or older, corporations, partnerships, limited liability companies, trusts, estates or any other entities that may hold title to real estate pursuant to New York Law. If the Purchaser is a legal entity other than a natural person, the Purchaser must, prior to executing an Agreement, provide Sponsor's attorney with documentation satisfactory to Sponsor's attorney which shall include, without limitation, a copy of all organizational documents and all other information as may be required by Sponsor's attorney.

Subject to the disclosures set forth in Special Risk 1 above and elsewhere in this Plan, including the "Description of Property" included as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan the Units are being sold "as is" in the condition in which they

exist at the time a Purchaser signs an Agreement, subject to ordinary wear and tear. As set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain elements such as the lobby, original plumbing and drain lines, electrical wiring, and laundry room are in varying degrees of repair. To address the foregoing conditions, Sponsor has commenced the following improvements: a building-wide electrical upgrade, installation of additional lighting in the public hallways, installation of new flooring in certain public hallways, replacement of certain windows in the Common Elements, renovation of the lobby, and the creation of a recreational room for use by Unit Owners (collectively, the "Proposed Renovations"). Sponsor anticipates, but does not guarantee, that the Proposed Renovations will be completed by the First Occupancy. In addition, Sponsor reserves the right to expand the scope of the Proposed Renovations (including, without limitation, the right to create lot line windows). Any such material modifications or addition will be disclosed in an amendment to the Plan and, if such modifications or additions are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements.

Purchasers are cautioned that no final determination has been made at this time as to the exact scope, nature and time frame for the completion of any future improvements and Sponsor shall not be obligated to make any future renovations. Notwithstanding, any plans and/or work for future improvements will be disclosed in an duly filed amendment to the Plan. Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building, except as recommended in the "Description of Property" set forth as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan. In addition, Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls.

Certain amenities which may be provided at the Building for use by Unit Owners as part of the Proposed Renovations may not be available for use as of the First Closing, or the date that a Purchaser closes title to its Unit, provided however that same shall be provided no later than 1 year after First Closing. The fact that such portions of the Building have not been completed or are not available for use by Unit Owners will not a basis for a Unit Owner to refuse to close title to the Unit, delay the Closing or receive any abatement or credit against the Purchase Price. In the event that some or all of the amenities are not available as of the First Closing, the budget will remain the same although some of the actual costs incurred may be lessened.

The estimated Common Charges for each Unit for the First Year of Condominium Operation of the Property as a condominium are also set forth in Schedule A.

Additionally, each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to 2 months' Common Charges in effect at the time of closing for each Unit purchased. A Purchaser of a Unit occupied by a Non-Purchasing Tenant will pay a contribution to the working capital fund in an amount equal to 2 months' Common Charges then applicable to such Unit being purchased to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. See the Section of the Plan entitled, "Working Capital Fund and Apportionments".

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of certain expenses, including, without limitation: (i) the real estate taxes that will be separately assessed against such Unit Owner's Unit, (ii) interest and amortization payments on the mortgage, if any, which such Purchaser may obtain, at such Purchaser's option, (iii) charges for electricity, gas consumed in such Unit Owner's Unit and any other utility that is separately metered or will be separately metered in the future, and (iv) the cost for telephone, cable, internet and similar services.

The charges for electricity consumed by each Unit Owner individually will be separately metered and billed directly to such Unit Owner by Con Edison or other utility provider. Water charges and sewer rents, assessed by The City of New York, will be billed to the Condominium as a Common Expense. The costs and expenses of central heat and gas, excluding cooking gas if separately metered, with respect to the Condominium, will be included in Common Charges; Unit owners will be required to pay charges for electricity consumed for air conditioning for each Unit. Please refer to Schedule B and Schedule B-1 in Part I of the Plan for further details.

Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A with respect to the bases of such estimates.

Sponsor has and shall retain the ongoing right to use the Common Elements pursuant to revocable license agreements with the Board, at no cost to Sponsor, and the Board shall be obligated to enter into such license agreements with Sponsor at Sponsor's request. Sponsor shall have the right to use and/or sublicense any such space so licensed, for storage or otherwise, even when Sponsor no longer owns any Units in the Condominium. Additionally, Sponsor has and shall retain the right to collect a fee for any such sublicenses or other use fees it collects in connection with the use of such space. Sponsor shall indemnify the Boards from any loss or liability resulting from the use of the space by Sponsor or its licensees, absent negligence on the part of the Board.

Applicable Rent Laws

A. After the Declaration is recorded creating the Condominium, the spaces presently known as apartments will become Units of the Condominium. All such apartments are referred to as Units throughout this Plan.

B. This Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the GBL which sets forth the procedure for converting dwelling units to condominium ownership. Under the GBL, Sponsor may declare this Plan to be effective when Agreements have been executed for at least 15% of the Units in the Building offered for sale under this Plan (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale) by bona fide tenants in occupancy on the Filing Date or bona fide purchasers who represent that they intend that they or one or more specified members of their immediate family will occupy the Unit when it becomes vacant. A Non-Purchasing Tenant of a Unit will not be evicted solely by reason of conversion of the Property to condominium ownership. The lease of a Non-Purchasing Tenant whose lease is not subject to the Rent Laws may not be renewed by Sponsor if such Non-Purchasing Tenant's lease expires

prior to the effective date of the Plan and such Non-Purchasing Tenant may be evicted as the result of such non-renewal. No eviction proceedings will be commenced at any time after the effective date against Non-Purchasing Tenants for failure to purchase or any other reason solely applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Condominium or its Managing Agent or a breach by the Non-Purchasing Tenant of his or her obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law including without limitation, the failure of the Non-Purchasing Tenant to enter into a renewal lease; and provided further that an owner of a Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that the Unit is needed for the use and occupancy of the Non-Tenant Purchaser or the Non-Tenant Purchaser's family. Please refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied By Non-Purchasing Tenants" for further details.

C. Certain of the Units are subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law and Code, the Rent Regulation Reform Act of 1993 ("RRRA") and the rent regulatory scheme or any codes, rules and regulations promulgated thereunder (collectively the "Rent Laws") including thirty-five (35) Units which are subject to rent stabilization. The remainder of the Units in the Building are not subject to the Rent Laws pursuant to the provisions of the RRRA, which deregulated certain high rent housing accommodations. There are no current proceedings pending against tenants on the grounds of either non-primary residency or luxury decontrol. However, Sponsor reserves the right to bring further proceedings under the Rent Laws. Sponsor reserves the right to seek MCI and other increases to the extent available. The status of each Unit under the Rent Laws is set forth in Schedule A. Please refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for further details.

CERTAIN DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration and the By-Laws:

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

"Alterations" refers collectively to the Non-Structural Alterations and the Structural Alterations.

"Balcony" or "Balconies" refers to balconies and/or terraces appurtenant to certain Units. "Balcony Installations" refers to the installation of plantings, surface coverings, furniture, equipment, structures, fencing, water features and other materials on a Balcony. "Board" refers to the Condominium Board.

"Building" refers to the structure and improvements including above and below grade segments, known as 61 Martense Street, Brooklyn, New York 11226 in which the Units of the Condominium are located.

"Building Remediation Program" shall have the meaning set forth in Special Risk 1 herein.

"Building Renovations" means and include, collectively, the Proposed Renovations, the Façade Correction Work, and the work associated with the Building Remediation Program.

"Building Systems" refers to the architectural, mechanical, electrical and plumbing systems of the Building.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

"City Register's Office" refers to the Kings County office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to a Unit is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refers to assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses, as more particularly defined in the Declaration.

"Common Elements" refers to the General Common Elements and the Limited Common Elements, if any.

"Common Expenses" refers to costs and expenses incurred or projected in connection with the Maintenance and operation of, and any Alteration to, the Common Elements, as more particularly defined in the Declaration.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to The 61 Martense Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" refers to the board of managers of the Condominium. "Condominium Documents" refers to the Declaration, By-Laws, Floor Plans, and other related documents.

"Consummation of the Plan" or "Consummation of the Offering" means the filing of the Declaration and conclusion of the First Closing following the Department of Law's acceptance of an amendment declaring the Plan effective.

"Contingency Reserve" is an amount equal to at least 10% of the total operating budget for the First Year of Condominium Operation that Fannie Mae and FHA may require be placed in a contingency in order to fund the replacement reserves for capital expenditures and deferred maintenance as more particularly described in Schedule B-"Projected Budget for First Year of Condominium Operation", in Part I of the Plan.

"Courtyard" refers to the courtyards located at the front, rear and center of the Property, as more particularly identified on the Floor Plans.

"Custom Work" refers to work that Sponsor may agree to perform, in its sole discretion, including modification of Floor Plans set forth in Part II of the Plan and finishes of certain Units or provide additional materials or construction to the Units if requested by individual Purchasers"

"Custom Work Costs" refers to the costs to complete the Custom Work, including without limitation, the costs of purchasing materials and supplies for the Custom Work.

"Custom Work Deposit" shall have the meaning set forth in Special Risk 3 herein. "Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Buildings" or "DOB" refers to the New York City Department of Buildings.

"Department of Law" or "DOL" refers to the New York State Department of Law.

"Deposit" shall collectively refer to the initial deposit in an amount equal to 10% of the Purchase Price required to be made by Purchaser under the Agreement as well as the Parking Space Deposit, if and as applicable.

"Development Rights" refers to that portion of the unused floor area development rights that are now owned, are subsequently acquired or that may become available under the Zoning Resolution of the City of New York, which shall initially be retained by Sponsor.

"Development Rights Purchaser" refers to the party that acquires the Development Rights, if any, from Sponsor.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"Escrow Agent" refers to the law firm of Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, with a telephone number of (212) 806-5400, or any Escrow Agent designated by Sponsor or any successor Escrow Agent at the time in question.

"Exclusive Purchase Period" refers to Tenant Purchasers' exclusive right to purchase their respective Units within 90 days from the Presentation Date of this Plan.

"Façade" refers to the outer portion of the Building above grade, including but not limited to, the exterior of all doors, masonry, aluminum or other skin materials, walls, or parapets, whether or not visible from street level.

"Façade Correction Work" is work for which Sponsor retained Solomon Engineering Group to address corrective work required to be performed to the façade.

"Façade Renovation Status Report" was prepared by Salomon Engineering on behalf of the Sponsor to address certain exterior conditions and is annexed in Part II of the Plan as Exhibit 4-B.

"Facility" or "Facilities" refers to, but is not limited to, the facilities and equipment necessary for the operation of the Units and the Common Elements (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, converter, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy,

incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

"Family Member" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

"FHA" refers to the Federal Housing Administration.

"Filing Date" refers to the date a letter is issued by the Department of Law stating that the Plan or amendment thereto has been accepted for filing.

"First Closing," or words of similar import, refers to the date of the first closing of fee title to a Unit to a Purchaser pursuant to the Plan.

"First Year of Condominium Operation" is estimated to be the period set forth in Schedule B-"Projected Budget for First Year of Condominium Operation", in Part I of the Plan, as same period may be amended from time to time by Sponsor, pursuant to a duly filed amendment to the Plan.

"Floor Plans" refers to the floor plans of the Building, as same may be amended from time to time, which are approved by the New York City Department of Finance, Land Records Division, Tax Map Unit and recorded in the City Register's Office

"Floor Plans set forth in Part II of this Plan" refers to the floor plans contained as an Exhibit in Part II of the Plan, which depicts the Units.

"GBL" refers to Section 352-eeee of the New York State General Business Law.

"General Common Elements" refers to those portions of the Building other than Units and Limited Common Elements.

"Land" refers to the parcel of land described in Exhibit B to the Declaration.

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, and any Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to Law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"License Fee" refers to a monthly amount due from a Parking Space Licensee in order to pay for costs incurred in connection with the Maintenance and operation of the Parking Spaces, including without limitation, costs for utilities, insurance and necessary replacements and repairs.

Limited Common Elements" refers to those portions of the Building designated for the use of one or more, but not all of the Units and Unit Owners and are more particularly described herein and in the Declaration.

"Maintenance or Maintain" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, decorating, painting, installation, Alteration, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Master Escrow Account" refers to the master escrow accounts Escrow Agent has established at JP Morgan Chase Bank.

"Offeree" refers to (a) a Purchaser who has executed and delivered an Agreement for a Unit and who is not in default thereunder, (b) a Unit Owner, and (c) any other person or entity who, pursuant to Law, is an offeree of the Plan.

"Non-Purchasing Tenant" has the meaning set forth in the GBL.

"Non-Structural Alterations" refers to any alteration, addition, installation or improvement that is not a Structural Alteration, as to which materials are delivered or installed by a third party, including without limitation: (i) the installation of decorations, fixtures and coverings, wallpaper, wall to wall carpeting, pictures, mirrors shelving and lighting fixtures on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like and (ii) painting or other similar finishing.

"Non-Tenant Purchaser" refers to a Purchaser who is not a Tenant Purchaser.

"Parking Garage" refers to the parking garage identified on the Floor Plans within which the Parking Spaces are located.

"Parking Space" refers to the Parking Spaces located in Ground floor, which will be made available for the exclusive use of Parking Space Licensees pursuant to Parking Space Licenses.

"Parking Space Deposit" refers to a deposit in an amount equal to 10% of the Parking Space Purchase Price required to be made by Purchaser under the Parking Space Rider to Agreement.

"Parking Space License" refers to the license to be granted to a Unit Owner evidencing the Unit Owner's right to use a Parking Space.

"Parking Space Licensee" refers to the holder of a Parking Space License.

"Parking Space Purchase Price" refers to the purchase price for a Parking Space License.

"Permanent Certificate of Occupancy" refers to a final certificate of occupancy issued by the New York City Department of Buildings approving the legal use and/or occupancy of the Building.

"Permitted Encumbrances" refers to those Unit title encumbrances subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement and the Specimen Title Policy set forth in Part II of the Plan.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

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

"Permitted User" refers to any guest, tenant, occupant, customer, invitee, licensee, contractor, or Permitted Mortgagee.

"Plan" refers to this offering plan for the establishment of condominium ownership, as the same may be amended from time to time.

"Presentation Date" refers to the date on which this Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing to the tenants in occupancy of Units in the Building following acceptance of this Plan or an amendment thereto for filing by the Department of Law.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Proposed Renovations" are improvements to the Building commenced by Sponsor, including: a building-wide electrical upgrade, installation of additional lighting in the public hallways, installation of new flooring in certain public hallways, replacement of certain windows in the Common Elements, renovation of the lobby, and the creation of a recreational room for use by Unit Owners, all more particularly described in the "Description of Property" set forth as an Exhibit in Part II of the Plan.

"Purchase Price" refers to the Purchase Price set forth in the Agreement.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in an Agreement which has been duly executed by such person(s) or entity(ies) and accepted by Sponsor.

"Rent Laws" refers to (i) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (ii) the New York City Rent Control Regulations, (iii) the New York State General Business Law, Section 352-eeee, (iv) the Rent Regulation Reform Act of 1997 and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

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

"Reserved Space Installations" refers to, among other things, signage, satellite dishes, cellular equipment, computer and other information systems, furniture; wall and floor coverings and other any other furnishings or Facilities to be installed on or in the Reserved Spaces.

"Reserved Space Party" shall mean Sponsor, its designee, assignee, tenant, licensee or other transferee of a Reserved Space.

"Reserved Spaces" refers to the portions of the Common Elements which are not expressly reserved for specific purposes and include, without limitation, the Roof, Bulkhead Roof and Façade of the Building, passages, hallways, conduits, utility lines (provided that use of the Reserved Spaces does not block light and air to any Unit), and such other areas in the Condominium which have been designated as Common Elements which are either not being utilized (e.g., the elevator lobby and the elevator cabs) or which have a use which can be relocated elsewhere in the Building.

"Restoration Costs" refers to the reasonable costs necessary to restore the Unit to the condition proposed by Sponsor prior to such Custom Work being performed. "Schedule A" refers to Schedule A, "Offering Prices and Related Information" for the Projected First Year of Condominium Operation set forth in Part I of the Plan.

"Roof" refers to the Roof as more particularly shown on the Floor Plans.

"Schedule B" refers to Schedule B, "Projected Budget for First Year of Condominium Operation" set forth in Part I of the Plan.

"Selling Agent" refers to Corcoran Group, or any successor selling agent at the time in question.

"Sign" or "Signs" or "Signage" refers to any and all signs, awnings, canopies, marquees, banners, flags, pennants, aerials, antennas or the like located in any Unit or upon any Common Elements.

"Special Assessments" refers to those assessments levied against Unit Owners for the purpose of paying non-recurring, extraordinary expenses affecting the Common Elements, including without limitation, capital expenses relating to the Common Elements.

"Sponsor" refers to 61 Martense Street LLC and its designees, successors and/or assigns.

"Sponsor Control Period" shall mean that period which terminates upon the earlier to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 50% of the aggregate Common Interest appertaining to all Units, or (ii) 5 years after the First Closing.

"Structural Alterations" shall refer to alterations, additions, installations, improvements to the foundations, columns, girders, beams, supports, concrete slabs, footings, bracings, Façade,

Building Systems and all other structural members of the Building or which otherwise affect the structural integrity of the Building.

"Super's Unit" refers to apartment designated as such on the Floor Plans, or such other Unit as Sponsor may designate, to be used for the superintendent's residence.

"Tenant Purchaser" shall have the meaning set forth in the Section of the Plan entitled "Rights of Existing Tenants."

"Unit" or "Condominium Unit" refers to a space designated as a Unit in the Declaration, consisting, generally, of a specific residence, together with an appurtenant proportionate undivided interest in the General Common Elements and in any Limited Common Elements. All of such Units are collectively referred to as "Units."

"Unit Owner" refers to any owner of a Unit, and all such owners are, collectively, referred to as "Unit Owners."

"Unit Owner Expense" refers to those expenses incurred by the Condominium Board or Unit Owner, as the case may be, on behalf of a particular Unit Owner.

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee; a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of the principals of any of them, is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

"Waiver Period" refers to the period of time after the First Closing and prior to full occupancy of the Building during which the Sponsor, at its sole option, may elect to pay the Waiver Period Expenses.

"Waiver Period Expenses" refers to the actual costs and expenses required to actually operate the Building during the Waiver Period including, without limitation, insurance premiums attributed to the Condominium and not to any individual Unit, and any reserve fund payments required by Sponsor's lenders, if any. Waiver Period Expenses will not be based on the estimates set forth in Schedule B. The Waiver Period Expenses shall not include real estate taxes or a Purchaser's allocable share of the property insurance premium attributable to its respective Unit during the Waiver Period, which expenses shall be separately assessed to each Purchaser based upon the Common Interest of such Unit, as more particularly set forth in Schedule A.

"Working Capital Fund" refers to the working capital fund of the Condominium.

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

DESCRIPTION OF PROPERTY

Units

A. Subject to the rights of Sponsor to change the number of Units, there are a total of sixty (60) Units situated on seven (7) above-grade floors identified as lobby/ground, and floor one (1) through six (6) of the Building. Detailed descriptions of the Units are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Prices of Units and Related Information" for further details.

B. Subject to the disclosures set forth in Special Risk 1 above and elsewhere in this Plan, including the "Description of Property" included as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan the Units are being sold "as is" in the condition in which they exist at the time a Purchaser signs an Agreement, subject to ordinary wear and tear. As set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain elements such as the lobby, original plumbing and drain lines, electrical wiring, and laundry room are in varying degrees of repair. To address the foregoing conditions, Sponsor has commenced the following improvements: a building-wide electrical upgrade, installation of additional lighting in the public hallways, installation of new flooring in certain public hallways, replacement of certain windows in the Common Elements, renovation of the lobby, and the creation of a recreational room for use by Unit Owners (collectively, the "Proposed Renovations"). Sponsor anticipates, but does not guarantee, that the Proposed Renovations will be completed by the First Occupancy. In addition, Sponsor reserves the right to expand the scope of the Proposed Renovations (including, without limitation, the right to create lot line windows). Any such material modifications or addition will be disclosed in an amendment to the Plan and, if such modifications or additions are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements.

C. Purchasers are cautioned that no final determination has been made at this time as to the exact scope, nature and time frame for the completion of any future improvements and Sponsor shall not be obligated to make any future renovations. Notwithstanding, any plans and/or work for future improvements will be disclosed in an duly filed amendment to the Plan. Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building, except as recommended in the "Description of Property" set forth as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan. In addition, Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls.

D. Except as otherwise provided in this Plan and the Declaration and By-Laws, Units shall be used for residential purposes. The Board, may in its sole discretion, permit a Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing certificate of occupancy and complies with all applicable governmental regulations. See also the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board

of Managers" under the subheading "Use of Units" and the Declaration and By-Laws in Part II of the Plan

E. Sponsor reserves the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and leasing offices and model apartments. In the event Sponsor thereafter, elects to sell such Unsold Units, Sponsor may require the Purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unsold Unit, such amounts as Sponsor determines.

Super's Unit

The apartment currently designated on the Floor Plans as the Super's Unit is currently, and is intended to continue to be, used as the living quarters for the on-site superintendent. In the event that any New York City agency deems that the Super's Unit may not be used as living quarters for the on-site superintendent, the apartment will be vacated. Purchasers should note that in such case, the Condominium will not have a superintendent living on the premises, and either (i) the Condominium will provide for a Superintendent that lives within 200 feet of the building pursuant to New York State Multiple Dwelling Law, Title 3 § 83, or, (ii) the Condominium will provide for janitorial services to be performed on a twenty-four-hour-a-day basis in accordance with the requirements of the New York City Department of Housing Preservation and Development, pursuant to Section 27-2053(3) of the New York City Administrative Code. The Super's Unit will be designated as a General Common Element of the Condominium. The costs of maintenance, utilities and telephone service attributable to the Super's Unit will be borne by the Board as a Common Expense and assessed against each Unit Owner as Common Charges. Please refer to "Schedule B, Budget for First Year of Condominium Operation" in Part I of the Plan for further details regarding the Super's Unit.

General Common Elements

Generally, the General Common Elements consist of all Common Elements other than the Limited Common Elements (if any) and include, among other things, the following: (a) the Land; (b) the Roof; (c) the Courtyards; (d) the life safety system, including the fire alarm system and sprinkler system, including the booster fire pump and all other fire pumps and fire command station for the Building (except such portions of such life safety system which are expressly designated as a Limited Common Element); (e) the following areas located on portions of the Ground level of the Building: the Super's Unit, the Parking Garage and the Parking Spaces, the mechanical space and other rooms, areas, space and Facilities servicing all of the Units and the General Common Elements, including: laundry room, storage rooms, utility room, and boiler room, as more particularly delineated on the Floor Plans; (f) all street trees, shrubbery, planters and other plantings located on the sidewalks (if any), other than those located in the Courtyards; and (g) any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, supports, structural walls and interior load bearing walls, which are located above the Ground Floor ceiling slab separating the Ground Floor and First Floor of the Building. A detailed description of the General Common Elements is set forth in the Declaration.

Notwithstanding the fact that the Parking Spaces are designated as Common Elements, only the Parking Space Licensees shall have the right to access and utilize such spaces (subject to and in accordance with the terms of the applicable Parking Space License).

Sponsor shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other information systems), (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) Sponsor or a Reserved Space Party indemnifies the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of a Reserved Space Party's use of the Reserved Spaces, except that Sponsor shall not in any case, be responsible for consequential damages, and (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such uses of the Reserved Spaces could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Condominium Board shall be obligated to enter into such documentation with Sponsor at Sponsor's request, for Sponsor's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of the Reserved Space Party and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of the Sponsor for its own account or the account of any Reserved Space Party or for any purpose permitted by Law.

Parking Spaces

A. The Building contains a Parking Garage that is presently zoned for accessory parking which permits the parking of forty-three (43) passenger vehicles.. Sponsor hereby offers Purchasers the opportunity to purchase Parking Space Licenses on a first come first served basis as more particularly set forth herein. Since there are fewer parking spaces available then there are Units, Sponsor make no representations or guarantees that Unit Owners will be guaranteed an opportunity to purchase Parking Space Licenses. Sponsor reserves the right, in its sole discretion, to determine which Purchasers will be entitled to purchase Parking Space Licenses. If a Parking Space Rider is entered into, a Purchaser shall be required to pay a Parking Space Deposit for the Parking Space License under the same terms as those required upon executing an Agreement for a Unit. Parking Space Licensees shall be responsible for paying a monthly License Fee to the Condominium Board. The monthly License Fee for the Parking Spaces for the First Year of Condominium Operation is set forth on Schedule A.

B. At the closing of title to the Unit, the Purchaser of a Parking Space License must execute a Parking Space License substantially in the form set forth as an Exhibit in

Part II of the Plan. The provisions of the Parking Space License and Condominium Declaration and By-Laws shall govern the operation, access and Maintenance of the Parking Garage. Purchasers are advised that by its terms, the Parking Space License is revocable by the Condominium Board.

C. Sponsor anticipates that the Parking Garage will be available for use as of the First Closing, however Sponsor cannot guarantee the foregoing and cannot predict the length of any potential delays due to unforeseen circumstances. In the event that the Parking Garage is not available for use on the Closing Date for any reason, Purchaser shall remain obligated to close title to its Unit, and pay the balance of the Purchase Price for such Unit and Parking Space License. In the event that the Parking Garage is unavailable for use as of the Closing Date as aforesaid, the Parking Garage Purchase Price shall be paid to Escrow Agent and Parking Space License shall be executed at Closing and the Parking Garage Purchase Price and Parking Space License shall be held in escrow by the Escrow Agent. Upon notification from Sponsor that the Parking Space is available for use, Escrow Agent shall release the Parking Space Purchase Price to Sponsor with interest earned thereon, if any, and shall deliver the Parking Space License to Purchaser.

D. Parking Space Licenses may only be assigned by the licensee thereof to a person acquiring a Unit or to another Unit Owner in the Condominium. Upon conveyance of a Unit, the Condominium Board will enter into a new Parking Space License with the transferee of such Unit, in the form set forth as an Exhibit in Part II of the Plan or in such form then required by the Condominium Board. In no event may a Unit Owner retain usage or rights to a Parking Space License after conveyance or transfer of such Unit Owner's Unit. In the event a licensee elects to terminate a Parking Space License or sells its Unit and does not assign same to another Unit Owner or to a person acquiring a Unit, the rights to the Parking Space License in question will devolve to the Condominium Board and the Condominium Board shall have the right, in its sole discretion, to issue a new Parking Space License to another Unit Owner or a person acquiring a Unit at the Condominium or retain such Parking Space License. The foregoing restrictions shall not apply to Sponsor.

E. The Condominium Board will be responsible for ensuring that the Parking Garage shall be used in accordance with applicable Law, including without limitation applicable Laws relating to handicapped parking spaces and shall be responsible for hiring any employees that the Condominium Board, in its sole discretion, determines are necessary to operate the Parking Garage.

F. Parking Space has been designated as a handicapped parking space and will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of Parking Space and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

(i) In the event the present or future owner of a unit in the Condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of the

parking space, said unit owner has the right to demand that the owner of the Parking Space trade the handicapped parking space he/she owns with said handicapped owner.

(ii) In the event the present or future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of Parking Space sell it at then current, fair market value to said handicapped owner. All costs and expenses entailed in the transfer of title to the parking spaces, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer.

(iii) The owner of Parking Space A-1 must comply with the aforementioned demand upon 30 days' written notice.

(iv) If the parties cannot agree on the fair market value of Parking Space [ ], then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the condominium.

G. Purchasers are further advised while the Parking Garage is intended to be used solely for the storage of passenger vehicles of the occupants of the Building, pursuant to *N.Y. Mult. Dwell Law § 60*, if all or a portion of the Parking Garage is not used by the Building's Occupants, the Sponsor will have the right to make the unused Parking Spaces available to the public. However, any such Parking Space which has been rented shall be made available to an occupant of the Building within 30 days after written request therefor.

Limited Common Elements

The Limited Common Elements are available for the exclusive use of some but not all Unit Owners and include those portions of the Building available for the exclusive use of some but not all Unit Owners. At the present time the Limited Common Elements consist of the Balconies appurtenant to certain Units exclusively serving those Units.

Balconies

A. Included in the Limited Common Elements are Balconies appurtenant to certain Units, as more particularly described in Schedule A, which Balconies are included in the Offering Prices for the Units. A Unit Owner who has a Balcony appurtenant to such Unit Owner's Unit shall have the exclusive use of same, subject to the right of the Board to regulate its use.

B. All Maintenance of any Balcony which does not involve Structural Alterations shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any Structural Alterations to such Balcony (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. The Condominium Board and the Board will have the right to require a Unit Owner to obtain the consent of the Board prior to installing Balcony Installations on the Balconies and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the

Board determines, in its respective discretion, that such Balcony Installations adversely affect the integrity of the Roof or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove Balcony Installations from the Balcony, if requested by the Condominium Board, to facilitate access to the roofing system, walls, Exterior Facade or other Common Elements pursuant to the Declaration or the By-Laws. No Balcony may be enclosed without the express written consent of the Condominium Boar d. Prior to installing Balcony Installations, the Board may require, in its sole discretion, that the Unit Owner enter into an alteration agreement with the Condominium Board.

C. Purchasers are advised that a Technical Report as to Periodic Inspection of Exterior Walls and Appurtenances (also known as a Local Law 11 report) that was filed with the DOB on June 15, 2015 by the prior owner of the Building indicated no unsafe façade conditions. However, as of June 10, 2016, the DOB issued a "partial vacate" order to all persons occupying any part or parts of balconies at the southeast/southwest elevations at the 4th, 5th, and 6th floors of the Building. The order was "issued because there is imminent danger to life or public safety or safety of the occupants or to property...due to brick masonry bulging, spalling and cracked at the south elevation, [and because] balconies approximately between 4th to 6th floors are in imminent fall hazard." Sponsor retained Solomon Engineering Group to address this condition and plans have been filed with the DOB under Application #32141827 to perform corrective work to the façade (the "Façade Correction Work"). It is anticipated that as part of the Façade Correction Work, balconies of Units 4A, 4D, 5A, 5D, 6A, 6D will be removed and replaced. All Façade Correction Work will be performed at Sponsor's sole cost and expense and is anticipated to be completed by September 1, 2018. Purchasers are further advised that until completion of the Façade Correction Work and the partial vacate order shall have been removed, occupants of Units 4A, 4D, 5A, 5D, 6A, 6D will not be permitted entrance unto or use of the appurtenant Balconies.

Services and Facilities

A. The Building will be Maintained, operated and staffed in a manner to be determined by the Condominium Board. Prospective Purchasers are urged to carefully review Schedule B in Part I of this Plan and the Description of Property set forth in Part II of this Plan, for a description of the services presently being provided. Sponsor makes no representation that the aforesaid services will continue to be provided. Notwithstanding the foregoing, however, the Condominium Board shall at all times Maintain, operate and staff the Building in compliance with, and subject to, all applicable Laws and any rights of Non-Purchasing Tenants under the GBL. Except as otherwise consented to in writing by Sponsor, the Condominium Board and Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Laws, except for those services, if any, that are the obligation of Sponsor to provide under the terms of the Declaration or the Plan. No Board shall impose any charge or fee against the tenants or occupants of the Units owned by Sponsor or its designee or against Sponsor on account of any services provided to such tenants and occupants unless Sponsor or its designee is permitted by the Rent Laws to impose such charge or fee against such tenants or occupants. Such permitted charge or fee may be increased by the Board, but only to the extent Sponsor or the owner of the occupied Units would be allowed to charge its tenants such increased charges or fees under the Rent Laws. If, as the result of the aforesaid limitations on the Board, the amount of such charges or fees collected by Board

is insufficient to cover the cost of providing such service(s), then such additional cost will be included in Common Charges and borne by all Unit Owner's in proportion to their respective Common Interests.

B. There is one common laundry room located on the Ground Floor for the use of the Unit Owners. The laundry room contains three (3) coin-operated commercial high efficiency washers and two (2) commercial dryers. The laundry room is designated as a Common Element and therefore the costs and expenses incurred to operate and Maintain the common laundry room, including the cost for water and electricity and water, will be included as part of the Common Charges regardless of whether a Unit Owner uses such laundry room. It is a requirement that low suds laundry detergent be used in the washers. Failure to use a low suds detergent may lead to the washer over flowing and causing a flood in the Common Elements in which event the Unit Owner violating the Rules and Regulations will be liable for damages. Please refer to the "Description of Property and Building Condition" set forth as Exhibit 4 in Part II of the Plan for further details.

C. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels.

D. Except as otherwise noted above, and except as otherwise required under the Rent Laws, all determinations with respect to the continuance of services and facilities will be made by the Board, which, until the expiration of the Sponsor Control Period, will be controlled by Sponsor (see the Section "Control by Sponsor").

E. Neither Sponsor, the Selling Agent, the Managing Agent nor the Board will in any event be liable for the interruption, discontinuance or quality of any of the Building services, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, including Building personnel or otherwise. There is no guaranty that any of the foregoing services or amenities will continue to be available to Unit Owners or occupants or tenants of Units in the future or that any change in the foregoing will not adversely impact upon the value of the Units.

LOCATION AND AREA INFORMATION

Location and Services

The Condominium is located near Prospect Park, Prospect Park Zoo and LeFrak Center at Lakeside, the Brooklyn Botanic Gardens, the Brooklyn Museum and the historic Kings Theatre music and performing venue.

The Condominium is within walking distance of public transportation, including several subway and bus lines which serve destinations within New York City and which connect to express buses, Metro North (at Grand Central Station), the Long Island Railroad, the New Jersey Central Amtrak and Metroliner trains (at Penn Station) for other destinations. In particular, the building is located near stations for the B, Q and 2 and 5 trains.

New York City is serviced by three major airports located within fifteen miles of the Condominium. John F. Kennedy International and LaGuardia Airports are located in New York City and Newark Liberty International Airport is located in Newark, New Jersey.

Medical facilities in the area include New York Congregational Nursing Center, Mckinney Hospital, Downstate Medical center, Kings County Hospital, NYM Medical Center, Path Center for Health.

Educational facilities include P.S. 6, Erasmus High School, Explore Charter School, Fahari Academy, Brooklyn College.

Engine Company 255/Ladder 157, located at Flatbush Avenue and Rogers Avenue, and Engine Company 281/Ladder 147 located at Cortelyou Road and Argyle Road provide fire protection. The local police precinct is the 67th Precinct and it is located at 2820 Snyder Avenue. Sanitation and snow removal services are also provided by the city of New York.

There are multiple places of worship for various denominations throughout the neighborhood.

The City of New York is responsible for the maintenance of the roads adjacent to the Condominium.

There is no guaranty that any of the foregoing services or amenities or other public institutions will continue to be available to Unit Owners or residents in the future or that any change in the foregoing will not adversely impact upon the value of the Units. Sponsor makes no representations that the character of the neighborhood, the businesses and other institutions which operate there, or the qualitative nature of the surroundings, will not change.

Zoning and Use

The Property is located within Zoning District R7-A as shown on the Zoning Map of the New York City Planning Commission. The permissible use of the Building pursuant to the Zoning Resolution is Multi-Family Residential.

The Building does not have landmark status.

Sponsor is not currently developing any properties in the immediate vicinity of the Property and is not aware of any development projects that have been publicly announced that will be adjacent to or directly across the street from the Property. Sponsor makes no representations or warranties regarding building construction in the immediate vicinity of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Unit.

SCHEDULE A - PRICES OF UNITS AND RELATED INFORMATION

F. SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION

THE 61 MARTENSE STREET CONDOMINIUM
61 Martense Street, Brooklyn, New York 11226

Year Projected: January 1, 2018 - December 31, 2018

Unit No.	Occupancy Status	Regulatory Status**	Location	Approx. Floor Area (1)	Limited Common Elements Balconies/ Terraces	No. of Bedrooms/ Bathrooms Current-Proposed (1)	Offering Price* for Non-Tenants (2)	Offering Price* for Tenants (2)	Percent Common Interest (3)	Projected Monthly Common Charges (4)	Projected Real Estate Taxes (Monthly) (5)	Projected Real Estate Taxes (Annual) (5)	Projected Monthly Carrying Charges
1A	Occupied	STAB	1st floor	1,355	57	"3/2"	$1,100,000	$1,000,000	2.445%	$637.90	$289.25	$3,471.04	$927.15
1B	Occupied	STAB	1st floor	800	---	"1/1"	$678,000	$565,000	1.444%	$376.62	$170.78	$2,049.32	$547.40
1C	Occupied	STAB	1st floor	789	---	"1/1"	$666,000	$555,000	1.424%	$371.44	$168.43	$2,021.14	$539.87
1D	Occupied	STAB	1st floor	1096	59	"2/1"	$900,000	$750,000	1.978%	$515.97	$233.96	$2,807.57	$749.93
1E	Vacant	STAB	1st floor	699	---	"1/1"	$700,000	$595,000	1.262%	$329.07	$149.22	$1,790.59	$478.29
1F	Occupied	STAB	1st floor	786	---	"1/1"	$760,000	$645,000	1.419%	$370.03	$167.79	$2,013.46	$537.82
1G	Occupied	SECTION 8	1st floor	1,075	478	"2/1"	$982,000	$830,000	1.940%	$506.08	$229.48	$2,753.77	$735.56
1H	Vacant	STAB	1st floor	754	611	"1/1"	$760,000	$645,000	1.361%	$354.96	$160.96	$1,931.48	$515.92
1J	Occupied	STAB	1st floor	1,040	486	"2/1"	$940,000	$795,000	1.877%	$489.60	$222.01	$2,664.12	$711.61
1K	Occupied	STAB	1st floor	841	---	"1/1"	$808,000	$685,000	1.518%	$395.92	$179.53	$2,154.35	$575.45
2A	Occupied	STAB	2nd floor	1,355	57	"3/2"	$999,000	$925,000	2.445%	$637.90	$289.25	$3,471.04	$927.15
2B	Vacant	STAB	2nd floor	800	---	"2/1"	$684,000	$570,000	1.444%	$376.62	$170.78	$2,049.32	$547.40
2C	Vacant	STAB	2nd floor	789	---	"1/1"	$678,000	$565,000	1.424%	$371.44	$168.43	$2,021.14	$539.87
2D	Vacant	STAB	2nd floor	1096	59	"2/2"	$912,000	$760,000	1.978%	$515.97	$233.96	$2,807.57	$749.93
2E	Occupied	STAB	2nd floor	699	---	"1/1"	$612,000	$510,000	1.262%	$329.07	$149.22	$1,790.59	$478.29
2F	Vacant	STAB	2nd floor	786	---	"2/1"	$678,000	$565,000	1.419%	$370.03	$167.79	$2,013.46	$537.82
2G	Occupied	NON-STAB	2nd floor	1,075	---	"2/1"	$894,000	$745,000	1.940%	$506.08	$229.48	$2,753.77	$735.56
2H	Occupied	STAB	2nd floor	754	---	"1/1"	$672,000	$560,000	1.361%	$354.96	$160.96	$1,931.48	$515.92
2J	Occupied	SCRIE	2nd floor	1,040	77	"2/1"	$870,000	$725,000	1.877%	$489.60	$222.01	$2,664.12	$711.61
2K	Occupied	SCRIE	2nd floor	841	---	"1/1"	$720,000	$600,000	1.518%	$395.92	$179.53	$2,154.35	$575.45
3A	Occupied	STAB	3rd floor	1,355	57	"3/2"	$999,000	$925,000	2.445%	$637.90	$289.25	$3,471.04	$927.15
3B	Occupied	STAB	3rd floor	800	---	"1/1"	$696,000	$580,000	1.444%	$376.62	$170.78	$2,049.32	$547.40
3C	Occupied	STAB	3rd floor	789	---	"1/1"	$690,000	$575,000	1.424%	$371.44	$168.43	$2,021.14	$539.87
3D	Occupied	STAB	3rd floor	1096	59	"2/1"	$924,000	$770,000	1.978%	$515.97	$233.96	$2,807.57	$749.93
3E	Vacant	STAB	3rd floor	699	---	"2/1"	$612,000	$510,000	1.262%	$329.07	$149.22	$1,790.59	$478.29
3F	Vacant	STAB	3rd floor	786	---	"2/1"	$678,000	$565,000	1.419%	$370.03	$167.79	$2,013.46	$537.82
3G	Occupied	STAB	3rd floor	1,075	---	"2/1"	$912,000	$760,000	1.940%	$506.08	$229.48	$2,753.77	$735.56
3H	Vacant	STAB	3rd floor	754	---	"1/1"	$678,000	$565,000	1.361%	$354.96	$160.96	$1,931.48	$515.92
3J	Occupied	STAB	3rd floor	1,040	77	"2/1"	$876,000	$730,000	1.877%	$489.60	$222.01	$2,664.12	$711.61
3K	Vacant	STAB	3rd floor	841	---	"2/1"	$726,000	$605,000	1.518%	$395.92	$179.53	$2,154.35	$575.45
4A	Occupied	STAB	4th floor	1,355	57	"3/2"	$999,000	$925,000	2.445%	$637.90	$289.25	$3,471.04	$927.15

F. SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION

THE 61 MARTENSE STREET CONDOMINIUM
61 Martense Street, Brooklyn, New York 11226

Year Projected: January 1, 2018 - December 31, 2018

Unit No.	Occupancy Status	Regulatory Status**	Location	Approx. Floor Area	Limited Common Elements	Bedrooms/ Bathrooms Current-Proposed	Offering Price* for Non-Tenants	Offering Price* for Tenants	Percent Common Interest	Projected Monthly Common Charges	Real Estate Taxes (Monthly)	Real Estate Taxes (Annual)	Projected Monthly Carrying Charges
				(1)	Balconies	(1)	(2)	(2)	(3)	(4)	(5)	(5)	(6)
4B	Occupied	STAB	4th floor	800	---	"1/1"	$696,000	$580,000	1.444%	$376.62	$170.78	$2,049.32	$547.40
4C	Vacant	STAB	4th floor	789	---	"1/1"	$690,000	$575,000	1.424%	$371.44	$168.43	$2,021.14	$539.87
4D	Occupied	SCRIE	4th floor	1096	59	"2/1"	$930,000	$775,000	1.978%	$515.97	$233.96	$2,807.57	$749.93
4E	Occupied	STAB	4th floor	699	---	"1/1"	$624,000	$520,000	1.262%	$329.07	$149.22	$1,790.59	$478.29
4F	Occupied	SCRIE	4th floor	786	---	"1/1"	$690,000	$575,000	1.419%	$370.03	$167.79	$2,013.46	$537.82
4G	Vacant	STAB	4th floor	1,075	---	"2/1"	$912,000	$760,000	1.940%	$506.08	$229.48	$2,753.77	$735.56
4H	Vacant	STAB	4th floor	754	---	"1/1"	$678,000	$565,000	1.361%	$354.96	$160.96	$1,931.48	$515.92
4J	Vacant	NON-STAB	4th floor	1,040	77	"2/1"	$876,000	$730,000	1.877%	$489.60	$222.01	$2,664.12	$711.61
4K	Occupied	SCRIE	4th floor	841	---	"1/1"	$732,000	$610,000	1.518%	$395.92	$179.53	$2,154.35	$575.45
5A	Occupied	STAB	5th floor	1,355	57	"3/2"	$999,000	$925,000	2.445%	$637.90	$289.25	$3,471.04	$927.15
5B	Vacant	STAB	5th floor	800	---	"2/1"	$702,000	$585,000	1.444%	$376.62	$170.78	$2,049.32	$547.40
5C	Vacant	STAB	5th floor	789	---	"1/1"	$696,000	$580,000	1.424%	$371.44	$168.43	$2,021.14	$539.87
5D	Occupied	STAB	5th floor	1096	59	"2/1"	$936,000	$780,000	1.978%	$515.97	$233.96	$2,807.57	$749.93
5E	Occupied	STAB	5th floor	699	---	"1/1"	$630,000	$525,000	1.262%	$329.07	$149.22	$1,790.59	$478.29
5F	Vacant	STAB	5th floor	786	---	"2/1"	$696,000	$580,000	1.419%	$370.03	$167.79	$2,013.46	$537.82
5G	Vacant	STAB	5th floor	1,075	---	"2/1"	$912,000	$760,000	1.940%	$506.08	$229.48	$2,753.77	$735.56
5H	Vacant	STAB	5th floor	754	---	"1/1"	$672,000	$560,000	1.361%	$354.96	$160.96	$1,931.48	$515.92
5J	Vacant	STAB	5th floor	1,040	77	"2/1"	$888,000	$740,000	1.877%	$489.60	$222.01	$2,664.12	$711.61
5K	Occupied	STAB	5th floor	841	---	"1/1"	$738,000	$615,000	1.518%	$395.92	$179.53	$2,154.35	$575.45
6A	Occupied	STAB	6th floor	1,355	57	"3/2"	$999,000	$925,000	2.445%	$637.90	$289.25	$3,471.04	$927.15
6B	Vacant	STAB	6th floor	800	---	"2/1"	$702,000	$585,000	1.444%	$376.62	$170.78	$2,049.32	$547.40
6C	Vacant	STAB	6th floor	789	---	"1/1"	$696,000	$580,000	1.424%	$371.44	$168.43	$2,021.14	$539.87
6D	Vacant	STAB	6th floor	1096	59	"2/1"	$936,000	$780,000	1.978%	$515.97	$233.96	$2,807.57	$749.93
6E	Occupied	STAB	6th floor	699	---	"1/1"	$630,000	$525,000	1.262%	$329.07	$149.22	$1,790.59	$478.29
6F	Occupied	STAB	6th floor	786	---	"1/1"	$696,000	$580,000	1.419%	$370.03	$167.79	$2,013.46	$537.82
6G	Occupied	STAB	6th floor	1,075	---	"2/1"	$918,000	$765,000	1.940%	$506.08	$229.48	$2,753.77	$735.56
6H	Vacant	STAB	6th floor	754	---	"1/1"	$690,000	$575,000	1.361%	$354.96	$160.96	$1,931.48	$515.92
6J	Vacant	STAB	6th floor	1,040	77	"2/1"	$888,000	$740,000	1.877%	$489.60	$222.01	$2,664.12	$711.61
6K	Occupied	STAB	6th floor	841	---	"1/1"	$738,000	$615,000	1.518%	$395.92	$179.53	$2,154.35	$575.45
43 Parking Spots			Ground fl.	160 Each	---	---	$50,000.00 each	$50,000.00 each	---	---	---	---	---
				62,290	2,656		$49,543,000	$42,260,000	100.000%	$26,085.57	$11,828.42	$141,941.00	$37,913.99

F. SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION

THE 61 MARTENSE STREET CONDOMINIUM
61 Martense Street, Brooklyn, New York 11226

Year Projected: January 1, 2018 - December 31, 2018

60 Residential Units Offered for Sale
43 Parking Spots that shall be sold via licence agreement
Each parking Spot shall contribute **$35.00** to the common budget which shall generate a total income of **$18,060.00**

Note: Estimated individual heating and electric costs are set forth in Schedule B-1.

Note: Parking Spaces located at the Ground Floor can be licensed to Unit Owners in the Condominium through a Parking Space License Payment to Sponsor of $50,000.00 and entering into a License Agreement with the Board which provides for a monthly fee to the Condominium Board of $35.00 per month. See License Agreement, Declaration and By Laws.

* At closing, each Purchaser shall pay an additional $2,500.00 to defray Sponsor's costs of forming the condominium. See Section "Unit Closing Costs and Adjustments."
At closing, each Purchaser shall deposit a contribution to the Working Capital Fund equal to two (2) months' estimated monthly common charges for the unit. See Section "Working Capital Fund."

** STAB -- Rent Stabalized

SCRIE -- Senior Citizen Rent Reduction

NON-STAB -- Non-Stabalized

8 -- Section 8

Unit measurements do not include any appurtenant outdoor areas such as balconies.

SCHEDULE A - PRICES OF UNITS AND RELATED INFORMATION

Notes to Schedule A

1. Floor Plans depicting layouts of Units appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A and on the Floor Plans, by 5% or less is not a material and/or adverse change. A decrease in a unit's square footage of 5% or less will not affect a purchaser's obligations unless such decrease is determined to be a material change.

Each Unit is measured horizontally from the exterior face of the exterior walls (perimeter mechanical pipes are not deducted); to the centerline of the demising partitions separating one unit from another; to the centerline of Building Common Elements or Limited Common Elements; to the line facing the corridor in the demising partition of public corridors; to the centerline of the concrete shear walls of the elevators/stairs which adjoin the Unit. Each Unit is measured vertically from the top of the concrete floor slab (located under the finished flooring and sub-floor materials of the Unit) to the underside of the concrete floor slab of the Unit located on the floor above. Unit measurements do not include any appurtenant outdoor areas such as Balconies.

As is customary in New York City, dimensions listed are based on measurements from exterior walls. Accordingly, these square foot areas do not accurately represent the interior space in the Units and, to varying degrees, may significantly exceed the finished floor area. Floor area measurements may include columns, shear walls, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available or useable floor area.

The clearance between the top of the concrete floor slab (under the subflooring and the finished flooring) and the underside of the concrete floor slab of the Unit located on the floor above may vary among the Units and certain Units may have less clearance than others and all or portions of certain rooms within Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Since dimensions listed are based on measurements from floor slabs they may not accurately represent the interior space in the Unit and may significantly exceed the "finished" floor area. Ceiling heights are estimates only and ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. No right of rescission will arise as a result of variances in floor to ceiling dimensions.

Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Sponsor has recently acquired the Property and has not accessed all of the occupied Units in the Building. Consequently, Sponsor makes no representation, warranty or guarantee as to whether all of said alterations were completed in compliance with all applicable governmental laws and regulations or whether such occupied Units conform to the layouts set forth on the Floor Plans

set forth in Part II of the Plan. While Sponsor intends to remediate non-compliant conditions in vacant Unit prior to selling such Unit, the Purchaser of an occupied Unit will be solely responsible, at such Purchaser's sole cost and expense, to remediate any non-compliant conditions if and to the extent required by applicable Law.

Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform Custom Work which may require a modification in Floor Plans set forth in Part II of the Plan for certain Units and accordingly the layout of the Units and Common Elements may vary.

2. Each Tenant Purchaser has the exclusive right to purchase his or her Unit for a period of 90 days from the Presentation Date of this Plan at the prices set forth on Schedule A for Tenant Purchasers. These Offering Prices are approximately 16% less than the prices offered to Non-Tenant Purchasers. See the Section entitled "Changes in Prices and Units" for details concerning price changes. In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute two months' common charges to the Working Capital Fund of the Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

THESE PRICES HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. No change will be made in the Offering Prices other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Offering Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Offering Price or modification of such other terms of sale is not a general offering or an advertised price but is rather the result of an individually negotiated transaction and provided further that no individually negotiated transactions shall occur with Tenant Purchasers if same would constitute a discriminatory inducement.

To the extent permitted by Law, Sponsor reserves the right to selectively offer, in its sole discretion, buyout payments in amounts to be determined by sponsor and subject to tenants' rights to negotiate money or other incentives to some bona fide tenants in occupancy to induce them to vacate and surrender their apartments. The Department of Law takes no position on the legality of buyout agreements and recommends that tenants seek the advice of counsel on whether acceptance of a buyout offer is a waiver of rights under the rent regulation laws.

3. The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(ii) of the New York Condominium Act, is based upon

The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(ii) of the New York Condominium Act, is based upon floor space,

subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that, prior to the First Closing, Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such changes involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Interest of all of the Units may change slightly before the Declaration is recorded. Any such change in the Common Interest allocated to a Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser.

The estimates contained in this schedule were computed on the assumption that the First Year of Condominium Operation will be the year set forth in Schedule B-"Projected Budget for First Year of Condominium Operation", and are based upon an estimate of the receipts and expenses for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the First Year of Condominium Operation which may be greater than or less than the estimated figures set forth in the proposed budget. The actual First Year of Condominium Operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium Operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by 25% or more, Sponsor will offer all Purchasers the right to rescind for a period of 15 days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Unit are based on the Schedule B - Projected Budget for First Year of Condominium Operation. The estimated monthly Common Charges include the cost of central heating for the Units. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes for such Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable directly to the utility company, the insurance which must be carried by each Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. In addition, capital repairs, additions, improvements, replacements, Alterations and restorations to Building are Common Expenses which will be borne solely by the Unit Owners.

The aggregate monthly rents currently payable from tenants of all occupied units is approximately $36,279.

The New York City real estate taxes of $141,842.00 for the First Year of Condominium Operation following the First Closing are based on a projected transition assessment of $1,101,000 and the estimated Class 2 (multifamily residential) tax rate of $12.883 per $100 of assessed valuation. The estimated taxes do not assume any increase in the tax rate or the actual assessed valuation due to capital improvements to the Property or other cause. Purchasers are

advised that the Property does not currently receive J-51, 421-a or other building-wide tax benefits and no such benefits are anticipated to be received in the future.

The value of the Property for real estate tax purposes is determined annually by the Department of Finance of the City of New York. Under current New York State law, increases or decreases in a property's assessed valuation due to changes in its estimated market value are phased in over five years in equal annual increments of 20%. Any further increase or decrease in the assessed value during such five-year period resulting from a further change in estimated market value is to be similarly phased in over an five-year period running from the date of such increase. The full increased or the decreased assessed value targeted to be paid at the end of five years is called the "actual assessed valuation." The amount of assessed value reflecting the currently phased-in increases or decreases is called the "transitional assessed valuation." Taxes are computed each year on the lesser of the Transitional Assessed Valuation or the Actual Assessed Valuation."

No representation is made or warranty given as to: (a) whether or not there will be (i) an increase or decrease in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate, or (iii) an increase or decrease in the assessed valuation of the Property by reason of the conversion of the Property to condominium ownership, or (iv) an increase in the assessed valuation of the Property by reason of capital improvements to the Property or (b) the method of determining the assessed valuation, or (c) the amount of any increase or decrease in the assessed valuation of the Property. Purchasers should check the public tax records to confirm the current taxes for the Property. Assessment and tax information is available from the New York City website at www. nyc.gov/finance.

Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339 y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

The real estate tax estimates for each Unit set forth in Schedule A were calculated on the assumption that the real estate taxes for the portion of the Building payable with respect to each Unit for the First Year of Condominium Operation will be proportional to each Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Unit assessments, the New York City Department of Finance will annually determine an estimated market value for the Property as a whole and then allocate that value to the individual tax lots. The current stated policy of the Department of Finance is to make such allocations based on each unit's share of the percentage interest in the common elements. However, the method of allocation is not specified by law and other methods have been used in the past and may be used in the future, including allocation in proportion to each Unit's Purchase Price or estimated market value rather than its percentage interest in the Common Elements, and, if so, Units having the same or similar common interest percentages may pay different amounts of real estate taxes.

After the Condominium is divided into individual tax lots and separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be

responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest. See the Section of the Plan entitled "Real Estate Taxes" for further discussion.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by New York City in allocating individual Unit assessments; (ii) of the assessed values of the Property during the First Year of Condominium Operation, or (iii) of the tax rates for the First Year of Condominium Operation. Purchasers should note that future changes in assessed valuations or tax rates may cause real estate taxes to increase significantly. Sponsor makes no representations regarding levels of assessment or taxation in future years.

Since no mortgage financing is offered by Sponsor, the only deductible item is real estate taxes. If a Purchaser obtains a mortgage loan, interest on such loan is deductible under current law. The projected amount deductible may vary in future years due to changes in the assessed value, the tax rate or in the method of assessing real property which result in a change in real property taxes, or due to changes in interest rates or in the allocation of constant debt service payments to interest and principal, or such other changes as may reasonably be expected to affect deductions.

The Internal Revenue Code of 1986, as amended, limits the deductions of mortgage interest to mortgages incurred in acquiring, constructing or substantially improving the first and second residences of a taxpayer. The deduction is also limited to interest paid on acquisition indebtedness not to exceed $1,000,000.00 and home equity indebtedness not to exceed $100,000.00.

SCHEDULE B
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

THE 61 MARTENSE STREET CONDOMINIUM

61 Martense Street, Brooklyn, New York

Year Projected to Begin: January 1, 2018

INCOME:

Common Charges:	$316,386.83
Income from License Fee 43 Parking Spots	$14,700.00

EXPENSES:

Salaries & Wages (1):	$42,901.50
Superintendent's Apartment (2):	$3,185.00
Management (3):	$48,000.00
Heating (4):	$50,000.00
Electricity (5):	$11,880.00
Water & Sewer (6):	$65,000.00
Repairs, Services & Supplies (7):	$13,180.00
Service Contracts (8):	$5,800.00
Insurance (9):	$41,208.00
Legal Fees and Audit Fees (10):	$5,500.00
Contingency (11):	$14,332.76
Reserve Fund (12):	$30,098.80
Total Expenses:	**$331,086.83**

Note that the budget does not include a charge for running or maintain the gym.

The foregoing budget is based on the 12-month period commencing on January 1, 2018, which Sponsor anticipates shall be the date upon which condominium operation will begin (the "First Year of Condominium Operation"). However, if the First Closing does not occur within six months of the commencement of the First Year of Condominium Operation, Sponsor will file an amendment to include an updated Schedule B (the "Budget Update Amendment"). If such amended projections exceed original projections by 25% or more, Sponsor will offer all Purchasers who executed an Agreement prior to the date of the filing of such amendment the right to rescind for a period of 15 days after the presentation date of the Budget Update Amendment. Notwithstanding the foregoing, if a Purchaser negotiated an outside closing date that is later than the expiration date of the applicable rescission period, the right of rescission in such instance shall not be available to that Purchaser. Purchasers entitled to rescission and electing rescission will have their Deposits (to the extent actually made and collected) and any interest earned thereon, returned to such Purchasers, provided, however, in the event a Purchaser becomes entitled to rescission after Custom Work or any portion thereof has been commenced, the Purchaser shall not receive a refund of any Custom Work Deposit, if any, actually incurred to perform Custom Work in the Unit nor shall Purchaser receive a refund of funds used to order materials for the Custom Work Costs.

NOTES TO SCHEDULE B

1. Salaries and Wages, Payroll Taxes and Benefits

   a. Superintendent: There will be one superintendent who will reside at the property and will be paid approximately $17.5 per hour and will work an average of 40 hours per week, for an estimated annual base salary of $37,000.00. The budgeted figure incorporates the following:

i.	Base annual salary	$ 37,000.00
ii.	F.I.C.A. (7.65%)	$ 2,830.50
iii.	Federal & State Unemployment Insurance (4.1%):	$ 1,517.00
iv.	Disability & Workers' Compensation (4.2%):	$ 1,554.00
		$ 42,901.50

The level of staffing set forth above is anticipated to be sufficient for the Building, complies with housing and labor and minimum wage laws presently applicable to the property and meets minimum wage standards. If, however, any of these laws are changed in the future to require additional building staff or higher wages, the amount allocated for the first year of operation will be greater than that shown above. It is not possible to predict whether any such laws will be changed, or to anticipate the amount of any increase in expense.

2. Superintendent's Apartment:

The superintendent's unit shall continue to house the on-site superintendent. The Condominium will be responsible for the carrying charges for the apartment, including utilities (electricity and gas), telephone and miscellaneous expenses. The budgeted figure estimates the included carrying costs as follows (all figures are rounded): utilities of approximately $1,585.00; telephone of approximately $600.00 and miscellaneous expenses of approximately $1,000.00.

The Superintendent's Unit is and shall continue to be, used as the living quarters for the on-site superintendent. In the event that any New York City agency deems that the apartment may not be used as living quarters for the on-site superintendent, the apartment will be vacated and the area shall be General Common Element. Purchasers should note that in such case, the Condominium will not have a superintendent living on the premises, and either (i) the Condominium will provide for a Superintendent that lives within 200 feet of the building pursuant to New York State Multiple Dwelling Law, Title 3 § 83, or, (ii) the Condominium will provide for janitorial services to be performed on a twenty-four-hour-a-day basis in accordance with the requirements of the New York City Department of Housing Preservation and Development, pursuant to Section 27-2053(3) of the New York City Administrative Code.

3. Management

The building will be managed by the Sponsor for the first year of condominium operation, for a fee of $4,000.00 a month, which does not include reasonable office expenses which shall also be the responsibility of the Condominium. After the first year, the fee charged may be higher and the Board may choose to manage the condominium themselves, or enter into a contract with an independent managing agent. In the event that an outside managing agent is retained, the common charges will need to be increased. The prevailing fees are approximately $65.00 per unit per month or more.

4. Heating

The units are not separately metered for heating. As such, heating will be distributed by National Grid, and billed to the condominium based upon one readings of one meter servicing the entire building. The building uses approximately 30,000 therms per year at a cost of $0.156 per therm for an annual cost of approximately $50,000. The amount budgeted is based upon the average usage for the past year and includes a 10% increase.

5. Electricity

This item includes the cost of electricity for lighting the common areas. The building uses approximately 38,322 KWH of electricity per year at an approximate cost of $0.31 per KWH for an annual cost of approximately $11,880. The budgeted figure is based upon actual electricity costs for the building (excluding the individual units) for the past two (2) years and includes a 10% increase.

The cost of electricity to the units is separately metered and the charges therefor will be paid directly to the utility company by Unit Owners. A projection is set forth in Schedule B-1, inclusive of consumption, rates, sales tax and a reasonable anticipated increase due to inflation.

6. Water and Sewer

The building will be metered for water and sewer usage by the City of New York Department of Environmental Protection in accordance with current law. The amount budgeted for this item is $65,000.00 which is based on estimated daily usage of 12,300 gallons of water for the building and converted to cubic feet by dividing by 7.48.

Estimated Consumption		
Estimated daily usage	=	1,644 cubic feet
Estimated annual usage	=	600,060 cubic
Convert to hundred cubic feet (HCF)	=	6,000 HCF

	Usage		Rate per HCF		Cost
Water charges:	6,000 HCF	x	$3.81/HCF	=	$22,860
Sewer charges:	6,000 HCF	x	$6.06/HCF	=	$36,360
Total:					$59,220
Estimated Charges (Including 10% Inflation):					**$65,000**

7. Repairs and Maintenance; Services and Supplies

The projected amount does not include repairs, painting, maintenance, or supplies for the interior of the Units, all of which are the responsibility of the individual Unit Owners.

The budgeted figure is based upon an estimation by the budget expert of repairs to the interior of the building, the roof, the exterior of the Building (including walls, foundations, windows, doors, and locks), the plumbing and electrical systems, and includes various supplies (such as cleaning supplies and materials, lubricants, bulbs, public fixtures, general and hardware supplies), and painting of common areas. The following is a breakdown of the repairs and maintenance:

Exterminating	$780.00
Plumbing	$1,500
Electrical	$1,500
Carpentry	$1,500
Services & Supplies	$2,500
Cleaning	$400.00
Elevator	$5,000
TOTAL:	**$13,180**

8. Service Contracts

A contract for Elevator Service Maintenance will be entered into by the Sponsor for the Condominium. The service will cost approximately $3,900 a year. A contract will be entered into for Monthly Inspections of the Sprinkler System by the Sponsor for the Condominium. The service will cost approximately $400 a year.

Telephone Line: there are a need for 3 telephone lines to service the buildings common area needs 1 for the Elevator, 1 for the Sprinkler system, and 1 for the Boiler apparatus, totaling an estimated $1,500.00 per year.

9. Insurance

The following insurance is available for the Property for the first year of condominium operations as set forth in a letter dated August 12, 2015 from Fairmont Insurance Brokers

Ltd., a licensed insurance broker with an address 1600 60th Street, Brooklyn, New York 11204:

Items Covered	Coverage Limits
Building All-risk 100% Replacement Cost No Co-insurer	$4,950,000
Maintenance Fees	$462,000
Rent Income	Up to one year's common charges
Deductible	$5,000.00
Building Ordinance A, B, C	$1,000,000
Deductible	$5,000.00
Flood	$1,000,000
Deductible	$25,000.00
Quake	$4,950,000
Deductible	10%
Crime and Fidelity	$100,000
Deductible	$5,000
Liability	$1,000,000 per occurrence; $2,000,000 aggregate
Directors and Officers Liability	$1,000,000
Umbrella	
	$5,000,000 per occurrence;
	$5,000,000 aggregate
PROJECTED ANNUAL PREMIUM	**$46,378**

The coverage limits for the building are based upon the current replacement cost for the Building (including Boiler and Machinery, however, excluding excavation and foundation) estimated by a licensed insurance broker, which, in his opinion is adequate so that the insured shall not be a co-insurer. In order to safeguard the investment of its Unit Owners in the event of a substantial or total destruction of the Building, the Board of Managers should periodically review the amount of casualty insurance for the Building to insure that the amount of coverage equals the Building's then replacement cost. The insurance coverage will meet the requirements of the Sponsor or any mortgage lender procured by the Sponsor.

The fire, casualty and general liability insurance will be on terms that provide: (1) that each Unit Owner is an insured party; (2) that there will be no cancellation without notice to the

Board of Managers and the Unit Owners; (3) a waiver of subrogation; (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and (5). The condominium will have public liability insurance at closing.

This coverage does not include claims for personal injury or property damage resulting from occurrences in a Unit, nor does it include coverage of the interior of the unit, including floors, walls, appliances, fixtures and furniture or personal property of Unit Owners. Therefore, each Unit Owner should consider the desirability of obtaining additional insurance at his or her own cost covering among other items (i) fire or casualty losses to the interior and contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, (ii) personal property, and (iii) liability for personal injury as a result of occurrences in the individual Unit. In the event of a loss, the claim is made payable to the named insured (the Board of Managers).

There is no provision for insurance covering indemnification of board members. It is at the discretion of the condominium board to obtain such coverage, the cost of which will be borne by the unit owners as a common expense.

10. Legal Fees and Audit Fees

A portion ($2,600.00) of the budgeted item will be used for auditing fees in connection with the preparation of the first year's audited financial statements of the Condominium and its Federal, State and City income tax returns. The estimate for accounting fees is based on a letter dated March 21, 2016 from Braun, Kahan & Weiss, CPA, POB 155, Lawrence, New York 11559. An allowance ($1,500.00) is provided for miscellaneous (but not major) legal services such as hiring an attorney to attend Unit Owners' and Board meetings, in the event the Board of Managers decides to engage an attorney for such services.

11. Contingency Fund

This item is to be used at the discretion of the Board of Managers toward unforeseen expenses and to provide for possible increases in one or more items of operating expense above the amounts projected. This amount is separate and apart from the Reserve Fund that is to be used for capital expenditures and the Working Capital Fund. The budget may be modified from time to time prior to the commencement of, or during, condominium operation to add new items of expense or to increase one or more items of operating expense. The funds for such modifications may be provided by decreasing this budget item or by decreasing one or more items of expense, or both.

12. Capital Fund This item is to be used as a yearly reserve fund to be set aside and used for periodic capital replacements, or necessary repairs of common elements.

C. SCHEDULE B-1 BUDGET FOR INDIVIDUAL ENERGY COSTS

Utility Estimates			
		Electric	Gas
Unit	**Square Feet**	**Total Estimate**	**Total Estimate***
A	1,355	$1,220.00	$250.00
B	800	$720.00	$250.00
C	789	$710.00	$250.00
D	1096	$990.00	$250.00
E	699	$630.00	$250.00
F	786	$710.00	$250.00
G	1,075	$970.00	$250.00
H	754	$680.00	$250.00
J	1,040	$940.00	$250.00
K	841	$760.00	$250.00

* Gas used for Cooking. Amount is estimate—actual charges will depend on usage.

NOTES TO SCHEDULE B-1

1. Each Unit Owner will be responsible for the cost of natural gas for cooking and electricity service supplied to the Unit Owner's Unit. The Building contains gas meters for cooking and electric meters for each of the units, one electric meter for the common areas, and one gas meter for heating for the entire building (common electric charges and heating charges are set forth in Schedule B). Charges for each Unit will be payable directly to the utility company.

2. The above information is based upon a survey and estimate provided by Demerara Engineering, PLLC, 37-24 24th Street Long Island City, New York 11101. The building uses gas for cooking, heating and hot water, and electricity for all other power needs. Usage and costs vary based on location and area of the units. For example, the yearly electricity costs for Unit A are estimated based on current Con Edison rates of $0.28 per KWH and projected usage of 4,357 KWH per year, for approximately $1,220.00 including a 10% increase. The figures for the other unit have been calculated accordingly. Yearly gas costs (for cooking) are estimates and actual charges will vary based on usage.

3. The estimated costs are subject to change based on changes in Con Edison Rates and National Grid delivery rates.

ALTHOUGH SPONSOR BELIEVES THAT THE FOREGOING IS ACCURATE, NO WARRANTY OR GUARANTY IS BEING MADE BY SPONSOR, MANAGING AGENT, OR ANY OTHER PERSON OR ENTITY AS TO WHAT THE SEPARATELY METERED GAS AND ELECTRICITY COSTS MAY BE.

C. SCHEDULE B-1 BUDGET FOR INDIVIDUAL ENERGY COSTS

Utility Estimates			
		Electric	Gas
Unit	Square Feet	Total Estimate	Total Estimate*
A	1,355	$1,220.00	$250.00
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H	754	$680.00	$250.00
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K	841	$760.00	$250.00

* Gas used for Cooking (if applicable to unit). Amount is estimate—actual charges will depend on usage.

NOTES TO SCHEDULE B-1

1. Each Unit Owner will be responsible for the cost of natural gas for cooking (if applicable to the unit), and electricity service, supplied to his Unit. The building contains gas meters [for cooking] and electric meters for each of the units, one electric meter for the common areas, and one gas meter for heating for the entire building (common electric charges and heating charges are set forth in Schedule B). Charges for each Unit will be payable directly to the utility company.

2. The above information is based upon a survey and estimate provided by Demerara Engineering, PLLC, 37-24 24th Street Long Island City, New York 11101. The building uses gas for cooking, heating and hot water, and electricity for all other power needs. Usage and costs vary based on location and area of the units. For example, the yearly electricity costs for Unit A are estimated based on current Con Edison rates of $0.28 per KWH and projected usage of 4,357 KWH per year, for approximately $1,220.00 including a 10% increase. The figures for the other unit have been calculated accordingly. Yearly gas costs (for cooking) are estimates and actual charges will vary based on usage.

3. The estimated costs are subject to change based on changes in Con Edison Rates and National Grid delivery rates.

ALTHOUGH SPONSOR BELIEVES THAT THE FOREGOING IS ACCURATE, NO WARRANTY OR GUARANTY IS BEING MADE BY SPONSOR, MANAGING AGENT, OR ANY OTHER PERSON OR ENTITY AS TO WHAT THE SEPARATELY METERED GAS AND ELECTRICITY COSTS MAY BE.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-I

King David international Realty
Licensed Real Estate Broker
616 Williamsburg Station
Brooklyn, N.Y. 11211
Tel. (718) 222-1500 Fax. (718) 624-1497

06/16/2016

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i (1) (ii)

RE: 61 Martense Street, Brooklyn, New York

Dear Sirs:

You have requested an opinion from us with regards to your allocation of common interest to units in your proposed condominium at 61 Martense Street, Brooklyn, New York, with Section 339-i (1) of the New York Real Property Law. You have informed us that common interest for each unit is allocated based upon the approximate proportion that the floor area of the unit bears to the aggregate floor area of all the units, and that such proportion reflects the substantially exclusive advantages enjoyed by one or more but not all units in a part or parts of the common elements. Based on our review of the foregoing factors, we have concluded that the proposed allocation of common interest to individual units is in compliance with Section 339-i (1) (ii) of the New York Real Property Law.

I have been a licensed real estate broker for in excess of Five years and have managed approximately ten buildings in this area with extensive experience in the sale, management, and rental of cooperative and condominium units in Kings County. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in offering plans for the sales thereof. We are not, in any way, associated with you or any other participant in the project, and have no beneficial interest in your business, or in profitability of the project. This is an opinion only as to the relative value of each unit in relation to the value of the project as a whole; is strictly based on the information provided to us in such reasonable inquiries as to the validity thereof as we deemed appropriate under the circumstances; and, is not intended as a guarantee of the actual value of any individual unit. We consent to the inclusion of this letter in your offering plan.

Sincerely,

GIORGIO MAYER
Licensed Real Estate Broker

CHANGES IN PRICES AND UNITS

A. Unless it would constitute a prohibited discriminatory inducement, Sponsor reserves the right at any time and from time to time before and after the recording of the Declaration, without the consent or approval of the Selling Agent, the Managing Agent, the Board, any Unit Owner or any mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. If any price change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under this Plan for similar Units, but this will not affect any prior or subsequent sale of Units not the subject of such change. However, such price change shall not alter the Common Interest and Common Interest of, or the amount of the Common Charges payable by, the owners of such Units. Sponsor has agreed that it will neither increase prices to be paid by Tenant Purchasers nor accept Agreements from non-occupant purchasers for occupied Units, during any applicable Exclusive Purchase Period. The Offering Prices set forth in Schedule A must be changed by a duly filed amendment to this Plan when the change in Offering 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 an individual purchaser. Unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a negotiated Agreement with an individual purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to this Plan. The offering price to be paid by Tenant Purchasers will not increase during any applicable Exclusive Purchase Period.

B. Unless it constitutes a prohibited discriminatory inducement, Sponsor reserves the right (but shall not be obligated) to negotiate with each Purchaser, the terms and conditions of the Agreement, including but not limited to terms and conditions pertaining to: Purchase Price; the amount of the Deposit; the Custom Work Costs and the amount of the Custom Work Deposit; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Agreement; the availability of interim leases and the amount of interim rent; and the application of rent towards the Purchase Price. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers (other than Tenant Purchasers) without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under Agreement.

C. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including

CHANGES IN PRICES AND UNITS

A. Unless it would constitute a prohibited discriminatory inducement, Sponsor reserves the right at any time and from time to time before and after the recording of the Declaration, without the consent or approval of the Selling Agent, the Managing Agent, the Board, any Unit Owner or any mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. If any price change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under this Plan for similar Units, but this will not affect any prior or subsequent sale of Units not the subject of such change. However, such price change shall not alter the Common Interest and Common Interest of, or the amount of the Common Charges payable by, the owners of such Units. Sponsor has agreed that it will neither increase prices to be paid by Tenant Purchasers nor accept Agreements from non-occupant purchasers for occupied Units, during any applicable Exclusive Purchase Period. The Offering Prices set forth in Schedule A must be changed by a duly filed amendment to this Plan when the change in Offering 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 an individual purchaser. Unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a negotiated Agreement with an individual purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to this Plan. The offering price to be paid by Tenant Purchasers will not increase during any applicable Exclusive Purchase Period.

B. Unless it constitutes a prohibited discriminatory inducement, Sponsor reserves the right (but shall not be obligated) to negotiate with each Purchaser, the terms and conditions of the Agreement, including but not limited to terms and conditions pertaining to: Purchase Price; the amount of the Deposit; the Custom Work Costs and the amount of the Custom Work Deposit; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Agreement; the availability of interim leases and the amount of interim rent; and the application of rent towards the Purchase Price. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers (other than Tenant Purchasers) without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under Agreement.

C. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including

incorporating Common Elements (such as a portion of a hallway or roof) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate all or part of a Unit or General Common Element or Limited Common Element as part of a newly created or expanded Unit or General Common Element or Limited Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan prior to any sale of any affected Unit. Prior to the recording of the Declaration, Sponsor shall reflect such incorporated space as part of the Unit. Subsequent to the recordation of the Declaration, Purchaser shall receive a license or similar documentation for such incorporated space issued by Sponsor or the Board. Any proceeds received in respect of such incorporation, whether by deed or by license, shall be the sole property of Sponsor. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement is then in effect unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, Common Interest, dimension, floor space or layout of such Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

D. No material change will be made in the size or number of Units and/or in their respective Common Interest or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration.

E. Once the Declaration is recorded, no change may be made in the number of Units, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the reasonable consent of each Unit Owner whose Unit is so changed and affected Purchasers not in default. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

F. As long as the layout and dimensions of a Unit conform materially to the Floor Plans, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any immaterial change or discrepancy.

ACCOUNTANT'S CERTIFIED STATEMENT OF OPERATIONS

*Certified Financial Statements for years ending 2016 and 2017 shall be submitted by Sponsor in an Amendment to the Plan within 60 days of the date the Plan is accepted for filing

PROPERTY LOCATED AT
61 MARTENSE STREET
BROOKLYN, NEW YORK
STATEMENTS OF OPERATIONS
CASH BASIS
Years Ended December 31, 2015 and 2014

	2015	2014
Rental income	$ 824,233	$ 809,483
Total income	824,233	809,483
Operating costs		
Labor	30,543	28,782
Heating	44,304	55,101
Utilities	13,319	17,299
Water and sewer	60,289	58,550
Repairs, maintenance, and supplies	70,530	111,543
Service contracts	4,202	5,014
Insurance	46,379	40,697
Professional fees	19,138	23,276
Other expenses	8,100	13,340
Real estate tax	126,832	100,340
Total operating costs	423,636	453,942
Excess of income over operating costs	$ 400,597	$ 355,541

RIGHTS OF EXISTING TENANTS

A. Each Tenant Purchaser (defined below) shall have the exclusive right for a period of 90 days from the Presentation Date of this Plan (the "Exclusive Purchase Period") within which to purchase the Unit such purchaser occupied on the Filing Date of this Plan at the Offering Price set forth in Schedule A, during which time the Tenant Purchaser's Unit shall not be shown to a third party. In order to exercise this exclusive right to purchase, the Tenant Purchaser must deliver a signed Agreement and the required Deposit to the Selling Agent during the Exclusive Period. Sponsor has agreed that during the Exclusive Purchase Period, the Offering Prices to be paid by Tenant Purchasers will not be increased nor will the Selling Agent accept Agreements from non-occupant purchasers for occupied Units.

B. The term "Tenant Purchaser" shall include: (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Unit or the Unit is not the tenant's primary residence; (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona fide tenant, or has obtained written permission to purchase the Unit from the bona fide tenant of record; and (f) an occupant on the Filing Date entitled to protection under Article 7C of the Multiple Dwelling Law.

C. The term "Tenant Purchaser" shall not include the estate or legal representative of a bona fide tenant who was in occupancy of a Unit on the Filing Date who died on or after the Filing Date.

D. **THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.**

E. The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law (the "GBL"), a copy of which is set forth in Part II of this Plan. Bona fide tenants in occupancy derive substantial protections under the GBL.

F. The term "Non-Purchasing Tenant" (as such term is defined in the GBL) means a person who has not purchased a Unit pursuant to this Plan and who is a tenant entitled to possession at the time this Plan is declared effective or a person to whom a Unit is rented by Sponsor subsequent to the effective date of the Plan. A person who sublets a Unit from "a purchaser under the Plan" (as such term is defined in the GBL) shall not be deemed a Non-Purchasing Tenant.

G. No eviction proceedings will be commenced at any time after the effective date against Non-Purchasing Tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Condominium or its Managing Agent or a breach by the Non-Purchasing Tenant of his or her obligations to the

owner of the Unit or such other grounds for eviction as may then be permitted by Law; and provided further that an owner of a Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that such owner of a Unit seeks the Unit for the use and occupancy for such Unit Owner or Unit Owner's family.

H. Non-Purchasing Tenants who reside in Units subject to government regulation as to rentals and continued occupancy prior to the conversion of the Building to condominium ownership shall continue to be subject thereto. Nothing contained herein shall be deemed to extend greater rights to a Non-Purchasing Tenant than such tenant would have had if the Building had not been converted to condominium ownership, except as otherwise provided in subparagraph (I) below.

I. Under this non-eviction offering plan, Non-Purchasing Tenants whose leases expire and against whom holdover proceedings are commenced before the Plan is declared effective retain only the minimal protections available to the common-law "tenant at sufferance," and **ARE NOT PROTECTED** from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases absent some special circumstance, as found by a court of competent jurisdiction.

J. Non-Purchasing Tenants who lease Unsold Units after the Plan is declared effective are protected from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases. Unconscionable increases are defined by law as increases that are "beyond ordinary rentals for comparable apartments during the period of their occupancy.

K. Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Bureau of Real Estate Finance, 28 Liberty Street, New York, New York 10005.

L. Non-Purchasing Tenants may be subject to rent increases as the result of major capital improvements ("MCI") made by Sponsor, the Condominium Board or purchasers of Units occupied by such Non-Purchasing Tenants. Under current Law, Sponsor is not entitled to seek an MCI rent increase to the extent Sponsor has taken a credit against the Reserve Fund as the result of such MCI. Please refer to the Section of the Plan entitled "Reserve Fund" for further details.

M. This Plan may not be amended at any time to provide that it shall be an eviction plan.

N. The rights granted under this Plan to "purchasers under the Plan" (as such term is defined in the GBL) and to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL. Please refer to the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" in Part I of the Plan for further details.

O. All Units occupied by Non-Purchasing Tenants will be managed by the same managing agent who manages all other Units in the Building. Such managing agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-

discriminatory basis. Sponsor will guarantee the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board.

P. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his or her use or occupancy of his or her Unit or the facilities related thereto. The Department of Law may apply to a court of competent jurisdiction for an order restraining such conduct and, if the Department of Law deems it appropriate, an order restraining the owner from selling the Unit or from proceeding with this Plan of conversion. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on his or her own behalf for similar relief.

Q. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under the GBL or rules and regulations promulgated pursuant to the GBL shall be void as contrary to public policy.

R. Tenants or their representatives may physically inspect the Property at any time subsequent to the submission of this Plan to the Department of Law, during normal business hours, upon written request made by them to Sponsor, provided such representatives are registered architects or professional engineers licensed to practice in the State of New York.

S. The By-Laws provide that subsequent to the First Closing under this Plan, and for each sale or resale of a Unit occupied by a Non-Purchasing Tenant, a Non-Purchasing Tenant will be promptly notified in writing by the purchaser thereof, of the name and address of the person or persons who purchased such Non-Purchasing Tenant's Unit and the Condominium Board is required to make such information available to such Non-Purchasing Tenant.

T. If prior to the expiration of any Exclusive Purchase Period, which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted an Agreement and Deposit before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions. An Agreement from a Tenant Purchaser executed and submitted to Sponsor during any Exclusive Purchase Period shall have priority over and pre-empt any Agreement from a Non-Tenant Purchaser.

U. In the event a Purchaser purchases a Unit not occupied by such Purchaser, such purchase shall be subject to the terms and conditions of the existing lease or tenancy of the Unit and subject to the rights and obligations set forth in the GBL and the purchaser and his or her successors shall continue to be bound as long as such lease or tenancy continues. A Tenant-Purchaser will not have the right to purchase on terms obtained by a Non-Tenant Purchaser. Please refer to the Section entitled "Effective Date" for the details regarding Sponsor's obligation to post notices regarding the percentage of Tenant Purchasers and Non-Tenant Purchasers for whom Sponsor has accepted Agreements.

V. If a Tenant Purchaser purchases a Unit, then from and after the closing of title to such Unit, such Tenant Purchaser would no longer be subject to, or have any rights

afforded tenants in occupancy under, the GBL. Notwithstanding the foregoing, if the Tenant Purchaser does not ultimately close on the purchase of the Unit, the Unit will retain the rights afforded by the GBL as if the Tenant Purchaser had never contracted for the purchase of the Unit. Tenant Purchasers shall not have the right to assign their Agreements. Please refer to the Section of the Plan entitled "Assignment of Agreements."

W. Tenant Purchasers are not being offered the right to purchase any Unit other than the Unit occupied by such Tenant Purchaser on the Filing Date of the Plan. Non-Purchasing Tenants shall have no rights with respect to their Units except as same may specifically set forth above and in the GBL. Nothing contained herein shall be deemed to grant Non-Purchasing Tenants any additional rights of occupancy with respect to the Units.

X. Certain Non-Purchasing Tenants reside in apartments subject to the provisions of either (i) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (ii) the New York City Rent Control Regulations, (iii) the New York State General Business Law, Section 352-eeee, (iv) the Rent Regulation Reform Act of 1997 and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property, as more particularly described in Schedule A in Part I of the Plan. Tenants' rights pursuant to any or all of the foregoing Rent Laws are not affected if such Tenants do not elect to purchase a Unit.

Y. Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of this Plan and at least once every 30 days until this Plan is declared effective or abandoned, as the case may be, and on the 2nd day before the expiration of any Exclusive Purchase Period provided in an amendment to this Plan, (i) file with the Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York 10005, a written statement, under oath, setting forth the percentage of Units in the Building which are the subject of Agreements executed by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare this Plan effective. The statement which is posted in the Building and filed with the Department of Law shall include the following: the date and time of the statement, the Filing Date of this Plan, the Presentation Date of this Plan and any current amendment to the Plan, the last day of any Exclusive Purchase Period, the number of bona fide tenants in occupancy and bona fide purchasers who have executed Agreements, the number of Units counted in the base and the percentage of purchasers. Copies of all filed and posted written statements will be available for inspection at the office of the Selling Agent and the Department of Law. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

Z. In October, 2009, the New York State Court of Appeals ruled in the case, Roberts v. Tishman Speyer Properties, L.P.,13 N.Y.3d 270;890 N.Y.S.2d 388(2009) ("Roberts"), that during any period a building is receiving J-51 real estate tax benefits, rent stabilized tenants, whether they were rent stabilized before the building's receipt of J-51 real estate tax benefits, or

became rent stabilized as a result of the building's receipt of such benefits, are not subject to deregulation under the high-rent deregulation provisions of the rent laws ("High Rent Deregulation Provisions"). In connection with the foregoing, Purchasers are advised as follows:

(1) The Building does not currently and has not receive J-51 tax benefits.

(2) If, in the future, the Building receives such benefits, rent regulated, non-purchasing tenants (as defined under General Business Law, Section 352- eeee) are entitled to protection from deregulation under the High-Rent Deregulation Provisions while the Building receives J-51 tax benefits.

(3) New York City Administrative Code Section 26-504 (c) provides that when a building has J-51 tax benefits, if each lease and lease renewal includes a notice informing the tenant that the unit will be subject to deregulation upon the expiration of the tax benefit period and the approximate date on which such tax benefit is scheduled to expire, the unit will be deregulated upon the expiration of the tax benefit period, unless the unit would have been subject to rent stabilization in the absence of the receipt of J-51 benefits. With respect to units that are rent stabilized solely by reason of the receipt of J-51 benefits, if no such notice is included in each lease and renewal, such unit will remain rent stabilized and protected from deregulation under the High-Rent Deregulation Provisions until the occurrence of the first vacancy of such unit after the J-51 benefits are no longer being received. With respect to units that were rent stabilized before the receipt of J-51 benefits, it could be argued that if no such notice was included in each lease and renewal, protection from deregulation under the High-Rent Deregulation Provisions will continue for such units until the occurrence of the first vacancy of such unit after such benefits are no longer being received.

(4) Prospective purchasers of Occupied Units and Non-Purchasing Tenants should consult with their respective counsels to determine their rights and obligations under the leases and applicable rent laws, including, but not limited to, their respective rights and obligations regarding deregulation under the High Rent Deregulation Provisions.

(5) Prospective purchasers of Occupied Units and Non-Purchasing Tenants should consult with their respective counsels regarding possible rent overcharges for improperly deregulated units and the status of tenants who vacated the unit after the unit was improperly deregulated under the High-Rent Deregulation Provisions.

(6) Sponsor will provide written authorization to any prospective Purchaser to access the records of the Department of Housing and Community Renewal for any Unit which may be affected by the Roberts decision.

AA. See the Section entitled "Effective Date" for a discussion of Sponsor's obligation to periodically post the percentage of Agreements received by the Selling Agent.

OBLIGATIONS OF PURCHASERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS

A. A person purchasing a Unit occupied by another does so subject to: (a) the existing lease for the Unit, if any (and any renewal thereof pursuant to Law or effected prior to the date on which the purchaser's Agreement is accepted), (b) the existing occupancy of the Unit, and (c) rights of the tenant thereof, if any, under the Rent Laws, and under the GBL, including the right to stay in possession of the Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants." A Purchaser purchasing a Unit subject to the Rent Laws must register such Unit with the New York State Department of Housing and Community Renewal. The status of each of the Units being offered for sale as of the date of the Plan is set forth on Schedule A, "Offering Prices and Related Information" in Part I of the Plan. Under the current Rent Laws, where a Unit previously occupied by a Non-Purchasing Tenant is vacated and re-rented by Sponsor, such Unit is no longer subject to the Rent Laws but may be subject to limitations set forth in the GBL regarding rent increases. As of the date of filing of this Plan, Unit 4J is the only occupied Unit which is not subject to Rent Laws.

B. No representations or statements of any kind as to the requirements of the GBL are given, except as expressly set forth in this Plan, and a prospective purchaser interested in purchasing an occupied Unit in which he or she does not reside, or lease, is advised to consult with his or her attorney regarding the application and effect of the foregoing Laws and regulations in order to become fully apprised of his or her rights as a purchaser and his or her obligations to any existing tenant or occupant.

C. After consummation of the sale of a Unit to a non-occupant purchaser, such non-occupant purchaser will own the Unit, subject to the lease or tenancy of the present tenant and subject to all rights, if any, afforded such tenant under the GBL and this Plan. Under the GBL, the Non-Purchasing Tenant may not be evicted at any time for failure to purchase or any other reason applicable to expiration of tenancy, provided that eviction proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Condominium or its Managing Agent or a breach by a Non-Purchasing Tenant of his or her obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the non-occupant purchaser seeks the Unit for the use and occupancy by such non-occupant purchaser or his or her family.

D. If a non-occupant purchaser acquires a Unit occupied by another, then on the Closing Date of such Unit, the non-occupant purchaser will become the landlord of such tenant and the latter will become the non-occupant purchaser's tenant. Such non-occupant purchaser will be required under the Agreement executed by him to pay the Common Charges, taxes, Special Assessments, Unit Owner Expenses or other assessments, as the case may be, charged against the Unit by the Condominium Board, regardless of whether such Common Charges, taxes, Special Assessments, Unit Owner Expenses or other assessments are greater or less than the rent payable by the tenant or occupant, and regardless of whether the rent is received. In addition, such non-occupant purchaser will be solely responsible for all litigation costs, fees, and any dues related to the tenancy as well as the performance of all obligations of the landlord under the lease with the tenant or occupant, including, without limitation, the

obligation to Maintain plumbing fixtures, doors, hardware, flooring, refrigerator, range, dishwasher, lighting fixtures, and other equipment, if any, which are included in the Unit or are the obligation of the Unit Owner to Maintain, and which are not owned by the tenant or occupant and to paint the Unit, as provided in the Agreement or applicable Law. The non-occupant Purchaser will be obligated to give the Non-Purchasing Tenant such renewal leases and riders as may be required under applicable Law, including the Rent Laws and the GBL and may only evict the Non-Purchasing Tenant on grounds permitted by Law, as more particularly described in the Section entitled "Rights of Existing Tenants" in Part I of the Plan.

E. The Agreement contains a provision whereby each non-occupant purchaser of a Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may be replaced from time to time by the Condominium Board) as his or her agent, coupled with an interest, to provide, for the account and at the expense of the non-occupant purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has a right to occupy the Unit such non-occupant purchaser is purchasing until such time as said right to occupy terminates. In addition, each non-occupant purchaser agrees: (a) to deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to 2 months' Common Charges to be used as working capital to furnish such services and facilities, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a 30 day period. In the event the Unit Owner fails to so replenish such fund, the each Board will have a lien against the Unit Owner's Unit in accordance with the By-Laws. Interest, if any, earned on the fund shall be the property of the Unit Owner.

F. Sponsor shall guarantee the obligation of the Managing Agent to provide such services and facilities until such time as Sponsor surrenders control of the Condominium Board. Each non-occupant purchaser of a Unit will be required to indemnify Sponsor for all costs expended by Sponsor on such non-occupant purchaser's behalf. The foregoing obligations of a non-occupant purchaser do not apply to Sponsor.

G. Upon each resale of a Unit occupied by another, the Managing Agent shall notify the Non-Purchasing Tenant thereof in writing within 10 days following the change in ownership of the name and address of the new non-occupant purchaser.

H. No representation is made or warranty given as to whether the GBL or the Rent Laws will continue to apply to any Unit in the Building or whether there will be any future amendments thereto. Nothing contained herein shall be deemed to prevent Sponsor or the purchaser of a Unit occupied by Non-Purchasing Tenants from enjoying the benefits from any amendment to the Rent Laws or any court ruling which may be deemed to benefit Sponsor.

I. A person interested in purchasing a Unit in which he or she does not reside is advised to examine the lease for such Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are on file at the office of the Managing Agent or Sponsor. It is further recommended that such person consult with his or her own attorney in order to become fully apprised of the effect of the GBL and the Rent Laws, as well as the lease for the Unit, on his or her rights as a non-occupant purchaser and his or her obligations to the existing tenant or occupant.

J. A non-occupant purchaser of a Unit subject to a lease will be entitled to receive the unapplied portion of any security deposit held by Sponsor under the terms of such lease. Such security must be held by the non-occupant purchaser, in trust, in an interest bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon receipt of such security deposit, the non-occupant purchaser will be required to acknowledge, in writing, receipt thereof and agree to indemnify Sponsor against all claims or liability in connection therewith.

INTERIM LEASES

A. Sponsor and the owner of any Unsold Unit reserves the right with respect to any Unsold Unit, prior to the date of closing thereto, to rent or lease such Unsold Unit on an interim basis for such rent and term and on such other conditions as may be agreed to between Sponsor or such owner and a Purchaser. Purchasers are advised that the tenancy under such Interim Lease is not subject to governmental regulation as to amount of rent or terms. No occupancy may commence until a temporary Certificate of Occupancy has been obtained for such Unsold Unit. The interim lease will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unsold Unit which is the subject of the Interim Lease will constitute a default under the Interim Lease entitling Sponsor or such owner, at its option, to terminate such interim lease in accordance with applicable Law. In addition, each Agreement may provide that an uncured default (that is, a default not cured within 30 days after the sending of written notice thereof) by the Purchaser under any lease or use and occupancy agreement with respect to the Unsold Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor or such owner, at its option, to terminate such Agreement and to exercise any remedies therein provided; provided however, that before Sponsor or such owner utilizes the default under the interim lease to declare a default under the Agreement, Sponsor or such owner will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unsold Unit. A Purchaser will have 30 days to vacate an Unsold Unit after a default under the Agreement or the exercise of a right of rescission. A form of Interim Lease incorporating the foregoing provision is set forth as an Exhibit in Part II of the Plan, it being understood however that specific terms are subject to negotiation and change between the parties.

B. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $2,000 assuming that the Purchaser's counsel does not negotiate the terms of the lease. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. Notwithstanding any of the foregoing, Sponsor will be under no obligation to enter into any interim lease and no portion of the rent paid under an interim lease will be credited towards the Purchase Price of a Unit unless the interim lease expressly provides. Sponsor anticipates that the lease or use and occupancy agreement will not be subject to governmental regulation as it is expected that such Units will be deregulated as high rent housing accommodations pursuant to the provisions of the RRRA or the Rent Regulation Reform Act of 1997.

PROCEDURE TO PURCHASE

A. A person desiring to purchase a Unit will be required to execute an Agreement which will be substantially in the form set forth in Part II of the Plan.

B. Tenant Purchasers will be afforded not less than 3 business days to review this Plan and all filed amendments prior to executing an Agreement unless fewer than 3 business days remain in the statutory time period to declare the Plan effective. Sponsor must accept an Agreement from a Tenant Purchaser who submits a signed Agreement and check for the Deposit (subject to collection) to Sponsor or the Selling Agent during the time within which the Tenant Purchaser has the exclusive right to purchase his or her Unit under this Plan. Such Tenant Purchaser will receive a fully executed counterpart of his or her Agreement from the Sponsor or the Selling Agent.

C. Non-Tenant Purchasers will be afforded not less than 3 business days to review this Plan and all filed amendments prior to executing an Agreement unless fewer than 3 business days remain in the statutory time period to declare the Plan effective. If a Non-Tenant Purchaser has not been afforded at least 3 business days prior to executing an Agreement, such Purchaser will have 7 days after delivering an executed Agreement together with the Deposit (subject to collection) to rescind the Agreement and have the Deposit refunded promptly. Such rescinding Purchaser must either personally deliver a written notice of rescission to the Sponsor or the Selling Agent within the 7 day period or mail the notice of rescission to the Sponsor or the Selling Agent and have the mailing post-marked within the 7-day period.

D. If the Agreement does not pertain to the Tenant Purchaser's Unit or is submitted after the expiration of a Tenant Purchaser's exclusive right to purchase, or a Non-Tenant Purchaser submits a signed Agreement and check for the Deposit to the Sponsor or the Selling Agent, such Tenant Purchaser or Non-Tenant Purchaser, as the case may be, will be notified within 15 days after such submission whether the Agreement has been accepted or rejected. Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request thorough identification and financial information concerning any prospective purchaser, subject to any limitations and requirements imposed by Law. If the Agreement is accepted, a fully executed counterpart will be returned to the Purchaser by the Selling Agent. If such Purchaser receives no response within the 15 day period, his or her Agreement will be deemed rejected and canceled and all monies paid thereunder shall be refunded within 15 days thereafter. Upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Board, to refuse to approve and execute (a) an Agreement for any Unit, except as prohibited by Law, and (b) an Agreement (s) for more than one Unit to any one person or entity. Sponsor shall have the right to reject such Agreement without cause or explanation to purchaser, provided such rejection is not based on sex, race, creed, color, national origin or ancestry or other ground proscribed by Law. No prospective Purchaser will have any claim against Sponsor for Sponsor's failure to execute an Agreement.

E. The Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Agreement, the provisions of the Plan shall in all events control except where such provisions were requested by Purchaser other than a Tenant Purchaser and agreed to by Sponsor.

F. Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Agreement shall not be contingent on Purchaser obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an 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. In addition, a lending institution could withdraw its commitment if it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased or for any other reason. A Purchaser who executes an Agreement and does not obtain financing may lose his or her Deposit if he or she is otherwise unable to raise the monies to pay the balance of the Purchase Price.

G. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Some restrictions imposed by lenders include higher loan to value ratios as well as the requirement that a certain percentage of the units in a given building be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the sponsor or holder of unsold units has not sold a substantial percentage of the units in the building, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor other than the original sponsor has an ownership interest of 10% or more. Purchasers may also find it difficult to resell units if prospective buyers are unable to obtain loans due to the aforementioned requirements or any other reason. Pursuant to existing Law, except as otherwise set forth herein, Sponsor may declare the Plan effective upon selling a minimum of 15% of the Units offered for sale in the Building (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale).

H. The Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

I. All Deposit checks must be made payable to the direct order of "STROOCK & STROOCK & LAVAN LLP, ESCROW AGENT." If any Deposit check is returned for insufficient funds or any other reason, Sponsor at its option, may declare the Agreement void ab initio and of no further force and effect, may terminate the Agreement and institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default by Purchaser under the Agreement which shall entitle Sponsor to exercise any of the remedies set forth in the Agreement.

J. The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit by, in the sole discretion of Sponsor: (i) official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association or (ii) by federal wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Checks for the balance of the Purchase Price shall be made payable to the direct order of "**61 MARTENSE STREET LLC**" or such other party as Sponsor may designate upon not less than 2 days' prior notice. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

K. Funds drawn on out-of-state or foreign banks or New York bank or trust companies which are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Deposit and Custom Work Deposit, for a Unit unless otherwise agreed by Sponsor.

L. Sponsor may agree, in its sole discretion, to perform Custom Work to a Unit. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the Custom Work Costs. A Custom Work Deposit shall be due and payable by Purchaser to Sponsor upon the execution of the Agreement for the Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan. The Custom Work Deposit or any part thereof may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been commenced in the Unit. In the event a Purchaser becomes entitled to rescission after Custom Work or any portion thereof has been commenced, the Purchaser shall not receive a refund of any Custom Work Deposit, if any, actually incurred to perform Custom Work in the Unit nor shall Purchaser receive a refund for funds used to purchase materials for the Custom Work. In the event Sponsor is entitled to terminate the Agreement under the terms thereof, Sponsor may retain the Deposit, the entire Custom Work Deposit in order to reimburse Sponsor for Custom Work. Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work if and to the extent the Custom Work has already commenced, and the Custom Work Deposit has not been made or is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. Where the Custom Work Deposit shall be paid to one party or the other, it shall include interest paid thereon. Notwithstanding the foregoing, if Sponsor abandons the Plan or is otherwise unable to deliver title to the Unit in accordance with the terms of the Agreement, Sponsor shall not be entitled to any Restoration Costs or Custom Work Costs. (See the Section entitled "Procedure to Purchase" in Part I of the Plan). Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser to perform any special work or install extra furnishings prior to Closing. Any Custom Work or any special work or installation of extra furnishings which a Purchaser desires to be performed with regard to a Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole and absolute discretion of Sponsor.

M. Purchasers are hereby advised that in no event shall the presence of any furniture, furnishings, fixtures (including, without limitation, light fixtures), equipment, decorations, wall coverings, wall paper or the like in any model unit or in any Common Element or in any advertisements or renderings with respect thereto, imply or represent that any Unit offered for sale under the Plan will also contain such furniture, furnishings, fixtures (including, without limitation, light fixtures), equipment, decorations, wall coverings, wall paper or the like upon delivery of a Unit offered for sale under the Plan to Purchaser unless Sponsor agrees to same and Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the Purchase Price for such Unit offered for sale under the Plan. (See Sections of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations of Unit Owners and the Condominium Board of Managers" set forth in Part I of the Plan under the subsection entitled "Use of Units" and see a copy of the By-Laws set forth as an Exhibit in Part II of the Plan.)

N. In the event a Purchaser defaults under the Agreement, **TIME BEING OF THE ESSENCE** with regard to the obligations of the Purchaser thereunder, and Purchaser does not cure such default within 30 days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchasers so that the Agreement is of no force and effect and (a) retain any Deposit already paid, as liquidated damages or (b) retain any Deposit already paid and commence an action for any portion of the Deposit not paid, which is or would be due and owing under the Agreement, as liquidated damages, it being acknowledged and agreed that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) bring an action against Purchaser for specific performance, or (iii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iv) exercise all other remedies available to Sponsor at law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). Notwithstanding the foregoing, Sponsor's right to file an action for specific performance shall not be exercisable against a Tenant Purchaser who purchases the Unit he/she occupied on the Filing Date of this Plan. In addition, Sponsor shall also be entitled to retain Custom Work Deposit, if any, actually incurred to perform Custom Work in the Unit. In the event Sponsor is entitled to terminate the Agreement under the terms thereof, Sponsor may retain the Deposit, the entire Custom Work Deposit in order to reimburse Sponsor for Custom Work. Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to if, to the extent the Custom Work has already commenced, and the Custom Work Deposit has not been made or is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have been or will be incurred by Sponsor. Sponsor will be entitled to maintain an action against Purchaser for such additional costs. Notwithstanding the foregoing, if Sponsor abandons the Plan or is otherwise unable to deliver title to the Unit in accordance with the terms of the Agreement, Sponsor shall not be entitled to any Restoration Costs or Custom Work Costs terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the Agreement. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details.

O. For purposes of this Plan and the Agreement, the term "TIME BEING OF THE ESSENCE" shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and a default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

P. Sponsor will serve Purchasers with written notice of the scheduled Closing Date after an amendment declaring the Plan effective has been accepted for filing, at least 30 days prior to the scheduled Closing Date. The notice shall also set forth the date of First Closing. In the event Purchaser fails to close on the designated date, then Purchaser will have a 30 day period after written notice within which to cure such default, TIME BEING OF THE ESSENCE, following which Sponsor shall have the remedies set forth herein and in the Agreement. A Purchaser may waive its right to receive written notice of such Purchaser's Closing Date.

Q. At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan. The form of Power of Attorney grants broad powers to the Condominium Board to enter into agreements affecting the General Common Elements. The Power of Attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to Unsold Units and to effectuate such other rights granted to Sponsor under the Declaration and By-Laws and irrevocably nominates, constitutes and appoints the Sponsor or the owner of Unsold Units, as the case may be, as the party entitled to make all determinations regarding whether to restore the Building pursuant to N.Y. Real Property Law § 339- -cc, in the event more than 75% of the Building is destroyed or substantially damaged. The grant of such irrevocable proxy and power of attorney will run with the land and any subsequent conveyance of a Unit will not be deemed to terminate the proxy or the power of attorney. Failure of the Purchaser to execute and acknowledge the power of attorney shall constitute a default under the Agreement.

R. If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.04% of the purchase price of the Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date.

S. Prior to the closing of title to a Unit, the Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. Subsequent to the closing of title to a Unit a Unit Owner (other than a Unit Owner purchasing for such Purchaser's own or their immediate family's occupancy) may not advertise, list or sell the Unit for 12 months after acquisition of the Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. If any Purchaser engages in any of the foregoing activities, it shall be considered a default under the terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the

Agreement. Purchasers are referred to the Agreement set forth in Part II of the Plan for further details.

T. If the Plan is withdrawn or abandoned, or if Sponsor is unable to deliver title in accordance with the Agreement, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within 5 days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth. In addition, Sponsor shall not be entitled to any Restoration Costs or Custom Work Costs.

U. Upon the Closing of Title to a Unit a Purchaser will thereupon become obligated for the payment of Common Charges, taxes or other assessments charged against the Unit to the Condominium Board (whether or not such Purchaser takes possession of the Unit and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

V. Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor but without any obligation or liability by Sponsor to repair or restore any Unit. A Purchaser who enters into an Interim Lease for a Unit prior to Closing assumes the risk of loss to personal property. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall made within 60 days of a fire or other casualty, in Sponsor's sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain the Deposit and any Custom Work Deposit together with interest earned thereon, as and for liquidated damages.

W. The Agreement to be used by Tenant Purchasers who purchase during any Exclusive Purchase Period will not be modified for any individual Purchaser except by a duly filed amendment to this Plan.

X. In the event that a Purchaser is entitled to rescind or terminate an Agreement for any reason, Sponsor may retain any escrow funds expended for Custom and may commence an action against Purchaser for Restoration Costs, provided that Sponsor shall only

retain the Deposit and Custom Work Deposit in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b)and 352-h and the Department of Law's regulations promulgated pursuant thereto, as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

Y. If prior to the expiration of any Exclusive Purchase Period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted an Agreement and the Deposit before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

Z. Agreements are not assignable. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any direct or indirect sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement.

Escrow and Trust Fund Requirements

A. The law firm of Stroock & Stroock & Lavan LLP, with an address at 180 Maiden Lane, New York, New York 10038, telephone number (212) 806-5400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has established a master escrow account at JP Morgan Chase Bank entitled *Stroock & Stroock & Lavan LLP, Escrow Account* (the "Master Escrow Account"). The attorneys who are signatories on the Master Escrow Account authorized to withdraw funds are: Leonard Boxer, Esq., Ross Moskowitz, Esq., Alan Klinger, Esq., James Bernard, Esq. and Kris Hansen, Esq. All designated signatories on the Master Escrow Accounts are admitted to practice law in the State of New York

B. 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.

C. The Master Escrow Account is not an IOLA account. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per depositor, per insured depository institution for each account ownership category. Accordingly, Purchasers are advised that (i) if a Purchaser makes a Deposit (s) in excess of $250,000 for the purchase of a Unit, such Deposit (s) will not be federally insured in excess of $250,000; and (ii) if a Purchaser has any additional accounts in the Escrow Bank, the funds in said accounts will be added together with the Deposit (s) , if any, held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions, each for less than the amount set forth above.

D. All funds received from Purchasers prior to Closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the

Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than 5 business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of the Agreement.

E. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as Escrow Agent receives 2 completed and signed original W-9 Forms (Request for Taxpayer Identification Number), W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) and W-8BEN-E forms (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

F. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts. Sponsor makes no representations or guarantees that the interest rate paid on Deposits will not increase or decrease and makes no representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) 3 full business days of the Deposit being deposited into escrow, if the Deposit is cash or cash equivalent, or (ii) 5 full business days of the Deposit being deposited into escrow, if the Deposit is other than cash or cash equivalent, provided the Deposit is tendered with the W-9, W-8 BEN or W-8BEN-E as set forth herein. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

G. Within 5 business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Master Escrow Account. Within 10 business days of the placing the Deposit in the Master Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any deposits made for upgrades, extras, or Custom Work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor, including the Agreement. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or the Selling Agent.

H. Acceptance of the Deposit by Sponsor or Selling Agent and the placement of the Deposit by Escrow Agent into the special escrow account, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Agreement to Purchaser in accordance with the terms of the Plan.

I. If a Purchaser tenders a Deposit without an executed Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser.

J. The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such Deposit within 15 business days after tender of the Deposit, he or she may cancel the Purchase Agreement within 90 days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

K. **ESCROW AGENT'S NOTICE THAT THE DEPOSIT HAS BEEN DEPOSITED WILL NOT MEAN THAT PURCHASER HAS BEEN APPROVED AS A PURCHASER OR THAT THE AGREEMENT HAS BEEN SIGNED BY SPONSOR. IT SIMPLY MEANS THE CHECK HAS BEEN DEPOSITED.**

L. 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, as per GBL § 352-h.

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

N. The Escrow Agent shall release the Deposit if so directed:

(i) pursuant to 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.

O. If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (i) through (iii) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than 30 days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the 30 day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said 30 day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (i) through (iii) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to

deposit the Deposit contained in the Escrow Account with the clerk of the county where the Unit is located and shall give written notice to both parties of such deposit.

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

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

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

Q. 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. Escrow Agent shall maintain all records concerning the Master Escrow Account for 7 years after release of the funds.

R. Before funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided herein. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security.

S. Upon the dissolution of the law firm which was Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

T. 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 GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Agreement, the Plan, or any amendment thereto. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

U. Sponsor has agreed to compensate Escrow Agent for services rendered by its attorneys and paralegals and expenses incurred by Escrow Agent in connection with the Agreement, including, without limitation, disputes arising with respect to the Deposit in connection with Escrow Agent's duties hereunder, if any. Sponsor shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

V. Sponsor has agreed 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 the Agreement or the performance or non-performance of Escrow Agent's duties under the 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 the Agreement or involving gross negligence of Escrow Agent.

W. Escrow Agent shall not be liable to Purchaser or Sponsor for any error in judgment, mistake of fact or law or for any act or omission on Escrow Agent's part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of the Agreement or involving gross negligence on the part of Escrow Agent.

X. Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

ASSIGNMENT OF AGREEMENTS

Agreements are not assignable. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any direct or indirect sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of the Agreement.

EFFECTIVE DATE

The offering of the Units for sale under this Plan by Sponsor is contingent upon this Plan being declared effective. The following provisions will determine whether, and when, this Plan will be declared effective:

A. This Plan may not be declared effective until Agreements have been executed and delivered for at least 15% of all Units in the Building offered for sale under this Plan (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale), by bona fide tenants in occupancy or bona fide purchasers who purchase without fraud or discriminatory repurchase agreements or other discriminatory inducements and represent that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant. As to tenants who were in occupancy on the Filing Date of this Plan, the Agreement must be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements. For purposes of effectiveness, the purchase of contiguous units (*i.e.* unit combinations) shall be treated as one Unit. Notwithstanding the foregoing, the purchase of non-contiguous units by one purchaser for more than one bona fide purchaser (*e.g.* one unit for parents and one for adult child) shall be treated as individual units for effectiveness purposes.

B. The Department of Law requires an affirmative representation from each bona fide Purchaser as a part of an investigative process. A purchaser who is bona fide, as defined above, will be required to execute an affidavit entitled "Affidavit of Bona Fide [Tenant/Non-Tenant] Purchaser For Purposes of Declaring Offering Plan Effective." Copies of the affidavits are attached hereto as Exhibit 1 in Part II of the Plan.

C. After the conditions in the preceding paragraphs A and B have been met, Sponsor may, at its option, declare this Plan effective.

D. When Agreements have been executed and delivered for the sale of 80% of all Units offered for sale in the Building (i.e 45 Units, assuming no combinations or subdivisions affect the total number of Units), and all the conditions referred to in the foregoing paragraph A have been met, Sponsor must declare this Plan effective if Sponsor has not already done so.

E. This Plan will not be declared effective based on Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) assigned or transferred unless all of the procedures in the Section entitled "Procedure to Purchase" have been complied with; or (iii) signed by Purchasers who have not been afforded at least three business days to review this Plan and all filed amendments prior to executing an Agreement or at least seven days to rescind; or (iv) signed by any Purchaser who is Sponsor, the Selling Agent, the Managing Agent, or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either (except that such a Purchaser other than Sponsor or a principal thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is either a bona fide tenant in occupancy or a bona fide purchaser).

F. When calculating the 15% requirement: (i) no more than one Agreement by the tenant or tenants of a particular Unit will be counted; and (ii) only one Agreement from any tenant who leases or occupies more than one Unit will be counted.

G. This Plan will be declared effective by: (a) personal service or by commencement of service by mail to all purchasers and tenants of the Building and, within five business days following such notice, an amendment to this Plan confirming that this Plan was declared effective as of the date of such notice will be submitted to the Department of Law, which amendment, upon acceptance for filing, will be delivered to all Purchasers and tenants; or (b) duly filed amendment to this Plan. The closing of title with respect to any Unit shall in no event take place prior to the acceptance for filing of such effectiveness amendment to this Plan.

H. This Plan may not be amended at any time to provide that it shall be an eviction plan.

I. If this Plan has not become effective within 15 months from the Filing Date, it will be deemed abandoned, void and of no effect and all monies will be returned to Purchasers in full, within 30 days thereafter. In the event of such abandonment, Sponsor shall promptly submit an amendment to the Department of Law together with form RS-3 as promulgated by the Department of Law. Upon the return or retention of the Deposit, the Agreement will be null and void and Sponsor will have no further obligation or liability to such Purchaser under this Plan or the Agreement. In the event of abandonment, no new condominium offering plan relating to the Building shall be submitted to the Department of Law for at least 12 months after such abandonment.

J. Prior to conveying title to the first Unit, Sponsor may, at its option, declare this Plan abandoned for any reason whatsoever before it is declared effective or before the 80% quota and other conditions referred to in the foregoing Paragraph "D" are reached and satisfied, respectively. Once this Plan has been declared effective, it may not be abandoned except in the event of: (i) the existence of a defect in title (unknown to Sponsor on the Filing Date of this Plan) which cannot be cured without litigation or cannot be cured for less than 0.5% of the Total Offering Price to Tenant Purchasers in the aggregate; or (ii) a substantial damage to or destruction of the Building or any portion thereof by fire or other casualty which cannot be repaired for less than 0.5% of the Total Offering Price to Tenant Purchasers in the aggregate; or (iii) the taking of any material portion of the Property by condemnation, or eminent domain or by other means. Excluded from the dollar amounts set forth in (i), (ii) or (iii) above are attorney's fees, title defects, violations, work orders, or determinations of any authority or regulatory association which exist on the Filing Date and either are known to Sponsor or are a matter of public record. If Sponsor does not abandon this Plan after the occurrence of any of the events set forth in (i) or (ii) above, then Sponsor shall be obligated to proceed with this Plan regardless of the cost to cure or repair such items. The determination as to whether or not to abandon this Plan will be in the sole discretion of Sponsor.

K. Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of this Plan and at least once every thirty (30) days until this Plan is declared effective or abandoned, as the case may be, and on the 2nd day before the expiration of any Exclusive Purchase Period provided in an amendment to this Plan, (i) file with the Department of Law,

Real Estate Finance Bureau, 28 Liberty Street, New York, New York 10005, a written statement, under oath, setting forth the percentage of Units in the Building which are the subject of Agreements executed by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare this Plan effective. The statement which is posted in the Building and filed with the Department of Law shall include the following: the date and time of the statement, the Filing Date of this Plan, the Presentation Date of this Plan and any current amendment to the Plan, the last day of any Exclusive Purchase Period, the number of bona fide tenants in occupancy and bona fide purchasers who have executed Agreements, the number of Units counted in the base and the percentage of purchasers. Copies of all filed and posted written statements will be available for inspection at the office of the Selling Agent and the Department of Law. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

L. After an amendment declaring this Plan effective has been accepted for filing, Sponsor will fix dates for the Closing of Title to all Units as to which Agreements are outstanding, in accordance with the provisions of the respective Agreements. See the Section of this Plan entitled "Terms of Sale" for a discussion of the mechanics of Closing of Title to a Unit.

TERMS OF SALE

A. The Closing of title to each Unit shall be held at the offices of Sponsor's attorneys, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038 or at such other place as Sponsor may designate on not less than 2 business days' prior notice. The Closing of title to each Unit shall take place only after or concurrently with the following event:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted for filing by the Department of Law;

(b) the recording or filing of the Declaration, By-Laws and Floor Plans in the City Register's Office after approval of same in the Real Property Assessment Department of the New York City Department of Finance as required by N.Y. Real Property Law § 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

(c) either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;

(d) the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least 30 days prior to the Closing Date specified therein, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

(e) the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

(f) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase Price of the Unit, insuring that (i) Purchaser has fee title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which the Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of the Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act; and

(g) the execution and delivery by Purchaser of the Power of Attorney, the form of which is set forth in Part II of the Plan.

B. The Units are being sold "as is" in the condition in which they exist at the time a purchaser signs an Agreement, subject to ordinary wear and tear except as otherwise provided in this Plan. All personal property located within a Unit on the date the Agreement is signed or located within the Common Elements on the date the Declaration is filed that is owned

by Sponsor is included in the conveyance unless specifically excepted in the Plan. Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of Title of such Unit, except for repairs which Sponsor was obligated to make prior to the closing of title, if any. Each Purchaser will be given a reasonable opportunity to examine the Unit prior to closing, subject to the rights of any tenant or occupant of such Unit, and is urged to make a careful inspection thereof. Notwithstanding the foregoing, no Purchaser shall be permitted to conduct any invasive testing in the Unit including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, mildew, spores, fungi or other toxins or for any other purpose. In the event a Purchaser fails to inspect a Unit, after being given the opportunity to do so, Sponsor reserves the right, in its discretion, to postpone the scheduled Closing or to deem Purchaser to have waived the right to cause "punch list" work, if any, to be completed. "Punch list" work refers to details of construction and mechanical adjustment, the non-completion of which do not materially interfere with a Unit Owner's use and occupancy of the Unit or that, in accordance with good construction practice, should be completed after the completion of other work to be performed in the Premises. Accordingly, "punch list" work is typically completed after the Closing of Title. A sample "punch list" is included in Part II of the Plan.

C. If prior to the expiration of any Exclusive Purchase Period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted an Agreement and the Deposit before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

D. Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the Closing of a Unit. If the Purchaser is or becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser the Deposit deposited by Purchaser under the Agreement, together with interest earned thereon, if any, subject to Sponsor's rights to retain the Custom Work Deposit and neither party shall have any further liability to the other.

E. The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages will not be satisfied at or prior to the First Closing, as of the First Closing, each mortgagee will either: (ii) consent to the formation of the Condominium and acknowledge that its 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. Title exceptions may include the state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title uninsurable.

F. The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 23 (the regulations of the Department of Law of the State of New York governing the acceptance for filing of this Plan) and in GBL §352-e to survive delivery of the deed.

G. Upon the Closing of Title to a Unit a Purchaser will thereupon become obligated for the payment of Common Charges, taxes or other Special Assessments charged against the Unit to the Condominium Board (whether or not such Purchaser taken possession of the Unit and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

H. After Closing of title to each Unit, the Purchaser thereof must comply with the procedures established by the Managing Agent regarding such Purchaser's move into the Unit. This may include "move in" fees which will be refunded to the Purchaser unless the Purchaser or the Purchaser's agents damage the Common Elements or another Unit during the move

I. The existing lease of a tenant who has purchased a Unit will be terminated as of the Closing of Title to such tenant's Unit, and such tenant will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

J. Sponsor shall be under no obligation whatsoever to agree to perform any Custom Work for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser to perform any special work or install extra furnishings prior to Closing. Any Custom Work or any special work or installation of extra furnishings which a Purchaser desires to be performed with regard to a Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole and absolute discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment or Common Element or in any advertisements with respect thereto, imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to Purchaser unless Sponsor agrees to same and Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the Purchase Price for such Unit offered for sale under the Plan.

CLOSING COSTS AND ADJUSTMENTS

A. As more particularly set forth in the Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Units. Recording charges, fees and taxes are based on rates in effect on the date of the Plan and are subject to change without notice and a Purchaser will not be relieved of Purchaser's obligation under an Agreement by reason of any change in such charges, fees or taxes or tax rates.

B. Each Purchaser of a Unit will pay a contribution to the Working Capital Fund in an amount equal to 2 months' Common Charges then applicable to each Unit being purchased.

C. Any Purchaser of a Unit which is a Government Entity may be required to deposit into escrow an amount equal to 1 year of Common Charges then in effect to secure their obligations under the Declaration and By-Laws for the payment of Common Charges and/or assessments and otherwise.

D. If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium which will vary depending upon the amount of insurance requested. As of the filing of this Plan, the rates for fee title insurance set by the Title Insurance Rate Service Association (TIRSA) will be $402.00 for the first $35,000 of fee insurance plus $6.67 for each additional $1,000 of fee insurance up to $50,000. For additional rates, please refer to the schedule below:

FEE AMOUNT	PREMIUM
$ 35,001.00	$402.00 + $6.67 per thousand up to $50,000.00
$ 50,001.00	$402.00 + $5.43 per thousand up to $100,000.00
$ 100,001.00	$402.00 + $4.36 per thousand up to $500,000.00
$ 500,001.00	$402.00 + $3.98 per thousand up to $1,000,000.00
$ 1,000,001.00	$402.00 + $3.66 per thousand up to $5,000,000.00
$ 5,000,001.00	$402.00 + $3.25 per thousand up to $10,000,000.00
$ 10,000,001.00	$402.00 + $3.07 per thousand up to $15,000,000.00
$ 15,000,001.00+	$402.00 + $2.76 per thousand

E. These rates are subject to change without notice. Each Purchaser's title underwriter must agree (i) to timely submit the deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for

payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event the title underwriter (or its abstract company) fails to file such deed and transfer tax forms and remit payment of the transfer taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency. If said title underwriter fails or refuses to execute an indemnification substantially in the form set forth as Exhibit A to the Agreement in Part II of the Plan, Purchaser will, as more fully set forth in the Agreement, agree to: (a) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such deed, transfer tax forms and remit payment of the transfer taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (b) deposit, at closing, the sum of $3,000 (the "Filing Deposit") with Stroock & Stroock & Lavan LLP ("Stroock"), which may be used by Sponsor (i) to pay legal fees, at Stroock's usual and customary rates, to monitor the recording of the deed and the filing of the transfer tax forms and payment of the transfer taxes, and represent Sponsor in connection with any failure to file the deed, transfer tax forms and payment of the required transfer taxes or take any action with respect to the failure to file and remit same; and (ii) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Any sums remaining after the payment of the charges set forth in sections (i) and (ii) above, if any, shall be refunded to the Purchaser. Purchaser acknowledges, however, that the Filing Deposit is not a maximum payment in the event the deed, transfer tax forms and transfer taxes are not filed or are not paid in a timely manner.

F. Purchaser will pay a fee for recording the deed, Power of Attorney, mortgage, if any, and any other document in such amounts as shall be collected by Purchaser's title company (each title company establishes its own additional service and surcharges in this regard).

G. If Purchaser obtains a mortgage loan for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to N.Y. Real Property Law § 339-ee(2), which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under N. Y. Real Property Tax Law § 255. In such event Purchaser will be obligated to pay any costs of fees incurred in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption.

H. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit pursuant to the Agreement shall not be contingent on obtaining financing for such purchase.

I. Purchaser will pay the New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Unit is 1.425% of the Purchase Price of a Unit over $500,000 and the New York State Real Estate Transfer Tax ("NYS Tax"), presently $2.00 for each $500.00 (or part thereof) of the Purchase Price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Purchasers will also be obligated to pay the applicable filing fee for the RPT Tax form, which is currently $125.00. Therefore, the steps to compute the tax are:

(i) Multiply the Purchase Price by the RPT Tax rate to compute the City tentative tax.

(ii) Multiply the Purchase Price by the NYS Tax rate to compute the tentative NYS Tax.

(iii) Add the tentative taxes to the Purchase Price.

(iv) Multiply (iii) by the RPT Tax rate to determine the RPT Tax payable.

(v) Multiply (iii) by the NYS Tax rate to determine the NYS Tax payable.

Example:

Purchase Price = $2,475,000

(1)	$2,475,000.00 x 1.425%	=	$35,268.75
(2)	$2,475,000 x .4%	=	$9,900.00
(3)	$2,475,000 + $45,168.75	=	$2,520,168.75
(4)	$2,520,168.75 x 1.425%	=	$35,912.40
(5)	$2,520,168.75 x .4%	=	$10,080.67
	(rounded up)		

J. Under the current policies of the City of New York Department of Finance, where a purchaser purchases two or more Units that have not been physically combined

into a single residence before the transfer, the NYC RPT Tax rate where the consideration is in excess of $500,000 will be 2.625% (this may be the case even if the Units are transferred to the purchaser pursuant to separate sales contracts with separate closing dates). Purchasers of Units should consult their own tax advisors regarding recent New York City Tax Appeals Tribunal decisions rejecting the application of the higher commercial rate schedule of the NYC RPT Tax to purchases of multiple condominium units. There is also no guarantee that The City of New York will not change its positions with respect to the foregoing.

K. If the Purchase Price of the Unit is $1,000,000 or more (as same may be "grossed up" by the state or City), Purchaser will pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," which is currently 1% of the Purchase Price (the computation of which shall include the RPT Taxes and NYS Taxes as described above).

L. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Stroock & Stroock & Lavan LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 for the preparation of closing documents and attendance at closing, (ii) if the Purchaser requests the Closing to occur other than at the offices of Stroock & Stroock & Lavan LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; and (iv) if Purchaser, Purchaser's counsel or Purchaser's lender is more than one (1) hour late to the Closing, Sponsor reserves the right to adjourn or delay the Closing and cause Purchaser to pay an adjournment fee of $500.

M. If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Such costs may vary widely among different lenders. Currently, for Units, the mortgage recording tax for mortgages under $500,000 is $2.05 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.175 for each $100 of principal. This tax is reduced for Units in both instances by $30.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (G) above, if a mortgage recording tax credit becomes available pursuant to N.Y. Real Property Law § 339-ee(2), such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage recording tax credit is allowed. In addition, where a Purchaser obtains a mortgage loan, the Purchaser will be responsible for all costs associated therewith, including, without limitation, costs incurred in connection with the mortgage application, bank's attorney, survey, appraisal, credit report and points. These cost may vary depending upon the loan program chosen.

N. The following table illustrates the projected closing costs (based on current rates) for a typical Unit, in this case Unit 1E, purchased by a Non-Tenant Purchaser at a Purchase Price of $600,000, assuming such Purchaser finances 80% (i.e., $480,000) of the Purchase Price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$1,736.00
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$ 325.00
Mortgage Loan Closing Costs:	
- recording mortgage (assuming 20 pages)	$ 200.00
- mortgage recording tax (at 1.8% of $640,000, less $30 exemption for the first $10,000, a portion of which is paid by Purchaser's lender) (a portion of which will be paid directly to Sponsor)	$8,610.00
- mortgage title insurance (if purchased simultaneously with fee title insurance)	$428.00
- other bank charges (assuming "points" of 1% of mortgage amount, and appraisal fee of $500 and legal fees of $500 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$5,800.00
New York City Real Property Transfer Tax	$8,706.04
New York State Transfer Tax	$2,444.00
New York State Mansion Tax	N/A

Filing Fee for RPT Tax Form	$125.00
Working Capital Payment (two month's Common Charges then applicable at the closing of title to such Unit)	$677.76
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel) +	$3,500.00
Condominium Formation Costs (payable to Sponsor)	$2,500.00
TOTAL ESTIMATED CLOSING COSTS:	$35,051.80

O. The projected closing costs referred to above are approximate and are not guaranteed.

P. In addition to the above-specified costs and expenses, a mortgage loan may require that the Unit Owner deposit monthly with its lender 1/12 of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with 1/12 of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with its lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for its lender to pay the same when due and such sums may be due even if a real estate tax escrow is paid to the Condominium Board at Closing.

Q. All legal costs, fees and expenses of Sponsor's attorneys, other than those specifically set forth above, will be the sole responsibility of Sponsor.

R. At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. Sponsor may also collect, on behalf of the Condominium Board, Common Charges for the month following the month in which the Closing occurs. In the event the Units have not been separately assessed for real estate tax purposes prior to a Closing of a Unit, each Unit Owner will pay a pro rata share in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of Units of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to

Schedule A for an estimate of real estate taxes payable during the First Year of Condominium Operation.) In addition, to the extent the Units will not be separately assessed, (i) Sponsor may collect at Closing, on behalf of the Condominium Board, real estate taxes due and payable for the tax periods in which the Units will not be separately assessed, provided such sums held in escrow are disclosed in all applicable post-closing amendments, and (ii)Sponsor will pay to the Condominium Board its proportionate share of real estate taxes. The Condominium Board will pay such taxes either to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection "Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

S. If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (i) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (ii) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.04% of the Purchase Price of the Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date.

T. Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section entitled "Rights and Obligations of Sponsor.")

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Creation of the Condominium

A. Sponsor will bear all costs and expenses to be incurred in connection with the creation of the Condominium and the preparation, filing and distribution of this Plan. In addition, Sponsor will pay all selling expenses and brokerage commissions of the Selling Agent or other broker engaged by Sponsor. In the event that there are title encumbrances (other than Permitted Encumbrances annexed to the Agreement as Exhibit A and mortgages) affecting the Property at the time of the First Closing, Sponsor shall cause such encumbrances to be cured, remedied and removed, at its sole cost and expense, by the First Closing, except that Sponsor shall have no obligation to cure, remedy, or remove any such encumbrances if the same cannot be accomplished at an aggregate cost and expense of up to 0.5% of the Total Offering Price to Tenant Purchasers (including attorneys' fees and disbursements). The existence of any such encumbrances will not constitute an objection to title or excuse any Purchaser from completing payment of the balance due under its Agreement (without provision for escrow), provided that Sponsor furnishes adequate proof to the title company that such encumbrance has been remedied or deposits a reasonable sum to secure Sponsor's obligation to cure and remedy such encumbrance subsequent to the First Closing as determined by the title company. At Sponsor's request, the sums so deposited shall be applied towards payment of the cost of curing or remedying the title defect. If the aggregate cost and expense of curing, remedying and removing all such encumbrances exceeds 0.5% of the Total Offering Price to Tenant Purchasers and Sponsor elects not to pay same, Sponsor shall abandon and withdraw this Plan in accordance with the terms of the Section entitled "Effective Date."

B. If the Purchaser is or becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, and Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser the Deposit deposited by Purchaser under the Agreement, together with interest earned thereon, if any, subject to Sponsor's rights to retain Custom Work Deposit and neither party shall have any further liability to the other.

C. Immediately following the recording of the Declaration, all assignable service and maintenance contracts and agreements relating to the Units and/or the Common Elements will be assigned to the Condominium Board, which Condominium Board, will, on behalf of all Unit Owners or Unit Owners, as appropriate, assume the same and indemnify the assignor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the Declaration was recorded.

D. Subject to the disclosures set forth in Special Risk 1 above and elsewhere in this Plan, including the "Description of Property" included as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan the Units are being sold "as is" in the condition in which they exist at the time a Purchaser signs an Agreement, subject to ordinary wear and tear. As set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain elements such as the lobby, original plumbing and drain lines, electrical wiring, and laundry room are in varying degrees of repair, and currently anticipates commencing a program to address the foregoing conditions, Sponsor has commenced the following improvements: a building-wide electrical upgrade, installation of additional lighting in the public hallways, installation of new flooring in certain public hallways, replacement of certain windows in the Common Elements, renovation of the lobby, and the creation of a recreational room for use by Unit Owners (collectively, the "Proposed Renovations").Sponsor anticipates, but does not guarantee, that the Proposed Renovations will be completed by the First Occupancy. In addition, Sponsor reserves the right to expand the scope of the Proposed Renovations (including, without limitation, the right to create lot line windows). Any such material modifications or addition will be disclosed in an amendment to the Plan and, if such modifications or additions are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements.

Purchasers are cautioned that no final determination has been made at this time as to the exact scope, nature and time frame for the completion of any future improvements and Sponsor shall not be obligated to make any future renovations. Notwithstanding, any plans and/or work for future improvements will be disclosed in an duly filed amendment to the Plan. Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building, except as recommended in the "Description of Property" set forth as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan. In addition, Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls.

(1) The Martin Act requires that the Sponsor disclose the terms of the offering made under this Plan. With regard to the description of property, the Martin Act requires that Sponsor disclose the detailed terms of the transaction, which shall include a description of the property, the nature of the interest, and how title thereto is to be held. See N.Y. Gen. Bus. Law § 352-e(1)(b). As required by the Department of Law regulations, the Sponsor hereby discloses that it is obligated to perform Building Renovations, to the extent Sponsor undertakes the same, in accordance with all applicable Laws and the Plans and Specifications as well as the provisions of the Plan. See 13 N.Y.C.R.R. § 20.3(t)(10). The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) which only applies to new dwellings of 5 stories or less, is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit, Common Element or Limited Common Element, if applicable, and Purchasers are advised that no such warranties exist under the laws governing the offering. Purchasers are further advised that the Martin Act is a disclosure statute that does not require Sponsor to provide any specific warranties of any nature regarding the Units that are offered under the Plan. Sponsor makes no

representation or warranty with respect to sound transmission, odors emanating from within or without the Condominium, air, views or light quality. As stated above, Sponsor is obligated to undertake Building Renovations in accordance with all applicable Laws and the Plans and Specifications, and any conflict between: (a) the disclaimers and (b) the Sponsor's obligation to undertake Building Renovations in accordance with all applicable Laws and the Plans and Specifications as disclosed in the Plan, shall be resolved in favor of the Sponsor's obligation to perform the Building Renovations in accordance with all applicable Laws and the Plans and Specifications set forth in the Plan.

(2) Sponsor hereby discloses that it makes no warranty or guaranty as to the presence of mold, mildew, spores, fungi or other toxins at the Condominium. Mold and mold spores are present throughout the environment and residential condominium construction cannot practicably be designed to exclude the introduction of mold spores. According to public statements made by the EPA, molds are part of the natural environment, and can be found everywhere, indoors and outdoors. Mold is not usually a problem, unless it begins growing indoors. Moisture is the primary mold growth factor that can be controlled in a condominium setting. Accordingly, Unit Owners are advised to minimize or control moisture in their respective Units so as to minimize or eliminate mold growth in their respective Units. For additional information on mold, purchasers are advised to visit the EPA's website at the following address: https://www.epa.gov/mold.

(3) With respect to the presence and/or existence of molds, mildew and/or microscopic spores at the Condominium, Sponsor hereby discloses that it shall not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the issues described in this Paragraph (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, costs incurred if a Unit Owner vacates the Unit or its contents during any period that such Unit Owner seeks to remediate any condition described in this Paragraph. The foregoing disclaimers and waivers of Purchaser shall also apply to any "consumer product" as defined in the Magnuson-Moss Warranty Act, which consumer products shall not be warranted by Sponsor but instead by the manufacturer, if applicable. (See the Section entitled "Rights and Obligations of Sponsor" under the subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion).

E. The Building was built in 1953 and as with any program of repairs, renovations and replacements of an existing building, Sponsor may be required to alter the Plans and Specifications of any Building Renovations to address existing conditions uncovered in the course of renovation. Purchasers are advised that the Building, when initially constructed, complied with then applicable codes; however, portions of the Building, if constructed today may not comply with New York City Department of Building Code (the "Building Code") or handicap accessible requirements. Such noncompliance is deemed "grandfathered" pursuant to the Building Code and accordingly does not constitute a basis for an objection to or closing of title to a Unit.

Sponsor's Obligations with Respect to Asbestos

In connection with the interior renovations of vacant Units, an Asbestos Assessment Report (the "Asbestos Report") was prepared and filed with the NYC Department of Environmental Protection Asbestos Control Program on February 28, 2017. The Asbestos Report indicates that the portions of the Units affected by the interior renovations therein are free of asbestos containing material (ACM) and that no ACM is assumed to be present. A copy of the Asbestos Report is included as an addendum to the Description of Property included as Exhibit 4 in Part II of the Plan.

Real Property Law §339-kk

A. A new subsection kk to Section 339 of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §339-kk is applicable to all condominiums in the State of New York. RPL § 339-kk is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant unit owner of a unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's units.

B. RPL §339-kk provides, by its terms, among other things, that with respect to unsold units of a Condominium owned by a sponsor or by any other non-occupant unit owner and occupied by a tenant:

(a) If payment of common charges, assessments or late fees by any non-occupant unit owner is more than 60 days late after the expiration of any grace period within which they are due, payments from a tenant of such unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant unit owner. Where a majority of the Condominium Board has been elected by unit owners who are in occupancy of their respective units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the Common Charges, assessments and late fees of the non-occupant unit owner have been brought current, the Condominium Board must notify the non-occupant unit owner and tenant within 3 business days and thereafter the tenant will be payable to the non-occupant unit owner or a designated agent.

(b) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the Condominium pursuant to the RPL §339-kk, relieves the tenant from the obligation to pay rent to the non-occupying unit owner.

(c) Any rights existing under any other Laws are not limited by RPL §339-kk. Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in this Plan.

(d) A non-occupant unit owner who disputes a Condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within 30 days after receipt of notice that the unit owner seeks to dispute the Condominium's claim.

C. Sponsor makes no representation or guarantee that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so.

D. RPL §339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant owner and secured by the unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the unit owner under said loan, (ii) RPL §339-kk's effect on assignments of leases and rents given by a non-occupant owner to a mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a tenant (i.e., a waiver of the Condominium's rights), or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant unit owner is brought current in payment of common charges, assessments and late fees. Finally, no representation is made about the tax effects of RPL §339-kk. All prospective Purchasers should review RPL §339-kk to determine its effect on their own situation.

General

A. Except for Sponsor's obligations to pay Common Charges, Special Assessments and real estate taxes and to perform other duties as a Unit Owner with respect to any Unsold Units (for so long as Sponsor owns same) and any other obligations set forth in this Plan on the part of Sponsor to perform, the foregoing sets forth the entire extent of the obligations of Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers under their respective Agreements.

B. No bond or other security has been posted by Sponsor to secure its obligations under the Plan, including without limitation, to pay Common Charges, Special Assessments and/or real estate taxes with respect to the Unsold Units. Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet its obligations with respect to the Unsold Units. Sponsor intends to meet its obligations to the Condominium through proceeds from the sale of Units and rental income from Non-Purchasing Tenants and other tenants. Sponsor makes no representations or warranties other than as set forth in this Plan. The obligations of Sponsor under this Plan and Article 23-A of the General Business Law shall survive the delivery of the deeds to the respective Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title to such Unit or the leasing thereof to any purchaser or, with respect to the Common Elements, arising out of any occurrence taking place on or after the date of the First Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in this Plan.

C. Sponsor shall have only such obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions or to indemnify the Condominium Board or Unit Owner(s) in any such action or proceeding arising out of Sponsor's acts or omissions.

D. Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building, other than the Façade Correction Work and as is described in the Description of Property set forth in Part II of the Plan. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls.

E. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, any costs associated with a Unit Owner vacating the Unit or its contents during any period of repair or alteration which Sponsor has agreed or is required to perform, it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph.

F. Sponsor will initially procure on behalf of the Condominium Board fire and casualty insurance for the Condominium pursuant to an agreed amount representing the replacement value policy of the Building or in an amount that is sufficient to avoid co-insurance as reflected on Schedule B. Such insurance shall be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B. Please refer to the Section of the Plan entitled "Terms of Sale" for a discussion of Sponsor's obligations to repair damage from a casualty or other causes prior to the closing of title to a Unit.

G. Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer of 10 or more Units or 20% of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law and in the event of dissolution or liquidation, the principals of Sponsor shall guarantee the performance of such obligations.

H. Sponsor will have an easement through all portions of the Building, including the Units and Common Elements as may be necessary to perform Sponsor's obligations under the Plan, including, without limitation, any obligation to perform work.

I. Sponsor will cause the Board to Maintain the Property in substantially the same condition and manner as on the date of presentation until Sponsor no longer controls the Board.

J. All representations under the Plan, all obligations pursuant to the GBL and such additional obligations under the Plan which are to be performed subsequent to the Closing of each Unit will survive delivery of the deed.

Leasing and Use of Unsold Units

A. Sponsor reserves the right, prior to the date of closing title thereto, to rent or lease any Unit for such rent and term and on such other conditions as may be agreed to between Sponsor and any Purchaser who has paid the Deposit required by the Agreement. Any such lease or use and occupancy agreement will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unit which is the subject of the lease or use and occupancy agreement will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease or use and occupancy agreement in accordance with applicable Law. In addition, each Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor, at its sole option, to terminate such Agreement and to exercise any remedies therein, provided however, that before Sponsor utilizes the default under the lease to declare a default under the Agreement, Sponsor will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit. A Purchaser will have 30 days to vacate a Unsold Unit after a default under the Agreement or the exercise of a right of rescission.

B. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $2,000 assuming that the Purchaser's counsel does not negotiate the terms of the lease. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. Sponsor anticipates that the lease or use and occupancy agreement will not be subject to governmental regulation as it is expected that such Units will be deregulated as high rent housing accommodations pursuant to the provisions of the RRRA or the Rent Regulation Reform Act of 1997.

C. Sponsor currently intends to sell the Units under the terms of the Plan. However, under the terms of this Plan, Sponsor and the owner of any Unsold Units have reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Units for any lawful purpose. Except where otherwise prohibited by Law, certain Units may be occupied under short-term leases. Short term basis means having a term in excess of thirty (30) days and no longer than one year. Sponsor further has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or may lease occupied units to others or to retain vacated Units for future rental. Sponsor's right to rent, rather than sell Units is unconditional and exercisable in Sponsor's sole discretion. Accordingly, it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than 15% of the Units offered for sale under this Plan (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale), as needed to declare the Plan effective, owner occupants may never gain effective control and management

of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not require that after the Sponsor Control Period, a majority of the members of the Board be owner-occupants of a Unit who are unrelated to the Sponsor and its principals. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, such as purchase of a home as opposed to purchase for investment.

D. Sponsor reserves the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building and other buildings. In the event Sponsor elects to sell any such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment or Common Element or in any advertisements with respect thereto, imply or represent that any Unit or Common Element will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of the Unit unless Sponsor agrees to same and Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the Purchase Price for such Unit offered for sale under the Plan.

E. The Property is currently encumbered by a Mortgage held by the Lender in the Mortgage Amount. Lender will release a Unit from the mortgages and liens securing the Mortgage upon: (i) receipt from Sponsor of payment to Lender of a minimum release price as specified in the Mortgage; and (ii) payment of all of Lender's reasonable attorneys' fees and expenses incurred in connection with the release of any Unit. The Mortgage does not require Sponsor to enter into Purchase Agreements for more than 15% of the Units (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale) in order to declare the Plan effective. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR. Under the terms of the regulations, Sponsor may not declare the Plan effective until Agreements are signed by bona fide purchasers for 15% of the Units offered under the Plan (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale). While Sponsor currently intends to sell all of the Units, Sponsor has reserved the right to stop marketing such Units and there is no restriction under the Mortgage on the right of the Sponsor to rent Unsold Units. The Mortgage does not contain an explicit requirement that the Sponsor sell rather than rent Units.

F. Sponsor shall have, and the Common Elements shall be subject to, an easement to access and use Reserved Spaces for any purpose permitted by Law, including without limitation, for the purpose of (a) (i) installing, operating and Maintaining Reserve Space Installations (which includes without limitation, satellite dishes, cellular equipment and other information systems), (ii) advertising and (iii) storage and (b) maintaining any encroachment on any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration to any Reserved Space Installations; provided that (i) Sponsor or a Reserved Space Party indemnifies the Condominium Board for all losses, damages, or fines (including reasonable attorney fees) suffered by any of them as a result of a Reserved Space Party's use of the Reserved Spaces, except that Sponsor shall not in any case, be responsible for consequential

damages, and (ii) access to any Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such uses of the Reserved Spaces could include telecommunication upgrades, installation of art work, placement of television screens in elevators and in the lobby and other uses arising from future technology and developments. The Condominium Board shall be obligated to enter into such documentation with Sponsor at Sponsor's request, for Sponsor's use of the Reserved Spaces. The aforementioned easements shall remain in effect after the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor in connection with the use of the Reserved Spaces. Reserved Space Installations shall be the exclusive property of the Reserved Space Party and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Purchasers should note that the aforementioned easements will not revert to the Condominium in the future and shall remain for the sole use and benefit of the Sponsor for its own account or the account of any Reserved Space Party or for any purpose permitted by Law.

CONTROL BY SPONSOR

A. Sponsor will have voting control over the Condominium Board during the Sponsor Control Period, which period shall terminate upon the earlier to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 50% of the aggregate Common Interest appertaining to all Units, or (ii) 5 years after the First Closing.

B. Sponsor shall have the right to vote all of the Common Interests attributable to Units owned by Sponsor. At all elections held during the Control Period, Sponsor shall hold a majority of seats and have voting control of the Condominium Board. Sponsor reserves the right to relinquish or regain voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

C. After the Sponsor Control Period, Sponsor shall not designate more than 2 members of the 5-member Condominium Board; provided, however, that after the Sponsor Control Period, Sponsor shall have the right to designate the following minimum number of members of the Condominium Board representing the Unit Owners: (a) 2 members, for so long as the Common Interests attributable to the Unsold Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests of all Units; (b) one member, for so long as Sponsor owns at least one Unsold Unit.

D. During the Sponsor Control Period, since Sponsor will designate a majority of the Members and shall have voting control of the Condominium Board, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Moreover, during the Sponsor Control Period, the Condominium Board may not enforce (as a result of the Sponsor's control thereof) the obligations of 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 the obligations of Sponsor. However, Sponsor shall cause the Condominium Board to file a lien against any Unsold Units for which Sponsor has not paid Common Charges.

E. Sponsor may exercise veto power over some actions of the Boards. However, Sponsor will not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable Laws; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer or for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid suspension of any necessary service to the Building; or (iv) to protect against imminent threat to the health or safety of the residents of the Building. Sponsor may exercise veto power over other expenses as more fully described below.

F. The Condominium Board, without the consent of Sponsor, may not reduce or eliminate any services provided to Non-Purchasing Tenants under the Rent Laws or their tenancies or as may be otherwise required by Law.

G. Notwithstanding anything to the contrary set forth above, in the event the regulations promulgated by the Department of Law governing the conversion of occupied property to condominium ownership are amended to provide that a Sponsor can elect a majority

of its designated Condominium Board members for a period in excess of 5 years, or if such regulations are finally determined to be unenforceable by a court of competent jurisdiction, provided that such Sponsor has a sufficient number of votes to cast a majority of the votes of the Unit Owners, then the aforesaid restrictions concerning Sponsor's rights to elect a majority of the Condominium Board shall no longer be effective and Sponsor shall have the same rights to vote its Common Interests as any other Unit Owner, whether or not Sponsor has previously been required to give up control of the Condominium Board.

H. Within 30 days after the Sponsor Control Period, the applicable number of members of the Condominium Board who were designated by Sponsor shall resign and Sponsor shall call a meeting of Unit Owners to elect a new Condominium Board.

I. Nothing contained herein shall be deemed to limit the right of Sponsor to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Sponsor, which individuals, if elected, shall not be deemed Sponsor nominees or designees and shall not be deemed to cause Sponsor to control either the Condominium Board after the Sponsor Control Period.

J. The number of members of the Condominium Board representing the Unit Owners may not be increased without the consent of Sponsor as owner of the Unsold Units for so long as there remains one Unsold Unit.

K. Until Sponsor no longer designates a majority of the members of the Condominium Board, Sponsor will, through its control of the Condominium Board, have control of the Maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

L. The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board (the "First Annual Meeting") no later than one year after the First Closing unless more than 50% of the aggregate Common Interests appertaining to all Units are sold, in which case the First Annual Meeting will be called within 30 days after the sale of 50% of the aggregate Common Interests appertaining to all Units. The First Annual Meeting shall be held not less than 10 days nor more than 40 days after the sending of the notice. Notwithstanding the foregoing, for as long as Sponsor has the voting power to elect all members of the Condominium Board, the Condominium Board shall have 3 members.

M. Commencing with the First Annual Meeting, the Condominium Board shall consist of 5 persons. The number of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

N. Sponsor may continue to exercise veto power over certain actions of or contemplated by the Condominium Board after the Sponsor Control Period. For so long as Sponsor shall continue to own Unsold Units representing at least 25% in aggregate Common Interest of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (i) make any Alterations to the General Common Elements, the Common Elements or to the Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the

kind of, employees referred to in the Plan; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any General Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided however that Sponsor's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board (x) to comply with Laws of any governmental authority having jurisdiction over the Condominium; (y) to remedy any notice of violation; or (z) to remedy any work order by an insurer; or (w) to protect against imminent threat to the health or safety of the residents of the Building.

O. The By-Laws do not require that after the Sponsor Control Period, a majority of the members of the Condominium Board be owner-occupants of a Unit who are unrelated to the Sponsor and its principals. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, such as, purchase of a home as opposed to purchase for investment. Owner occupants may never gain effective control and management of the Condominium.

BOARD OF MANAGERS

A. The affairs of the Condominium shall be governed by the Condominium Board, which shall initially consist of 3 members. Initially, the Condominium Board members shall be designated by Sponsor. On or before the date which is one year after the First Closing, the Condominium Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date unless more than 50% of the aggregate Common Interests appertaining to all Units are sold, in which case the First Annual Meeting will be called within 30 days after the sale of 50% of the aggregate Common Interests appertaining to all Units. At the First Annual Meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect a new Condominium Board consisting of 5 members. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

B. Except for Condominium Board members designated by Sponsor, all members of the Condominium Board must be either Unit Owners or certain parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Unit Owner or an interested party. All Condominium Board members shall serve without compensation.

C. The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

D. As more fully set forth in the By-Laws, (i) all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present (under the terms of the By-Laws, a board member may participate in a meeting by means of a conference telephone), and (ii) all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

E. Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the 5 member Condominium Board, subject to any rights of Sponsor to designate Condominium Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Condominium to all Unit Owners of record. The notice, which will generally be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the Condominium Declaration or Condominium By-Laws, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 30% of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

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

G. In exercising its respective powers and performing its respective duties under the Condominium Declaration and By-Laws, the Condominium Board shall act in good faith as, and shall be, the agent of the Unit Owners the Condominium Board represents, subject to and in accordance with the provisions of the Condominium Declaration and the By-Laws.

H. The principal officers of the Condominium Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The initial members of the Condominium Board shall be Eliezer Jeremias, Moshe Greenzweig, and Mindy Greenzweig, who shall serve as President, Vice President, Treasurer and Secretary of the Condominium Board, respectively. Each of these individuals is a principal of or is affiliated with Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Condominium Board for which such officer serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the applicable Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.

I. The term of office of the members of the Condominium Board shall be for one year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

J. A member of the Condominium Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a Majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Condominium Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee if such removal occurs during the Sponsor Control Period. If such removal occurs after the Sponsor Control Period and the maximum number of members that the Sponsor is entitled to designate are already on the Board, then such removed member shall be replaced by a member appointed by the Board. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Unit Owner or an interested party as described in Section 2.1 of the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor.

K. Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer

may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

L. All officers, Condominium Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in Schedule B. The By-Laws provide that to the extent permitted by applicable Law, no member of any Condominium Board shall have any personal liability with respect to any contract, act or omission of any Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium or any Limited Common Element (except in their capacities as Unit Owners). Condominium Board members shall have no liability to Unit Owners except that a Condominium Board member shall be liable for such Condominium Board member's own bad faith or willful misconduct. The liability of any Unit Owner shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, to the extent permitted by Law, each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

M. Generally, subject to certain exceptions concerning, among other things, Sponsor and Unsold Units, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Condominium Declaration, Condominium By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 67% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

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

O. As more particularly set forth in the Special Risk Section and the Section of the Plan entitled "Rights and Obligations of Sponsor", it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than 15% of the Units (i.e. 9 Units, assuming no combinations or

subdivisions affect the total number of Units being offered for sale), as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not require that members of the Condominium Board be owner-occupants of a Unit. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, such a purchase of a home as opposed to purchase for investment.

P. During the Control Period, it is possible that the Board may not enforce (as a result of Sponsor's control thereof) the obligations of Sponsor under the Plan or as otherwise required by Law and in such case, the Unit Owners shall have the right to undertake at their expense, enforcement of the obligations of Sponsor. In addition, to the extent the Board members who are not appointed by the sponsor, any Sponsor-appointed members on the Board shall be required to recuse themselves in the case of any vote undertaken by the Board to sue the Sponsor.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

A. Subject to certain exceptions set forth in Article 8 of the By-Laws, any sale or lease of a Unit together with its Common Interest by a Unit Owner, will be subject to a right of first refusal by the Condominium Board, either by its designee (corporate or otherwise) or on behalf of the Unit Owners on the same terms and conditions as agreed to by the owner of such Unit and the proposed transferee. The Condominium Board's right of first refusal shall be exercised as more particularly set forth in Article 8 of the By-Laws, which is set forth as an Exhibit in Part II of the Plan. The Condominium Board shall not exercise its right of first refusal to purchase or lease any Unit without the prior approval of a Majority of all Unit Owners. However, no such consent shall be required in the event a designee of the Condominium Board purchases or leases a Unit. If the Board, on behalf of Unit Owners, elects to exercise its right of first refusal to purchase a Unit, certain taxes (such as any applicable New York State Real Property Transfer Gains Tax, New York State Additional Tax and the New York City Real Property Transfer Tax) and other monies, which may be the responsibility of the buyer, will be the responsibility of the seller. Other than exercising its right of first refusal, the Condominium Board shall not have a right to approve or disapprove prospective purchasers and the By-Laws contain no requirement that such Purchasers be owner-occupants of the Condominium. There is no limit on the number of purchasers who may purchase for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents. (For a more complete discussion of the foregoing, see Article 8 of the By-Laws set forth as an Exhibit in Part II of the Plan).

B. In the event that a Unit is to be leased by Sponsor or the Condominium Board (each an "Inside Offeror"), the Unit Owner shall execute and deliver to the Inside Offeror a lease covering such Unit by and between the Unit Owner, as landlord, and the Inside Offeror, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the lease agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the lease agreement, however, such lease shall expressly provide that the Inside Offeror may enter into a sublease of the premises demised thereunder without consent of the landlord. Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

C. (a) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

D. (b) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

E. (c) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (x) a default by the tenant in the performance of its obligations under such lease or (y) a foreclosure of the lien granted by N.Y. Real Property Law § 339- -z.

F. Purchasers should refer to their own attorneys for guidance regarding their rights and obligations as a landlord under a lease for a Unit

G. Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Condominium Board or the Sponsor, as the case may be.

H. In the event the Condominium Board exercises its right to purchase a Unit together with its Common Interest, such purchase may be made from the funds deposited in the Working Capital Fund or expense accounts of the Condominium or the Condominium Board may levy a Special Assessment against each Unit Owner in accordance with the terms of these By-Laws and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interests.

I. With respect to the right of first refusal, neither the Condominium Board nor the Sponsor may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

J. The restrictions upon the sale and lease of Units provided in Article 8 of the By-Laws shall not apply to Sponsor with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board.

K. In addition, the right of first refusal granted to the Sponsor and the Condominium Board shall not apply with respect to any sale, lease or conveyance of a Unit, together with its Common Interests, to (i) a Family Member of a Unit Owner, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Unit shall be held by the personal representative of such infant or incompetent, or to an Affiliate of the Unit Owner; (ii) the Condominium Board; (iii) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (iv) any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction or (v) any conveyance by gift, devised by will, or passes by intestacy; provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, all of the terms and conditions of Article 8 of the By-Laws.

L. Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, the Agreement prohibits a Purchaser from listing such Unit for resale or

rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. Following the closing of title to a Unit, a Unit Owner (other than a purchaser purchasing for such purchaser's own or their Family Member's occupancy) is prohibited from advertising, listing or selling its Unit, together with its Common Interest for twelve (12) months after acquiring such Unit from Sponsor. Any conveyance in violation of this Paragraph H shall be voidable by Sponsor.

M. No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Common Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Common Interest of all Units. Nothing contained herein, however, shall prohibit the lease of any Unit without the simultaneous lease of its Common Interests.

N. No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

O. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

P. A Unit Owner may lease, sell or convey the Unit to a Family Member, and may convey such Unit Owner's Unit by gift, may devise such Unit Owner's Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey the Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws. At present, a lease entered into by a Unit Owner purchasing under the Plan is not subject to legal limitations on the amount of rent which can be charged but such lease will be subject to various state and local laws governing tenancies (e.g. warranty of habitability). Purchasers are advised to consult with their own attorneys regarding the legal ramifications of leasing a Unit.

Q. A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements, (b) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

R. Except as set forth otherwise in the Plan and the Declaration and By-Laws, there are no limitations on who may purchase Units. Any Purchaser of a Unit which is a Governmental Entity may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Condominium Declaration for the payment of Common Charges and/or assessments and otherwise. Sponsor will not knowingly accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law. Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Condominium Board, any Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, religion, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder.

Use of Units

A. Except as otherwise provided in this Plan and the Declaration and By-Laws, Units shall be used for purposes. The Condominium Board, may in its sole discretion, permit a Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing certificate of occupancy and complies with all applicable governmental regulations. See also the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Declaration and By-Laws in Part II of the Plan.

B. Notwithstanding the preceding paragraph, Sponsor may, without the permission of the Condominium Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, including, without limitation, use as a long or short term rental or other use, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Unit (subject to Sponsor's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the user of such Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest.

C. It is the responsibility of each Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even

temporarily) in the Unit. It is the responsibility of each Unit Owner to install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall Maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Condominium Board and the Managing Agent. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations.

D. The current zoning Law permits a person who resides in a Unit to use up to 25% of the floor area of such Unit Owner's Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. Such home occupation use may only be engaged in with the consent of the Condominium Board or by Sponsor, as more particularly provided in the By-Laws.

E. No nuisance, or unlawful use shall be allowed in the Building or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or Condominium Board, whoever or whichever shall have the obligation to Maintain or repair such portion of the Property.

F. No "For Sale," "For Rent," "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit, except that these sign restrictions shall not apply with respect to Unsold Units.

G. No awnings, air conditioning equipment or ventilators shall be installed or modified without prior written approval of the Condominium Board. No radio or television aerial, Satellite Equipment or other similar device shall be erected by Unit Owners on the roof or exterior walls, or windows of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

H. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Unit without the consent of the Condominium Board or the Managing Agent. In no event will a Unit Owner be entitled to maintain more than two (2) pets in any Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit will be required to abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board governing the maintenance of such pets and indemnifying and holding harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

I. Each Unit Owner shall keep such Unit Owner's Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to Maintain and keep in good order and repair such Unit Owner's own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board in accordance with the By-Laws provided that copies thereof

are furnished to Unit Owners prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by the Sponsor, or Holder of Unsold Units, as the case may be). Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

J. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. However, Purchasers are advised that materials used as finishes, whether natural or engineered, have certain inherent risks associated with such use. Risks associated with certain wood products (including, without limitation, wood flooring, furniture, cabinetry and molding) include but are not limited to the following: appearance of cracks between the floor boards, squeaks, variation in color, differences in material and/or color between the interior and exterior of cabinetry, variation in wood grain, texture, occurrence of knots and cupping. It is the Unit Owner's responsibility to maintain the humidity level in its Unit. Lack of or excessive humidity can cause wood floors to crack, squeak, expand or shrink causing gaps, as well as cause cupping, which in turn may cause damage to any such wood product. Such expansion, contraction and cupping are more noticeable in dry seasons or periods, prolonged periods of high heat and/or humidity or extended periods of heat use. Cracks, occurrence of knots and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or Masonite should always be used for furniture or appliances. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. All wood products should be maintained in accordance with manufacturer's recommendations.

K. Purchasers are advised that certain specialty stones such as marble or limestone have natural variations in colors and markings which may require cleaning with neutral cleaners that are free of acidic or alkaline solutions, bleach, ammonia or abrasives that can break down sealers and damage the stone surface. Natural stone surfaces that may have been sealed so as to prevent absorption and staining will require sealing and resealing at various points in the future. Such sealant will help with water absorption and staining which may alter coloration. Purchasers are advised that impregnating sealants, and daily stone cleaners, which have been especially developed, are recommended for proper Maintenance. In any event, maintenance and cleaning of any stone surfaces by Unit Owners should be done in accordance with the recommendations of the Marble Institute of America.

Mortgage of Units by Unit Owners

A. Each Unit Owner may mortgage such Unit Owner's Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form customarily used by lenders making loans secured by individual

Units, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against such Unit Owner's Unit, other than Permitted Mortgages.

B. In certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Mortgage Representatives shall be designated by the holders of mortgages which satisfy the conditions set forth in the By-Laws (as described above in Paragraph A).

Common Charges:
Determination and Assessment

A. Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Charges shall also be deemed to include any Special Assessment imposed by the Condominium Board. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the Maintenance and operation of the Common Elements and Limited Common Elements. Common Expenses may include amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit.

B. In the event that the annual receipts levied against Unit Owners exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the First Year of Condominium Operation will be distributed by the Condominium Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners.

C. At least annually (a) the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses.

D. The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such nit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board to which they are payable, Common Charges will be payable monthly in advance on the first day of each month.

E. In the event any Unit Owner fails to make payment of Common Charges or Special Assessments when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or 1% of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or Special Assessments or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in N.Y. Real Property Law § 339-z, in the manner provided in §339 aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition the Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Special Assessments due. Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

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

A. Pursuant to N.Y. Real Property Law § 339-z and under the provisions of the By-Laws and except to the extent prohibited by Law the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit.

B. Pursuant to N.Y. Real Property Law § 339-aa, any lien provided for in the immediately preceding paragraph for unpaid Common Charges against a Unit will be effective from and after the filing in the office of the recording officer in which the declaration of condominium is filed a verified notice of lien stating the name (if any) and address of the property, the CRFN number of the declaration of condominium, the name of the record owner of the Unit, the Unit designation, the amount and purpose for which due, and the date when due; and shall continue in effect until all sums secured thereby with interest accrued thereon shall have been fully paid, or until expiration 6 years from the date of filing (unless foreclosure of such lien is started within such 6-year period), whichever shall occur sooner. N.Y. Real Property Law § 339-aa and the By-Laws provide that such liens may be foreclosed by a suit brought in the name of the appropriate Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the appropriate Board to recover unpaid Common Charges without foreclosing such lien.

C. In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure

action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit. Notwithstanding the foregoing, during the Sponsor Control Period, the Sponsor shall cause the Condominium Board to file a lien as provided for in N.Y. Real Property Law § 339-aa on Units owned by Sponsor in which Sponsor is more than 30 days in arrears of Common Charges.

D. Pursuant to N.Y. Real Property Law § 339-x and the terms of the By-Laws, no Unit Owner will be exempted from liability for such Unit Owner's Common Charges by waiving use of any of Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of Maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying such Unit Owner's Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing.

E. In accordance with the terms of the By-Laws and N.Y. Real Property Law § 339- z, on a resale of a Unit, the purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to such Unit Owner's acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by either Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

RPL §339-jj-Borrowing by Condominium

Pursuant to N.Y. Real Property Law § 339- jj and the By-Laws, the Condominium Board, on behalf of the Unit Owners, is authorized to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

RPL §339-kk-Payment of Rent Where Default in Payment of Common Charges

A. N.Y. Real Property Law § 339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a Condominium association if a sponsor or other non-occupant unit owner of a Unit fails to make monthly payments for Common Charges, assessments and late fees due in connection with such owner's Units.

B. N.Y. Real Property Law § 339-kk provides, by its terms, among other things, that with respect to unsold units of a Condominium owned by a sponsor or by any other non-occupant unit owner and occupied by a tenant:

C. (i) If payment of common charges, assessments or late fees by any non-occupant unit owner is more than 60 days late after the expiration of any grace period within which they are due, payments from a tenant of such unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant unit owner. Where a majority of the Condominium Board has been elected by unit owners who are in occupancy of their respective units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the common charges, assessments and late fees of the non-occupant unit owner have been brought current, the Condominium Board must notify the non-occupant unit owner and tenant within 3 business days and thereafter the rent will be payable to the non-occupant unit owner or a designated agent.

(ii) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the Condominium pursuant to the N.Y. Real Property Law § 339-kk, relieves the tenant from the obligation to pay rent to the non-occupying unit owner.

(iii) Any rights existing under any other Laws are not limited by N.Y. Real Property Law § 339-kk.

(iv) A non-occupant unit owner who disputes a Condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within 30 days after receipt of notice that the unit owner seeks to dispute the Condominium's claim.

D. Sponsor makes no representation or guarantee that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with N.Y. Real Property Law § 339-kk, and Sponsor shall have no liability for their failure to do so.

E. N.Y. Real Property Law § 339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant owner and secured by the unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the unit owner under said loan, (ii) RPL §339-kk's effect on assignments of leases and rents given by a non-occupant owner to a mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board (or such other applicable Board) after notice from the Condominium Board (or such other applicable Board) (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's (or such other applicable Board) failure to give notice to a tenant, or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant unit owner is brought current in payment of common charges, assessments and late fees.

F. No representation is made about the tax effects of N.Y. Real Property Law § 339-kk.

G. All Purchasers should review N.Y. Real Property Law § 339-kk to determine its effect on their own situation.

Repairs to and Maintenance of Units and Common Elements

A. Generally, all painting, decorating, and routine Maintenance, (a) in or to any Unit (other than to the General Common Elements or Limited Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Condominium Board and the Unit Owners as a General Common Expense, and (c) in or to the Common Elements, and the Limited Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Condominium Board.

B. B. All Maintenance of any Balcony which does not involve Structural Alterations shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any Structural Alterations to such Balcony (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. The Condominium Board and the Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board and/or the Condominium

Board prior to installing Balcony Installations on the Balconies and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the Condominium Board or the Condominium Board determines, in their respective discretion, that such Balcony Installations adversely affect the integrity of the Roof or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove Balcony Installations from the Balcony, if requested by the Condominium Board, to facilitate access to the roofing system, walls, Exterior Facade or other Common Elements pursuant to the Declaration or the By-Laws. No Balcony may be enclosed without the express written consent of the Condominium Board. Prior to installing Balcony Installations, the Board may require, in its sole discretion, that the Unit Owner enter into an alteration agreement with the Condominium Board.

C. Each Unit includes, and each Unit Owner shall be responsible for the space designated on the Floor Plans as part of such Unit, together with those Facilities located within the Unit which exclusively benefit such Unit or the Unit Owner thereof, including without limitation the following: the front entrance door and any other entrance doors to such Unit, windows and window framing, skylights, flooring, wallcoverings, molding, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors and carbon monoxide detectors, all plumbing, gas and heating fixtures (including shower pans, bath liners and related installations) and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the Units), heating equipment, ranges, sinks, bathtubs, showers, water closets, washer and dryers and other appliances, if any, as may be affixed, attached or appurtenant to such Unit and which serve such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors from the point at which such pipes, wiring, ductwork or conduits service other Units. Each Unit shall also include all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, or betterments and improvements installed by a Unit Owner other than Sponsor, to the extent located within a Unit and serving or benefiting only that Unit and elevators (and their respective shafts and pits) exclusively used by one Unit Owner, if any.

D. The exterior surface of all windows in the Building, if so determined by the Condominium Board, shall be washed and cleaned by such Condominium Board at least once annually and the cost and expense thereof shall be a Common Expense which may be charged to Unit Owners to the extent that same is not provided for in the annual budget. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law.

E. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the Unit Owner of such Unit unless such breakage is caused by the Condominium Board, the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board, the Condominium Board or such Unit Owner. No replacement, modification or alteration may be made to or of the windows without the consent of the Condominium Board or the Condominium Board.

F. The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to the Roof, balconies, or other parts of the Property exposed to the elements, free of snow, ice and accumulation of water which will cause damage to the Building) by the Unit Owner or appropriate Board, whichever is responsible for the Maintenance thereof. In the event any Unit Owner fails to keep such Unit Owner's Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts necessary to cure such default. (See the Section entitled "Rights of Access.") A Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit. Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

G. G. As set forth in the Description of the Property in Part II of the Plan, there are lot line windows on the northeast and southeast elevations of the Building at floors 1 through 6. The affected windows on the southeast façade are not necessary for light and air and, accordingly, may be blocked without changing resulting in a change in the legal occupancy of the room in which located.

H. Purchasers should note that if a Building is constructed on a neighboring parcel, or if an addition is constructed on an existing neighboring building, the lot line windows (which are located in each of the Units as noted on the Floor Plans set forth in Part II of this Plan for each of the Units), which are within 30 feet in a direct line (whether horizontally, vertically or diagonally) of such neighboring building, will have to be permanently closed and covered from the interior side with sheetrock. The obligation to permanently close the windows and the cost therefore, will be borne by each Unit Owner. In the event that any windows must be covered as aforesaid, space within a Unit, which had previously been constructed as a separate bedroom, may no longer be legally utilized as such. Sponsor has no actual knowledge of any plans by owners of neighboring buildings to either construct a new building or to increase the height of any existing building.

I. The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be Maintained by each Unit Owner or the Board shall be kept in good appearance by such Unit Owner or Board.

J. In addition, the Rules and Regulations require that at least 80% of the floor area of Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

Alterations and Improvements of Units and Common Elements

A. Alterations to be performed by a Unit Owner to a Unit and/or Limited Common Elements shall not be commenced until (i) the prior written consent of the Condominium Board has been obtained, (ii) the Unit Owner and the Condominium Board have entered into an alteration agreement, (which among other things may require the Unit Owner to provide copies of its proposed plans and specifications describing the Alterations, and may set forth days or hours during which Alterations may be performed and may impose such other conditions as may be required by the Condominium Board at the time in question) and (iii) such other conditions relating to Alterations contained in the Declaration and these By-Laws are satisfied. The Condominium Board may exercise the right to reasonably approve the contractors and suppliers performing such Alterations. In addition, the Condominium Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The Condominium Board may impose fees upon such Unit Owner to reimburse the Board for costs incurred in connection with the review or supervision of such Unit Owner's work.

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

C. No application or other document shall be filed with any governmental authority for a permit covering an Alteration to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board or, if required, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved Alterations or repairs, provided that the Condominium Board and the other Unit Owners shall not be subject to any expense (including legal fees or other professional fees) or liability by reason of such approval and execution or, by reason of such Alteration without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Sponsor is hereby authorized on behalf of the Board to execute the Required Documentation required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Sponsor is obligated or entitled to perform in accordance with the terms of the Offering Plan or the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the appropriate Board, if requested by Sponsor, shall execute the Required Documentation.

D. In addition, the Power of Attorney to be executed by each Unit Owner upon acquisition of the Unit further grants to Sponsor a power of attorney to execute such documentation. "Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Sponsor to exercise its rights or obligations under this Plan or the Declaration and the By-Laws, including, without limitation, Sponsor's rights to deal with the Available Development Rights and to undertake, perform and complete such work to the Units and Common Elements.

E. The Building has a Permanent Certificate of Occupancy, however if at the time a Unit Owner seeks to perform Alterations, the Condominium Board may refuse to permit a Unit Owner to perform Alterations in or to a Unit until such time as the Building Renovations has been completed and an updated Permanent Certificate of Occupancy, if required in connection with the Building Renovations, has been obtained therefor. In furtherance thereof, a Unit Owner performing Alterations, shall indemnify Sponsor and the Board for any cost, expense, claim or liability incurred or suffered by Sponsor or the Board as a result of any violation of Law or delay in obtaining an updated Permanent Certificate of Occupancy. In the event the Alterations performed by a Unit Owner do adversely affect the issuance or validity of the certificate of occupancy then upon the written request of Sponsor, the Condominium Board or any other Board whose Unit Owners are affected, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Sponsor or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

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

Local Law 1

Local Law 1 of 1982 requires the elimination of all lead paint, both peeling and intact, in a building constructed prior to 1960. Sponsor makes no representation regarding the scope or nature of any future enactments regarding lead-based paint or whether Local Law 1 will be modified or whether the City or State of New York will adopt other laws dealing with lead based paint or what the provisions of such law may be. Purchasers are urged to review Local Law 1 or any successor statute thereto and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owner thereunder. Unit Owners shall be deemed "owners" of their respective Units with the obligation to comply with the requirements of the Unit for purposes of compliance with all environmental laws, including, without limitation, requiring the removal or abatement of asbestos containing material or lead-based paint. Based upon the age of the building, it is probable that there is lead-based paint or lead-based paint hazards in the Building, however, Sponsor is not aware of any lead-based paint or lead-based paint hazards in the Building that need to be remedied, and has no records or materials pertaining to same. Sponsor will comply with applicable Law concerning the use of lead-based paint. Set forth as an Exhibit in Part II of this Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain

information regarding lead based paint. In accordance with the terms of the rider annexed to the Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. Please refer to the Agreement set forth in Part II of the Plan for further details. While Sponsor has received no specific reports regarding the presence of lead based paint in the Property, given the age of the Building and the wide spread routine use of lead based paint in preceding decades, it can be assumed that there is some lead based paint present in the Building, including, but not limited to, the Units.

Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the Board, will have a right of access to the Units for the purposes of performing installations, Alterations or repairs to the mechanical or electrical services or other Common Elements in the Units or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in Emergency situations) are made in advance and that any such entry (except in Emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an Emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing punch-list work or for the purpose of performing or completing construction in the Building.

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

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

Examination of Books and Records

Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Repair or Reconstruction after Fire or Other Casualty

A. As more fully set forth in the By-Laws, in the event that the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss"), (a) the Condominium Board with respect to the General Common Elements and the Limited Common

Elements, if any, and (b) each Unit Owner with respect to its Unit, shall arrange for the prompt repair or restoration ("Work") in the event of a Casualty Loss, to the portion(s) of the Building affected by such Casualty Loss.

B. Unless the Unit Owners have elected not to restore the Building as provided below, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Condominium Board under the Declaration and By-Laws. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

C. If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty ("Significant Casualty"), the Work will not be performed unless 75% or more of all Unit Owners agree to promptly cause the Work to be performed. In the event 75% or more of all Unit Owners do not agree to restore the Building, the Work will not be performed and the Property will be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, will be paid (i) to all Unit Owners in proportion to their respective Common Interests, to the extent allocated to destroyed or damaged portions of the General Common Elements, and (ii) to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Units or the Common Elements or the Limited Common Elements. If less than 75% of the Building is damaged by fire or other casualty, the Work will be performed to restore the Building in accordance with the provisions of the By-Laws. Notwithstanding anything contained herein to the contrary, each Unit Owner, upon acceptance of a deed to a Unit, will grant or will be deemed to have granted to the Sponsor or the owner of Unsold Units, an irrevocable proxy and power of attorney, coupled with an interest, to be used by the Sponsor or the owner of Unsold Units, in its sole and absolute discretion, in connection with any vote or solicitation of consents of the Unit Owners for the purpose of resolving whether to proceed with the repair or restoration of the Building as provided in the By-Laws. The grant of such irrevocable proxy and power of attorney will run with the land and any subsequent conveyance of a Unit will not be deemed to terminate the proxy or the power of attorney.

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

E. Purchasers are advised to refer to the By-Laws in Part II of the Plan for further detail.

Insurance

A. The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) commercial property insurance covering the perils insured under the Insurance Service Office (ISO) "special causes of loss form" (formerly known as "all risk" coverage) including coverage for increased cost of construction and Ordinance of Law endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings or other personal property contained in such Units), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance if not covered under the commercial property insurance; (e) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (f) directors and officers liability insurance; and (g) such other insurance as the Condominium Board may determine as appropriate in Comparable Buildings.

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

C. All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled without at least 10 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Board and all Unit Owners hereby waive their subrogation rights.

D. The Condominium Board shall also be required to obtain and maintain, commercial general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Board may from time to time determine, covering (i) the Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium, (ii) the Unit Owners, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Paragraph D shall also cover cross liability claims of one insured against another.

E. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with

respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

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

G. Each Unit Owner will, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon the Unit or any part thereof and any Limited Common Elements appurtenant to the Unit, in such limits as reasonably determined by the Condominium Board from time to time, based upon commercially reasonable standards, but initially, as a minimum, limits of liability of $2,000,000 for bodily injury or death and property damage arising out of any one occurrence and (b) tenant's property insurance covering the perils insured under the Insurance Service Office (ISO) "special causes of loss form" (formerly known as "all risk" coverage in respect of property damage occurring in, upon, or from the Unit or any part thereof and any Limited Common Elements appurtenant to the Unit (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage) and any personal property contained therein. The limits of liability set forth in (a) and (b) above with respect to may be reasonably increased or otherwise modified by the Condominium Board from time to time. The insurance required above will be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies having an AM Best's Rating of "A –" "VII", and authorized to do business in the State of New York.

H. Without limiting the remedies of the Condominium Board for a Unit Owner's default, in the event that a Unit Owner (or any tenant or occupant of all or any portion such Unit Owner's Unit) fails to provide a certificate or other evidence of insurance required to be provided by each Unit Owner (or such tenant or occupant) hereunder and does not cure such default within 10 business days after notice from the Condominium Board, or a Recognized Mortgagee (as the case may be), the Condominium Board or such Recognized Mortgagee shall be authorized (but not required), if the same remains uncured, to procure such coverage on behalf of such Unit Owner and the cost thereof (if made by the Condominium Board) shall be charged back to such Unit Owner as a Unit Owner Expense. In addition, the Condominium Board may, in its sole and absolute discretion, impose such fines and penalties as the Condominium Board may determine in its sole discretion, including, without limitation, a per diem penalty for each day that the Unit Owner does not provide evidence of coverage and in either event such sums shall, for all purposes, constitute Common Charges payable by such Unit Owner.

Liability of Board of Managers and Unit Owners

Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Unit Owners, respectively, and such Board members or managing agent or manager shall have no personal

liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Unit Owners, as the case may be, and (ii) to the extent permitted by Law, unless otherwise determined by the appropriate Board in its sole and absolute discretion, such Unit Owner's interest in such Unit Owner's Unit and its appurtenant Common Interest. To the extent permitted by applicable Law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing. See the By-Laws in Part II of the Plan for further detail.

Reports to Unit Owners

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

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of th Condominium Act as a result of the vote to do so of at least 80% in number (i.e 45 Units, assuming no combinations or subdivisions affect the total number of Units) and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Board

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

The purchase of any Unit by the Condominium Board or their designees, on behalf of their respective Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of such Board. If the funds in such accounts are insufficient to effectuate any such purchase, such Board may levy an assessment against each Unit Owner or all Unit Owners, as the case may be, in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

Procedure to Review Real Estate Tax Assessments

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

Mechanics' Liens

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

Easements and Name of Condominium

A. In order to facilitate the operation and Maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board. These easements,

which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use the General Common Elements and the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Sponsor shall have an easement to erect and Maintain lights and lighting fixtures and to erect Maintain Satellite Equipment, as permitted by Law, on the Roof and Facade of the Property and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor and its designees shall have an easement to Maintain Signage permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

B. As set forth in the Declaration, the Condominium and the Building shall be designated and known as the "The 61 Martense Street Condominium." Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Board or Unit Owner. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor as the sponsor of the condominium offering, and until the Sponsor relinquishes its control of the Board, such other information as Sponsor determines in its sole discretion.

The Declaration and By-Laws

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

REAL ESTATE TAXES

A. Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay his or her pro rata share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

B. The value of the Property for real estate tax purposes is determined annually by the Department of Finance of the City of New York. Under current New York State law, increases or decreases in a property's assessed valuation due to changes in its estimated market value are phased in over five years in equal annual increments of 20%. Any further increase or decrease in the assessed value during such five-year period resulting from a further change in estimated market value is to be similarly phased in over an five-year period running from the date of such increase. The full increased or the decreased assessed value targeted to be paid at the end of five years is called the "actual assessed valuation." The amount of assessed value reflecting the currently phased-in increases or decreases is called the "transitional assessed valuation." Taxes are computed each year on the lesser of the Transitional Assessed Valuation or the Actual Assessed Valuation."

C. No representation is made or warranty given as to: (a) whether or not there will be (i) a further increase or decrease in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate, or (iii) an increase in the assessed valuation of the Property by reason of the conversion of the Property to condominium ownership or (b) the method of determining the assessed valuation, or (c) the amount of any increase or decrease in the assessed valuation of the Property or (d) whether there will be any abatements available under the Condominium Abatement Program. The current description of the property on the records of the New York City Department of Finance used for purposes of estimating market value for tax purposes indicate that the Property is a six-story elevator apartment building with no non-residential use and a building size of 116 ft by 139 ft.

D. Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

E. The real estate tax estimates for each Unit set forth in Schedule A were calculated on the assumption that the real estate taxes payable with respect to each Unit for the First Year of Condominium Operation will be proportional to each Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Unit assessments, the New York City Department of Finance will annually determine an estimated

market value for the Property as a whole and then allocate that value to the individual tax lots. The current stated policy of the Department of Finance is to make such allocations based on each unit's share of the percentage interest in the common elements. However, the method of allocation is not specified by law and other methods have been used in the past and may be used in the future, including allocation in proportion to each Unit's Purchase Price or estimated market value rather than its percentage interest in the Common Elements, and, if so, Units having the same or similar common interest percentages may pay different amounts of real estate taxes.

F. The New York City real estate taxes of **$141,842.00** for the First Year of Condominium Operation following the First Closing are based on a projected transition assessment of $1,101,000 and the estimated Class 2 (multifamily residential) tax rate of $12.883 per $100 of assessed valuation. The estimated taxes do not assume any increase in the tax rate or the actual assessed valuation due to capital improvements to the Property or other cause. Purchasers are advised that the Property does not currently receive J-51, 421-a or other building-wide tax benefits and no such benefits are anticipated to be received in the future.

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

H. **PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY** (i) regarding the method to be employed by New York City in allocating individual Unit assessments; (ii) of the assessed value of the Property during the First Year of Condominium Operation or (iii) of the tax rates in effect during the First Year of Condominium Operation. Purchasers should check the public tax records to confirm the current taxes for the Property. Assessment and tax information is available from the New York City website at www. nyc.gov/finance. Purchasers should note that future changes in assessed valuations or tax rates may cause real estate taxes to increase significantly. Sponsor makes no representations regarding levels of assessment or taxation in future years.

I. Section 467-a of the New York State Real Property Tax Law provides a partial abatement of real estate taxes for residential condominium units (the "Condominium Abatement Program"). In order for units in the building to qualify for the abatement, the condominium declaration and floor plans must be recorded prior to the January 5 before the beginning of the tax year and the building must be assessed as a condominium for the tax year. The board of managers must file a timely initial application with the New York City Department of Finance. The usual deadline has been February 15 before the beginning of the tax year.

The Condominium Abatement Program is not available to sponsors, to any party owning more than three units in the Condominium or to nonresidential units. It is also unavailable during any tax year when the Condominium enjoys a building-wide tax exemption, such as that provided by Real Property Section 421-a. A condominium may remain eligible for the Condominium Abatement while also receiving an abatement under Section 11-243 of the New York City Administrative Code (formerly Section J51-2.5) provided it does not also receive an exemption under that section. The Finance Department will not grant benefits unless the unit owners provide their social security numbers on the application made by the board of managers and may require unit owners to certify their residency status. Only units owned by eligible individuals and trusts for the exclusive benefit of eligible individuals will receive the abatement;

units owned by other types of trusts, limited liability companies, partnerships or corporations will not receive benefits.

The Commissioner of Finance has promulgate rules providing for the revocation of Condominium Abatement Program benefits in buildings where taxes or other municipal charges are in arrears.

J. The By-Laws provide that the Condominium is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

A. The following discussion of certain income tax consequences of the ownership of Units by purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP, a copy of which is set forth in Part I of this Plan.

B. **STROOCK & STROOCK & LAVAN LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS PLAN AND/OR THE ATTORNEY'S INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

Deductibility of Mortgage Interest and Real Estate Taxes

A. Each Unit Owner will own such Unit Owner's Unit and its appurtenant interest in the Common Elements in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own such Unit Owner's Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

B. It is the opinion of Stroock & Stroock & Lavan LLP that a Unit Owner who uses such Unit Owner's Unit as a personal residence and itemizes such Unit Owner's deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $1 million), plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and may apply to the overall allowance of itemized deductions.

Taxation of the Condominium

A. If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income in connection with the provision of laundry facilities, and interest earned on any reserve funds (less expenses directly connected with the production of such income).

B. Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming if the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the non-membership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.

C. The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

D. No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax Laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Stroock & Stroock & Lavan LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

ATTORNEYS INCOME TAX OPINION OF
STROOCK & STROOCK & LAVAN LLP

STROOCK

June 21, 2016

61 Martense Street LLC
2001 East 9th Street, Suite 1K
Brooklyn, New York 12223

Re: Condominium Offering Plan
61 Martense Street Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences (including the deductibility of any mortgage interest or real estate taxes) of (i) ownership of any Unsold Unit, any Unit that is used for commercial or mixed residential/commercial purposes, or any units other than the Units, (ii) ownership or rental of any Unit purchased or rented for use by the resident manager or (iii) any rebates or other payments that may be made, or benefits that may be provided, to owners of the Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Units will acquire their Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Unit will receive legal title in fee simple to his or her Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Unit and will be

liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit 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 to the extent otherwise allowed. Rev. Rul. 64-31, 1964-1 C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Unit who itemizes deductions and who uses his or her Unit solely as a personal residence will be entitled under current law to deduct from his or her gross income for federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the federal alternative minimum tax. Owners of the Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes, and the applicability to them of the federal alternative minimum tax.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

Section 163 of the Code provides that a taxpayer generally is entitled to a deduction for federal income tax purposes for interest paid with respect to a principal and a second residence (each a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which is (i) incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing of such indebtedness, to the extent that the indebtedness does not exceed the amount of the refinanced debt), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return) ("acquisition indebtedness"), and (ii) indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for the qualified residences of the taxpayer in any period. Accordingly, an owner of a Unit who itemizes deductions and uses his or her Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Unit to the extent

that such indebtedness, when added to the amount of acquisition indebtedness incurred with 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 his or her 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 the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Units for federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and any overall limitation on the allowance of itemized deductions.

Each owner of a Unit who uses his or her Unit solely as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for federal income tax purposes. However, 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 100% in the case of individuals having income exceeding certain prescribed levels.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. However, even if the election is made, the Condominium will remain liable for federal income tax on any taxable income it may have from other sources, such as income, if any, from the operation of laundry or dining facilities and interest earned on any reserve funds (in each case, less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from the Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or

assessments), (5) the Condominium must elect to be treated as a homeowners association and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year, and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years, or, conversely, may qualify in one year and not qualify in one or more future years.

Based on the information contained in the Plan, and assuming that the Units are used by individuals solely for residential purposes pursuant to Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Additionally, we understand that more than 60% of the Condominium's gross income is expected to consist of amounts received as membership dues from the Unit Owners pursuant to Treasury Regulation § 1.528-5. Finally, it is our opinion that the expenditure of Condominium funds to ensure adequate utilities for the Property should be treated as a qualified expenditure. As such, we understand that at least 90% of the total expenditures by the Condominium will be qualifying expenditures under Treasury Regulation § 1.528-6. Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending August 31, 2018 (the "First Taxable Year"), (ii) the actual gross income and expenditures of the Condominium for the First Taxable Year are the same as (or, if such year is a short taxable year, are in the same proportions as) the estimated gross income and expenditures for the Condominium's first full year of operations, as set forth in the Plan and the associated documents referenced therein, (iii) the Condominium otherwise satisfies the requirements listed in the preceding paragraph and (iv) there are no changes in the facts and/or the relevant provisions of applicable law after the date hereof, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the First Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996, and there is no authority addressing the application of those entity classification regulations to condominiums. Provided that the Condominium is not incorporated under any relevant provision of New York State law, the Condominium Board, as agent of the Unit Owners under the Condominium's By-Laws, may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Condominium Board

collecting such charges. If, however, the Condominium is properly treated as a separate entity, and is not incorporated under any relevant provision of New York State law, the Condominium may elect to classify itself as a corporation under the currently applicable federal entity classification regime. If the Condominium files an election to be classified as a corporation, it would be considered a separate taxpayer with respect to income (potentially including the Common Charges, among other things) and deductions and return filing requirements and would be subject to federal corporate income tax. If the Condominium does not file an election to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax; the items of income and deduction of the partnership (potentially including the Common Charges, among other things) generally would be reflected on the separate income tax returns of each of the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for federal income tax purposes, it is still possible that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

We express no views as to any federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, the New York State Department of Taxation and Finance, the City of New York Department of Finance or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Condominium Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or the IRS and New York State and New York City rulings on which we have relied, which cause the owners of the Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan, along with references to our name in the Plan.

Very truly yours,

STROOCK & STROOCK & LAVAN LLP

76227031

339-I OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

June 17, 2016

61 Martense Street LLC
2001 East 9th Street
Brooklyn, NY 11223

Re: The 61 Martense Street Condominium
61 Martense Street
Brooklyn, New York (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 23.3(aa)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by King David International Realty as set forth in its opinion contained in the Plan as required by NYCRR Section 23.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of King David International Realty.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(ii), i.e., based upon the approximate proportion that the floor area of the unit at the date of the declaration bears to the then aggregate floor area of all of the units, and that such proportion reflects substantially exclusive advantages enjoyed by one or more but not all units ina part or parts of the common elements.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

STROOCK & STROOCK & LAVAN LLP · NEW YORK · LOS ANGELES · MIAMI · WASHINGTON, DC
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212 806 5400 FAX 212.806.6006 WWW.STROOCK.COM

The opinion expressed herein is based solely on New York law.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,



STROOCK & STROOCK & LAVAN LLP

REAL ESTATE TAX OPINION OF
METROPOLITAN REALTY EXEMPTIONS, INC.

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

October 2, 2017

61 Martense Street LLC
36 Airport Road, Suite 104
Lakewood, NJ 08701

RE: 61 Martense Street
Brooklyn, NY
Block & Lot: 5086 - 60
Sixty (60) Residential Condo Units

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.

The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year, which commences July 1st.

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

The property tax assessment process commences when the city's assessors determine the market value of the property. In regard to one-, two- and three-family homes (tax class 1), Finance estimates market values based on comparable sales. Finance's records indicate that the assessor's assessment on market values, only deviate from actual sales prices by 15 percent or less.

Property tax is only levied on a portion of the market value. This portion is called the assessed value. In regard to 1-3 family homes and Condominiums with no more than three (3) stories, provided such property was previous classified as class one (1), the assessed values are levied on 6% of the market value. In regard to all other properties, taxes are levied on 45% of the market value.

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

In reference to the subject premise, the subject building consists of 60 Class A residential condominiums. Based on assessment guidelines, The NYC DOF Surveyor's Office shall class the proposed structures as a tax class two (2) and thus levy the assessed value on a 45% rate of the market value.

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

Taxes for the first year of condominium operation will be as follows:

The first year of condominium operation will begin in September 2017 and end in August 2018.

ESTIMATED FULL TAX LIABILITY
2016/2017 AND 2017/2018 TAX YEARS

	Assessed Value	Tax Rate	Real Estate Tax
2016/2017 TAX YEAR	$1,089,000	12.892%	$140,394
2017/2018 TAX YEAR	$1,105,000	12.892%	$142,457

ESTIMATED TAXES FIRST YEAR OF CONDOMINIUM OPERATION

	Assessed Value	Tax Rate	Real Estate Tax
25.00% of year 2016/2017	$272,250	12.892%	$35,098
75.00% of year 2017/2018	$828,750	12.892%	$106,842
First year of condo	$1,101,000		$141,941

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 2016/2017 tax year (3 months) and 75.00% of the taxes due for the 2017/2018 tax year.

The blended tax for the first year of condominium operation is forecasted at $141,941 for all units.

These estimates exclude any exemptions or abatements for which the property may qualify.

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

Metropolitan Realty Exemptions, Inc.

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			
	2014/2015	2015/2016	2016/2017	2017/2018
$50,000 or less	28.1%	28.1%	28.1%	28.1%
$50,001 - $55,000	25.2%	25.2%	25.2%	25.2%
$55,001 - $60,000	22.5%	22.5%	22.5%	22.5%
$60,001 and above	17.5%	17.5%	17.5%	17.5%

Requirements

- The co-op or condo unit must be the owner's primary residence.
- You must have purchased the unit on or before January 5 to qualify for the abatement for the upcoming tax year. If the unit was purchased after January 5, you can apply for the next tax year.
- 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.
- Property must be classified as a Class 2 property.
- Co-op or condo owners cannot be receiving any of the following exemptions or abatements:
    - J-51
    - 420c, 421a, 421b, or 421g
    - Cooperative properties are not eligible for the Clergy exemption

  The co-op or condo property cannot be:

    - a Housing Development Fund Corporation (HDFC);
    - a Limited Divided Housing Companies, Redevelopment Company;
    - a Mitchell-Lama Building or
    - in the Division of Alternative Management Programs (DAMP) Program.

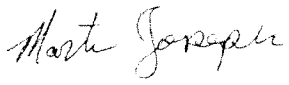
- Units owned by a business (LLC) are not eligible.
- Units held by sponsors or their successors in interest are not eligible.
- Units owned by a trust are eligible only if the unit is the primary residence of the beneficiary of the trust, trustee, or life estate holder.

This letter was prepared at the Sponsor's request. However, we make no representation that the tax rates set each year by the City Council, or the assessed valuation determined by the city's assessors will reflect our projected estimate. In no event will my firm, the

118 Middleton Street Brooklyn, NY 11206 Tel: (718) 387-3004 Fax: (718) 228-3503

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,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

118 Middleton Street Brooklyn, NY 11206 Tel: (718) 387-3004 Fax: (718) 228-3503

RESERVE FUND

A. The New York City Council enacted Local Law No. 70 which amends Chapter 51 of the Administrative Code of the City of New York (the "Reserve Fund Law"), the full text of which is set forth in Part II of this Plan. The Reserve Fund Law requires the sponsor of an offering plan for the conversion of a building from rental to condominium status to establish a reserve fund (the "Reserve Fund") to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. The Reserve Fund shall be in addition to the Working Capital Fund to be funded at each Closing by Purchasers.

B. Sponsor shall, within 30 days after the First Closing, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(i) 3% of the sum of the cost of all Units offered for sale pursuant to this Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of this Plan regardless of the number of sales made (the "Total Price"), or

(ii) 3% of the actual sales prices of all Units offered for sale pursuant to this Plan which are sold by Sponsor at the Effective Date of this Plan, provided, however, that if such amount is less than 1% of the Total Price, then the Reserve Fund shall be established as a minimum of 1% of the Total Price; plus

(iii) supplemental contributions to be made by Sponsor at a rate of 3% of the actual sales price of Units for each Unit offered for sale under this Plan held by Sponsor and sold to bona fide purchasers subsequent to the Effective Date of this Plan and within 5 years of the First Closing notwithstanding that the total amount contributed may exceed 3% of the Total Price; and provided, further, that if 5 years from 30 days after the First Closing, the total contributions by Sponsor to the Reserve Fund are less than 3% of the Total Price, Sponsor shall pay the difference between the amount contributed and 3% of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within 30 days of each sale of a Unit under this Plan.

C. The Reserve Fund may not be reduced by closing adjustments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after this Plan is submitted for filing to the Department of Law and before this Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or 1% of the Total Price. Sponsor anticipates taking a credit against the mandatory initial contribution for qualifying work performed in the Building, including all qualifying work associated with the Building Remediation Program as well as all qualifying work comprising the Proposed Renovations.

D. The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined until the First Closing since it depends on which option Sponsor chooses under the Reserve Fund Law. Under no circumstances will the Reserve Fund be less than 2% of

the Total Price. No purchaser will be entitled to rescind his or her Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

E. The Reserve Fund Law also requires Sponsor not later than the 30th day following the Filing Date of this Plan and until the First Closing to post and maintain in a prominent place accessible to all tenants in the Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours of their issuance. Sponsor hereby designates the Superintendent's office at the Building as a place where such listing will be made available for inspection by the tenants.

F. In the event that at any time prior to the First Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all purchasers will be given fifteen (15) days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Agreements and be refunded all monies paid thereunder. In the event that on or after the First Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in this Plan notwithstanding such repeal.

G. No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items likely to be needed or how the Condominium Board, which will initially be controlled by Sponsor, will utilize the Reserve Fund. While it is likely that the Reserve Fund will be utilized by the Condominium Board to perform certain capital improvements (e.g., replacement of boiler) Sponsor makes no representations or assurances as to what work might be done by the Condominium Board or how much might remain in the Reserve Fund after the Condominium Board performs such work. Moreover, if Sponsor elects to fund the Reserve Fund through supplemental contributions, there may not be a sufficient amount in the Reserve Fund at the time repairs are deemed necessary or appropriate and, if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against the Unit Owners or Sponsor may elect to advance its contributions to the Reserve Fund and take a credit against future supplemental contributions. Based upon estimates received by Sponsor, Sponsor believes that the Reserve Fund will be sufficient to pay for the replacement of capital items likely to be needed as disclosed in the Description of Property set forth in Part II of the Plan. The Working Capital Fund may be expended for any purpose, including the reduction of Common Charges, during any period, including the period that Sponsor controls the Condominium Board. The Working Capital Fund may be augmented by allocations from the monthly Common Charges collected from each Unit. Sponsor will not make a contribution to the Working Capital Fund. No representation can be made, however, that after Sponsor relinquishes control, the Condominium Board may not decide to use the Reserve Fund for a purpose other than for which it has been established.

H. **THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS," WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR OR THE SELLING AGENT WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY**

OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

WORKING CAPITAL FUND AND APPORTIONMENTS

A. The Purchaser of each Unit shall be required to make a contribution at the Closing of such Unit Owner's Unit(s) to the Working Capital Fund. Such contribution shall be in an amount equal to two (2) months' Common Charges in effect for such Unit(s). A Purchaser of a Unit occupied by a Non-Purchasing Tenant will pay a contribution to the Working Capital Fund in an amount equal to two (2) months' Common Charges then applicable to such Unit being purchased to furnish services and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL.

B. At the First Closing, Sponsor will apportion with the Board the following items as of midnight of the date preceding said Closing:

C. employees' wages, vacation and severance pay, pension and welfare benefits and accruals, uniforms and all other payments or obligations relative to the employees of the Building;

D. deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

E. charges for electricity and other utilities for the General Common Elements and Limited Common Elements;

F. cost of fuel on hand (plus sales tax), if any;

G. charges and receipts in connection with service, maintenance and concession contracts;

H. water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

I. cost of Building supplies on hand at Sponsor's cost (including sales tax);

J. premiums for transferable insurance policies, if any;

K. management fees; and

L. other customary adjustments.

M. If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

N. If there are net closing adjustments in favor of the Sponsor, the Board shall execute a promissory note in favor of Sponsor for such amount, together with interest at

6.5% per annum, payable in 12 monthly installments commencing on the first anniversary of the First Closing.

O. The Working Capital Fund will be held and used for working capital, for costs and adjustments in connection with the Super's Unit, or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. The Working Capital Fund may be expended for any purpose, including the reduction of Common Charges, during any period, including the period that Sponsor controls the Condominium Board. Sponsor will not make a contribution to the Working Capital Fund.

P. The Condominium Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges or Common Charges attributable to Unsold Units.

Q. In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Condominium Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT

A. The Condominium Board will enter into a management agreement (the "Management Agreement") with respect to the Building at or prior to the First Closing with Sponsor (the "Managing Agent"). The principals of the Managing Agent are the same as Sponsor and its principals.

B. The Management Agreement provides for a term of one (1) year (the "Initial Term") commencing after the First Closing. Thereafter, the term shall automatically renew for one (1) year periods unless and until the Management Agreement is terminated as provided hereinafter. At any time after the Initial Term, the Management Agreement may be terminated at the option of either party at the end of any calendar month upon not less than sixty (60) days' prior written notice from one party to the other.

C. The Managing Agent will receive an annual fee of $48,000, payable in equal monthly installments.

D. The Condominium Board will reimburse the Managing Agent for all reasonable out of pocket expenses incurred by Managing Agent in the performance of its duties under the Management Agreement including, but not limited to, messenger expenses and storage charges for the Board's documents and filing fees.

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

F. billing and collecting Common Charges payable by Unit Owners;

G. causing the Common Elements to be maintained, repaired, replaced and altered in the manner deemed advisable by the Condominium Board.

H. contracting for necessary services and purchasing all supplies necessary to properly maintain and operate the Common Elements;

I. checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid;

J. supervising, hiring and discharging employees necessary for the proper maintenance and operation of the Building and representing the Condominium Board in disputes with employees;

K. rendering monthly statements of receipts and disbursements to the Condominium Board or other designated entity, upon request;

L. maintaining payroll records and filing withholding tax statements for employees;

M. maintaining accurate sets of books for the Condominium Board;

N. cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year;

O. attending annual meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings, and if requested by the Condominium Board, provide a secretary, at the Condominium Board's expense to record the minutes of such meeting; and

P. generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

Q. The Condominium Board will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the Management Agreement or at the instructions of the Condominium Board, provided however, any such indemnification will not cover any claims resulting from the Managing Agent's gross negligence or willful misconduct.

R. Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the Management Agreement will not extend to supervising or managing major capital renovations or major capital improvements, unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor. The Managing Agent, at the expense of the Condominium Board, will be bonded during the term of the Management Agreement under fidelity or general surety bonds in the amount of $100,000 in favor of the Condominium Board for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

IDENTITY OF PARTIES

Sponsor

Sponsor is 61 Martense Street LLC, a New York limited liability corporation formed on March 16, 2016 with an address at 2001 East 9th Street, Brooklyn, NY 11223. Sponsor's managing member is 61 Martense Holdings LLC, a New York limited liability company, which in turn is managed by member-managers Cedar Beverly LLC and CT CMF Holdings LLC.

Eliezer Jeremias and Moshe Greenzweig are the individual principals of Sponsor. No other individuals own or control a 10% or more equity interest in the Sponsor. Mr. Jeremias has an address at [redacted] Mr. Greenzweig has an address at [redacted]

Mr. Jeremias and Mr. Greenzweig have been involved in ownership, management and sale of real estate in New York City for many years.

Mr. Jeremias has not been involved in any condominium or cooperative offering plans for the last 5 years and does not own 10% or more of the unsold units or unsold shares in any building except as follows:

1470 Ocean Avenue, Brooklyn, New York

1474 Ocean Avenue, Brooklyn New York

75 East 21 Street, Brooklyn, New York

318 West 7th Street, Plainfield, New Jersey

300 West 7th Street, Plainfield New Jersey

20 Tuscany Terrace, Lakewood New Jersey

2 Tuscany Terrace, Lakewood, New Jersey

Mr. Greenzweig has not been involved in any condominium or cooperative offering plans for the last 5 years and does not own 10% or more of the unsold units or unsold shares in any building except as follows:

75 East 21 Street, Brooklyn, New York

1470 Ocean Ave, Brooklyn, New York

1474 Ocean Ave, Brooklyn, New York

1290 Ocean Avenue, Brooklyn, New York

1464 Ocean Avenue, Brooklyn, New York

398 East 18th Street Brooklyn, New York

1264 55th Street, Brooklyn, New York

318 West 7th Street, Plainfield, New Jersey

There have been no prior felony convictions of Sponsor, or any principal of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principal of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan. Principals of Sponsor are current in their obligations with respect to the foregoing properties.

Selling Agent

The Selling Agent for this offering is The Corcoran Group, having an address at 30 Irving Place, 5th Floor, New York, New York 10003.

The Selling Agent has been involved in the sale of coops and condominiums in New York City for over thirty (30) years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Managing Agent

The Managing Agent for the Building is Sponsor (See the Section entitled "Management Agreement" in Part I of the Plan).

The Managing Agent has been involved in the operation and management of residential properties in New York City for many years. There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Attorneys for Sponsor

Sponsor has retained the law firm of Stroock & Stroock & Lavan LLP, having an office at 180 Maiden Lane, New York, New York 10038 to represent it in connection with the Plan. Stroock & Stroock & Lavan LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Units and compliance with Section 339-i of the Real Property Law. Dale Degenshein, Esq. had principal responsibility for the preparation of the Plan. Stroock & Stroock & Lavan LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor's Engineers

The engineer for the Building is Demerara Engineering, PLLC, having an address at 37-24 24th Street, Suite 231, Long Island City, New York 11101. The Engineer has examined the physical condition of the Building and has rendered its report thereof and a certification which are set forth in Part II of this Plan. The Engineer has been providing engineering services for many years. All statements and representations made in this Plan with respect to the "Description of Property" have been made in reliance upon the Engineer and its authority as an expert.

Except as otherwise stated, none of the aforementioned architects or engineers has any financial interest in the Property, Sponsor, the Selling Agent and the Managing Agent, or any other parties interested in this transaction, except for its fee for services rendered.

Sponsor's Condominium Expert

King David International Realty, licensed real estate broker with an address at 616 Williamsburg Station, Brooklyn 11211, in consultation with Sponsor, provided its opinion regarding the adequacy of the amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation" and its opinion as to the allocation of the Common Interests as meeting the requirements of RPL § 339-i.

Service of Process

The Secretary of State of the State of New York has been designated to receive service of process on behalf of Sponsor.

SPONSOR'S PROFIT

A. Sponsor acquired the Property on May 16, 2016 from Prospect Flatbush Estate, LLC.

B. The purchase price together with Sponsor's approximate cost of capital expenditures undertaken or to be undertaken, the costs associated with acquisition and ownership of the Property, including financing costs and the aggregate amount for costs incurred in connection with the conversion such as sales commissions, attorneys' and engineers' fees, printing, advertising, government filing fees and transfer taxes are estimated to aggregate approximately $23,000,000. Assuming that all of the Units are sold at the Offering Price to Tenant Purchasers, and given Sponsor's estimated costs, the Sponsor's profit from the sale of the Units would be approximately $18,605,000. Sponsor does not anticipate that all of the Occupied Units will ultimately be sold to Tenant Purchasers. Moreover, it should be noted that the exact profit to be realized by Sponsor cannot now be determined and may increase or decrease substantially depending upon variable factors such as the uncertainty of future market conditions including the availability and cost of money, the length of time required to sell the Units, losses or expenses arising from obligations assumed or waived by Sponsor under this Plan and other contingencies.

DOCUMENTS ON FILE

In accordance with Section 352-e(a) of the New York General Business Law, copies of this Plan and Parts A, B, C, and D of the Exhibits delivered to the Department of Law containing all exhibits or documents referred to herein shall be available for inspection (without charge) and for copying (at a reasonable charge) by prospective Purchasers and by any person who shall have purchased a Unit offered under this Plan, at the office of the Selling Agent during business weekday hours and shall remain available for such inspection and copying for a period of six years from the First Closing. In addition, a set of the Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed with the City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the City Register's Office. Sponsor shall deliver to the Condominium Board a copy of the recorded Declaration and By-Laws and the Floor Plans filed simultaneously therewith in the City Register's Office prior to or at the First Closing. All deeds conveying, and all mortgages covering, individual Units will also be recorded in such office.

REPORTS TO UNIT OWNERS

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

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year, which statement shall be certified while the Sponsor is in control of the Condominium Board;

(2) prior notice of the annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the Condominium delivered to Unit Owners at least 10 days prior to the adoption thereof.

GENERAL

A. The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Unit Deed, form of Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

B. To Sponsor's knowledge, there are no outstanding violations or reports regarding lead-based paint at the Property.

C. Under applicable Federal and local Law, leaded paint can no longer be used in the construction of the Building. Local Law 38 of 1999 ("Local Law 38") had required that where an owner had notice that a child under the age of six resided in an apartment, the "owner" was obligated to conduct annual inspections for peeling paint and deteriorated surfaces and abate and repair peeling paint, smooth all bare floors and repair deteriorated sub-surfaces and binding doors and windows, whenever the foregoing inspection revealed such conditions or an apartment becomes vacant. In an unanimous decision, the New York State Court of Appeals overturned Local Law 38 on the grounds that the City of New York did not satisfy the requirements of the State Environmental Quality Review Act ("SEQRA") when it was passed. In nullifying Local Law 38, the Court resurrected Local Law 1 of 1982, which requires the elimination of all lead paint, both peeling and intact, in a building constructed prior to 1960. Sponsor makes no representation regarding the scope or nature of any future enactments regarding lead-based paint or whether Local Law 38 will be further modified and enacted or whether the City or State of New York will adopt other laws dealing with lead based paint or what the provisions of such law may be. Prospective purchasers are urged to review Local Law 1 or any successor statute thereto and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owner thereunder. Unit Owners shall be deemed "owners" of their respective Units with the obligation to comply with the requirements of the Unit for purposes of compliance with all environmental laws, including, without limitation, requiring the removal or abatement of asbestos containing material or lead-based paint.

D. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Based upon the age of the building, it is possible that there is lead-based paint or lead-based paint hazards in the Building, however, Sponsor is not aware of any lead-based paint or lead-based paint hazards in the Building that need to be remedied, and has no records or materials pertaining to same. Sponsor will comply with applicable Law concerning the use of lead-based paint. Set forth as an Exhibit in Part II of this Plan is a copy of the booklet issued by the United States

Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead based paint. In accordance with the terms of the rider annexed to the Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. Please refer to the Agreement set forth in Part II of the Plan for further details. Given the age of the Building and the wide spread routine use of lead based paint in preceding decades, it can be assumed that there is some lead based paint present in the Building.

E. To Sponsor's knowledge, there are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

F. No party other than the Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

G. Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan as to which rescission is required by the Department of Law, Purchasers will have a right of rescission which may only be exercised within fifteen (15) days from the date of presentation of said amendment. Escrow Agent shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall be entitled to retain any Custom Work Costs actually incurred in connection with the performance of Custom Work in the Unit.

H. In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

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

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

K. No contracts and Agreements have been entered into and no deposits or advances of funds have been accepted as of the date the Plan is accepted for filing.

L. To the best of Sponsor's knowledge, neither the Property nor the Building have been the subject of any prior public offerings.

SPONSOR'S STATEMENT OF BUILDING CONDITION

A. Set forth in Part II of the Plan is the "Description of Property." Sponsor is not an architect or engineer, but believes and hereby represents that the "Description of Property," with additional information by Sponsor if any as indicated, set forth in Part II of the Plan, represents accurately the present Building condition. The firm preparing the "Description of Property" has no financial interest in the Property, Sponsor, the Condominium, the Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered. Sponsor knows of no facts or information inconsistent with the report that follows. Elevator inspections for the Building will be current as of the First Closing.

B. Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Building except as hereinafter set forth in the "Description of Property", including the violations search annexed thereto, and as follows:

C. As more particularly set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain structural elements are in varying degrees of repair and require certain renovations (collectively, the "Building Remediation Program") as follows:

(i) Structural System. The stratification and soil types that exist beneath the Building footprint are unknown. Visual inspection of the ground floor walls and floors, the exterior foundation walls, and floor slabs that are visible from the cellar show signs of vertical and horizontal cracking. In addition, such inspection revealed signs of cracking of the reinforced concrete foundation walls within the Garage access driveway, cracking of the concrete encasement of structural steel members throughout the ground level of the Building not believed to be caused by natural settlement of the Building, some mortar joint decay (but no excess friability of any joints), and delamination on the rear exterior walls. The cellar is dry and shows no sign of moisture or seepage or ground water infiltration and there is no danger from flooding, either due to the water table in the area or due to any overflow from other bodies of water. Further, the Building is not located in a FEMA flood zone. While the footing elements of the Building providing foundational support in the soil are not visible such that a full assessment can be made as to the structural integrity of the Building without further testing, Sponsor's architect did not observe any signs of distress to the foundation. However, further structural inspections are recommended to determine the nature and extent of repairs that may need to be made to the Building's foundation.

(ii) Parking Garage, Cellar, and Ground Floor. The Parking Garage is situated at the rear of the ground floor and incorporates a steel framed structure of beams and columns, encased in concrete for fire and corrosion protection of the steel. A reinforced concrete slab serving as a yard for the building, provides a roof over the Parking Garage. Cracking and spalling of approximately 10% of the concrete encasement of the parking garage columns and beams was observed by Sponsor's Architect. The Building's Cellar is also constructed with structural steel columns and beams. These steel members are protected by concrete encasement as is typical throughout the ground floor. Sponsor's Architect has determined that there is delaminating and spalling off of the concrete encasement from the bottom flanges of the visible floor beams. In several cases, complete delaminating of the beams has occurred. In other cases;

however, some portion of the fire protection has remained. In general, the Cellar, the Parking Garage, and the underside of the first floor need fire-protection repair and upgrade, consisting of the re-encasement of approximately 25% of the structural steel members. Additionally, the underside of the reinforced concrete ground floor slabs that are visible from the cellar, revealed cracking, spalling and delaminating.

Based on the age of the building, and the structural damage observed within the ground floor, Sponsor's Architect recommends that wet floor areas of the Building, such as bathrooms and kitchens, be inspected to verify the condition of the existing floor joists and to determine whether and to what extent any joist replacement is required. The method of waterproofing for the foundation walls and floor slab is unknown. The joists at the roof of the Parking Garage is also potentially compromised and should also be inspected for damage.

The Sponsor has commenced, at its cost and expense, the Building Remediation a Program to address the foregoing conditions and reserves the right to perform future improvements to the Building. Any plans and/or work for future improvements will be disclosed in an duly filed amendment to the Plan. Details of the Building Remediation Program, including the projected cost thereof, are set forth in Exhibit 4-A in Part II of the Plan.

2) Sidewalk and Curb. The sidewalks and sidewalk curb are concrete and in overall fair condition. There are some cracks near the tree pit that are in need of replacement. Sponsor has not received a proposal for the scope of work or the cost of such repairs however the approximate cost is estimated to be $30,000. If, after Consummation of the Plan the Board of Managers determine that to undertake such repairs, the Condominium will be responsible for all such costs and expenses.

3) Roof and Roof Structures. The roof over the building is rubber roofing and appears to be in fair condition. Sponsor does not currently anticipate making any repairs to the roof. However, repairs will likely be warranted within 5 years. The approximate cost of replacing the roof is $85,000. If, after Consummation of the Plan the Board of Managers determine that the Roof should be repaired or replaced, the Condominium will be responsible for all such costs and expenses.

4) Exterior Stairs. Stairs at the left of the courtyard (when facing the building) are concrete and in fair condition. The stairs at the right of the courtyard are steel and are in need of a repainting. One tread is missing and needs to be repaired. The approximate cost of exterior stair replacement is $26,000. If, after Consummation of the Plan the Board of Managers determine that the exterior stairs should be repaired or replaced, the Condominium will be responsible for all such costs and expenses.

D. Subject to the foregoing disclosures in subparagraph "B" above and elsewhere in this Plan, including the "Description of Property" included as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan the Units are being sold "as is" in the condition in which they exist at the time a Purchaser signs an Agreement, subject to ordinary wear and tear. As set forth in the "Description of Property" included as Exhibit 4 in Part II of the Plan, due to the Building's relative age, certain elements such as the lobby, original plumbing and drain lines,

electrical wiring, and laundry room are in varying degrees of repair address the foregoing conditions, Sponsor has commenced the following improvements: a building-wide electrical upgrade, installation of additional lighting in the public hallways, installation of new flooring in certain public hallways, replacement of certain windows in the Common Elements, renovation of the lobby, and the creation of a recreational room for use by Unit Owners (collectively, the "Proposed Renovations"). Sponsor anticipates, but does not guarantee, that the Proposed Renovations will be completed by the First Occupancy. In addition, Sponsor reserves the right to expand the scope of the Proposed Renovations (including, without limitation, the right to create lot line windows). Any such material modifications or addition will be disclosed in an amendment to the Plan and, if such modifications or additions are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements.

Purchasers are cautioned that no final determination has been made at this time as to the exact scope, nature and time frame for the completion of any future improvements and Sponsor shall not be obligated to make any future renovations. Notwithstanding, any plans and/or work for future improvements will be disclosed in an duly filed amendment to the Plan. Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building, except as recommended in the "Description of Property" set forth as Exhibit 4, the "Building Renovation Program" set forth as Exhibit 4-A and the "Façade Renovation Status Report" set forth as Exhibit 4-B in Part II of the Plan. In addition, Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls.

E. (1) The Martin Act requires that the Sponsor disclose the terms of the offering made under this Plan. With regard to the description of property, the Martin Act requires that Sponsor disclose the detailed terms of the transaction, which shall include a description of the property, the nature of the interest, and how title thereto is to be held. See N.Y. Gen. Bus. Law § 352-e(1)(b). As required by the Department of Law regulations, the Sponsor hereby discloses that it is obligated to perform Building Renovations, to the extent Sponsor undertakes the same, in accordance with all applicable Laws and the Plans and Specifications as well as the provisions of the Plan. See 13 N.Y.C.R.R. § 20.3(t)(10). The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) which only applies to new dwellings of 5 stories or less, is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit, Common Element or Limited Common Element, if applicable, and Purchasers are advised that no such warranties exist under the laws governing the offering. Purchasers are further advised that the Martin Act is a disclosure statute that does not require Sponsor to provide any specific warranties of any nature regarding the Units that are offered under the Plan. Sponsor makes no representation or warranty with respect to sound transmission, odors emanating from within or without the Condominium, air, views or light quality. As stated above, Sponsor is obligated to undertake Building Renovations in accordance with all applicable Laws and the Plans and Specifications, and any conflict between: (a) the disclaimers and (b) the Sponsor's obligation to undertake Building Renovations in accordance with all applicable Laws and the Plans and Specifications as disclosed in the Plan, shall be resolved in favor of the Sponsor's obligation to perform the Building Renovations in accordance with all applicable Laws and the Plans and Specifications set forth in the Plan.

(2) Sponsor hereby discloses that it makes no warranty or guaranty as to the presence of mold, mildew, spores, fungi or other toxins at the Condominium. Mold and mold spores are present throughout the environment and residential condominium construction cannot practicably be designed to exclude the introduction of mold spores. According to public statements made by the EPA, molds are part of the natural environment, and can be found everywhere, indoors and outdoors. Mold is not usually a problem, unless it begins growing indoors. Moisture is the primary mold growth factor that can be controlled in a condominium setting. Accordingly, Unit Owners are advised to minimize or control moisture in their respective Units so as to minimize or eliminate mold growth in their respective Units. For additional information on mold, purchasers are advised to visit the EPA's website at the following address: https://www.epa.gov/mold.

(3) With respect to the presence and/or existence of molds, mildew and/or microscopic spores at the Condominium, Sponsor hereby discloses that it shall not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory. In no event will Sponsor be liable for incidental, special or consequential damages in connection with the issues described in this Paragraph (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, costs incurred if a Unit Owner vacates the Unit or its contents during any period that such Unit Owner seeks to remediate any condition described in this Paragraph. The foregoing disclaimers and waivers of Purchaser shall also apply to any "consumer product" as defined in the Magnuson-Moss Warranty Act, which consumer products shall not be warranted by Sponsor but instead by the manufacturer, if applicable. (See the Section entitled "Rights and Obligations of Sponsor" under the subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion).

F. The Building was built in 1953 and as with any program of repairs, renovations and replacements of an existing building, Sponsor may be required to alter the Plans and Specifications of any Building Renovations to address existing conditions uncovered in the course of renovation. Purchasers are advised that the Building, when initially constructed, complied with then applicable codes; however, portions of the Building, if constructed today may not comply with New York City Department of Building Code (the "Building Code") or handicap accessible requirements. Such noncompliance is deemed "grandfathered" pursuant to the Building Code and accordingly does not constitute a basis for an objection to or closing of title to a Unit. In addition, Sponsor reserves the right to expand the scope of the Building Renovations (including, without limitation, the right to create lot line windows). Any such material modifications or addition will be disclosed in an amendment to the Plan and, if such modifications or additions are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements.

G. Sponsor makes no representations or warranties regarding building construction in the area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Unit. Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of Title to such Unit. Sponsor will, however, Maintain and operate the Building until the First Closing in substantially the same manner and

condition as on the Filing Date of this Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by Acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so Maintaining the Building and the Common Elements (or causing the same to be Maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

PART II

THE 61 MARTENSE STREET CONDOMINIUM
61 Martense Street
Brooklyn, New York 11226

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EXHIBIT "1"

AGREEMENT

PURCHASE AGREEMENT

The 61 Martense Street Condominium
61 Martense Street
Brooklyn, New York 11226

This agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between 61 Martense Street LLC, a New York Limited Liability Company, having an office at 2001 East 9th Street, Brooklyn, NY 11223 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read the Offering Plan for the 61 Martense Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") Plan at least three (3) business days prior to Purchaser's signing this Agreement. If Purchaser is not a Tenant Purchaser, Purchaser understands that if Purchaser has not been afforded at least three (3) business days prior to Purchaser's signing this Agreement to receive and read the Plan and all filed amendments, then in such event, Purchaser shall have seven (7) days after delivering this Agreement together with the Deposit to rescind this Agreement and have the Deposit refunded promptly by either personally delivering a written notice of rescission to Sponsor or the Selling Agent within the seven (7) day period or mailing the notice of rescission to Sponsor or the Selling Agent and having the mailing postmarked within the seven (7) day period. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding

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

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") designated as Unit _____ in the Declaration, together with the _____ percentage undivided interest in the General Common Elements of the Condominium appurtenant thereto.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is $ _____.

The Purchase Price is payable as follows:

$_____ (the "Deposit"), due upon Purchaser's signing and submitting this Agreement, by check or wire (subject to collection), receipt of which is hereby acknowledged. For purposes of this Agreement, the Deposit shall also be deemed to refer to the Parking Space Deposit, if and as applicable, as such terms are defined in the Riders to this Agreement .

$\_\_\_\_\_$, constituting the balance of the Purchase Price (the "Balance"), payable on the delivery of the deed, as hereinafter provided.

Checks for the Deposit shall be made payable to "Stroock & Stroock & Lavan LLP, Escrow Agent." If any Deposit check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void *ab initio* and of no further force and effect, may institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare an Event of Default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 16 of this Agreement.

4.2 The Balance shall be paid by official bank check or an unendorsed certified check drawn on or issued only by a New York bank or trust company which is a member of the New York Clearinghouse Association, or, at Sponsor's election, upon not less than three (3) days' prior written notice, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser. Checks for the Balance shall be made payable to the direct order of "61 Martense Street LLC" or such other party as Sponsor may designate upon not less than three (3) days' prior notice.

5. CLOSING OF TITLE.

5.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on notice served not less than thirty (30) days' prior to the scheduled date for closing. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser. In the event of such adjournment, a closing may be rescheduled by Sponsor upon written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing. In the event this Agreement is executed after the First Closing, the closing of title shall occur thirty (30) days after the date this Agreement is executed.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

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

5.4 DELIVERY OF THE DEED AND POWER OF ATTORNEY.

5.5 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes in the manner more particularly described under the "Closing Costs and Adjustments" in Part I of the Plan, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return, the New York State

Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

5.6 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge the Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

5.7 The deed and Power of Attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the Power of Attorney shall be sent to the Managing Agent.

5.8 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

(i) If Purchaser is a foreign government, Purchaser shall deliver to Sponsor the notification of approval to the transaction from the Department of State as required by the Foreign Missions Act, 27 U.S.C. 4305 ("FMA") as more particularly set forth herein.

(ii) Purchaser shall provide to Sponsor, at least five business days prior to Closing, an Indemnity Agreement substantially in the form annexed hereto as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole discretion, wherein Purchaser's title underwriter agrees to (i) timely submit the deed, all New York State and New York City real property transfer tax forms, including the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" ("transfer taxes") and checks for payment of such transfer taxes required to be submitted to the appropriate governmental authorities for recording and payment in connection with the conveyance of the Unit to Purchaser in connection herewith; and (ii) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's abstract company) fails to file such deed and transfer tax forms and remit the payment of the required transfer taxes in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency.

(iii) In the event the Title Agreement is not delivered as set forth above, (i) Purchaser hereby indemnifies the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees). If said title underwriter fails or refuses to execute an indemnification substantially in the form annexed hereto as Exhibit A, Purchaser will, as set forth in the Agreement, agree to: (a) indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) if its title underwriter (or such title underwriter's abstract company) fails to file such deed, transfer tax

forms and remit payment of the transfer taxes required in connection therewith in a timely manner in accordance with law and the requirements of any governmental or quasi-governmental agency; and (b) deposit, at closing, the sum of $3,000 (the "Filing Deposit") with Stroock & Stroock & Lavan LLP ("Stroock"), which may be used by Sponsor (i) to pay legal fees, at Stroock's usual and customary rates, to monitor the recording of the deed and the filing of the transfer tax forms and payment of the transfer taxes, and represent Sponsor in connection with any failure to file the deed, transfer tax forms and payment of the required transfer taxes or take any action with respect to the failure to file and remit same; and (ii) pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. Any sums remaining after the payment of the charges set forth in sections (i) and (ii) above, if any, shall be refunded to the Purchaser. Purchaser acknowledges, however, that the Filing Deposit is not a maximum payment in the event the deed and transfer tax forms are not filed and/or the payment of the required transfer taxes are not paid in a timely manner. This section shall survive Closing.

6. FEE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) First American Title Insurance Company of New York (or such other title insurance company licensed to do business in New York as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

7. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES.

7.1 Subject to Article 16 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(i) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

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

(iii) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

7.2 If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes under subsection 8.1(i) hereof and future tax payments shall be as described in the Section of the Plan entitled "Closing Costs and Adjustments."

7.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will

apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this Section 8.3 shall survive the closing of title.

7.4 At Closing, Purchaser will pay a contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges then applicable to each Unit being purchased.

7.5 At Closing, all Purchasers of a Unit who are a government or governmental mission, or a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America (individually, a "Government Entity" and collectively, the "Government Entities") may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under the Declaration and By-Laws for the payment of Common Charges and/or assessments and otherwise ("Security").

7.6 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

7.7 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. The provisions of this Section 8.7 shall survive the closing.

8. MORTGAGE RECORDING TAX CREDIT. If Purchaser obtains a mortgage loan for the purchase of the Unit, the Purchaser will pay to Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to §339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a mortgage loan, Purchaser must cause the lender making such mortgage loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to such mortgage loan as determined by Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor, will be exempt from mortgage recording tax under N. Y. Real Property Tax Law § 255. In such event Purchaser will be obligated to pay any costs of fees incurred in connection with such assignment. Sponsor shall be solely entitled to the benefits of the exemption and accordingly, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption.

9. CLOSING COSTS. In addition to those costs and adjustments described in Articles 8 and 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

10. DEPOSIT. The Deposit made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law (the provisions of which are set forth in Part II of the Plan and deemed incorporated herein by reference) and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York. Any Deposit received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Deposit, if any. Purchaser will be taxed accordingly on such interest.

11. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

12. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. PURCHASER'S REPRESENTATION. Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at any time, such documents evidencing Purchaser's authority and the authority of Purchaser's signatory as may be required by Purchaser's title company or Sponsor If Purchaser is not a Tenant Purchaser, Purchaser acknowledges and agrees that Sponsor may desire to obtain certain information about Purchaser's (or Purchaser's principals or permitted assignees) credit history prior to counter-executing this Agreement. In order to permit Sponsor to comply with the requirements of the Fair Credit Reporting Act, whether or not Sponsor has counter-executed this Agreement, Purchaser hereby authorizes Sponsor, to obtain such information and to retain a credit reporting

agency to obtain such information and Purchaser agrees to provide all necessary information to Sponsor and/or execute any necessary documentation for Sponsor, upon Sponsor's request, to permit Sponsor to obtain such information. The Controlling Party (as defined under Article 25 of this Agreement) is and shall remain personally liable for Purchaser's obligations under this Agreement

14. RENT SECURITY DEPOSIT. If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within forty-five (45) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred at closing to Purchaser, who will upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to sue the tenant to the extent such rent security is insufficient.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute a default by Purchaser hereunder:

(i) Purchaser's failure to pay the Deposit (or any portion thereof) or the Balance on the Closing Date designated by Sponsor; or

(ii) Purchaser's failure to duly complete and sign before a notary public and deliver at closing the Power of Attorney or the New York State and City transfer tax returns; or

(iii) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(iv) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(viii) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(ix) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

15.2 In the event a Purchaser defaults under the Agreement, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser thereunder, and Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, TIME BEING OF THE ESSENCE with regard to the obligation of purchaser to cure within such thirty (30) day period, Sponsor may, at its option, either (i) terminate the Agreement by notice of termination to Purchaser and retain the Deposit, the Custom Work Deposit, if any, and all other sums deposited by Purchaser under the Agreement, together with interest earned thereon as liquidated damages, it being acknowledged and agreed that such sums may be in excess of the Deposit and that it is extremely difficult and impracticable to ascertain the extent of detriment to Sponsor caused by the breach by Purchaser under the Agreement and the failure of the consummation of the transaction contemplated by the Agreement or the amount of compensation Sponsor should receive as a result of Purchaser's breach or default; or (ii) terminate the Agreement by notice of termination to Purchaser and bring an action for damages; or (iii) bring an action against Purchaser for specific performance or (iv) exercise all other remedies available to Sponsor at Law or in equity. Upon termination of the Agreement, Purchaser shall have no further rights thereunder, and Sponsor may sell the Unit to any third party as though the Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale). In addition, Sponsor shall be entitled to retain the Custom Work Deposit, or, if applicable, to commence an action against Purchaser to recover Custom Work Costs if no Custom Work Deposit shall have been made by Purchaser, or if, to the extent the Custom Work has already commenced, the Custom Work Deposit is insufficient to cover the Custom Work Cost. Sponsor shall also be entitled to commence an action against Purchaser to recover Restoration Costs to the extent that such Restoration Costs have or will be incurred by Sponsor. Notwithstanding the foregoing, if Sponsor abandons the Plan or is otherwise unable to deliver title to the Unit in accordance with the terms of the Agreement, Sponsor shall not be entitled to any Restoration Costs or Custom Work Costs.

15.3 If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to terminate the Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) the Purchaser will be required to pay to Sponsor, in addition to the other payments to be made to Sponsor under the Agreement and the Plan, an amount equal to 0.05% of the purchase price of the Unit for each day starting from (and including) the originally scheduled Closing Date to and including the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

15.4 CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

15.5 The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

15.6 If the Plan is abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain all or such portion the Custom Work Deposit which is attributable to costs actually incurred by Sponsor in the performance of Custom Work. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

15.7 SPONSOR'S INABILITY TO CONVEY THE UNITS. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability, Purchaser's sole remedy will be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain the Custom Work Costs which were actually incurred in connection with the Custom Work, and, upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

15.8 FIXTURES, APPLIANCES AND PERSONAL PROPERTY. At closing, the Unit will contain only those appliances, countertops, cabinets, sinks, air conditioning units (if any), hardware and other fixtures, equipment and appliances currently installed therein that are owned by Sponsor. The Unit is being sold unfurnished. Any appliances, air conditioning units, furnishings, equipment, fixtures and other personal property owned by any tenant of the Unit are not included in this sale. However, if the Unit is presently occupied by other than Purchaser and the existing tenant removes a stove, dishwasher and/or refrigerator belonging to him, then Sponsor agrees to supply a replacement, which may not be new, but will be in working order and

similar in size and quality to the stoves, dishwashers and refrigerators owned by Sponsor that are contained in comparable Units in the Building on the Filing Date of the Plan. Furniture, wall coverings, furnishings, decorations and the like in or about any model unit is for display purposes only and is not included in this sale. Any floor plans or sketches shown to Purchaser or included in the Plan are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon.

16. ACCEPTANCE OF CONDITION OF PROPERTY. The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including the Building, the Common Elements, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called "Installations"), in their respective "as is" existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement and delivery of the deed to Purchaser. Purchaser acknowledges having read the Description of Property, which sets forth a description of the physical condition of the Building set forth in Part II of the Plan and having been given the opportunity to review the Lender's Reports set forth in the Section of the Plan entitled "Sponsor's Statement of Building Condition." Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may otherwise be set forth in the Plan. Sponsor has agreed in the Plan to Maintain the Building and the Common Elements in substantially the same condition they were in on the Filing Date, until the First Closing (subject to ordinary wear and tear between the Filing Date and the First Closing), unless prevented from so doing by reason of acts or events beyond Sponsor's control, as more particularly set forth in the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to perform renovations (to the extent Sponsor undertakes same) in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to perform renovations (to the extent Sponsor undertakes same) in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing and it is recommended that Purchaser make a careful examination at such time; provided however, that the Purchase of a Unit does not entitle the Purchaser thereof to conduct any invasive testing in the Unit including, without limitation, making holes in the wall or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose.

16.1 If Purchaser fails to examine the Unit within said period(s), Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan or Sponsor reserves the right to postpone the scheduled Closing, in its sole discretion. Purchaser acknowledges that Purchaser must make arrangements to move into the Unit following the Closing and Purchaser agrees to follow the move-in procedures established by Sponsor or the Condominium Board.

16.2 Sponsor will not be obligated to correct, and will not be liable to the Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as more as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor.

16.3 Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

16.4 The provisions of this Article shall survive the closing of title.

17. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

17.1 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to closing under an Interim Lease or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its Installations. However, until closing Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease or Interim Lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Declaration and By-Laws.

17.2 If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

17.3 Except as provided in the preceding paragraph, all other risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor elects to repair or replace the loss or damage, which election shall be made within 60 days of a fire or other casualty, in Sponsor's sole discretion, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete, or to permit the Condominium Board to complete, such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until: (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to

Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

17.4 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs pursuant to the By-Laws, this Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's right to retain the Custom Work Deposit (and the right, at Sponsor's option, to commence an action against Purchaser for the Custom Work Costs) and neither party hereto will have any further rights, obligations or liability to or against the other hereunder and under the Plan.

18. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. The provisions of this Section shall survive the closing of title.

19. PROHIBITION AGAINST ADVERTISING. Prior to the closing of title to a Unit, the Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. Subsequent to the closing of title to a Unit, a Unit Owner (other than a Unit Owner purchasing for such Purchaser's own or their immediate family's occupancy) may not advertise, list or sell the Unit for twelve (12) months after acquisition of the Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. If any Purchaser engages in any of the foregoing activities, it shall be considered an Event of Default under the terms of the Agreement, thereby entitling Sponsor to any and all remedies under the terms of the Agreement. The provisions of this Article survive the closing of title to the Unit or earlier termination of this Agreement.

20. BROKER. Purchaser represents to Sponsor that Selling Agent Sponsor and [_____] is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be

made against Sponsor for commissions by any broker, other than the aforementioned broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 23 shall survive the closing of title.

21. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____ (the "Controlling Party"). Any purported assignment by Purchaser in violation of this Agreement will constitute a default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. By execution of this Agreement, it is acknowledged and agreed that the Controlling Party is and shall remain personally liable for Purchaser's obligations under this Agreement. Any purported assignment by Purchaser in violation of this Agreement will constitute an Event of Default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor

22. SALE SUBJECT TO EXISTING TENANCY.

22.1 The following is applicable to Purchasers of Units occupied by others:

Complete the following only if Purchaser is not the tenant of the Unit:

Unit is Vacant: Yes ( ) No ( )

If Unit is Occupied: Monthly Rent: $

Current Lease Term Expires:

or month-to-month ( )

Rent Security $

Unit is Occupied by a Non-Purchasing Tenant:

Yes ( ) No ( )

22.2 Purchaser understands and agrees that the Unit is being sold hereunder is subject to the lease or tenancy of the present tenant and Section 352-eeee of the New York State General Business Lays (the "GBL") as explained more fully in the Plan under the Section

entitled "Rights of Existing Tenants" and Purchaser and Purchaser's successors and assigns shall continue to be bound by such Laws and regulations so long as such occupancy continues.

22.3 Purchaser further understands, as explained in the Plan, that if a Non-Purchasing Tenant is in possession of the Unit on the Closing Date hereunder, Purchaser must notify the Non-Purchasing Tenant of the change in ownership of the Unit promptly after the Closing Date and Purchaser will assume the rights and obligations of Sponsor as the landlord of such tenant, including the right to collect rent (whether the same be greater or less than the Common Charges established from time to time by the Condominium Board) and the obligation to Maintain the Unit (including its equipment and appliances) for the benefit of the existing tenant. From and after delivery of the deed, Purchaser alone will bear the entire costs and expenses of owning the Unit (including, but not limited to, any legal fees and litigation expenses for enforcing the lease and obtaining possession of the Unit).

22.4 Purchaser understands that if the tenant of the Unit exercises any right granted under the Plan (or any amendment thereto) or under the Rent Laws or GBL or other applicable Law, which may or may not exist as of the date of this Agreement, or any administrative or judicial interpretation thereof, to purchase the Unit, then upon the closing of such purchase, this Agreement shall be deemed canceled and, within thirty (30) days after the occurrence of such event, all monies paid by Purchaser hereunder shall be refunded. Upon such repayment, Purchaser, Sponsor, and the Selling Agent, and any other party hereto shall be (and hereby are) released and discharged of all liability or obligations hereunder and under the Plan.

22.5 Purchaser hereby irrevocably appoints the then managing agent of the Building (which managing agent may be replaced from time to time by the Condominium Board) as his or her agent, coupled with an interest, to provide for the account and at the expense of Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has the right to occupy the Unit Purchaser is purchasing until such time as such right of occupancy terminates. Purchaser agrees to deposit with the managing agent at the closing hereunder a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Purchaser agrees that upon written notice by the then managing agent that such deposit has been diminished, that Purchaser shall replenish such fund within thirty (30) days thereafter. Purchaser further understands that Sponsor will guarantee the obligation of the then managing agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board and Purchaser will indemnify Sponsor for all costs expended by Sponsor on Purchaser's behalf. The provisions of this paragraph shall survive the closing.

23. TENANT PURCHASER'S RIGHT TO BENEFIT FROM IMPROVED TERMS. If prior to the expiration of any Exclusive Purchase Period, which begins prior to the First Closing, Sponsor amends the terms and conditions of the Plan to be more favorable to Tenant Purchasers, then if Purchaser is a Tenant Purchaser who executed and submitted this Agreement and the Deposit before Sponsor amended the terms of the Plan, Purchaser shall benefit from the more favorable terms and conditions.

24. PURCHASER'S REPRESENTATIONS.

24.1 If Purchaser was a tenant in occupancy of a Unit in the Building on the Filing Date of the Plan, Purchaser hereby represents that this Agreement was executed and delivered by Purchaser pursuant to an offering made without a discriminatory repurchase agreement or other discriminatory inducement.

24.2 If the Unit to which this Agreement relates is not occupied by Purchaser, Purchaser shall duly complete and sign before a notary public the Statement of Purchase set forth as Schedule B hereto and deliver same to the Selling Agent together with this Agreement.

25. BINDING EFFECT. If Purchaser was a Tenant Purchaser of the Unit on the Filing Date of the Plan, this Agreement shall be accepted by Sponsor, provided Purchaser signs and returns this Agreement, together with the Deposit, during the time within which Purchaser has the exclusive right to purchase the Unit as set forth in the Plan. If Purchaser was a Tenant Purchaser of the Unit on the Filing Date of the Plan, and signs and returns this Agreement, together with the requisite Deposit, after the period during which Purchaser has the exclusive right to purchase the Unit, or if Purchaser is not the tenant of record of the Unit, or any other Unit in the Building, this Agreement shall not be binding upon Sponsor until a duplicate hereof, executed by Sponsor or its duly authorized agent, is delivered to Purchaser or Purchaser's attorney. In any such case, unless this Agreement, executed as aforesaid, is delivered to Purchaser within fifteen (15) days after same is received by Sponsor or the Selling Agent, it shall be deemed rejected and neither party shall have any further rights or obligations hereunder with respect to the other, except that Sponsor shall be obligated to refund all monies paid by Purchaser within fifteen (15) days after such cancellation. Sponsor shall have the right to reject this Agreement without cause or explanation to Purchaser, provided such rejection is not based on sex, race, creed, color, national origin, ancestry or other ground proscribed by Law.

26. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, by facsimile or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn.: Dale Degenshein, Esq. in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. All notices, requests or other communications which may be or are required to be given, served or sent by any party hereto to any other party hereto shall be deemed delivered (a) upon delivery, if delivered in person, (b) upon the date deposited for overnight delivery with any reputable overnight courier service, or (c) upon the date deposited in any post office or mail depository regularly maintained by the United States Postal Office and/or sent by regular, registered or certified mail, postage paid. However, with respect to any "change of address" notification, the date of actual receipt of such notification shall be deemed the date of such notice. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is

hereby expressly designated and empowered to issue). A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

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

28. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 23 (the regulations of the Department of Law of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed. The provisions of this Article shall survive closing of title.

29. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. The parties acknowledge that, for federal income tax purposes only, this Agreement shall be deemed an option. The provisions of this Article shall survive closing of title.

30. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

31. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement (whether or not Sponsor prevails in defending or enforcing Sponsor's rights) or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder. The provisions of this Article shall survive closing of title.

32. SEVERABILITY. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances

shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

33. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser. The provisions of this Article shall survive closing of title or earlier termination of this Agreement.

34. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law. The provisions of this Article shall survive closing of title or earlier termination of this Agreement.

35. WAIVER OF JURY. EXCEPT AS PROHIBITED BY LAW, THE PARTIES SHALL, AND THEY HEREBY DO, EXPRESSLY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE CLOSING OF TITLE OR EARLIER TERMINATION OF THIS AGREEMENT.

36. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof. The provisions of this Article shall survive closing of title or earlier termination of this Agreement.

37. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement. The provisions of this Article shall survive closing of title or earlier termination of this Agreement.

38. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof. The provisions of this Article shall survive closing of title or earlier termination of this Agreement.

39. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement. The provisions of this Article shall survive closing of title or earlier termination of this Agreement.

40. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and

permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

41. NO ORAL CHANGES. This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

42. COUNTERPART SIGNATURES. This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

43. LEAD-BASED PAINT DISCLOSURE. Annexed hereto and incorporated herein as Schedule C, is the "Disclosure of Information on Lead-Based Paint and/or Lead Based Paint Hazards" required to be executed pursuant to the provisions of Federal regulation.

44. ESCROW PROVISIONS.

44.1 The law firm of Stroock & Stroock & Lavan LLP, with an address at 180 Maiden Lane, New York, New York, telephone number (212) 806-5400, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has established a master escrow account at JP Morgan Chase Bank entitled *Stroock & Stroock & Lavan LLP, Escrow Account* (the "Master Escrow Account"). The attorneys who are signatories on the account authorized to withdraw funds are: James L. Bernard, Leonard Boxer, Kris M. Hanson, Michelle Jacobson, Jeffrey R. Keitelman, Alan Klinger, Ross F. Moskowitz and Bruce Schneider. All designated signatories are admitted to practice law in the State of New York.

44.2 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.

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

44.4 The Master Escrow Account is not an IOLA account. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per depositor, per insured depository institution for each account ownership category. Accordingly, Purchasers are advised that (i) if a Purchaser makes a Deposit(s) in excess of $250,000 for the purchase of a Unit, such Deposit(s) will not be federally insured in excess of $250,000; and (ii) if a Purchaser has any additional accounts with the Escrow Bank, the funds in said accounts will be added together with the Deposit held in escrow and the total will only be insured up to the $250,000 FDIC maximum coverage. Any deposit in excess of $250,000 will not be insured, unless Escrow

Agent has established multiple accounts on behalf of Purchaser at various institutions, each for less than the amount set forth above.

44.5 All funds received from Purchasers prior to Closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

44.6 All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account(s). At such time as Escrow Agent receives two completed and signed original W-9 Forms (Request for Taxpayer Identification Number), W-8BEN Forms (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) or W-8BEN-E forms (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account(s) into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account(s) so that checks may be drawn thereon.

44.7 The interest rate for all Deposits made into the Master Escrow Account shall be the prevailing rate for such accounts. Neither Sponsor nor Escrow Agent makes any representations or guarantees that the interest rate paid on Deposits will not increase or decrease or makes any representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) three full business days of the Deposit being deposited into escrow, if the Deposit is cash or cash equivalent, or (ii) five full business days of the Deposit being deposited into escrow, if the Deposit is other than cash or cash equivalent, provided the Deposit is tendered with the W-9, W-8BEN or W-8BEN-E as set forth herein. All interest earned thereon shall be paid to or credited to the Purchaser at closing. For the avoidance of doubt, no statutory interest will accrue during any period of time during which there is a dispute over the Deposit being held in escrow. No fees of any kind may be deducted from the Master Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account. Within 5 business days after this Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Agreement and place the Deposit into the Master Escrow Account(s). Within 10 business days of placing the Deposit into the Master Escrow Account(s), Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number(s) and the initial interest rate(s) to be earned on the Deposit. Any Deposits made for upgrades, extras, or Custom Work shall be initially deposited into the Master Escrow Account(s), and released in accordance with the terms of a written agreement between Purchaser and Sponsor, including this Agreement. The

Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or the Selling Agent.

44.8 Acceptance of the Deposit by Sponsor or Selling Agent and the placement of the Deposit by Escrow Agent into the special escrow account, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Agreement to Purchaser in accordance with the terms of the Plan.

44.9 If Purchaser tenders a Deposit without an executed Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser.

44.10 The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Master Escrow Account(s). If the Purchaser does not receive notice of such Deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Master Escrow Account(s) in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

44.11 ESCROW AGENT'S NOTICE THAT THE DEPOSIT HAS BEEN DEPOSITED WILL NOT MEAN THAT PURCHASER HAS BEEN APPROVED AS A PURCHASER OR THAT THE AGREEMENT HAS BEEN SIGNED BY SPONSOR. IT SIMPLY MEANS THE CHECK HAS BEEN DEPOSITED.

44.12 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, as per GBL § 352-h.

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

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

(i) pursuant to terms and conditions set forth in this 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.

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

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

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

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

44.17 The Department of Law may perform random reviews and audits of any records involving the Master Escrow Account to determine compliance with all applicable statutes and regulations. Escrow Agent shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

44.18 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 GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in this Agreement, the Plan, or any amendment thereto.

44.19 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 GBL §§ 352(e)(2-b) and 352(h).

44.20 Escrow Agent may rely upon any paper or document which 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.

44.21 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit, along with a copy of this Agreement executed by Purchaser, to a designated attorney who is a shareholder of or employed

by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor shall obtain, or cause the Selling Agent under the Plan to obtain, two (2) original, completed and signed Form W-9 or W-8s, as applicable, from Purchaser and deliver such forms to Escrow Agent together with the Deposit and this Agreement. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

44.22 Sponsor has agreed to compensate Escrow Agent for services rendered and expenses incurred by Escrow Agent in connection with Escrow Agent's duties under this Agreement, if any, including, without limitation, disputes arising with respect to any Deposit. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

44.23 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this 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.

44.24 Escrow Agent shall not be liable for any error in judgment, mistake of fact or law or for any act or omission on Escrow Agent's part, including, without limitation, any act or omission which permits a Purchaser to rescind an Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of Escrow Agent.

44.25 Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

44.26 Escrow Agent may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to Escrow Agent in respect of any action taken or omitted in good faith by Escrow Agent hereunder in accordance with the opinion of such counsel

44.27 The Escrow Agent is authorized to act as an escrow agent, and its rights and obligations hereunder shall remain in effect unless and until its agency is canceled by either:

(a) Written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a

successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. Purchaser shall be deemed to have consented to such cancellation; or

(b) The resignation of Escrow Agent, which shall not take effect until Escrow Agent is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to Purchaser of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor; or

(c) all shares or Units offered by Sponsor pursuant to the Offering Plan have been sold and no Deposits of Purchasers from Sponsor remain in the Master Escrow Accounts

44.28 Upon termination of the duties of Escrow Agent as described in Section 48.23 above, Escrow Agent shall deliver the Deposit held by Escrow Agent and the Purchase Agreement and any other documents maintained by Escrow Agent relating to the Deposit to the successor escrow agent.

45. COUNTERPART SIGNATURES. This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

61 MARTENSE STREET LLC

By: 61 Martense Holdings LLC, Managing Member

By: Cedar Beverly LLC, Manager

By:_____
Name:
Title:

For purposes of this Agreement, it is acknowledged and agreed that the undersigned is the controlling individual of the Purchaser and shall remain personally liable for Purchaser's obligations under this Agreement:

_____

PURCHASER:

_____

Telephone No. _____

_____

Telephone No. _____

STROOCK & STROOCK & LAVAN LLP
Solely in its capacity as Escrow Agent

_____
A member of the firm

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Unit would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which First American Title Insurance Company of New York (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for residential purposes.

14. Any lease covering the Unit made from the Sponsor to the Purchaser, or if applicable, any lease covering, or tenancy or occupancy of, the Unit and the rights of such tenant(s) and occupant(s), if any, under the Rent Laws, GBL or other applicable Law.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

16. Any other liens, encumbrances, and title conditions set forth in the Unit Owner's Specimen Title Policy set forth in Part II of the Plan.

SCHEDULE B
BONA FIDE PURCHASER
STATEMENT OF PURCHASE

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

Re: Unit_____
The 61 Martense Street Condominium

The undersigned Purchaser(s) represent that Purchaser(s) intend that Purchaser(s) or one or more specified members of Purchasers(s) immediate family intend to occupy the above-referenced Unit when it becomes vacant.

PURCHASER(S):

_____
Signature

_____
Signature

Subscribed and sworn to
before me this ____ day of
_____ 20___.

_____
Notary Public

INTENDED OCCUPANT(S):

_____
Print Name

_____
Print Name

SCHEDULE C
Disclosure of Information on
Lead-Based Paint and/or Lead-Based Paint Hazards
SALES

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 intelligence 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 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

(a) Presence of lead-based paint and/or lead-based paint hazards (*Check (i) or (ii) below):*

(i) ☐ Known lead-based paint and/or lead-based paint hazards are present in the housing *(explain).*

(ii) ☐ 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 (i) or (ii) below*):

(i) ☐ 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*).

(ii) ☐ Seller has no reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

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 (i) or (ii) below):

(i) 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

(ii) 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 Acknowledgment (initial)

(f) _____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d 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 they have provided is true and accurate

_____	_____	_____	_____
Seller	Date	Seller	Date
_____	_____	_____	_____
Purchaser	Date	Purchaser	Date
_____	_____	_____	_____
Agent	Date	Agent	Date

EXHIBIT A TO AGREEMENT

FORM OF TITLE INDEMNITY

[TITLE UNDERWRITER LETTERHEAD]

Dated:

_____
_____
_____

Re: The 61 Martense Street Condominium
61 Martense Street
Brooklyn, New York (the "Premises")
Purchaser: _____

Ladies and Gentlemen:

In connection with the sale of certain units (the "Units") at the referenced Premises, you have asked for certain assurances regarding the recordation by [title underwriter] _____ ("Title Co") or an abstract company or other person or entity selected by Title Co (any of the foregoing, a "Title Closer") of the deeds for the Units and related documentation, including, without limitation mortgage related documents (the "Closing Documents"), the payment of New York City and New York State transfer taxes (including the New York State Additional Tax pursuant to Article 31 of the Tax Law) due in connection with such conveyances and mortgage recording taxes or other fees, if applicable (collectively, the "Tax Payments"), for which Title Co is insuring title.

As of the date hereof, TitleCo agrees to hold harmless and indemnify [Sponsor/Seller] _____ and Stroock & Stroock & Lavan LLP and their respective agents, representatives, members, affiliates and the like (each, an "Indemnified Party") from and against all losses, liabilities, judgments, damages, costs and expenses that an Indemnified Party may incur or suffer from the failure of Title Co or a Title Closer to (a) record the Closing Documents for any of the Units and submit the Tax Payments for any of the Units in a timely manner from the dates of conveyances for the Units, and (b) do such other act as a reasonably prudent title company of Title Closer would perform.

[Name of Title Underwriter]

By:
Name:
Title:

PARKING SPACE RIDER TO AGREEMENT

Re: (the "Purchaser")
Unit _____ (the "Unit")
The 61 Martense Street Condominium (the "Condominium")
61 Martense Street
Brooklyn, New York 11226

THIS PARKING SPACE RIDER TO AGREEMENT for the referenced Unit (the "Agreement") by and between 61 Martense Street LLC, a New York limited liability company ("Sponsor") and ("Purchaser").

W I T N E S S E T H:

1. This Parking Space Rider to Agreement (the "Parking Space Rider") amends and modifies that certain Agreement (the "Agreement") by and between Sponsor and Purchaser with respect to the above referenced Unit in the Condominium. In case of any inconsistencies between any of the terms and conditions of the Agreement, including any handwritten modifications thereto, and the terms and conditions of this Parking Space Rider, the terms and conditions of this Parking Space Rider shall prevail. All of the paragraphs and provisions contained in this Parking Space Rider are incorporated into the Agreement and made a part thereof with the same force and effect as if therein originally contained.

2. Upon and subject to the terms and conditions set forth in this Parking Space Rider executed simultaneously or concurrently herewith, Sponsor agrees to sell and grant, and Purchaser agrees to purchase a Parking Space License (as such term is defined in the Plan) of the Condominium, simultaneously with the acquisition of a Unit permitting Purchaser to park one (1) vehicle in the Parking Garage. [The Parking Space License will not grant Purchaser the right to park in a dedicated parking space]. The Purchase Price for the Parking Space License is $_____(the "Parking Space Purchase Price") which is separate from and in addition to the Purchase Price for the Unit.

3. The Parking Space Purchase Price shall be payable as follows:

(a) $_____, (the "Parking Space Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged.

(b) $_____, constituting the balance of the Parking Space Purchase Price due and payable upon the delivery of the Parking Space License (which shall be delivered simultaneously with the Unit Deed to Purchaser's Unit), TIME BEING OF THE ESSENCE, by wire as directed by Sponsor with instructions thereof provided by Sponsor to Purchaser or, at Sponsor's election, upon not less than two (2) days' prior written notice, by official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association.

Purchaser shall be responsible for the payment of transfer and other taxes, if any, that are associated with the Parking Space Licenses.

5. A default by Purchaser under this Parking Space Rider shall constitute a default under the Agreement for the Unit and that any other default by Purchaser under the Agreement for the Unit shall constitute a default under this Parking Space Rider entitling Sponsor to those remedies as more fully described in the Agreement and the Plan.

6. Purchaser shall be required to enter into a Parking Space License at the Closing of the Unit substantially in the form set forth in Part II of the Plan.

7. Purchaser acknowledges and agrees that the Parking Garage may not be ready for use and/or occupancy at the time of the closing of title to the Unit and that notwithstanding such event, Purchaser shall remain obligated to close title to the Unit. In such event the Sponsor and Parking Space Purchase Price shall be paid to Escrow Agent and Parking Space License shall be executed at Closing and the Parking Space Purchase Price and Parking Space License shall be held in escrow by the Escrow Agent. Upon notification from Sponsor that the Parking Space is available for use, Escrow Agent shall release the Parking Space Purchase Price to Sponsor with interest earned thereon, if any, and shall deliver the Parking Space License to Purchaser.

8. The terms and provisions of this Parking Space Rider and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Parking Space Purchase Price (or any portion thereof) stated in this Parking Space Rider, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder.

IN WITNESS WHEREOF, the parties have executed this Parking Space Rider as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

61 MARTENSE STREET LLC

By: 61 Martense Holdings LLC, Managing Member

_____

PURCHASER:

_____

_____

EXHIBIT "2"

POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 61 Martense Street LLC ("Declarant") establishing a plan for condominium ownership of the premises known as The 61 Martense Street Condominium and by the street number 61 Martense Street, Brooklyn, New York 11226 under Article 9-B of the Real Property Law of the State of New York, dated _____, 20____, and recorded in the Kings County Office of the Register of The City of New York on _____, ___, under CRFN No. _____or (b) in the By-Laws of The 61 Martense Street Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in the 61 Martense Street Condominium which is (are) designated and described as Unit No. in the Declaration and also designated as Tax Lot , in Block [ ] of Section of the Borough of Brooklyn on the Tax Map of the Land Records Division of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements deem necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the General Common Elements or (b) any consent, covenant, restriction, easement or declaration,

or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate.

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

The undersigned do(es) hereby further irrevocably nominate, constitute and appoint the Sponsor, or the owner of Unsold Units, as the case may be, as the party entitled to make all determinations regarding whether to restore the Building pursuant to Section 339-cc of the Condominium Act, in the event more than 75% of the Building is destroyed or substantially damaged.

The undersigned, do(es) hereby nominate, constitute and appoint the Declarant (a/k/a the Sponsor under the Offering Plan for the Condominium), true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to effectuate the rights granted to Declarant under the Declaration, By-Laws and Plan, and to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

[SIGNATURES ON FOLLOWING PAGE]

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

_____

1.

2. (ACKNOWLEDGMENT)

EXHIBIT "3"

UNIT DEED

UNIT DEED

THIS INDENTURE, made the _____day of _____, 20___, between 61 Martense Street LLC, a limited liability company, having an office at 61 Martense Street, Brooklyn, New York 11226 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as The 61 Martense Street Condominium and by the street number 61 Martense Street, Borough of Brooklyn, City, County of Kings and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, _____ and recorded in the Kings County office of the Register of The City of New York (the "City Register's Office") on , under CRFN No. _____ and also designated as Tax Lot(s) in Block [ ] of Section of the Borough of Brooklyn on the Tax Map of the Land Records Division of The City of New York and on the Floor Plans of said building, certified by _____, on _____, and filed in the Land Records Division of the City of New York on _____ as Condominium Plan No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the by-laws of the 61 Martense Street Condominium. (Said by-laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws").

Together with an undivided _____ percentage interest in the General Common Elements (as such term is defined in the Declaration):

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

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

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

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

[SIGNATURE PAGE ON FOLLOWING PAGE]

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

61 MARTENSE STREET LLC

By: 61 Martense Holdings LLC, Managing Member

By: Cedar Beverly LLC, Manager

By: _____
Name:
Title: Authorized Signatory

_____
Grantee

_____
Grantee

1. (ACKNOWLEDGMENT)

2.

EXHIBIT A
DESCRIPTION OF THE LAND

SCHEDULE B
PERMITTED ENCUMBRANCES

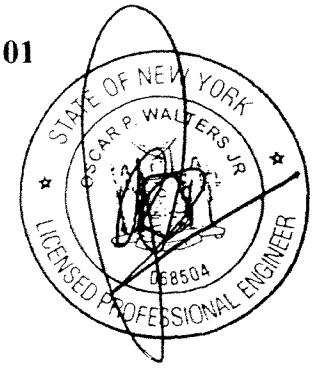
REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT AND SPECIMEN TITLE POLICY

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

DEMERARA ENGINEERING, PLLC
37-24 24TH STREET, SUITE 231
LONG ISLAND CITY, NEW YORK 11101
1212.383.4897



ENGINEER'S DESCRIPTION OF PROPERTY
Premises known as
61 Martense Street
Brooklyn, New York 11226

Date: October 3, 2017

The content of this Report was based on:

a) Visual inspection of some, but not all areas of the Building, including: ground floor, lobby, public halls, roof, exterior walls, yards, some but not all apartments, and related equipment contained therein;
b) Existing records and applications on file with the Department of Building of the City of New York;
c) Information provided by the Sponsor and/or his representatives.

a) *Location and use of property*:
The existing building is in compliance with legally permissible zoning and use requirements since it was grandfathered in.

(1) Address:
61 Martense Street, Brooklyn, NY 11226.

(2) Block and lot number:
Tax Block: 5086
Tax Lot: 60

(3) Zoning:
The site is located in a R7-A Zone which is a General Residence District.

(4) Permissible use.
The permissible use is Use Group 2 Residential Use as a matter or right.

(b) Status of construction:

(1) Year built:
This is an existing building which was built approximately in year 1953.

(2) Class of construction:
This building complies with Construction Class IIB aka Old Code 3. Construction Class IIB includes buildings and spaces, in which the exterior walls, fire walls, exit ways, and shaft enclosures are of noncombustible materials having the required fire-resistance ratings; and in which the floors, roofs, and interior framings are wholly or partly of wood, or are of other combustible or noncombustible materials, having the required fire-resistance ratings.

(3) Certificate of Occupancy, type and number:
There is a Certificate of Occupancy number 135891 dated July 3, 1953.

(4) Alteration permit numbers and description of work done:
The following work has been/shall be done. Whenever an apartment becomes vacant it is renovated. Work began in July 2016. Renovation in Unit 6D is almost done. Work in all other Units specified below has been completed. Renovations on the ground floor and roof are still in process.

Alteration Type	Permit Number	Date filed	Description of work done
Type 2	340400300	07/11/16	APPLICATION FILED FOR INTERIOR RENOVATION AT 3RD FLOOR (APT #3E, 3F & 3K), REMOVE NON-LOAD BEARING PARTITION WALLS, RELOCATE KITCHEN AND REPLACE PLUMBING FIXTURES AS PER PLAN. REPAIR AND REPLACE SHEETROCK ON CEILING AND WALLS AS NECESSARY. NO CHANGE IN USE, EGRESS OR OCCUPANCY.
Type 2	32148827	07/14/2016	FAÇADE REPAIR AS THE CURE REQUIRED FOR A DOB FAILURE TO MAINTAIN VIOLATION.
Type 2	340409784	08/08/2016	APPLICATION FILED FOR INTERIOR RENOVATION AT 5TH FLOOR (APT #5G, 5H, 5F), REMOVE NON-LOAD BEARING PARTITION WALLS, RELOCATE KITCHEN AND REPLACE PLUMBING FIXTURES AS PER PLAN. REPAIR AND REPLACE SHEETROCK ON CEILING AND WALLS AS NECESSARY. NO CHANGE IN USE, EGRESS OR OCCUPANCY.
Type 2	340417178	08/28/2016	APPLICATION FILED FOR INTERIOR RENOVATION AT 6TH FLOOR (APT #6B, 6C, 6H), REMOVE NON-LOAD BEARING PARTITION WALLS, RELOCATE KITCHEN AND REPLACE PLUMBING FIXTURES AS PER PLAN. REPAIR AND REPLACE SHEETROCK ON CEILING AND WALLS AS NECESSARY. NO CHANGE IN USE, EGRESS OR OCCUPANCY.
Type 2	321463019	10/11/2016	APPLICATION FILED FOR INTERIOR RENOVATION AT 4TH FLOOR (APT # 4C, 4G, 4H), REPLACE OR REPAIR SHEETROCK ON CEILING AND WALLS AS NECESSARY. RELOCATE KITCHEN AND REPLACE PLUMBING FIXTURES AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321494931	12/14/2016	APPLICATION FILED FOR INTERIOR RENOVATION AT 2ND FLOOR APT# 2B, 2C, 2D. REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. RELOCATE AND REPLACE PLUMBING FIXTURES AND INSTALLING NEW BATHROOM AT APT# 2D AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321524702	03/06/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 1ST FLOOR APT# 1E AND 1H. REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. RELOCATE AND REPLACE PLUMBING FIXTURES AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321537805	03/07/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 5TH FLOOR APT# 5B, 5C, 5J. REMOVE NON-LOAD BEARING PARTITION WALLS, RELOCATE AND REPLACE PLUMBING FIXTURES, REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. AS PER

			PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321537805	03/07/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 5TH FLOOR APT# 5B, 5C, 5J. REMOVE NON-LOAD BEARING PARTITION WALLS, RELOCATE AND REPLACE PLUMBING FIXTURES, REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321537814	03/07/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 2F (2ND FLOOR) APT# 3H (3RD FL) & APT# 6J (6TH FLOOR). REMOVE NON-LOAD BEARING PARTITION WALLS, RELOCATE AND REPLACE PLUMBING FIXTURES, REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321571642	05/09/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 4J (4TH FLOOR). REMOVE NON-LOAD BEARING PARTITION WALLS, REPLACE PLUMBING FIXTURES, REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	321571642	05/09/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 4J (4TH FLOOR). REMOVE NON-LOAD BEARING PARTITION WALLS, REPLACE PLUMBING FIXTURES, REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY.
Type 2	340527148	07/24/2017	APPLICATION FILED FOR RENOVATION OF EXISTING BASEMENT AND GROUND FLOOR. PARTITION AND PLUMBING WORK AS PER PLAN. NO CHANGE USE, EGRESS OR OCCUPANCY.
Type 2	321642362	08/18/2017	APPLICATION FILED FOR INTERIOR RENOVATION AT 6TH FLOOR APT# 6D. REPLACING OR REPAIRING FLOOR, CEILING AND WALLS AS NECESSARY. RELOCATE AND REPLACE PLUMBING FIXTURES AND INSTALLING NEW BATHROOM AT APT# 6D AS PER PLAN. THIS APPLICATION WILL NOT AFFECT ANY USE, EGRESS OR OCCUPANCY
Type 2	340541710	09/07/2017	INSTALL NEW WOOD DECK ON EXISTING MAIN ROOF AS PER PLAN. NO CHANGE IN USE, EGRESS, OR OCCUPANCY.

(c) *Site*:

(1) Size:
The site is 116'-6 ¾" X 144'-4" X 116'-6 ¼" X 144'-0 ½".

(2) Number of buildings and use:
There is 1 building on the site. There are 60 residential units in the building.

(3) Streets owned or maintained by the project:
There are no streets owned or maintained by the project. The streets are owned by the NYC.

(4) Drives, sidewalks and ramps:

(i) Paving:
The roads are asphalt.

(ii) Driveways:
A sloped driveway is located along the eastern lot line of the property and provides access to the parking garage.

(iii) Sidewalks and sidewalk curb:
The sidewalks and sidewalk curb are concrete and in overall fair condition. There are some cracks near the tree pit which are in need of a replacement.

(iv) Catch basins, drainage:
There are no catch basins inside the property.

(v) Street lighting:
Street lighting is provided by the City of New York and is adequate.

(vi) The aforementioned items are in conformity with local fire district, town or municipal building codes.

(d) *Utilities*:

Water and Sewer
Water supply and combined sewer servicing the building is provided by the City of New York and shall be paid by the condominium unit owners as part of the common charges. There is one meter serving the entire building.

Gas
Gas service is provided by National Grid. There are individual meters for gas consumption serving each apartment. Gas utilized for cooking within the units shall be billed directly to the condominium unit owner. Sponsor might install some electric stoves. There is a separate meter for gas utilized for heating. The charge shall be paid by the condominium unit owners as part of the common charges.

Electricity
Electricity is provided by the Consolidated Edison Company. There are individual meters for electric consumption serving each apartment. Electricity utilized within the units shall be billed directly to the condominium unit owner. There is a separate meter for electricity utilized for the common elements. The charge shall be paid by the condominium unit owners as part of the common charges.

Telephone, TV and Internet Service
Telephone, TV and internet service is provided on an individual basis to each unit by local providers. Each condominium unit owner will be billed directly by provider.

(e) *Sub-soil conditions*:
(1) The stratification and soil types that exist beneath the building footprint are unknown. Visual inspection of the ground floor walls and floors, as well as the exterior foundation walls, revealed a) cracking of reinforced concrete foundation walls within the garage access driveway, b)cracking of the concrete encasement of structural steel members was observed throughout the ground level of the building, but is not believed to be the result of any settlement of the building c) some mortar

joint decay and delamination was observed on the rear exterior walls, but no excess friability of any of the joints was noted.
(2) The cellar is dry and shows no evidence of moisture or seepage or ground water infiltration.
(3) There is no danger from flooding, either due to the water table in the area or due to the overflow from other bodies of water. This building is not located in a FEMA flood zone.

(f) Landscaping and enclosures:

(1) Grass cover:
There is grass cover at the front yard.

(2) Plantings:
There are some plantings in the front yard.

(3) Trees:
There is one street tree at the building frontage.

(4) Fencing:
There is a wrought iron fence enclosing the grass cover area.

(5) Gates:
There shall be a commercial roll-up gate leading to the parking garage.

(6) Garden walls:
There are no garden walls at the premises.

(7) Retaining walls:
There are concrete retaining walls in the court and rear yards. See plans for details. Retaining walls are in overall fair condition. Retaining walls have a white painted finish.

(8) Display pools and fountains:
There are no display pools and fountains at the premises.

(g) Building size:

(1) Total height:
The building has an approximate height of 69'-4" measured from the adjoining grade to the top of parapet.

(2) Crawl spaces:
There are no crawl spaces.

(3) Number of sub-cellars and cellars:
The boiler room, shown on the ground floor plan, is located at cellar level. See plans for details.

(4) Number of floors:
The building is comprised of 7 stories.

(5) Equipment rooms:

There is a boiler room and a utility room.

(6) Parapet:
The front parapet is approximately 4' in height and the rear and side parapet is approximately 3'-6" in height.

(h) *Structural system*:

The structural system of the building, appear to consist of exterior masonry brick load bearing walls, supporting a concrete ground floor and timber joist for the upper portion. The ground floor, which forms the building foundation, consists of reinforced concrete walls and strip footings. Vertical and horizontal structural cracking of the foundation walls were observed at several locations. However, the footing elements of the building required for foundation support on the soil beneath, could not be observed. No signs of distress arising from settlement, beam shear, punching shear or bearing capacity overstress of the building foundations was observed. Foundation materials were not visible, but based on the age, and type of foundations seen, it is likely to consist of reinforced concrete wall footings and isolated column footings. A parking garage exists at the rear of the ground floor. The parking lot consists of a steel framed structure of beams and columns, encased in concrete for fire and corrosion protection of the steel. A reinforced concrete slab serving as a yard for the building, provides a roof over the parking garage. Cracking and spalling of an estimated 10% of the concrete encasement of the parking garage columns and beams was observed.

The cellar level of the subject building, where the boiler room is located, is also constructed with structural steel columns and beams. These steel members are protected by concrete encasement as is typical throughout the ground floor. Our inspection confirmed that there is delaminating and spalling off of the concrete encasement from the bottom flanges of the visible floor beams. In several cases, complete delaminating of the beams has occurred. In other cases; however, some portion of the fire protection has remained. In general, the cellar level of the building, the parking garage and the underside of the first floor, needs fire-protection repair and upgrade, consisting of the re-encasement, to be performed to an estimated 25% of the structural steel members. Additionally, the underside of the reinforced concrete ground floor slabs that are visible from the cellar, revealed cracking, spalling and delaminating. To maintain the structural integrity of the building foundation system, a structural inspection is required, the findings of which will allow for the structural repair work required, to be more clearly defined in terms of Scope, Extent and Urgency of the work that has to be done.

Based on the age of the building, and the structural damage observed within the ground floor, it is recommended that wet floor areas of the building, consisting of bathrooms and kitchens, be inspected, to verify the condition of the existing floor joists and to determine whether any joist replacement is required, and the extent that will be necessary. Roof joist shall also be considered to have potential for damage and shall also be inspected.

The method of waterproofing for the foundation walls and floor slab is unknown.

(1) Exterior of buildings:
(i) Walls:

- All exterior walls, including all facades and courts, are constructed of clay brick collar and 8" hollow blocks. The percentage of solid core for the block could not

be determined, but is likely 75%. The façade is being repaired. See attached façade report. The existing apartments are finished on the inside with wood studs and sheetrock. The renovated apartment shall be finished on the inside with metal studs and gypsum board.

- The front wall of the parking garage consists of a CMU bearing wall. The wall has window openings, which are framed with structural steel lintels. Structural cracking of these walls, at the locations of the lintels, was observed. Repair of all of the parking garage window walls, by removing and replacing the existing lintels and repairing the masonry surrounding walls, is required.
- New York City Local Law 10 applies.

Floors:

- The ground floor is constructed of reinforced concrete supported on steel beams bearing on concrete or masonry walls.
- Typical floors located are constructed of 3" X 10" wood joists at 16" on center.

(ii) Windows:

Windows are "up and down" type. Windows in the apartments have various types of child guards. The existing windows are in fair condition. It is unknown when the windows were last replaced. Some windows in the renovated apartments shall have new glass panes, locks and balances. Some windows in the public hallways are in need of replacement. Sills are concrete and in fair condition overall. Lintels are steel and in fair condition overall. Some sills and lintels were repaired or replaced.

There are lot line windows on the 1st through 6th floors on the right hand side (front\portion) wall. See plans for details. These windows are not utilized for providing required light and air and may be blocked at some point in the future by a building on an adjoining premise. The cost for blocking up the windows shall be approximately $1,000.00 each and shall be the sole responsibility of the unit owner. Since these windows are not utilized for providing required light and air their occlusion will not change the legal occupancy of the room in which they are located. "A" line units shall have 2 lot line windows, one (1) 2'-10" x 5'-3" at the living/dining room and one (1) 2'-6" x 5'-3" at the bedroom.

Windows on the right hand side (rear portion) are permitted since this building was constructed prior to year 1961; and Zoning Regulations requiring a 30' setback for lot line windows were created in year 1961 and are not applicable for buildings constructed prior to year 1961.

The approximate cost for window replacement is $190,000.

(iii) Landmark status:

None.

(2) Parapets and copings:

The parapet is brick on the outside and some parts of the interior are concrete plastered. Coping is clay or masonry and is in fair condition. The parapet is firmly secured in place and is in overall fair condition. Parts of the parapet are being repaired.

(3) Chimneys and caps:

There is a chimney for the boiler. The chimney is enclosed in brick walls. The chimney is in fair condition.

(4) Balconies:
Unit 1A and 1D have balconies. "A", "D" and "J" line apartments on the 2nd thru 6th floor have balconies. The condition of each balcony is being inspected and repaired as deemed necessary.

(i) Deck finish:
The decks are either concrete or ceramic.

(ii) Balustrade:
The balustrades are wrought iron.

(iii)Railings:
"A" and "D" line balconies shall be enclosed by approximately 1' high wrought iron railings on top of a 3' high brick parapet wall. "J" line balconies shall be enclosed by 3'-6" high wrought iron railings.

(iv) Copings:
Copings are brick.

(v) Soffits:
Soffits are concrete.

(vi) Doors to balconies:
Existing balcony doors are hollow metal and in fair condition. Balcony doors in the renovated units are thermal break glass with wood frames.

(v) Drainage:
Balconies are equipped with drains to facilitate drainage.

(5) Exterior entrances:

(i) Exterior doors and frames:
There is one main exterior entrance with double doors. Doors are swinging type, glass and steel with keyed lockset. There are frosted glass window panes on both sides of the entry. Most of the doors examined are in fair condition and not in need of a replacement.

(ii) Vestibule doors and frames:
The vestibule door is a swinging type, bottom half is steel and top half is glass, with keyed lockset. There are frosted glass window panes on both sides of the entry.

(iii) Exterior stairs:
None.

(iv) Railings:
None.

(v) Mail boxes:
Mailboxes are located in the ground floor lobby.

(vi) Lighting:

Exterior lighting is located above the main entrance. Currently, there is sodium lighting. Sponsor *might* upgrade to LED.

(6) Service entrances:
There are 2 service entrances, accessed by means of fire passages and stairs, leading from the ground floor to the court yards.

(i) Doors and frames:
The doors are steel gates with padlock.

(ii) Gates:
See (6) (i).

(iii) Exterior stairs:
Stairs at left hand side courtyard when facing the building are concrete and in fair condition. The stairs at the right hand side courtyard are steel and are in need of a repainting. One tread is missing and needs to be repaired.

The approximate cost of exterior stair replacement is $26,000.

(iv) Railings:
Stair railings are wrought iron.

(7) Roof and roof structures:
The approximate cost for roof replacement is $85,000.

(i) Type of roofs for all areas:
The roof of the building is a flat type roof.

(*a*) Material:
The roof over the building is rubber roofing. The roof is in fair condition; however, repairs should be anticipated in the next five years. It is unknown when the roof was last repaired. The roof (aka yard) over the garage is a cast in place concrete slab. Minor repairs have been performed to the roof area above the garage approximately 3 month ago.

(*b*) Insulation:
The roof insulation is unknown; however, it is apparently sufficient since no drafts wind currents or etc. was observed.

(c) Surface finish:
Only the rear portion of the roof shall be finished for walking. Paving materials shall be determined.

(*d*) Bond or guarantee:
Not applicable.

(*e*) Flashing materials including counter flashing:
Roof flashing materials including counter flashing is rubber. Flashing and counter flashing shall remain and are in fair condition.

(ii) Drains:

(*a*) Location, material and type:
There is one roof drain on the roof. There is a metal grill over roof drain.

(*b*) Gutters and leaders:
There are no gutters or leaders.

(iii) Skylights:
There are no skylights. There is a window vent at the staircase landing on the first through 6th floors. There is a vent at the roof floor.

(iv) Bulkheads:

(*a*) Stairs:
The exterior wall of the stair bulkhead is brick. The interior wall of the stair bulkhead is painted plaster. Bulkhead will be re-plastered, as necessary, and newly painted with primer and 2 coats.

(*b*) Elevator:
The exterior wall of the elevator bulkhead is brick. The interior wall of the elevator bulkhead is painted plaster. Bulkhead will be re-plastered, as necessary, and newly painted with primer and 2 coats.

(*c*) Other:
There are no antennas, cell phone towers, satellite dishes or lightening protection equipment present on the roof.

(v) Metal work at roof levels:

(*a*) Exterior, metal stairs:
None.

(*b*) Vertical ladders, including gooseneck:
None.

(*c*) Railings:
None.

(*d*) Hatches to roof:
None.

(*e*) Other:
Metal work at roof consists of plumbing penetrations. All penetrations shall be properly flashed.

(vi) Rooftop facilities:
A portion of the rooftop shall be for the use of the occupants.

(8) Fire escapes:

(i) Location:
There are five sets of fire escapes, 2 in the front, 1 on the right hand side, 1 on the left hand side and 1 at the rear of the building.

(ii) Floors covered:
The fire escapes serve the 2nd floor through 6th floors.

(iii) Drop ladder:
There is a standard vertical drop ladder to extend to the street level.

(iv) Type:
The fire escapes are cantilever type with slat landings and treads, open riser stairs, and bar stock handrails. The fire escapes are firmly attached and supported.

(v) Materials:
The fire escapes are made of painted wrought iron. The fire escapes are in fair condition. It is unknown when it was last painted.

(9) Yard and courts:
There is a front, rear and 2 court yards. The front yard shall be a common element. The rear yard and court yards shall be allocated as limited common elements.

(i) Paving:
The front yard is grass cover with concrete walkways leading to the building entry, garage entry and service entries. The rear and court yards are concrete.

(ii) Drainage:
Yards are pitched to facilitate drainage.

(iii) Stairs:
There are stairs leading from the garage to the rear yard. Said stairs are concrete. Please refer to (h) (6) (iii) for description of stairs in courtyard.

(iv) Railings:
Stair railings are wrought iron.

(v) Fencing:
There is a wrought iron fence enclosing the grass cover areas at the front yard. Rear of the rear yard is enclosed by a 3' high wrought iron fence. There shall be a minimum 3'-6" high fence demarcating the private yards. Material of fence shall to be determined.

(vi) Retaining Walls:
There are concrete retaining walls in the court and rear yards. See plans for details.

(10) Interior stair:

Stairs comply with the fire rating and the applicable code(s).

(i) Number of stairs of each type:

There are 2 stairwells serving the building.

(ii) Enclosure:
The stairwell is partially enclosed by exterior building walls and partially enclosed by concrete block walls. The stairwell is finished with painted concrete plaster.

(iii) Stair construction:

The stairs are constructed of concrete and steel.

(iv) Stringers:
The stringers are steel.

(v) Treads:
The treads are concrete.

(vi) Risers:
The risers are steel.

(vii) Guard rails:
The guard rails are steel.

(viii) Balustrade:
The balustrades are painted wood.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames:
Unit entrance doors and frames are fireproof, self-closing, with keyed locks. Interior doors and frames in the apartments are wood, with passage, privacy and dummy locks, as appropriate.

(ii) Corridor doors and frames:
Corridor doors are fireproof, self-closing, hollow metal.

(iii) Stair hall doors and frames:
Stair hall doors are fireproof, self-closing, hollow metal.

(iv) Roof doors and frames:
Roof doors are fireproof, self-closing, hollow metal.

(12) Elevators:
(i) Number of passenger and service elevators:
There is 1 elevator serving the building.

(ii) Manufacturer, age of each and capacity:
The elevator is manufactured by Imperial. It has a capacity of 1,800 lbs. The elevator is new.

(Iii) Type of operation for each elevator by elevator number or location in building:
The elevator is automatically operated.

(iv) Automatic (type of controls):
The elevator has a call button on each floor and a call button panel in the cab.

(v) Floors served:
The elevator serves the ground thru 6th floors.

(vi) Type:
The elevator is a rope traction.

(vii) Doors:
The elevator has a sliding door and a manual hinged out-swing door.

(viii) Location of machine rooms:
The elevator machine room is on the roof.

(ix) AC Motor:
The motor is manufactured by Elevator Systems Inc. There is no DC motor.

(x) Other:
Not applicable.

13. Elevator cabs:

(i) Kind:
The elevator cab is manufactured by Imperial.

(ii) Floor:
The floor is painted wood.

(iii) Walls:
The walls are metal panels.

(iv) Ceiling:
The ceiling are metal panels.

(v) Lighting:
Lighting is incandescent.

(vi) Alarm, safety system:
Fire safety and alarms shall be supplied as per the NYC Fire Department Safety Code.

(i) *Auxiliary facilities*:

(1) Laundry rooms:
There shall be a laundry room on the ground floor. There are 2 washers and 2 dryers. The washers and dryers are coin operated to cover the expenses. The machines are leased from Coinmach on a monthly basis.

(ii) Room ventilation:
The room is mechanically ventilated. The final exhaust is located at the side exterior wall.

(iii) Dryer ventilation:
The dryers are directly vented through the side exterior walls.

(2) Refuse disposal:

(i) Incinerator(s):
There are no incinerators.

(ii) Compactor(s): There are no compactors.

(iii) Approvals by authority having jurisdiction:
Not applicable.

(iv) Initial storage location:
The tenants store refuse at the front, left hand side of the building. Then it is collected by the superintendent and brought to the front of the street on days of pick up.

(v) Pick-up schedule, and whether public or private provider:
Refuse is collected on Mondays, Wednesdays and Fridays by the NYC Sanitation. Recycling is collected on Fridays, only.

(3) Mail storage room:
There shall be a mail storage room on the ground floor.

(j) ***Plumbing and drainage:***

(1)Water supply:
The building is provided with 1 metered domestic water service. There is a 6" in diameter steel combined water service. Piping is not insulated.

(2) Fire protection system:

(i) Standpipes:
None.

(ii) Hose racks, hoses and nozzles:
None.

(iii) Sprinkler heads:
There are sprinklers in the garage. Sprinkler heads are upright type.

(iv) Siamese connection:
There is a Siamese connection in front of the building. The Siamese connection is a Two-Way Fire Department Inlet Connection.

(3) Water storage tank(s) and enclosures:
There are no water storage tanks.

(4) Water pressure and how maintained:
No pumps are utilized for the domestic water supply. The building relies on normal NYC water pressure for raising the water to all floors so that no water tanks are required. Water pressure is adequate.

(5) Sanitary sewage system:
There is a combined sanitary and storm drainage system. The sanitary and storm drainage shall be collected from the building and discharged by gravity to the public combined sanitary and storm drainage system.

(i) Sewage piping:
Sewage piping is cast iron.

(ii) Sewage pumps:
There are no sewage pumps.

(iii) Sewage disposal:
The sewage system carries both waste and sanitary sewage from each apartment.

(6) Permit(s) required:
All required permits shall be/have been obtained.

(7) Storm drainage system:
There is a combined sanitary and storm drainage system. The sanitary and storm drainage shall be collected from the building and discharged by gravity to the public combined sanitary and storm drainage system. There were no water ponding or flooding reported by tenants or observed during the site inspection.

(i) Catch basins:
None.

(ii) Yard and roof drains:
There are no yard drains. There are roof drains.

(iii) Piping:
Piping is cast iron.

(iv) Sump pumps:
There are no sump pumps.

(k) Heating and hot water:

(1) Heating and distribution of domestic hot water and whether capable of providing peak required services:
The boiler provides adequate domestic hot water and home heating.

(2) Number of boilers and description:
There is one boiler for heating and hot water.

(3) Manufacturer and age of boiler(s):
The boiler is manufactured by Federal, model # FST-150. The remaining useful life of the boiler is approximately 10 years.

(4) Manufacturer and age of burners:
The burner is manufactured by MMG, model # 68P. The remaining useful life of the burner is approximately 10 years.

(5) Type of controls:
There is one computerized timer serving the entire building.

(6) Radiators, piping, insulation, valves, pumps:
The heat is distributed via cast iron radiators.

(7) Fuel:

Gas is supplied by National Grid.

(8) Location of oil tank, materials, enclosure:
There is a steel oil tank on the ground floor at the right hand side of the building. The tank is rusted. The tank is not in use. There are no oil spills. It is unenclosed.

(9) Capacity of oil tank:
The tank has a capacity of 4,000 gallons and uses Oil #2. The boilers have the ability to run on either oil or gas. Currently, it is running on gas.

(l) *Gas supply:*

(l) Type:
Gas supplied is natural gas.

(2) Meters:
There are separate meters for each unit.

(3) Piping:
Piping is 5" in diameter black iron piping.

(m) *Air conditioning:*
Air conditioning for the apartments is accomplished by through the window air conditioning units. Air conditioning units is the sole responsibility of the purchasers.

(n) *Ventilation:*
The laundry room is mechanically ventilated. All other areas requiring ventilation are direct vented. Corridors, garages, cellars and utility rooms have windows for ventilation.

(o) *Electrical System:*
The electrical system in the building shall be upgraded. There shall be new meters. Panels in all apartments shall be new. Risers in the renovated apartments shall be new. The upgrades have been started already and are scheduled to be completed by August 2017. Service per unit and number and location of convenience outlets and appliance outlets shall comply with all applicable codes.

(l) Service from main service switchgear:
Electrical service is provided by Con Edison. The main service shall be 3 phase, 800 amps, 120/208V, 2 pair, 500mcm.

(2) Service to individual units:
Each unit shall be supplied with single phase, 60 amps, 208V, wire #6.

(3) Compartment switchgear:
The compartment switchgear is located on the ground floor.

(4) Unit service:
Each unit shall be supplied with 2 poles with 60 amps circuit breakers.

(5) Adequacy:

(i) Service:

The electrical systems shall be adequate for a full complement of modern appliances. There shall be convenience outlets and appliance outlets, as applicable.

(ii) Lighting and fixtures:
Lighting shall be adequate. Switched lighting fixtures shall be provided in every habitable space.

(iii) Convenience outlets, appliance outlets:
There shall be an average of 10-12 circuits per apartment.

(p) *Intercommunication and/or door signal systems, security closed circuit TV.*
Each apartment is equipped with an intercom system connected to the intercom directory at the building entry. The system enables communication between the apartment and intercom directory. The intercom system is operational and is in fair condition. There is also a security closed circuit TV serving the building. The CCTV is operational and is in fair condition.

(q) *Public area lighting:*
Lighting appears to be adequate for all safety public needs. Lighting is in compliance with the applicable codes.

(r) *Garages and parking areas:*
There are no known restrictions on use and zoning requirements.
Sponsor will retain the parking spaces and rent them through a license agreement.
See Section (h) *Structural System* for comments on the structural integrity of the garage.

(l) Location of garage:
The garage is located on the ground floor and is partially underground. The garage can be accessed via stairs through the cellar and via stairs through the rear yard. There is a driveway at the side of the building which leads to the street.

(2) Location of parking areas:
There are 37 parking spaces within the garage. There is 1 handicapped accessible space. See parking layout attached.

(3) Surfaces:
The floors are concrete.

(4) Parking:
The parking facility shall be unattended.

(5) Garage ventilation:
The garage is ventilated via the louvres.

(6) Garage fire protection:
The garage is sprinklered. Sprinkler heads are upright type.

(7) Drainage:
There are 4" floor drains to facilitate drainage.

(s) *Swimming pools:*
There are no swimming pools at the premises.

(t) *Tennis courts, playgrounds and recreation facilities.*

There are no tennis courts, playgrounds or recreation facilities at the premises. There shall be a gym on the ground floor.

(u) *Permits and Certificates:*

All required permits and certificates have been/shall be obtained.
Permits have been pulled for the renovation of the vacant apartments in the building. Enclosed herein are copies of all plans and permits showing the scope of the work covered.
There were plumbing inspections performed by the DOB in connection with the renovation of the vacant units.
There shall be no recurring inspections after the building is in operation.

(v) *Violations:*

There are 9 outstanding HPD violations at this time. See attached Schedule A for details of the Violations.

- There are 2 roach/mice violations which were already cured by an exterminator.
- There is 1 intercom violation which has already been corrected by an intercom technician.
- The 3 fire escape violations will be cured by an onsite maintenance to remove obstructions.
- Rooms in apartments 4D and 5K will be painted and plastered to cure the violations.
- Sponsor will work on getting immediate access to have the illegal wall in 3D removed.

Sponsor will act as necessary to correct these violations, provided access is granted by the tenants and will not accept liability in cases where access is not the granted. An HPD violation dismissal request will be ordered as well in order to remove these violations off record-contingent on HPD getting access to these units for the final inspections.

There is one outstanding DOB violation at this time.

- Emergency Fire/Sprinkler system.

A complaint was filed with the DOB on June 9th 2016 (Complaint # 3561770, 3561825, 3562352, see attached Schedule A) with reference to cracks in the facade, and imminent danger of bricks falling from a balcony, a partial vacate order was filed, the sponsor hired Solomon Engineering Group, to document the findings and design a plan to cure this condition, said firm shall provide a report that shall outline the risk that is currently to the occupants and future purchasers.

(w) *Unit Information:*

Unit No.	Location	Square Feet	Bedroom/ Bathroom	Limited Common Element/S.F.
1A	1st floor	1,355	3/2	**Court yard/701 s.f.** 1 balcony/57 s.f.
1B	1st floor	800	1/1	-----
1C	1st floor	789	1/1	-----

1D	1st floor	1096	2/1	1 balcony/59 s.f.
1E	1st floor	699	1/1	Court yard /497 s.f.
1F	1st floor	786	1/1	Court yard/382 s.f.
1G	1st floor	1,075	2/1	Rear yard/752 s.f.
1H	1st floor	754	1/1	Rear yard/847 s.f.
1J	1st floor	1,040	2/1	Rear yard/1,566 s.f.
1K	1st floor	841	1/1*	Court yard/665 s.f.
2A	2nd floor	1,355	3/2	1 balcony/57 s.f.
2B	2nd floor	800	2/1	-----
2C	2nd floor	789	1/1	-----
2D	2nd floor	1096	2/2	1 balcony/59 s.f.
2E	2nd floor	699	1/1	-----
2F	2nd floor	786	2/1	-----
2G	2nd floor	1,075	2/1*	-----
2H	2nd floor	754	1/1*	-----
2J	2nd floor	1,040	2/1	1 balcony/77 s.f.
2K	2nd floor	841	1/1*	-----
3A	3rd floor	1,355	3/2	1 balcony/57 s.f.
3B	3rd floor	800	1/1	-----
3C	3rd floor	789	1/1	-----
3D	3rd floor	1096	2/1	1 balcony/59 s.f.
3E	3rd floor	699	2/1	-----
3F	3rd floor	786	2/1	-----
3G	3rd floor	1,075	2/1	-----
3H	3rd floor	754	1/1	-----
3J	3rd floor	1,040	2/1	1 balcony/77 s.f.
3K	3rd floor	841	2/1	-----
4A	4th floor	1,355	3/2	1 balcony/57 s.f.
4B	4th floor	800	1/1	-----
4C	4th floor	789	1/1	-----
4D	4th floor	1096	2/1	1 balcony/59 s.f.
4E	4th floor	699	1/1	-----
4F	4th floor	786	1/1*	-----
4G	4th floor	1,075	2/1	-----
4H	4th floor	754	1/1	-----
4J	4th floor	1,040	2/1	1 balcony/77 s.f.
4K	4th floor	841	1/1	-----
5A	5th floor	1,355	3/2	1 balcony/57 s.f.
5B	5th floor	800	2/1	-----
5C	5th floor	789	1/1	-----
5D	5th floor	1096	2/1	1 balcony/59 s.f.
5E	5th floor	699	1/1	-----
5F	5th floor	786	2/1	-----
5G	5th floor	1,075	2/1	-----

5H	5th floor	754	1/1	-----
5J	5th floor	1,040	2/1	1 balcony/77 s.f.
5K	5th floor	841	1/1	-----
6A	6th floor	1,355	3/2	1 balcony/57 s.f.
6B	6th floor	800	2/1	-----
6C	6th floor	789	1/1	-----
6D	6th floor	1096	2/1	1 balcony/59 s.f.
6E	6th floor	699	1/1	-----
6F	6th floor	786	1/1	-----
6G	6th floor	1,075	2/1	-----
6H	6th floor	754	1/1	-----
6J	6th floor	1,040	2/1	1 balcony/77 s.f.
6K	6th floor	841	1/1	-----

Light and air in the newly renovated units meet code compliance.
Any vacant apartment in the G and H line have been renovated in accordance with the approved plans.
Living rooms in unit 3E, 3F, 5F are non-compliant with Housing Maintenance Code 27-2074 min. square footage of 150 s.f.

Sponsor has no records regarding the legality of layout of the occupied apartment.

*Before Sponsor acquired title to the building, "Homeless Shelter" occupied numerous Units in the building. "Homeless Shelter" constructed additional walls in the following Units in order to create an additional bedroom thereby enabling them to place more people in each Unit. Sponsor has no records regarding the legality of said rooms. Once Unit becomes vacant Sponsor will remove said walls. Following Units have added bedrooms:
1K, 2H, 2K, 2G and 4F.
The "Unit Information" above only reflects the legal bedroom count.

Majority of the apartments are finished in the manner described below. Majority of the apartments are in fair condition.

(a) Living/dining rooms have the following finishes:

Floors:	Hardwood.
Walls, ceilings:	Painted gypsum board and/or plaster.

(b) Bedrooms have the following finishes:

Floors:	Hardwood.
Walls, ceilings:	Painted gypsum board and/or plaster.
Closets:	Most closets are finished with a rod and/or shelf.

(c) Kitchens have the following finishes:

Floors:	Ceramic.
Walls, ceilings:	Painted gypsum board and/or plaster.

Cabinets:	Wood.
Countertops:	Plastic laminated.
Sink:	Single or Double Sinks.
Appliances:	Each unit is equipped with a refrigerator and gas range. The Make and model numbers vary in each unit.

(d) Bathrooms are equipped as follows:

Tub:	Steel.
Sink:	Porcelain.
Toilet:	Porcelain.
Floors:	Ceramic.
Walls:	Partially tiled.
Ceilings:	Painted gypsum board and/or plaster.

The vacant apartments shall be offered renovated. Renovated apartments shall be finished in the manner described below:

(a) Living/dining rooms have the following finishes:

Floors:	¾" select white oak on felt paper underlayment with a stain and satin polish finish.
Walls, ceilings:	Gypsum board primed and painted with 2 layers of paint.

(b) Bedrooms have the following finishes:

Floors:	¾" select white oak on felt paper underlayment with a stain and satin polish finish.
Walls, ceilings:	Gypsum board primed and painted with 2 layers of paint.
Closets:	Closets shall be finished with a rod and/or shelf.

(c) Kitchens have the following finishes:

Floors:	¾" select white oak on felt paper underlayment with a stain and satin polish finish.
Walls, ceilings:	Gypsum board primed and painted with 2 layers of paint.
Cabinets:	Home Design Lovato cabinets.
Countertops:	Granite.
Sink:	Stainless steel.
Appliances:	The renovated apartments are equipped with the following appliances by Whirlpool. 1. gas range, model # WEG515S0FS or PRO24G. 2. Fridge, model # WRT518SZFM 3. dishwasher, model WDF520PADM or WDF518SAFM 4. microwave, model #WMH31017FS or UMC5225DS

(d) Bathrooms are equipped as follows:

Tub:	Duravit, model # 700331.
Sink:	Custom wood/porcelain.
Toilet:	Duravit, model # 216001002.
Floors:	Porcelain tiled.
Walls:	Porcelain tiled.

Ceilings: Gypsum board primed and painted with 2 layers of paint.

Renovated apartments shall be provided with an electric washer/dryer by summit, model # SPWD2201SS.

(x) *Finish schedule of spaces other than units*:

Location	Floor	Wall and Ceilings	Condition
Lobby	Tiled	Painted concrete and/or plaster	Fair condition. Sponsor plans to renovate but hasn't concluded on finishes or renovation dates yet.
Stair halls	Concrete	Painted concrete and/or plaster	Fair condition. Sponsor plans to re-plaster, as necessary, and newly re-paint with primer and 2 coats. Work has begun approximately 2 month ago and is scheduled for completion in about a month.
Storage rooms	Concrete	Concrete and/or plaster	Fair condition. Sponsor plans to renovate but hasn't concluded on finishes or renovation date yet.
Utility rooms	Concrete	concrete	Fair condition. Sponsor has no plans to renovate.
Corridors	Vinyl tiled and/or carpet	Painted concrete	Fair condition. Sponsor plans to replace floors with vinyl tiles and/or carpet; newly re-paint walls with primer and 2 coats and some wallpaper; and put new sheetrock on ceilings. Renovation dates to be determined.
Gym	rubber	Walls-Mirror and/or painted gypsum board and/or concrete and/or plaster Ceilings- painted gypsum board and/or concrete and/or plaster	New
Mail room	ceramic	Painted gypsum board	New

(y) *Safety and warning devices:*
Smoke and carbon monoxide detectors are provided for each unit.

(z) *Additional information required:*
(1) A plot plan showing landscape features, street, and outside dimensions of the building, are herewith attached.
(2) Floor plans for each line or type of unit drawn to scale, indicating room dimensions and unit boundaries, are herewith attached.
(3) All floors have an approximate floor to ceiling height of 8'-6".

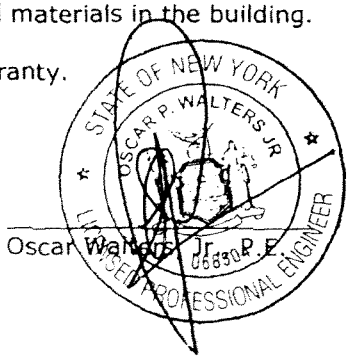
Further Development
The tenants are not affected by the ongoing construction.

Tenant Protection Plan for work being done is part of the DOB amended approved Building Plans herewith submitted. The tenant protection plan is posted conspicuously throughout the building.
All construction debris is placed in a container on the street, and has no effect on the common areas used by the tenants.
The schedule for renovation and construction is Monday- Friday, 8:00 a.m. to 5:00 p.m., except holidays.
Security is not being impacted during construction. Authorized workers have keys to access the building.
Sponsor does not anticipate any interruption to services during construction. Appropriate notices will be distributed to current occupants in the event a disruption is anticipated so occupants can plan accordingly.
Plumbing is connected to old main branching risers. Sponsor does not anticipate any major breaks to existing piping.
The sponsor and contractors are fully insured.

***Asbestos*:**
See ACP5 attached.

Lead Based Paint:
There is no *known* lead base paint in the building. However, many buildings built around the time that the subject building was built, contain lead materials in the building.

This report may not be construed as a guarantee or warranty.



Oscar Walters, Jr., P.E.

Schedule A to Report
Violation list HPD

Apt Story	Reported Date, nov ISSUED Date	Hzrd Class	Order no	Violation ID, NOV ID	Violation Description	Status Status Date	Certify By Date Actual Cert. Date
3G 3	2016/10/302016/11/03	B	568	114693695571099	§ 27-2018 admin. code: abate the nuisance consisting of roaches in the entire apartment located at apt 3g, 3rd story, 2nd apartment from south at west	CIV14 MAILED2016/12/15	2016/12/22 2016/12/14
3G 3	2016/10/302016/11/03	B	569	114693715571099	§ 27-2018 admin. code: abate the nuisance consisting of mice in the entire apartment located at apt 3g, 3rd story, 2nd apartment from south at west	CIV14 MAILED2016/12/15	2016/12/22 2016/12/14
3G 3	2016/10/302016/10/31	A	501	114693735560891	§ 27-2005 adm code properly repair the broken or defective inoperative bell/buzzer/intercom system from vestibule to apartment located at apt 3g, 3rd story, 2nd apartment from south at west	CIV14 MAILED2017/02/15	2017/02/17 2017/02/14
Yards / Courts	2016/09/262016/09/29	C	513 *	114082485525052	§ 27-2005 adm code fire escape defective. adjust the dropladder so that it will slide easily in the guide rods at east and west stacks at front of building	CIV10 MAILED2016/11/23	2016/10/12 2016/10/07
Yards / Courts	2016/09/262016/09/29	C	513 *	114082525525052	§ 27-2005 adm code fire escape defective. adjust the dropladder so that it will slide easily in the guide rods at rear court stacks of building	CIV10 MAILED2016/11/23	2016/10/12 2016/10/07
Yards / Courts	2016/09/262016/09/29	B	524 *	114082795525051	§ 27-2005, 2007 adm code fire egress defective. remove the obstruction in fireproof passageway contruction debris at west of building	CIV10 MAILED2016/11/23	2016/11/17 2016/11/11
4D 4	2016/04/132016/04/18	B	508	111962095410502	§ 27-2005 adm code repair the broken or defective plastered	NOV SENT2016/04/18	2016/06/06

					surfaces and paint in a uniform color the ceiling and west wall in the bathroom located at apt 4d, 4th story, 1st apartment from south at west		
5K 5	2012/02/242012/02/27	A	556	93417934364030	§ 27-2013 adm code paint with light colored paint to the satisfaction of this department walls and ceilings in the entire apartment located at apt 5k, 5th story, 2nd apartment from north at east	NOV SENT2015/09/09	2012/06/15
3D 3	2011/11/102011/11/14	A	491	91997234295054	§ 300 m/d law file plans and application and legalize the following alteration or restore to the legal condition existing prior to the making of said alteration partion erected creating room in the 4th room from north located at apt 3d, 3rd story	NOV SENT2015/09/09	2012/03/02

DOB Complaint Summery

NYC Department of Buildings

Overview for Complaint #:3561770 = RESOLVED

[redacted] BIN: 3118712 Borough: BROOKLYN ZIP: 11226

Re: FACADE SWEEP (STEVE COURTENAY AMERISTRUCTURES)FACADE FILINGSVERIFY FACADE CONDITIONS ON ALL ITS EXPOSURES

Category Code: 73 FAILURE TO MAINTAIN

Assigned To: BEST SQUAD **Priority:** C

Received: 06/09/2016 **Block:** 5086 **Lot:** 60 **Community Board:** 314
Owner: X X

Last Inspection: 06/09/2016 - BY BADGE # 2683
Disposition: 06/10/2016 - Y3 - PARTIAL VACATE ORDER ISSUED
DOB Violation #: 0609161LEAV01
ECB Violation #: 35174470M
Comments: PEREMTORY VACATE ORDER & EMERGENCY DECLARATION

Complaint Disposition History

Disposition Date	Cert Date	Disposition	Inspector	Date
[redacted]				
		PEREMTORY VACATE ORDER & EMERGENCY DECLARATION		
[redacted]				
		FAILURE TO MAINTAIN SO.EAST&SO.WEST EXPO#1SOUTH ELEVATION BALCONIES CRACKS BULGING & SPALLING OUT OF PLUMB		

NYC Department of Buildings

Overview for Complaint #:3561825 = RESOLVED

[redacted] BIN: 3118712 Borough: BROOKLYN ZIP: 11226

Re: 24 HR REINSPECTION OF VACATE ORDER 281

Category Code: 1Z ENFORCEMENT WORK ORDER (DOB)
ENFORCEMENT WORK ORDER - MONITORING/FOLLOW-UP

Assigned To: EXECUTIVE INSPECTIONS **Priority:** D

Received: 06/10/2016 13:37 **Block:** 5086 **Lot:** 60 **Community Board:** 314
Owner: PROSPECT PLAINBUSH ESTATES, LLC

Last Inspection: 06/14/2016 - BY BADGE # 1773
Disposition: 06/15/2016 - I2 - NO VIOLATION WARRANTED FOR COMPLAINT AT TIME OF INSPECTION
Comments: VACATE ORDER COMPLIED WITH

Complaint Disposition History

Disposition Date	Cert Date	Disposition	Inspector	Date
[redacted]				

NYC Department of Buildings

Overview for Complaint #: 3562352 - RESOLVED

[redacted] BIN: 3115719 Borough: BROOKLYN ZIP: 11226

Re: ARCHITECT REPORTS BUILDING IS UNSAFE, THE EXTERIOR OF BUILDING IS CRACKED

Category Code: 30 BUILDING SHAKING/VIBRATING/STRUCT STABILITY AFFECTED
UNSTABLE BUILDING - SHAKING/VIBRATING - CONSTRUCTION

Assigned To: EMERGENCY RESPONSE TEAM **Priority:** A
311 Reference Number: 1-1-1265131951

Received: 06/15/2016 **Block:** 5086 **Lot:** 60 **Community Board:** 314
Owner: 61 MARTENSE STREET LLC

Last Inspection: 06/16/2016 - - BY BADGE # 2610
Disposition: 06/16/2016 - I2 - NO VIOLATION WARRANTED FOR COMPLAINT AT TIME OF INSPECTION
Comments: I-2 : NAN. PRESENT CONDITION HAS NOT WORSENED BEYOND THAT OF ON JUNE 9TH PRESENTLY THERE IS A VACATE ORDER AND EMERGENCY DECLARATION ISSUED ON 6-9-2016 BY BADGE # 2683 WITH CORRES-PONDING ECB # 35174470M

Complaint Disposition History

[redacted]

DOB Violation Summery

NYC Department of Buildings

DOB Violation Display for 061316EGNCY9437

[redacted] BIN: 3115719 Block: 5086 Lot: 60

Issue Date: 06/13/2016 **Violation Category:** V - DOB VIOLATION - ACTIVE
Violation Type: EGNCY - EMERGENCY
Violation Number: 9437 **Device No.:**
ECB No.:
Infraction Codes:
Description: FISP PROGRAM

[redacted]

Code: **Date:**
Inspector:
Comments:

EXHIBIT "4-A"

BUILDING RENOVATION PROGRAM

SALAMON ENGINEERING
330 WEST 38 STREET SUITE #402
NEW YORK, N.Y 10018
TEL: 1212-465-1616
FAX: 1212-643-2076
David@Salamonengineering.com

September 28, 2017

Cedar bridge Management

Re: 61 Martense Street Brooklyn, NY
Subject : Status Report

The on-going project for the repair of the exterior facades is being done to address two New York City Building Department requirements – namely the remediation of the partial vacate order placed as a result of Hazardous conditions noted by a building inspector on the A and D line apartments along the 4th, 5th and 6th floors, as well as addressing the façade defects Noted on a Local Law #11 inspection.
To address the façade repairs plans were prepared and filed with the Department of Buildings under Application #32141827.
These plans called out the brickwork, lintels, sills, parapet walls and other Areas that needed to be replaced or repaired with the goal of having the building's facades categorized as Safe or Safe with a maintenance program to be completed within 5 years.

At this point the project is approximately 85% complete. All required work brick pointing or replacement has been completed around the front, side and rear of the building.
All required damaged lintels had been replaced. All required sills had been replaced

To address the balcony repairs plans were filed under DOB application # 321571517.
The work on the A line apartment balconies is substantially completed.
The work on the D line apartments has just begun with the balconies of top Three floors already demolished.

It is estimated that this work can be completed within the three months, weather permitting.

The apartments whose balconies are affected by the partial vacate order Have their balconies door blocked till all work is completed, inspected, signed-off and the vacate order lifted.

Respectfully
SALAMON ENGINEERING

DAVID SALAMON PE

EXHIBIT "5"

ASBESTOS REPORT

Enviro Solutions Inc.
76 Hammond Ave. Apt 2B, Passaic, NJ 07055
Phone: (973)592-5706 - Email: envirosolutions01@gmail.com

August 31, 2017

Jack Jaffa & Associates
147 Prince St
Manhattan, NY 10012

Re: Asbestos Survey for 61 Martense Street, Brooklyn NY

Enviro solutions Inc. Was authorized to proceed with a limited survey to determine the presence of Asbestos Containing Materials (ACM) in selected portions of the facility at the above-referenced location.

1.0 EXECUTIVE SUMMARY:

Asbestos survey was conducted by certified Asbestos Inspector Paola Cano on December 5 2013. The inspection included The Garage of the above property. Bulk samples of these materials were taken from the aforementioned locations and analyzed via Polarized Light Microscopy (PLM) and Transmission Electron Microscopy (TEM) where applicable. The inspection was completed utilizing applicable Federal and New York State regulations pertaining to ACM including Federal OSHA (29 CFR 1910.1001, 29 CFR 1926.1101 and 29 CFR 1926.62), EPA (40 CFR Part 61 and 40 CFR Part 745), and TSCA Title II AHERA/ASHARA (40 CFR Part 763) Asbestos Regulations.

2.0 LABORATORY RESULTS:

The table below lists each homogenous sample group collected and the corresponding PLM/TEM results.

August 25, 2017 Inspection:

Location	Sample #	Material	PLM Results	TEM Results	Quantity	Notes
Apt# 6F,6G,6K,5D,5K, 4E,4K,3A3B,1E	001 - 009	Plaster	Negative	N/A	0	**Confirmed Non ACM**
Apt#1H,2B,2C,2D, 2F	010 - 015	Drywall	Negative	N/A	0	**Confirmed Non ACM**
Apt#3E,3F,3H,3J, 4B	016 - 020	Drywall Joint Compound	Negative	N/A	0	**Confirmed Non ACM**
Apt#6A,6E,5K,4K, 4E,2A,2E	021-027	Acoustical Plaster	Negative	N/A	0	**Confirmed Non ACM**
Apt#4C,4G,4H,4J 5B,5C	028 - 032	Floor Grout	Negative	N/A	0	**Confirmed Non ACM**
Apt#5C,5F,5G,5H, 5J	033 - 037	Wall Grout	Negative	N/A	0	**Confirmed Non ACM**
Apt#6B,6C	038-039	Window Caulk	Inconclusive	Negative	0	**Confirmed Non ACM**
Apt#6D,Laundry Room	044,045,040	Mortar	Negative	N/A	0	**Confirmed Non ACM**
Apt#6A,6F,6G	041,042,043	Wall Insulation	Negative	N/A	0	**Confirmed Non ACM**

1St Fl Lobby & public Hallway	046-047	Brick Mortar	Negative	N/A	0	**Confirmed Non ACM**
Apt#6A,6K,6G,5K, 4E,3A,3B	048-055	12X12 Floor Tile (multicolor)	Inconclusive	Negative	0	**Confirmed Non ACM**

Enviro Solutions Inc.
76 Hammond Ave. Apt 2B, Passaic, NJ 07055
Phone: (973)592-5706 - Email: envirosolutions01@gmail.com

3.0 CONCLUSIONS AND RECOMMENDATIONS:

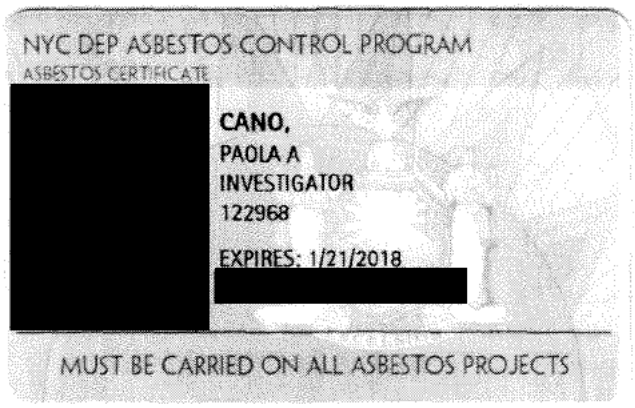
As indicated above, all material samples taken at the locations indicated tested **Negative** for Asbestos-Containing Material (ACM).

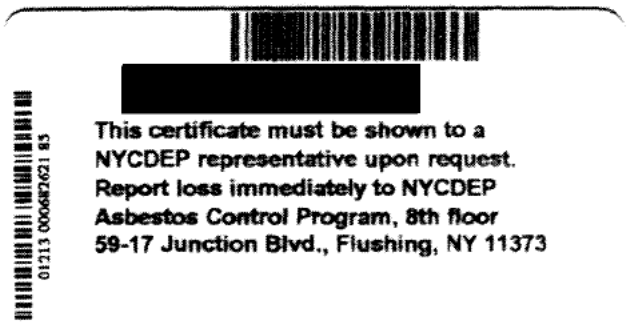
Enviro solutions Inc inspected and sampled materials as requested by the client. Any materials that have not been tested and/or found positive for asbestos must be assumed ACM.

Please find the certificates of analysis by PLM/TEM and Lab certifications attached. This report is limited to the areas herein. Feel free to contact me with any questions at (973) 592-5706.

Respectfully,
Enviro Solutions Inc

Paola Cano
Project Manager


NYC DEP ASBESTOS CONTROL PROGRAM
ASBESTOS CERTIFICATE
[redacted]
CANO,
PAOLA A
INVESTIGATOR
122968
EXPIRES: 1/21/2018
[redacted]
MUST BE CARRIED ON ALL ASBESTOS PROJECTS


[redacted]
This certificate must be shown to a
NYCDEP representative upon request.
Report loss immediately to NYCDEP
Asbestos Control Program, 8th floor
59-17 Junction Blvd., Flushing, NY 11373
01213 0006P2621 85

New York State – Department of Labor
Division of Safety and Health
License and Certificate Unit
State Campus, Building 12
Albany, NY 12240

ASBESTOS HANDLING LICENSE

Enviro Solutions Inc.

27 Sycamore Ave.

Mt. Vernon, NY 10553

FILE NUMBER: 15-83573
LICENSE NUMBER: 83573
LICENSE CLASS: RESTRICTED
DATE OF ISSUE: 05/31/2017
EXPIRATION DATE: 05/31/2018

Duly Authorized Representative – Paola Cano:

This license has been issued in accordance with applicable provisions of Article 30 of the Labor Law of New York State and of the New York State Codes, Rules and Regulations (12 NYCRR Part 56). It is subject to suspension or revocation for a (1) serious violation of state, federal or local laws with regard to the conduct of an asbestos project, or (2) demonstrated lack of responsibility in the conduct of any job involving asbestos or asbestos material.

This license is valid only for the contractor named above and this license or a photocopy must be prominently displayed at the asbestos project worksite. This license verifies that all persons employed by the licensee on an asbestos project in New York State have been issued an Asbestos Certificate, appropriate for the type of work they perform, by the New York State Department of Labor.

Eileen M. Franko, Director
For the Commissioner of Labor

SH 432 (8/12)

EXHIBIT "6"

LOCAL LAW 11 REPORT

NYC Buildings

Technical Report (TR6)

Periodic Inspection of Exterior Walls and Appurtenances
Sub-Cycle 8A – February 21, 2015 — February 21, 2017
Sub-Cycle 8B – February 21, 2016 — February 21, 2018
Sub-Cycle 8C – February 21, 2017 — February 21, 2019

Must be typewritten.

RECEIVED
JUN 15 2015
DEPT. OF BUILDINGS
LOCAL LAW ENFORCEMENT UNIT

For all reports, submit a digital copy of report in a DVD or CD format, a BIS Façade printout, a completed TR-6 and the Batch Intake form (FB1). The digital copy must be indexed with a Control Number and BIN. E.g. Control # – BIN

Control #: 813246

1 Filing Information *(Indicate if combined cycles)*

☒ Initial Filing ☐ Resubmission ☐ Amended Filing ☐ Subsequent Filing

Report cycle: 8A Report cycle: _____ Initial filing date: _____

Last cycle filing date: 04-01-14 Initial unsafe filing date: _____

N.Y.C. Dept. of Bldgs ACCEPTED LOCAL LAW ENFORCEMENT UNIT

2 Location Information

House No(s) 61 Street Name MARTENSE STREET Zip 11226 CB No 314 BIN 3116719

Borough BROOKLYN AKA N/A Block 5086 Lot 60

3 Inspection Report Status Information

Current Cycle: Last Inspection Date 06-16-15 SWARMP Recommended Date N/A

☒ Safe ☐ Safe with repair and maintenance program (SWARMP) ☐ Unsafe

Prior Filing Cycle 7

☒ Safe ☐ SWARMP ☐ Unsafe

4 Building Characteristics

Landmark Building: ☐ Yes ☒ No Landmark District: ☐ Yes ☒ No

Number of stories: 7 Exterior wall type: BRICK # Balconies: 42

Wall(s) Subject to Inspection

☐ All ☒ Partial N/S/E

5 Qualified Exterior Wall Inspector (QEWI) Information

Last Name COURTENAY First Name STEVEN MI

Bus. Name AMERISTRUCTURES LLC Bus. Address 1070 EAST 23 STREET Bus. Tel. (718) 744-7901

City BROOKLYN State NY Zip 11210 Bus. Fax

NYS Lic. # 027301 ☐ P.E. ☒ R.A. Mobile Phone

E-Mail SCOURT@HVC.RR.COM

6 Owner of Record Information *(Not a Representative or Business Manager or Agent)*

Last Name [redacted] First Name [redacted] MI

Bus. Name Prospect Flatbush Estates LLC Bus. Address 153-90 ROCKAWAY BLVD Bus. Tel. (718) 723-2400

City JAMAICA State NY Zip 11434 Bus. Fax

E-Mail SHNEUR@BELTPARK.COM Mobile Phone

7 Statements and Signatures

Owner / Owner Representative

(A) I hereby state that I am the owner/owner's representative of the premises referenced in the attached report. Furthermore, I have received and read a copy of the attached report and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for same.

(B) I certify that all items noted as SWARMP conditions in the previous cycle's report have been corrected/repaired; or this report must be rated as Unsafe as per Administrative Code section §28-302.1, if applicable.

Name ISRAEL RABINOWITZ Signature _____

Relationship to owner OWNER Phone (718) 723-2400

Email SHNEUR@BELTPARK.COM Date 6/12/15

Qualified Exterior Wall Inspector (QEWI)

Name (please print) STEVEN COURTENAY

Signature _____ Date 6-8-15

I hereby state that the Owner / Owner's Representative has authorized me to submit this report. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

P.E. / R.A. Seal *(apply NYS seal, then sign and date)*

STATE OF NEW YORK

§28-211.1 False statements in certificates, forms, written statements, applications, reports or certificates of correction. It shall be unlawful for any person to make a material false statement in any certificate, professional certification, form signed statement, application, report or certification of the correction of a violation required under the provisions of this code or any rule of any agency promulgated there under that such person knew or should have known to be false.

Salamon
Engineering
Group

330WEST 38th STREET - SUITES 402
NEW YORK, NEW YORK 10018
T.212-465-1616F.212-643-2076
David@SalamonEngineering.com

March 25, 2016

Property: 61 Martense Brooklyn, NY

An Engineering inspection was made of the balconies of the subject building in order to address the DOB violation received.

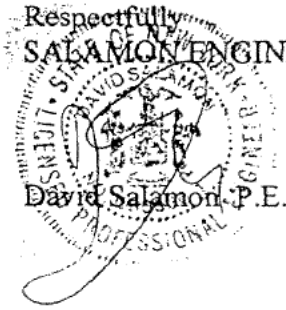
The following was found:
There are two sets of balconies along the front of the building.
Based on our inspection the brickwork show signs of bulging and spalling brickwork.

Per our meeting the following remedial actions have been started.

1- A sidewalk bridge had been installed along the front façade
2- Access to the individual balconies will be temporarily eliminated by the installation of plywood on the balcony entrance doors.
3- SALAMON ENGINEERING is proceeding to prepare plans for the repair of the balconies. These plans shall be filed with the Department of Buildings for Approval and subsequent Work Permit. It is estimated that this work can designed, filed and approved by the DOB within three weeks.
4- These repairs shall be monitored by SALAMON ENGINEERING, after which a certificate of corrections shall be filed with the DOB to remove the violation

If there are any questions please do not hesitate to call.

Respectfully,
SALAMON ENGINEERING



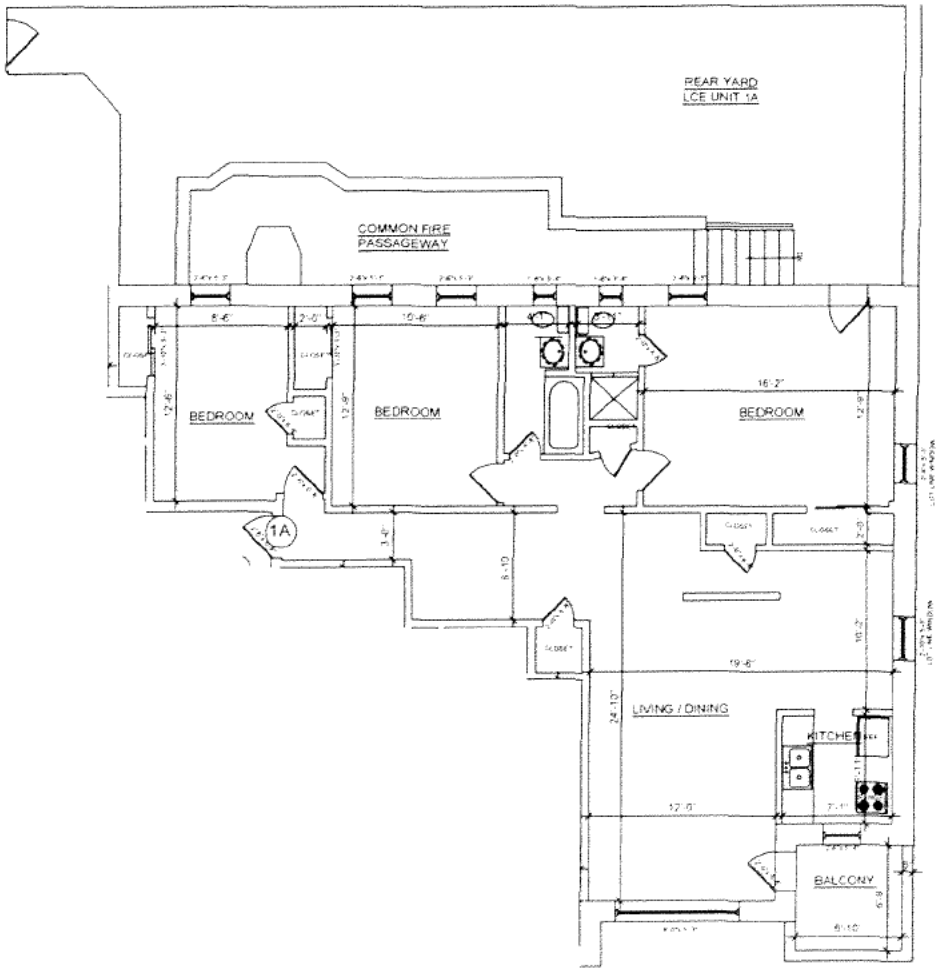
David Salamon, P.E.

EXHIBIT "7"

FLOOR PLANS

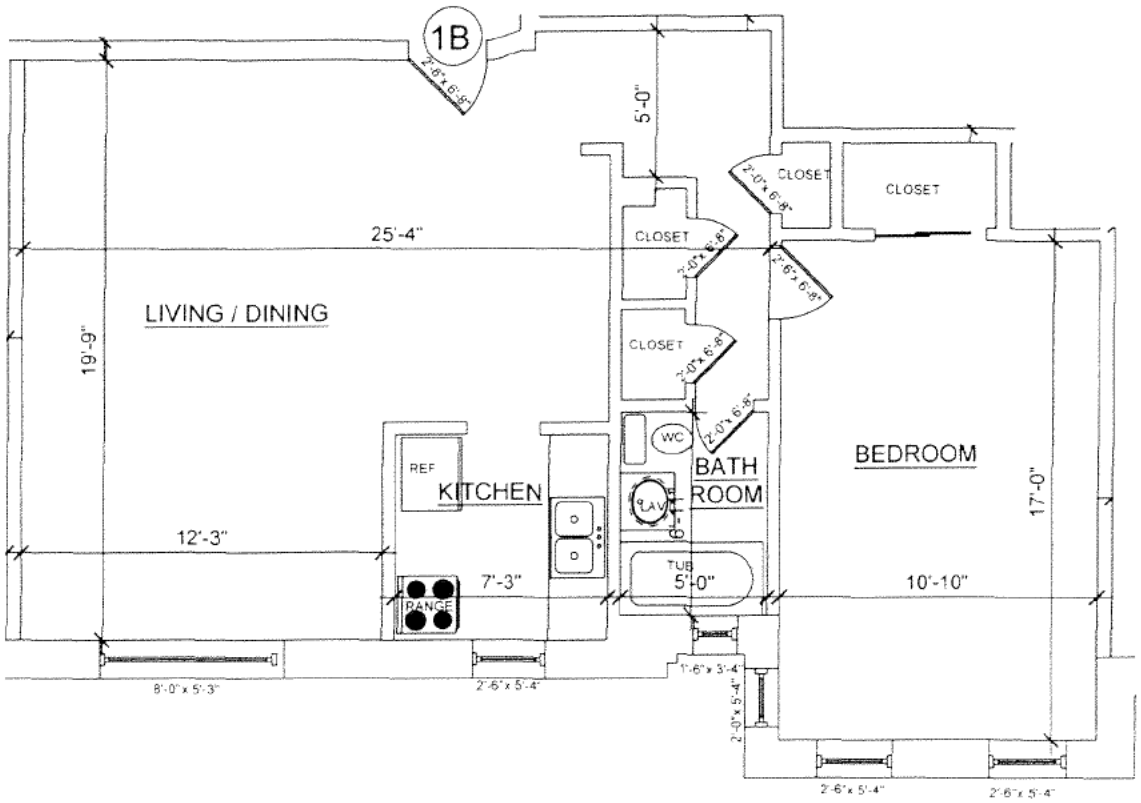
61 MARTENSE STREET
BROOKLYN, NY 11226
DATED: 03/14/2018

NOTE: ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES.



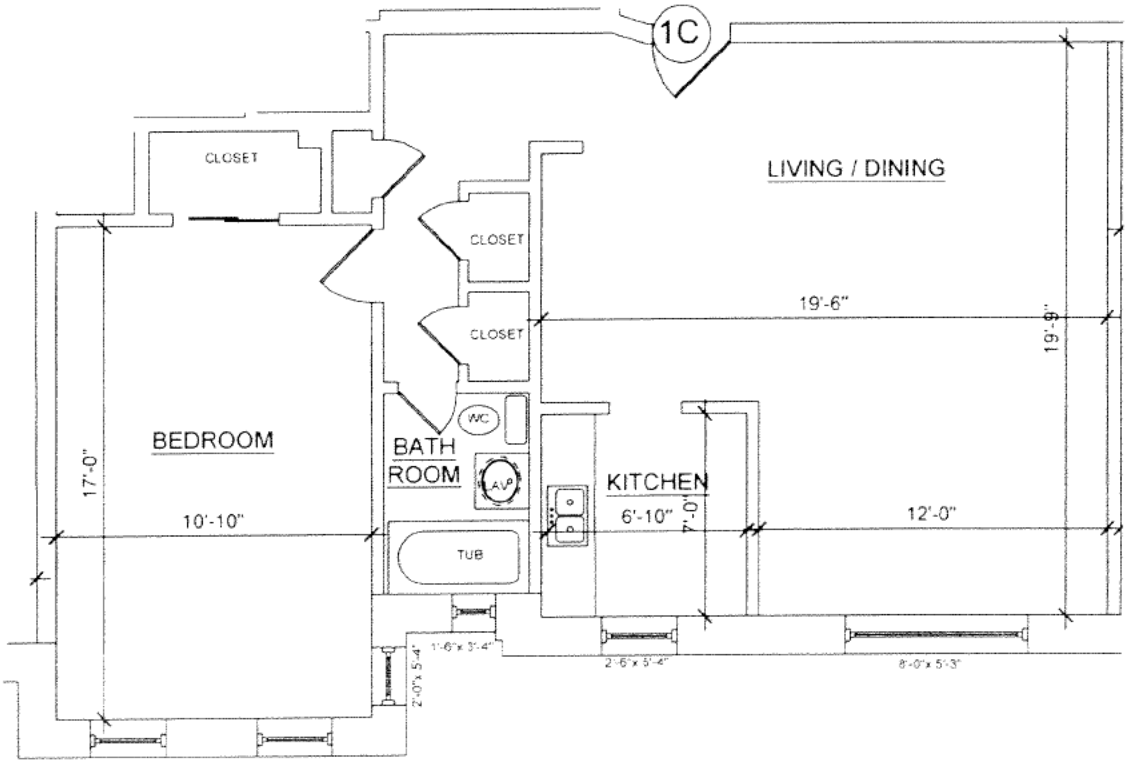
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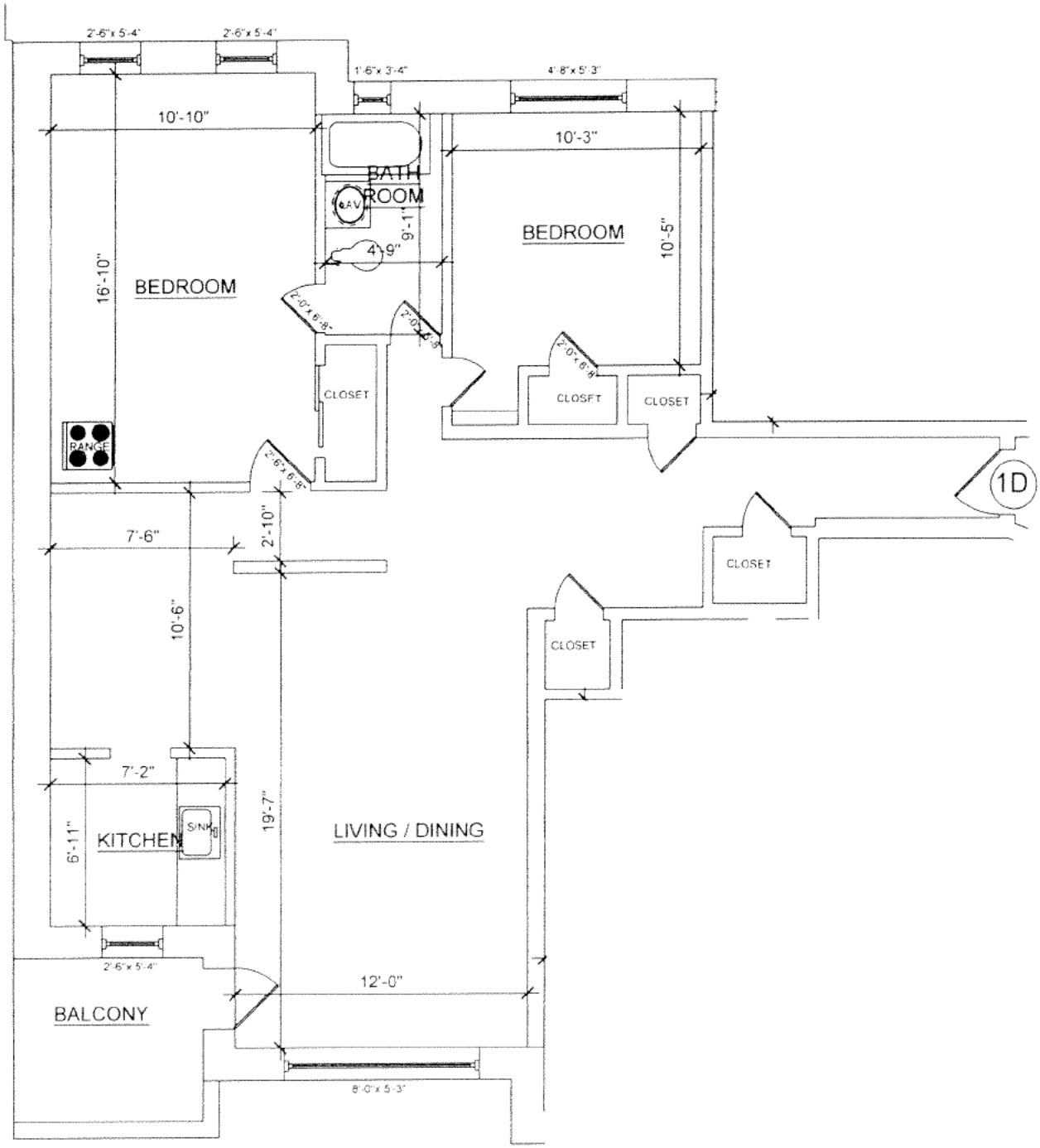
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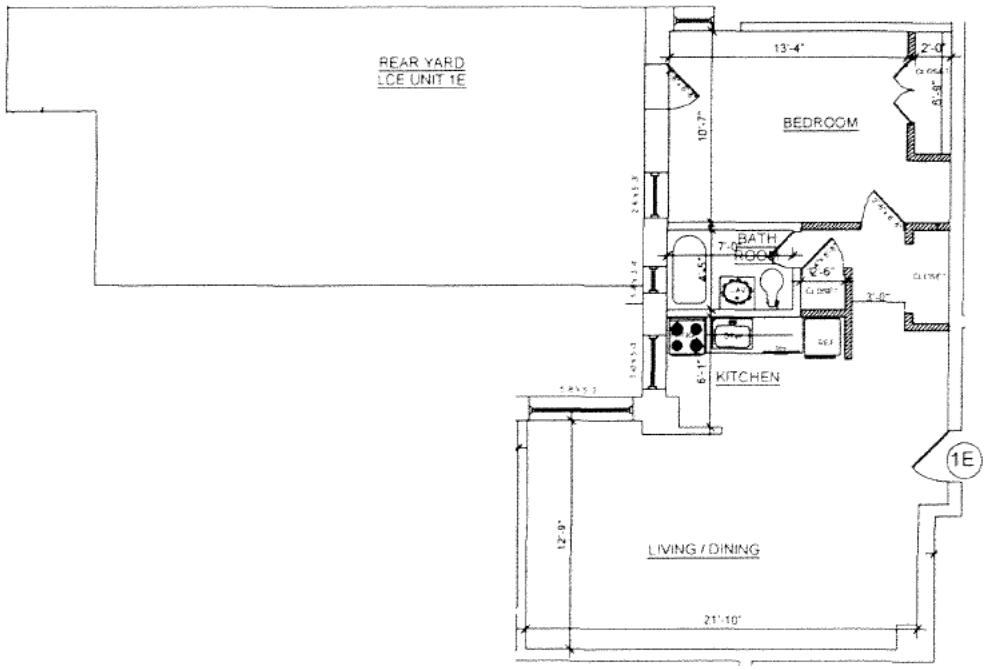
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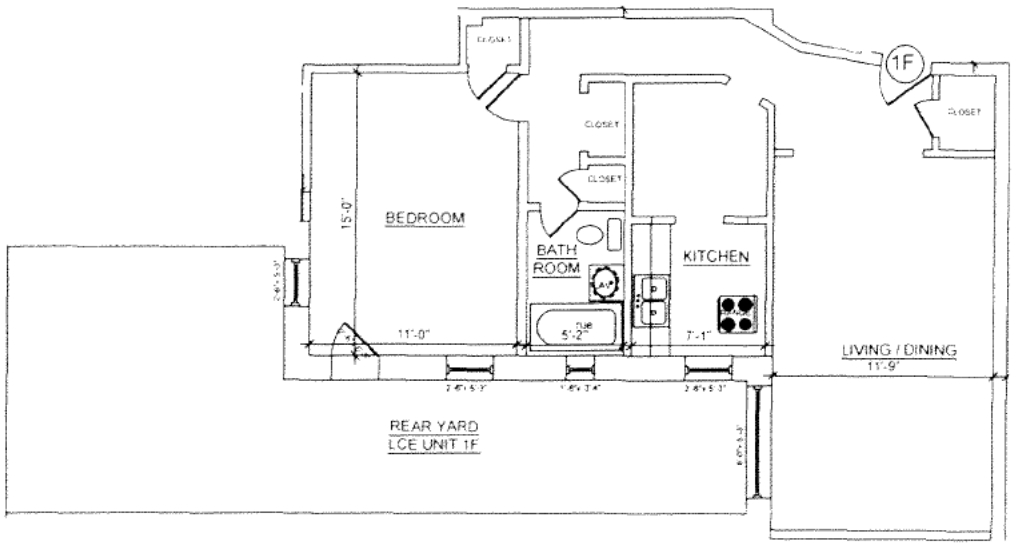
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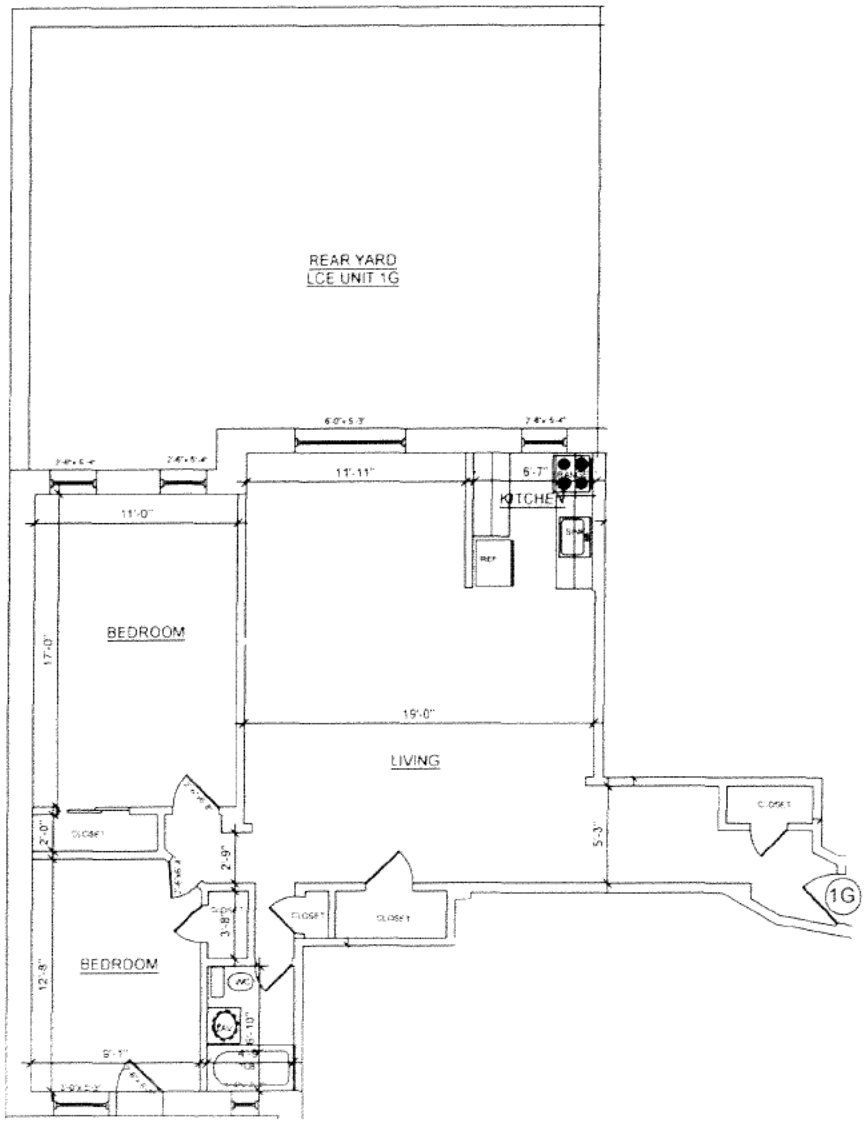
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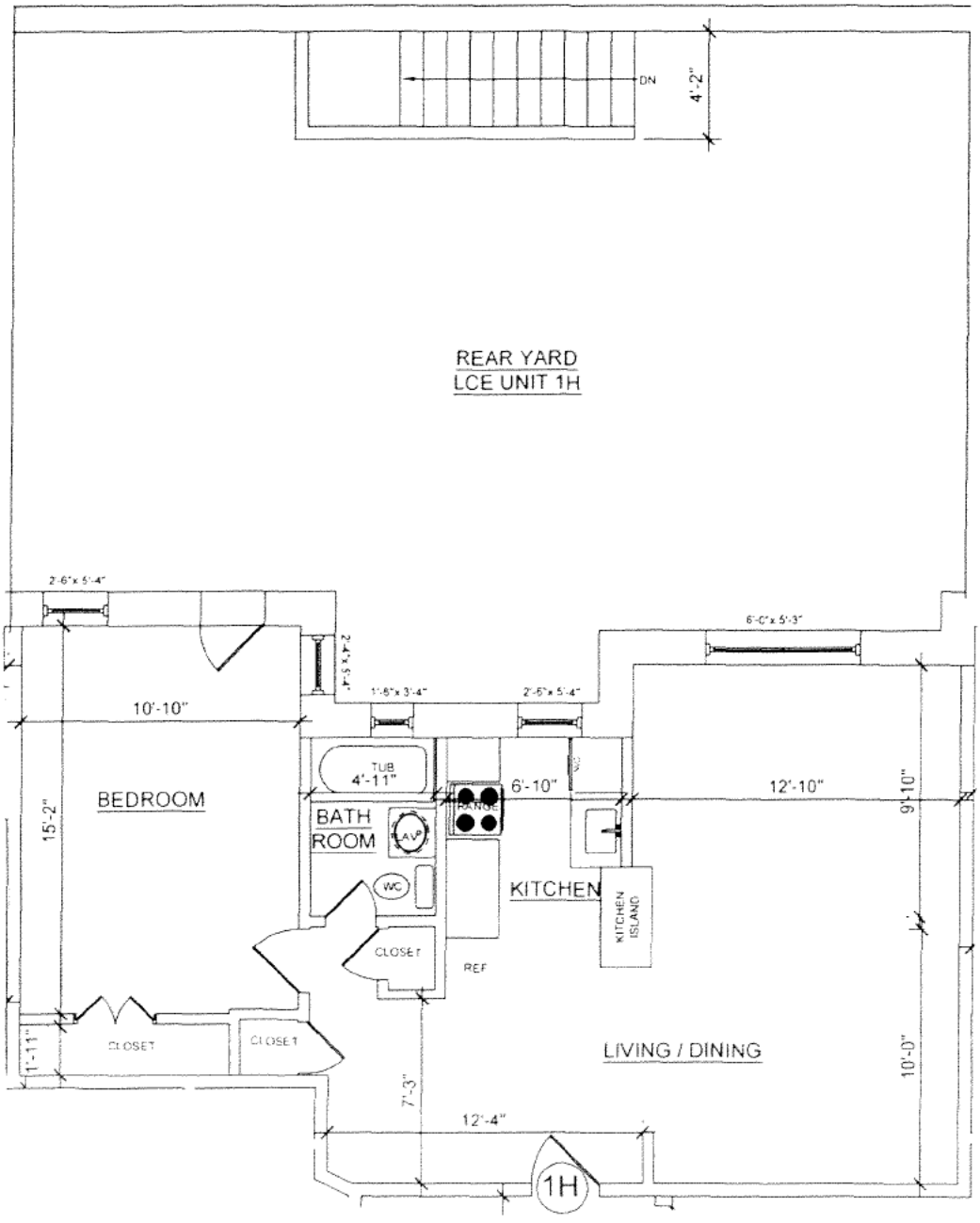
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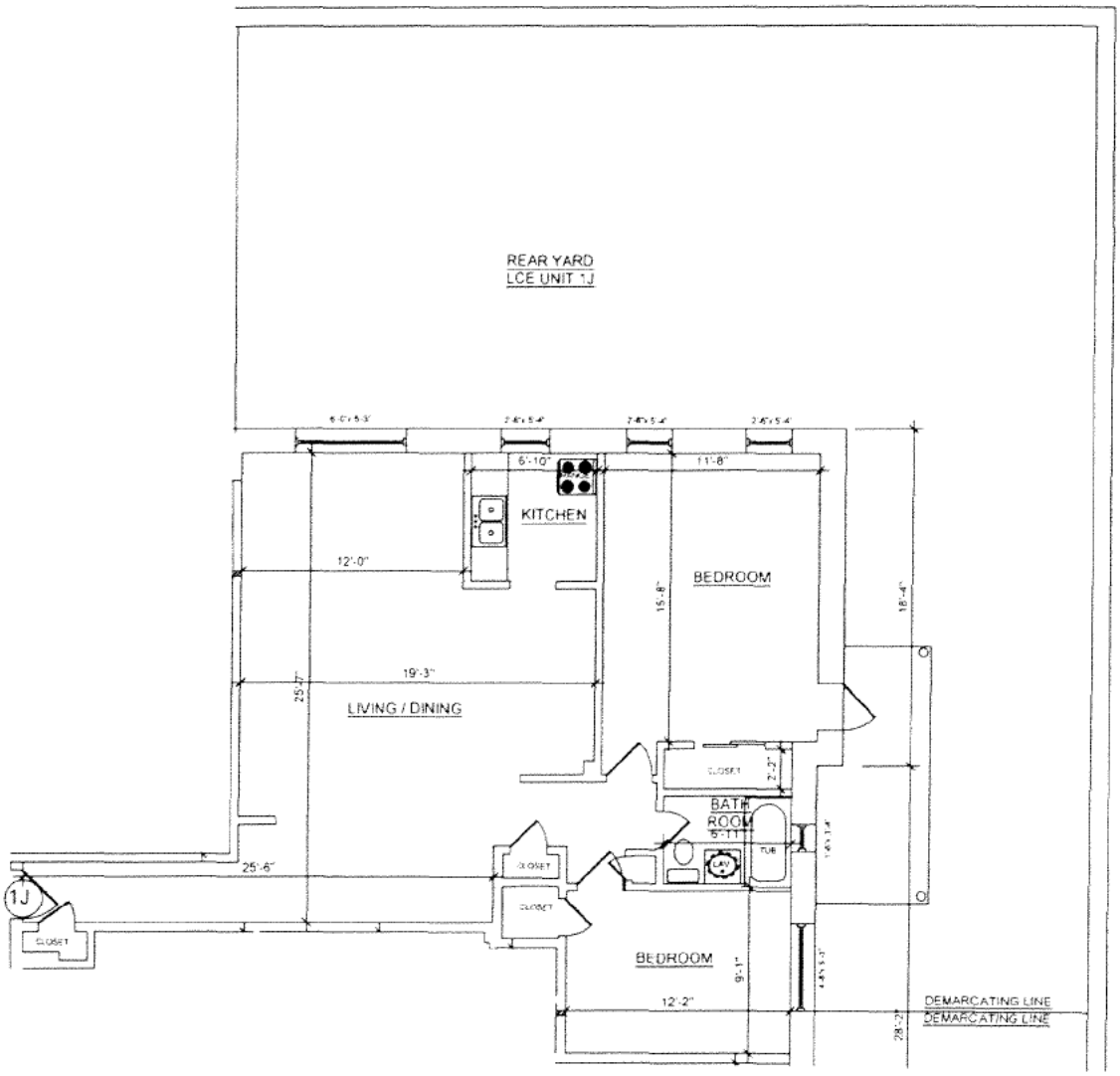
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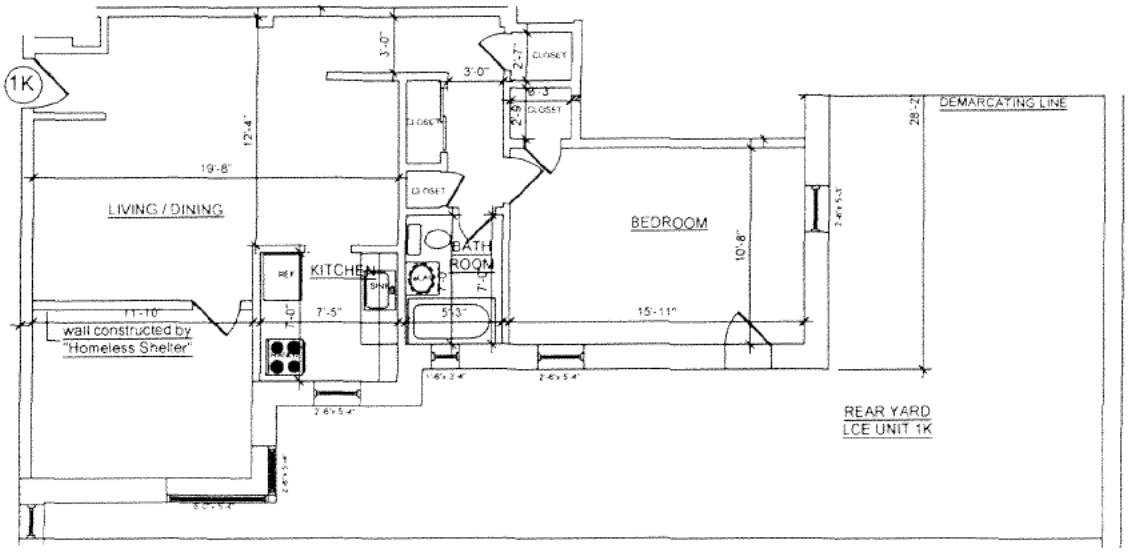
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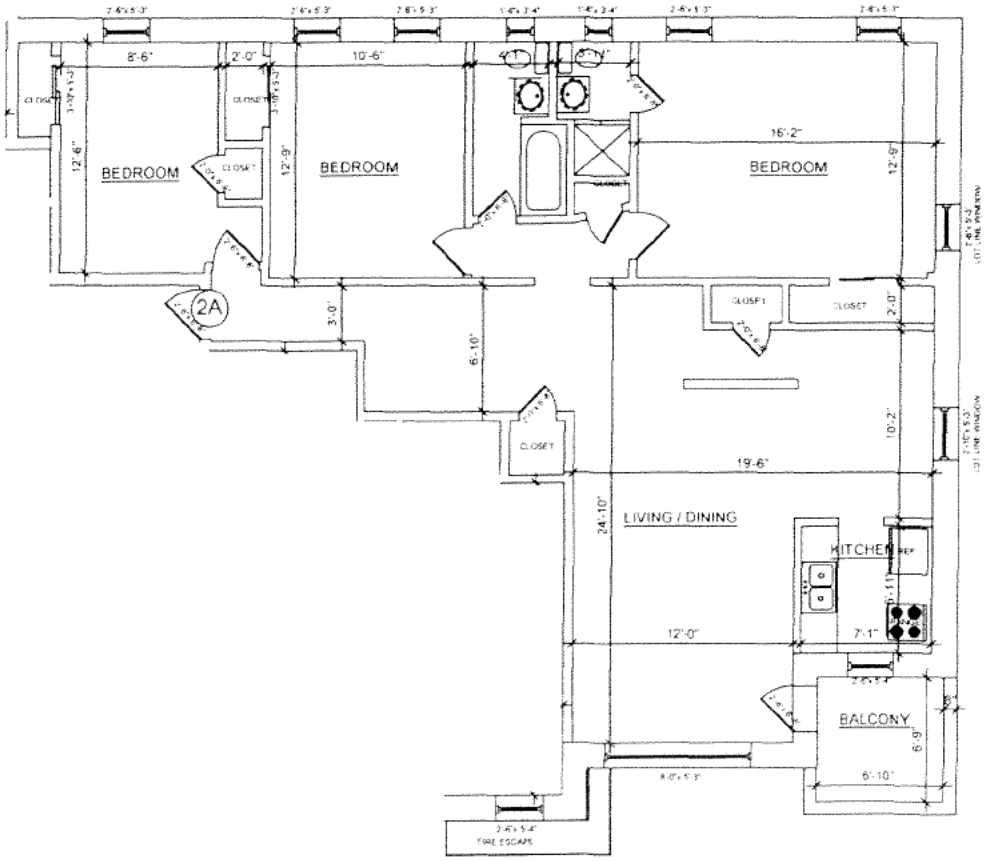
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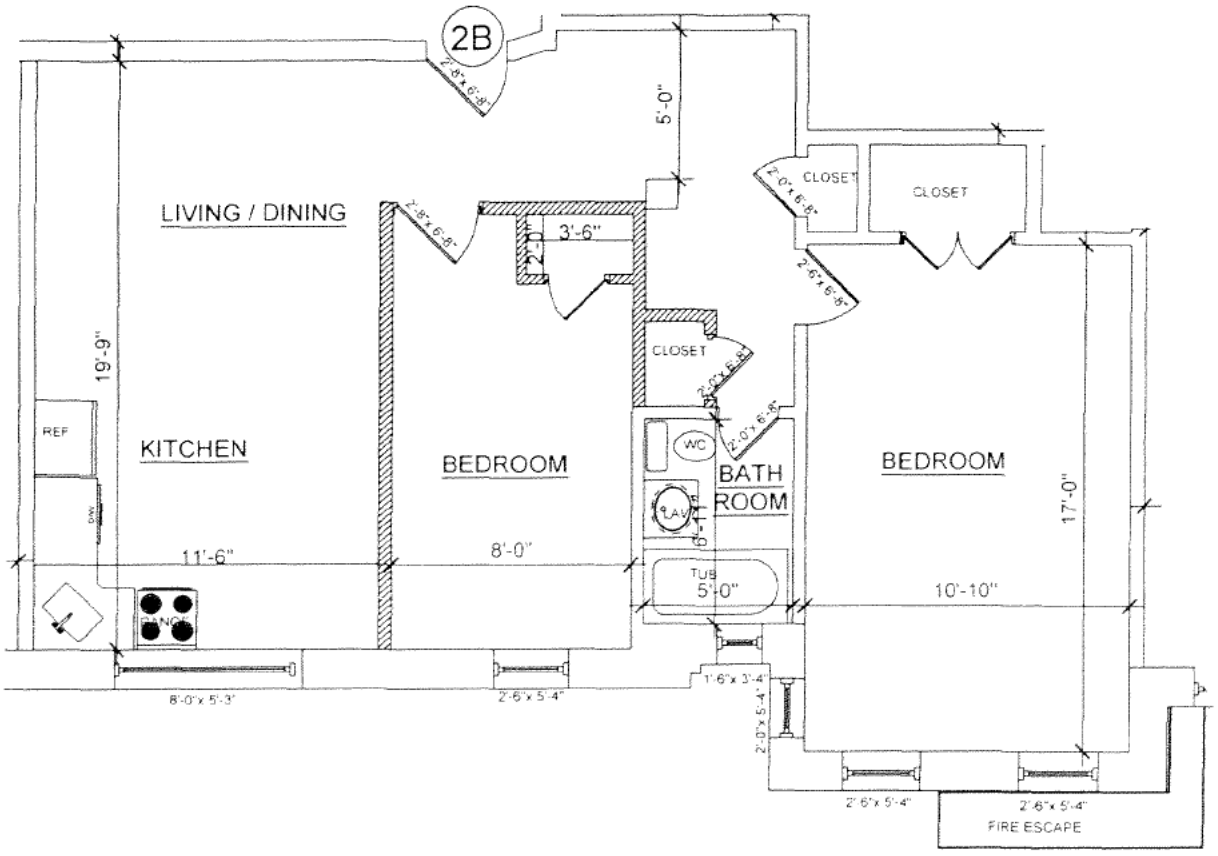
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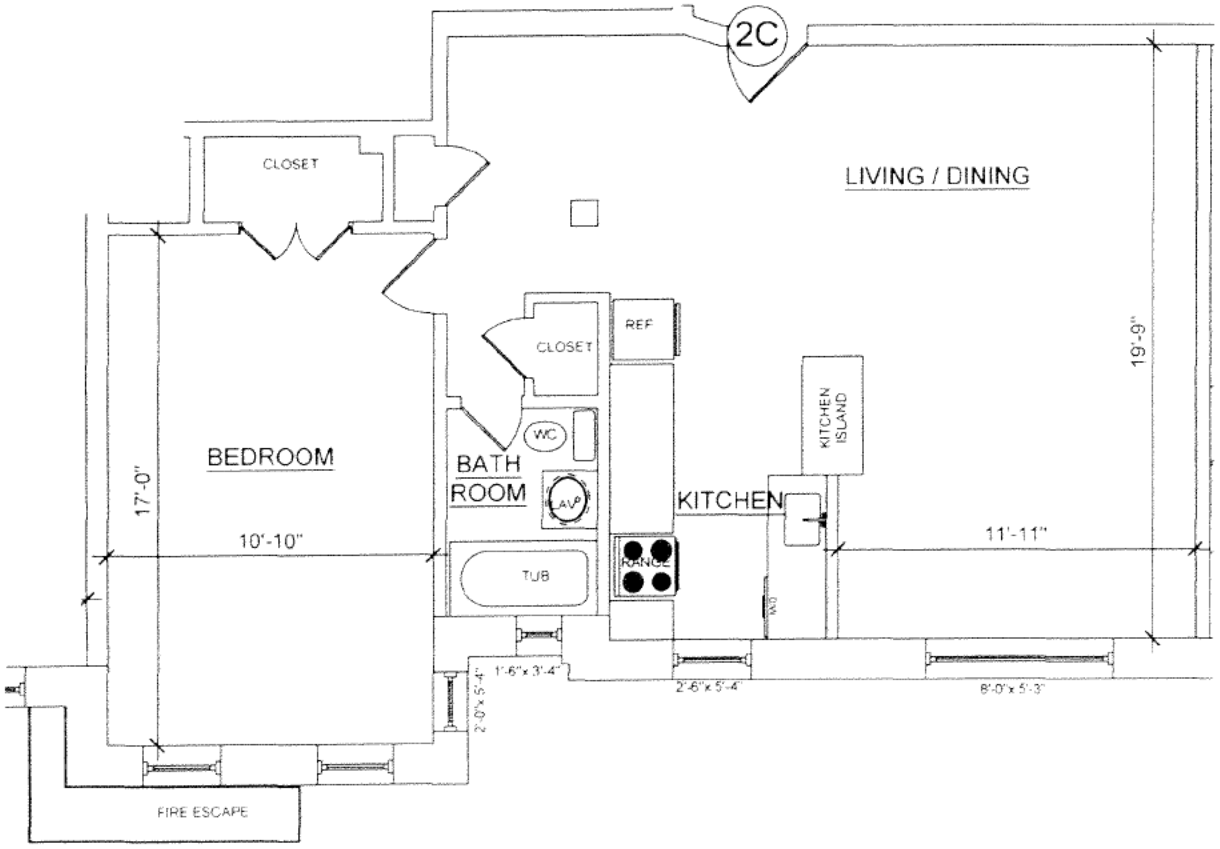
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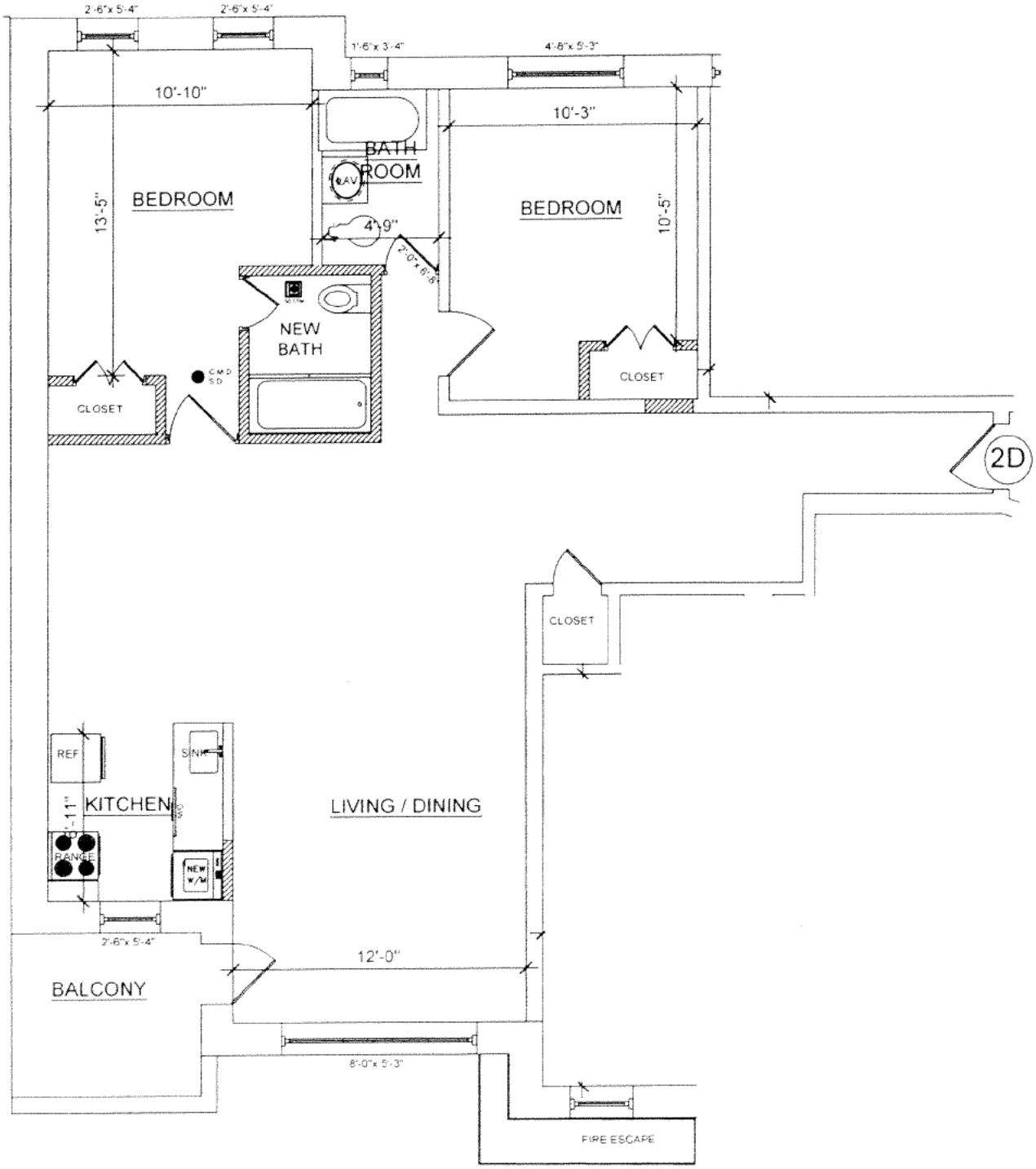
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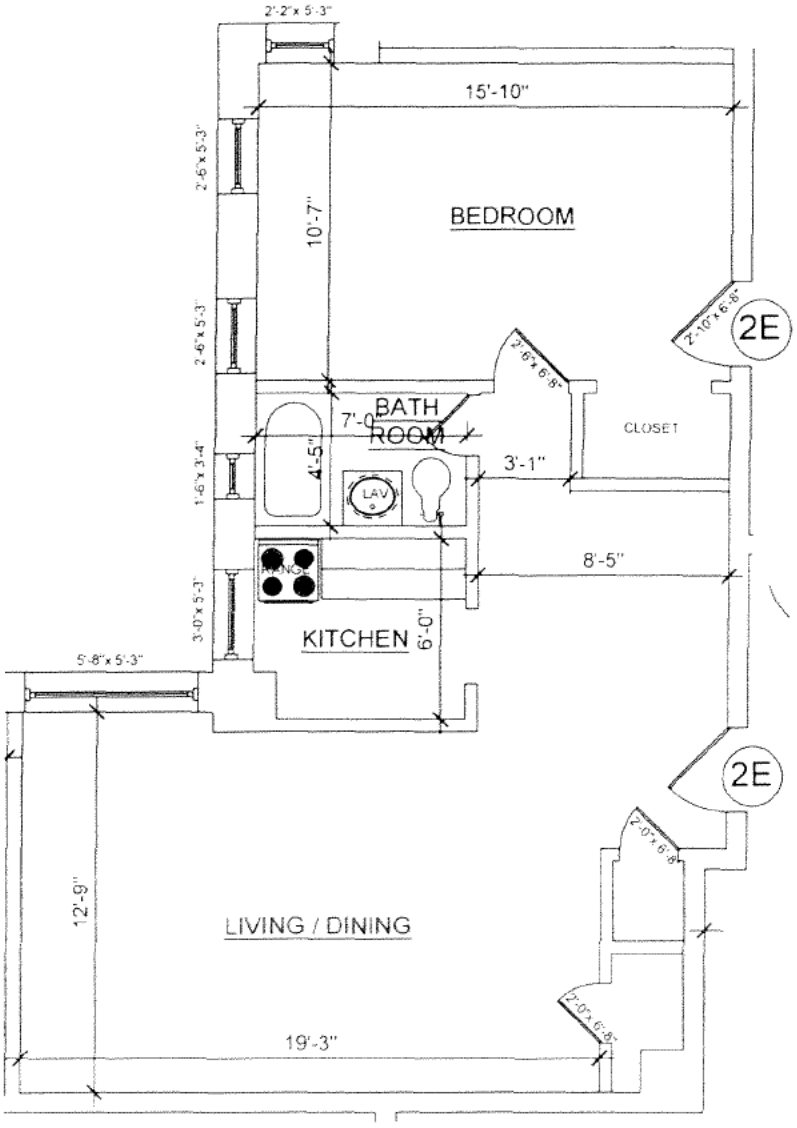
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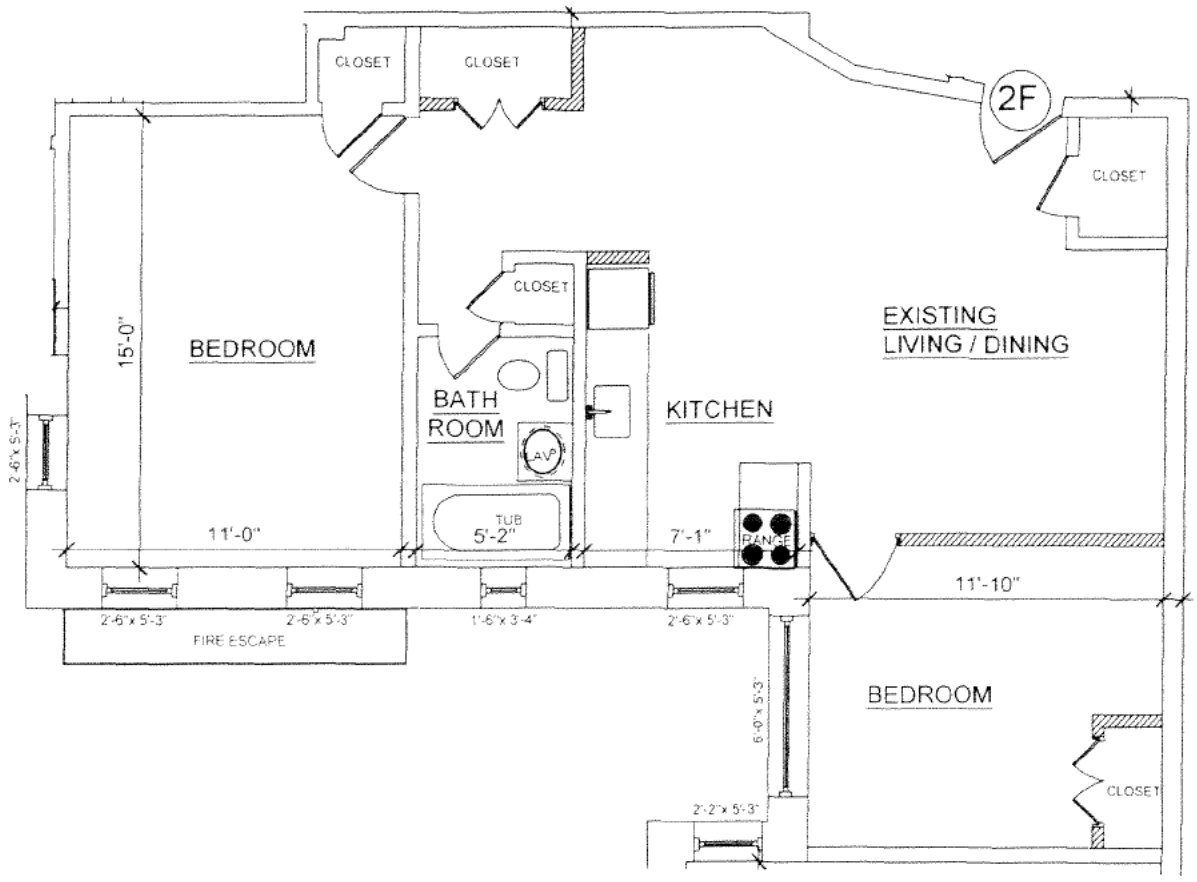
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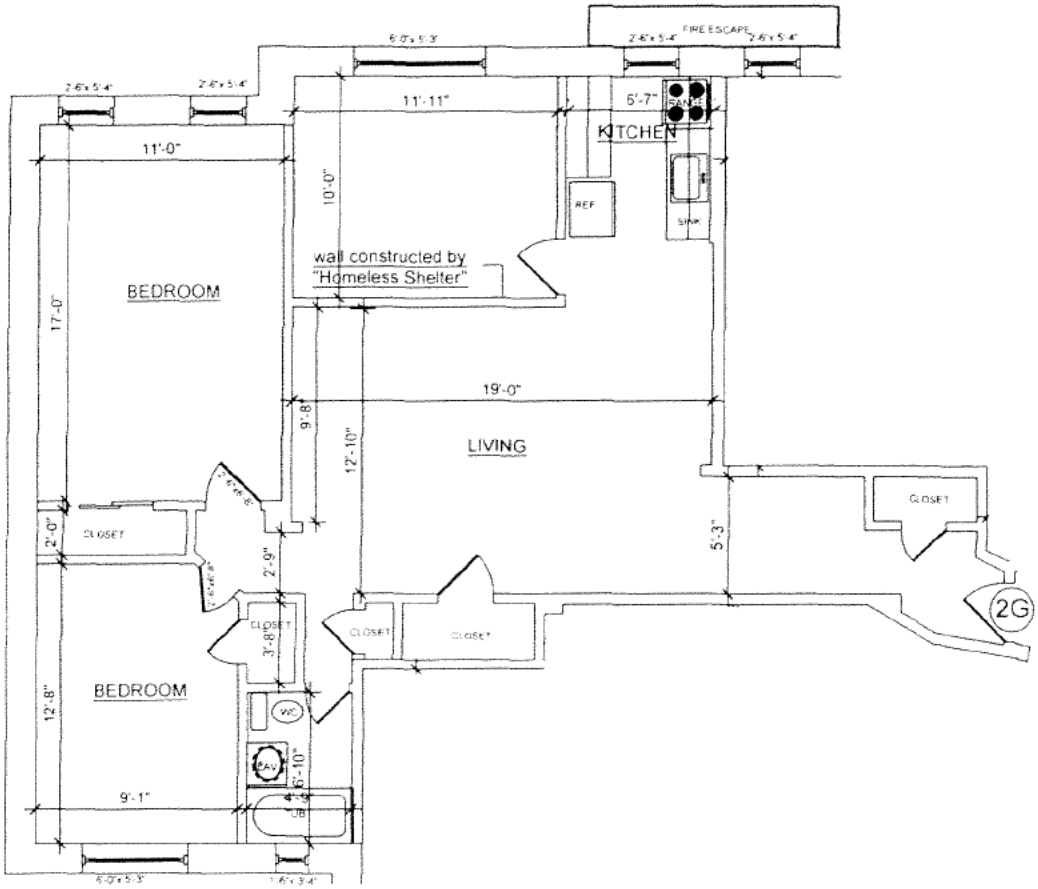
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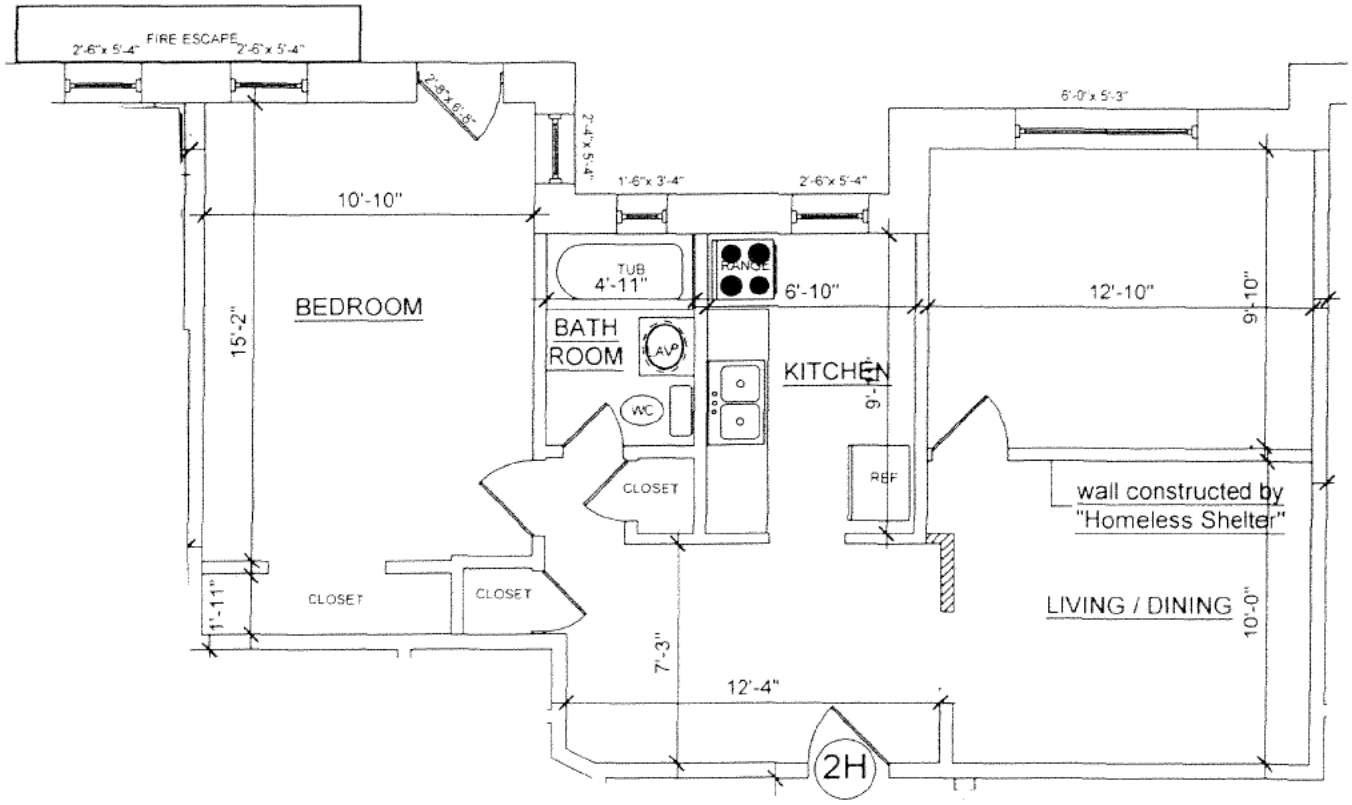
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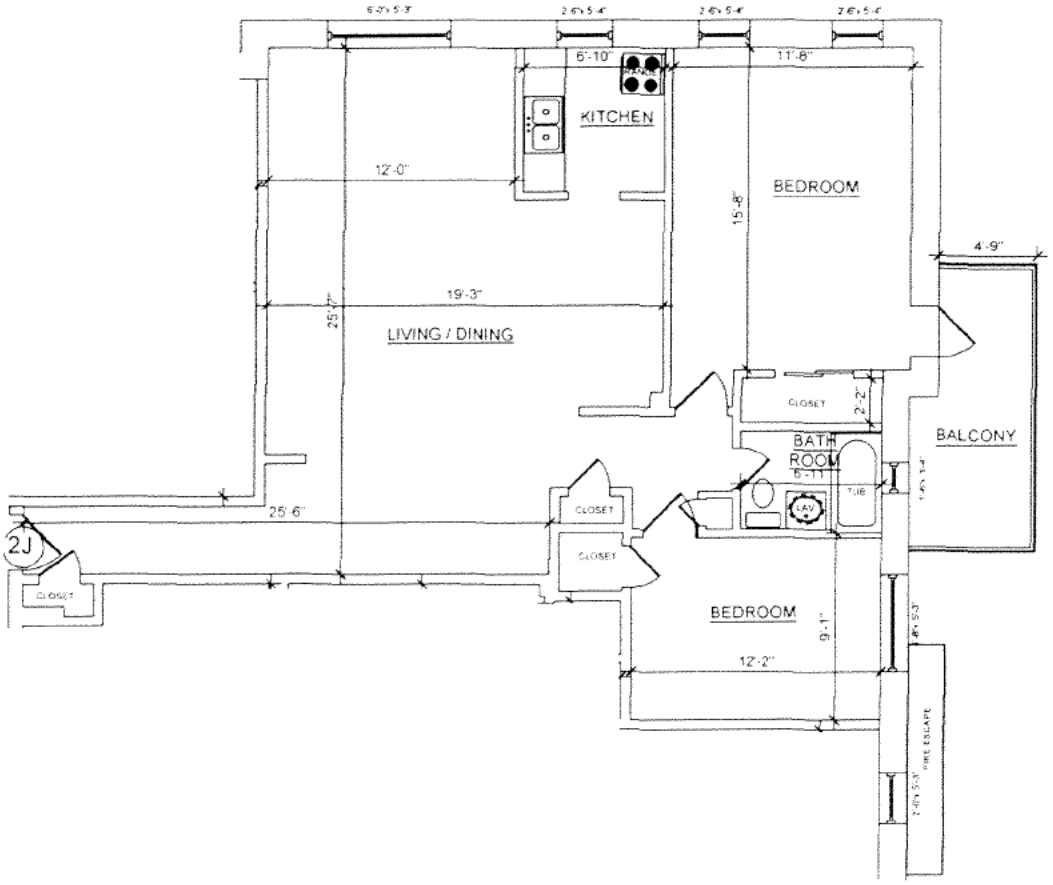


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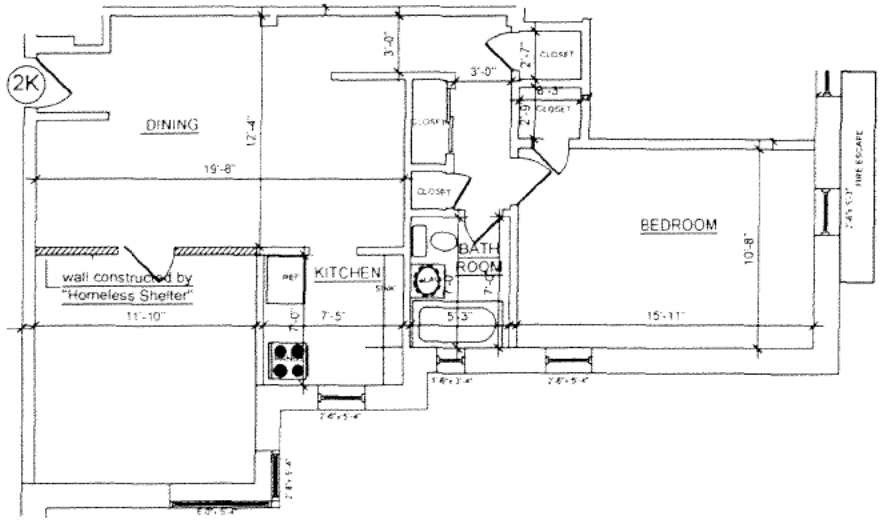
61 MARTENSE STREET
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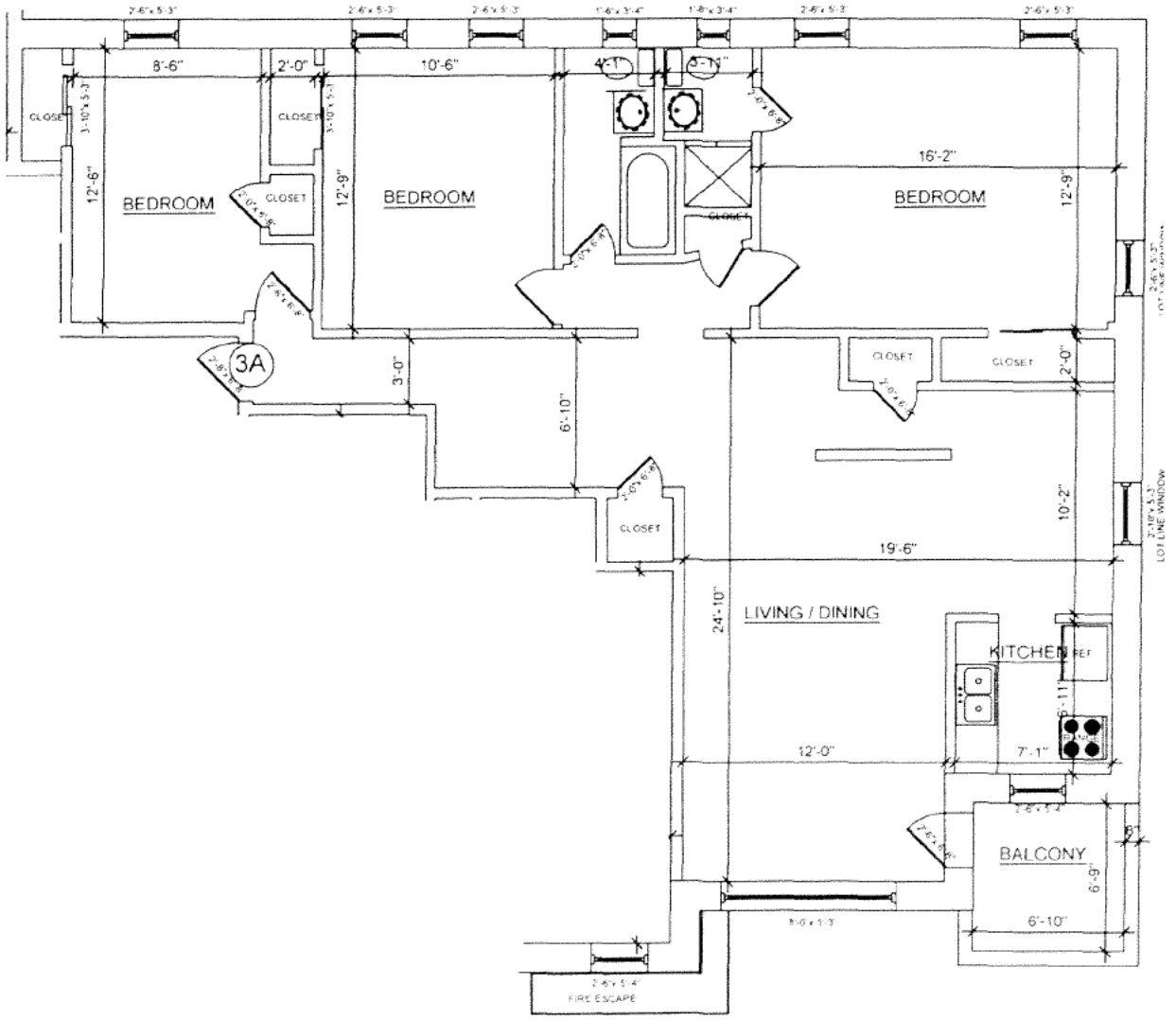
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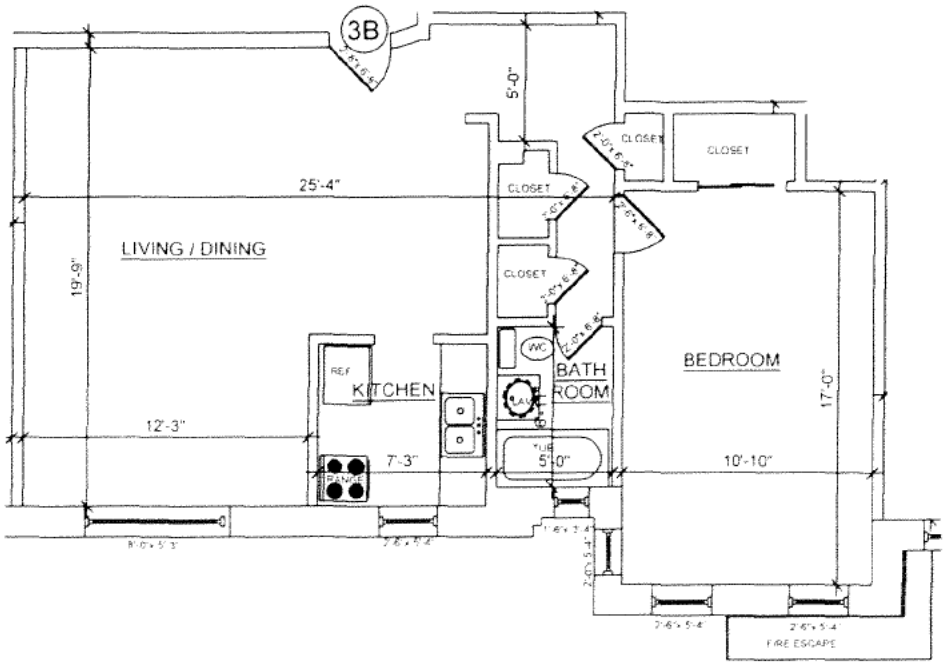
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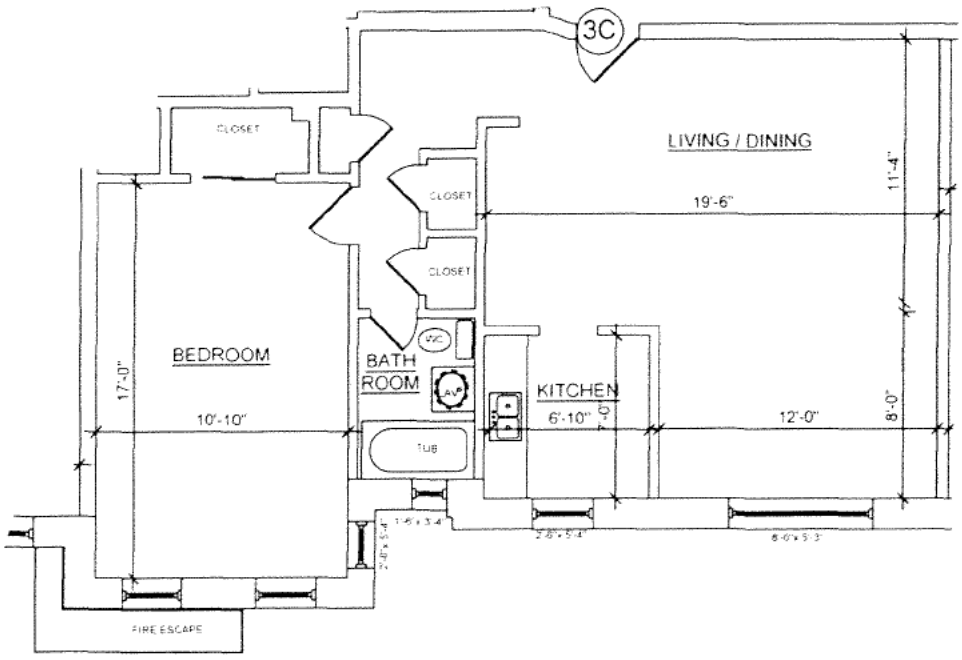
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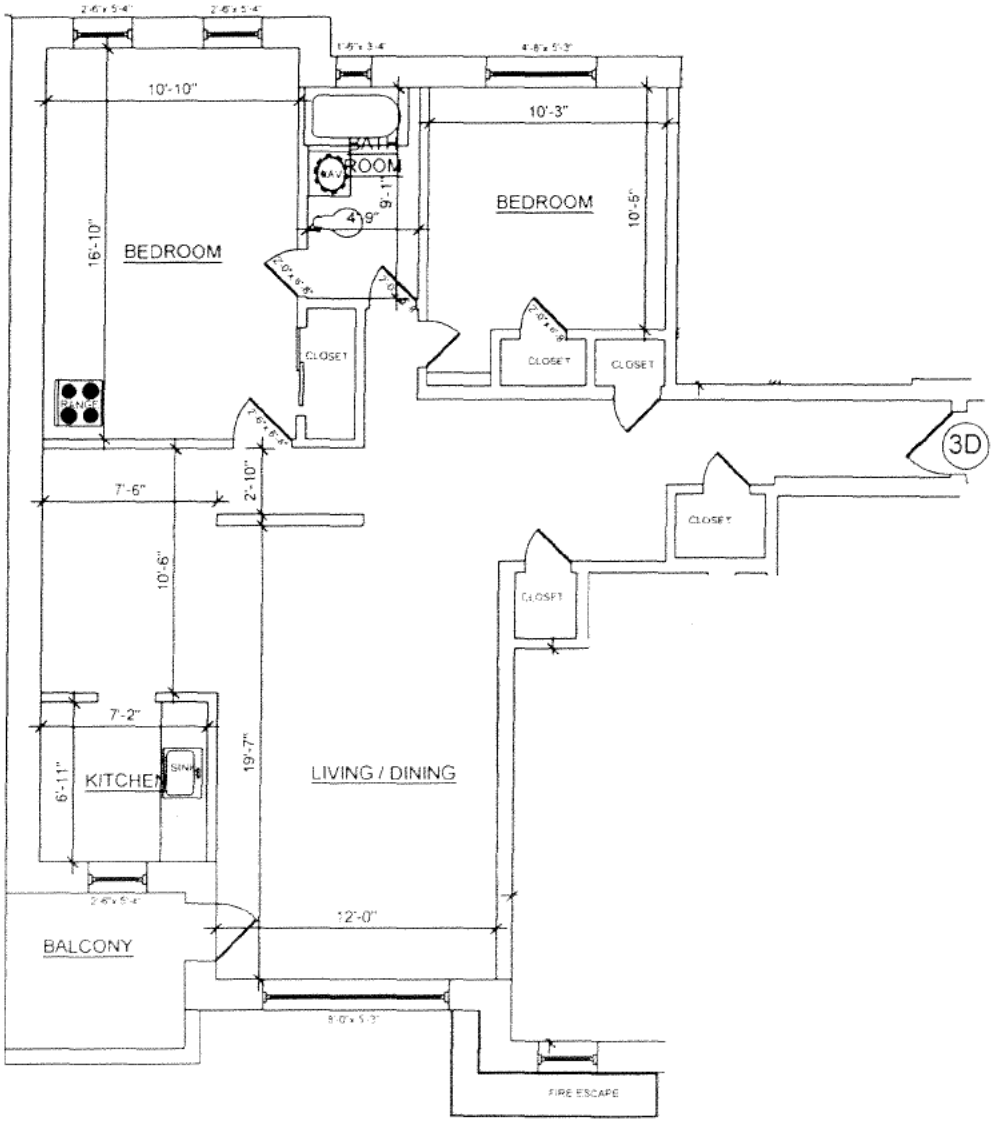
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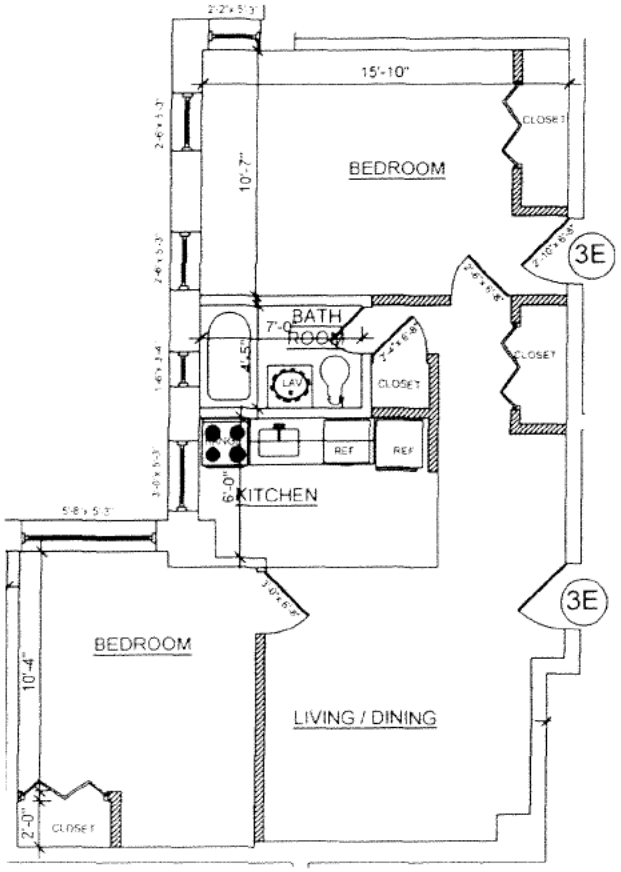
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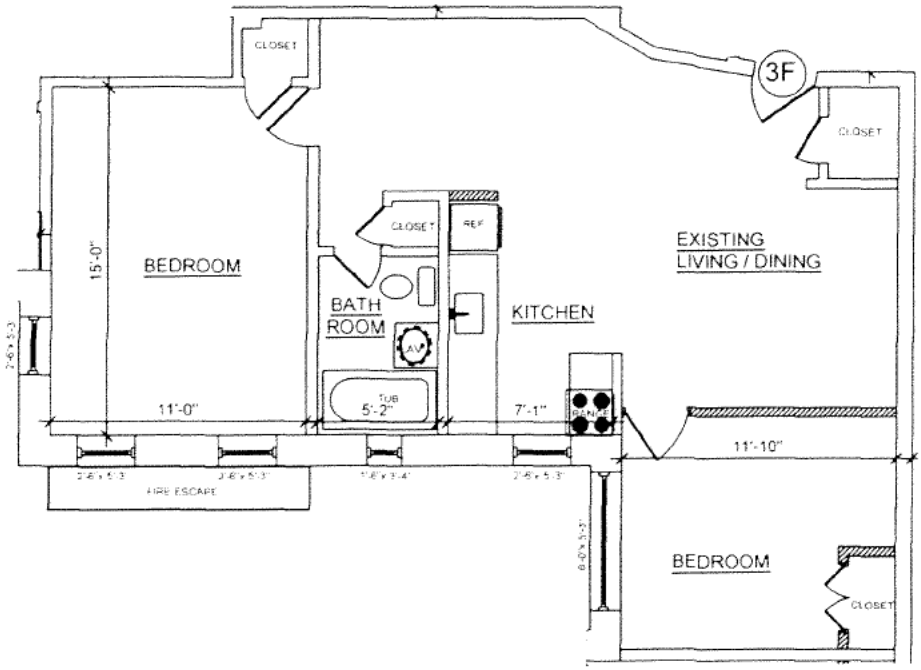
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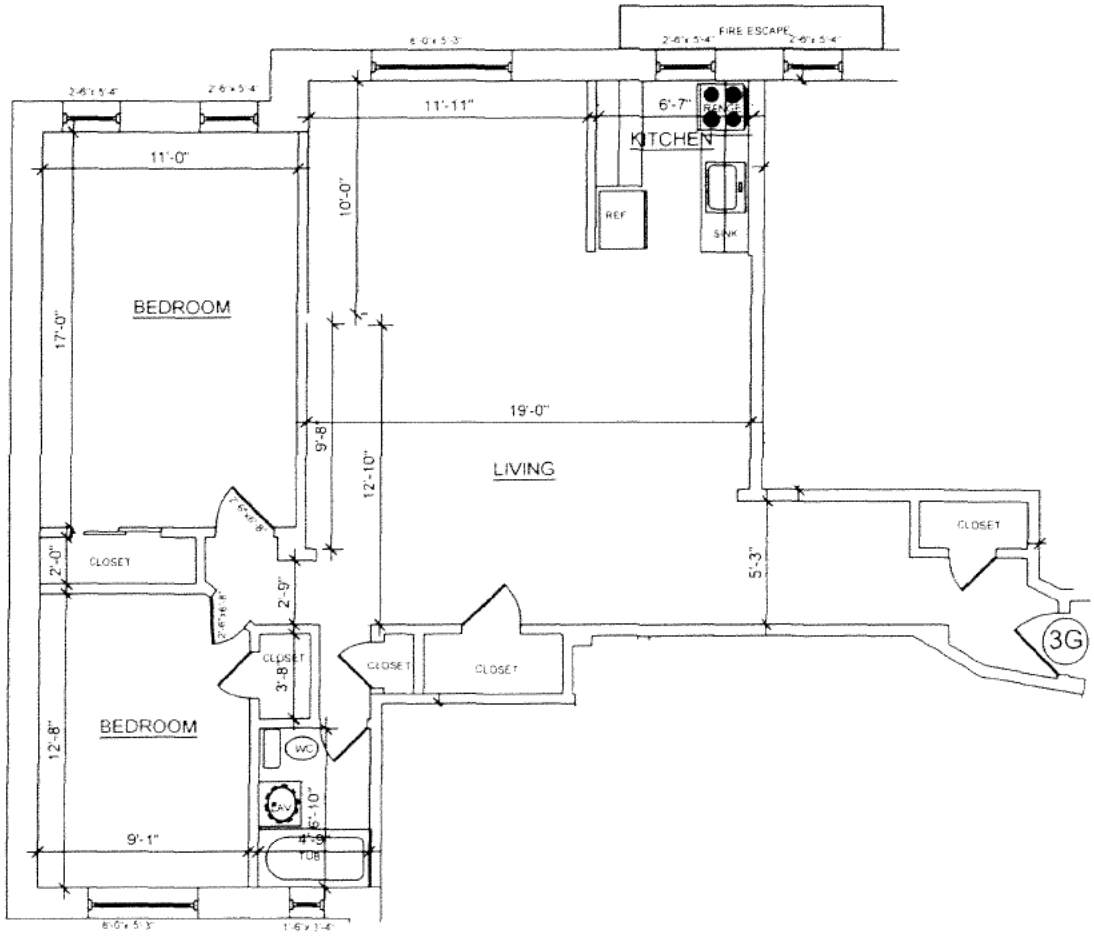
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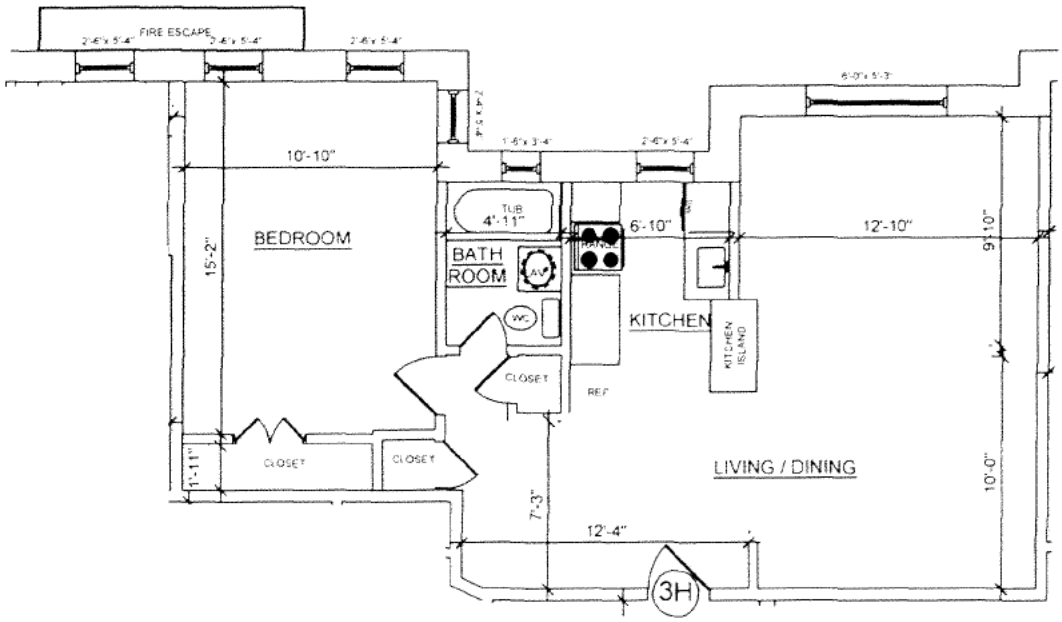
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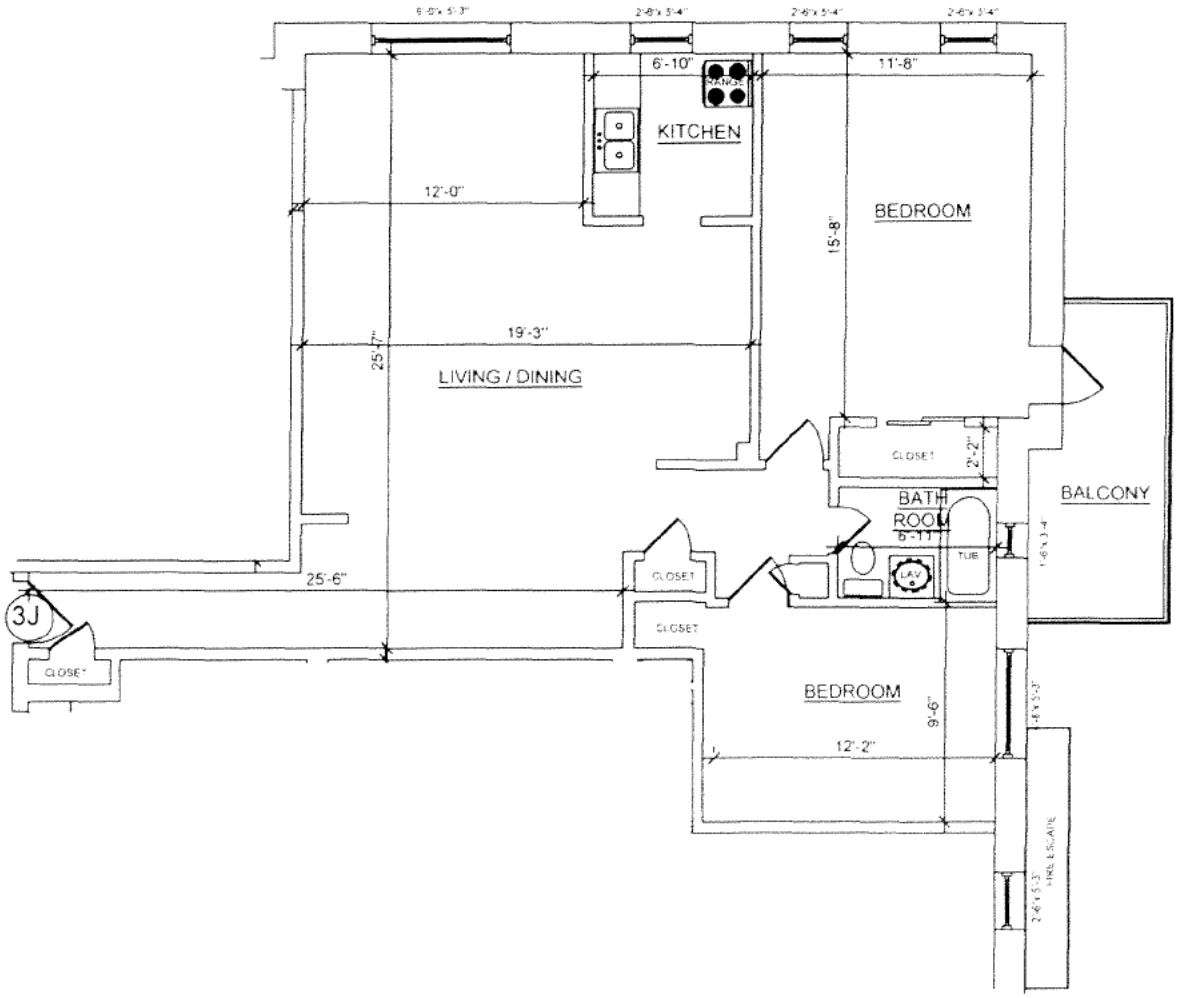
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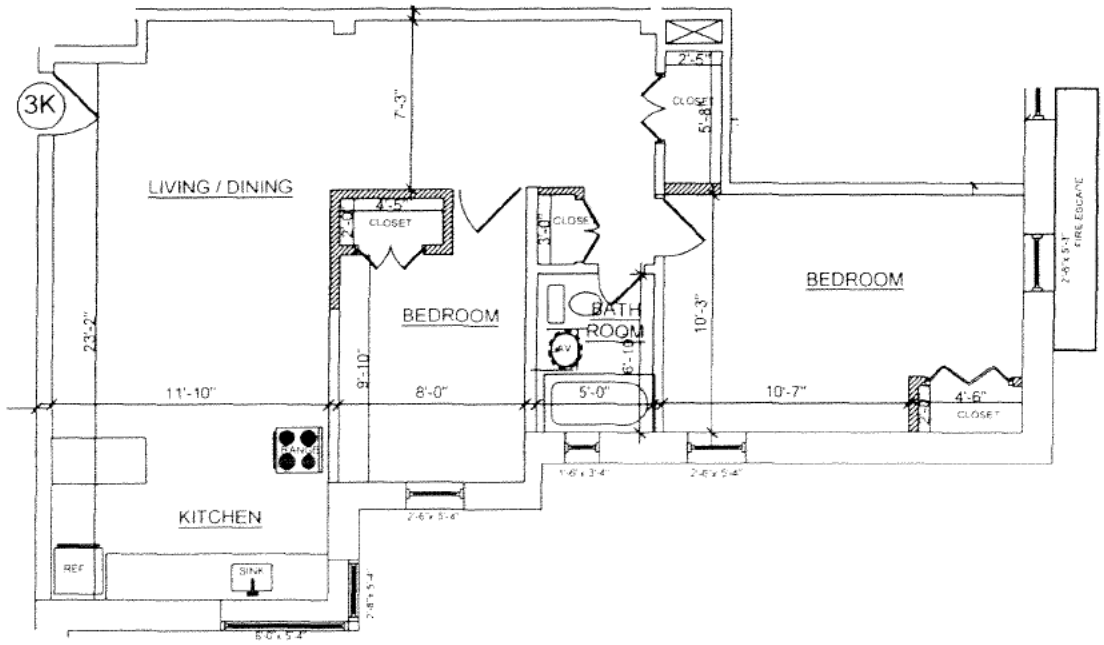
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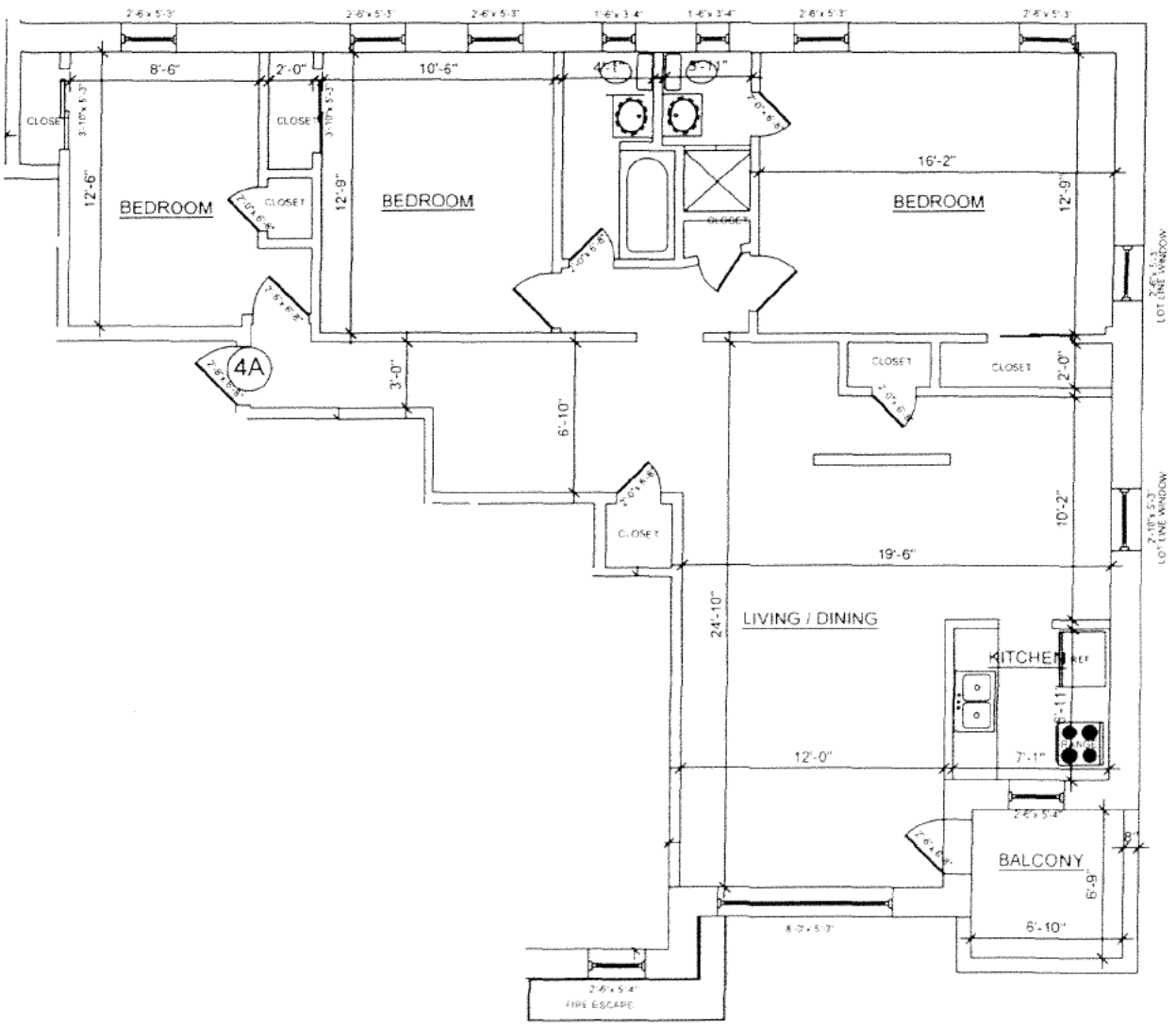
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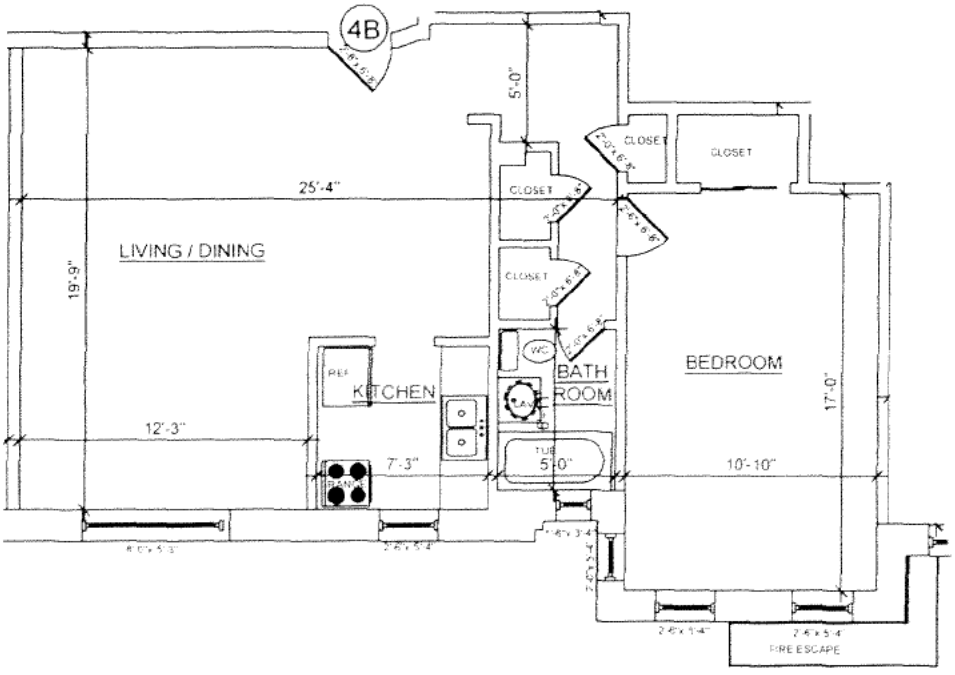
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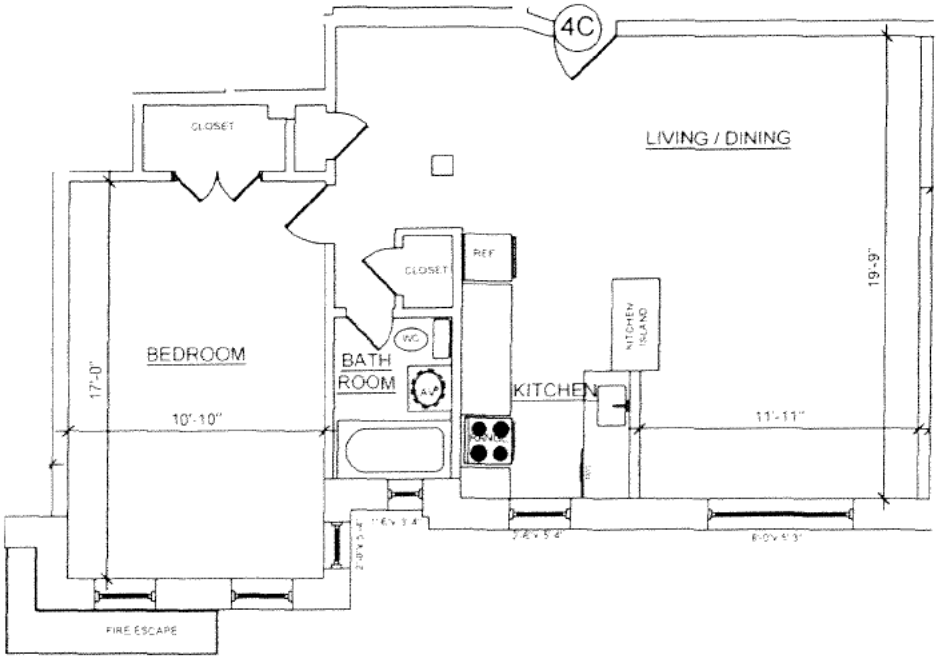
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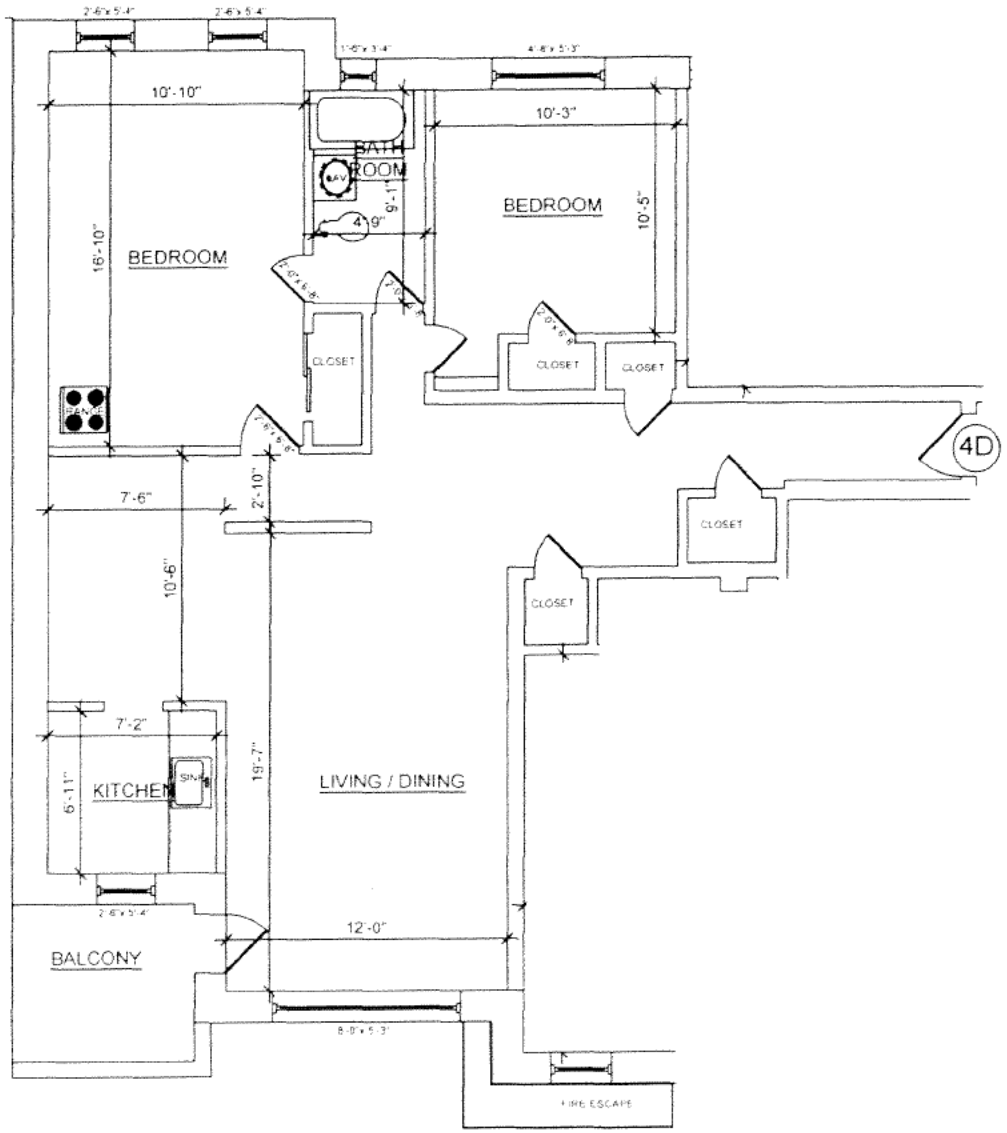
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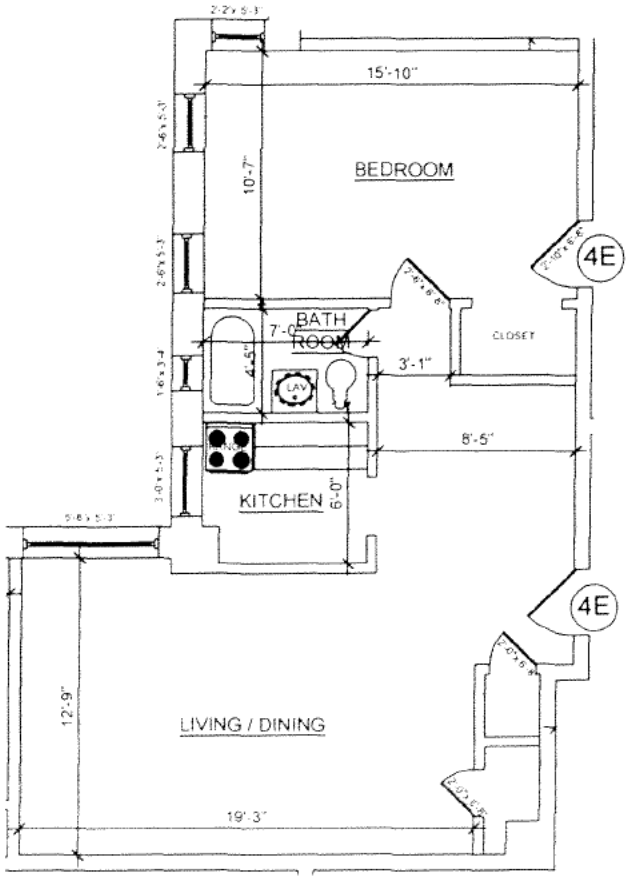
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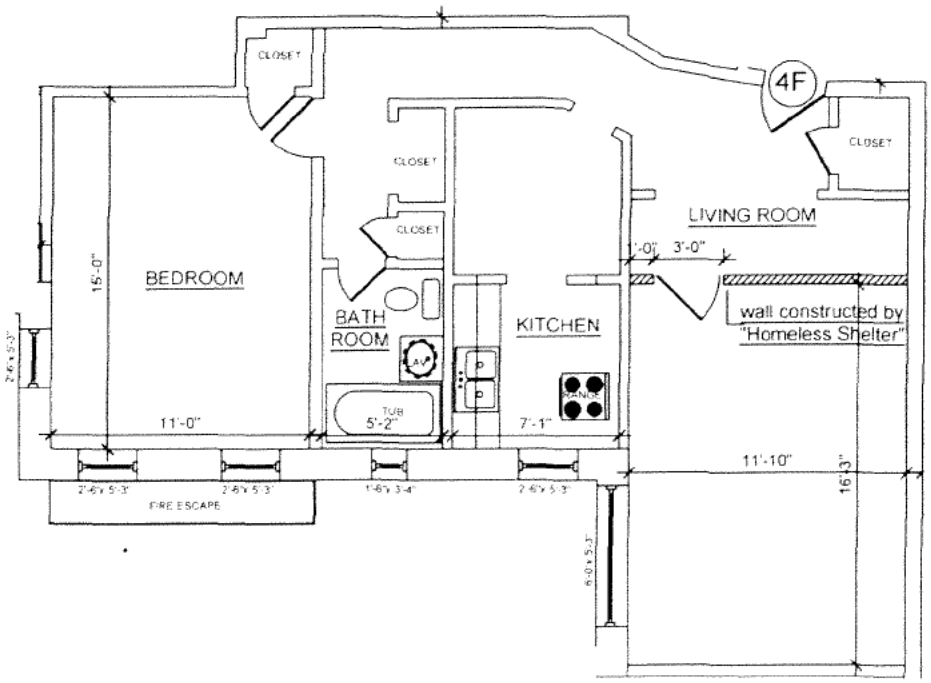
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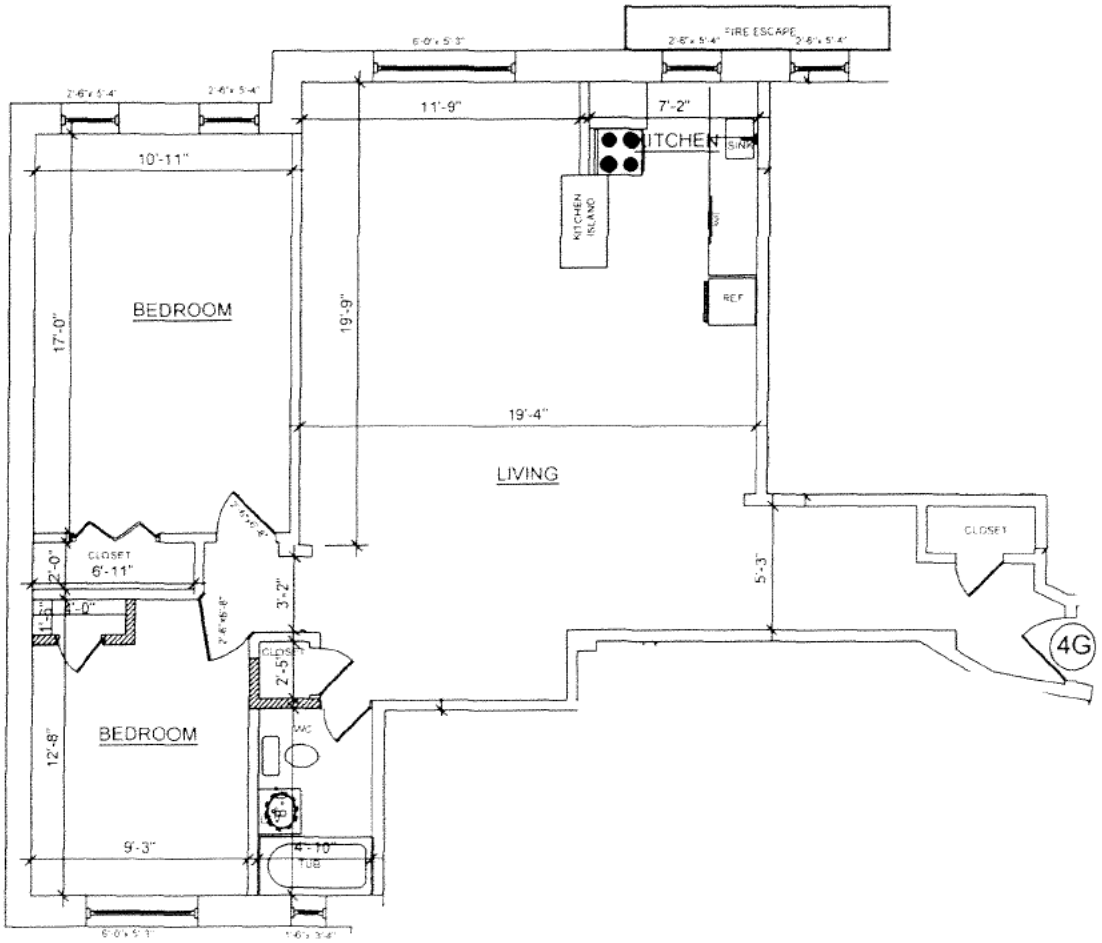
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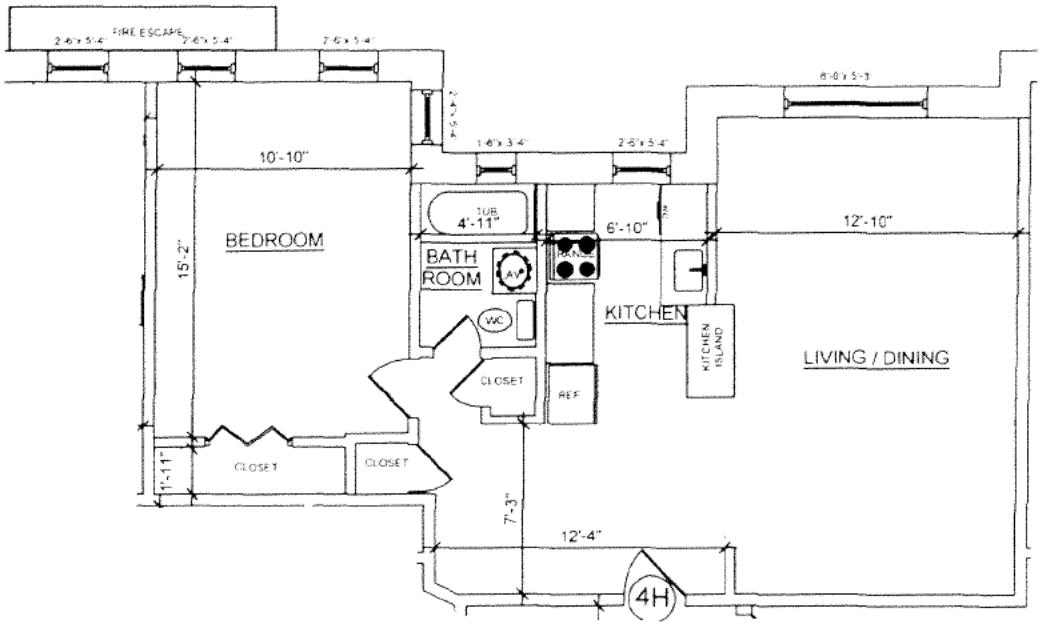
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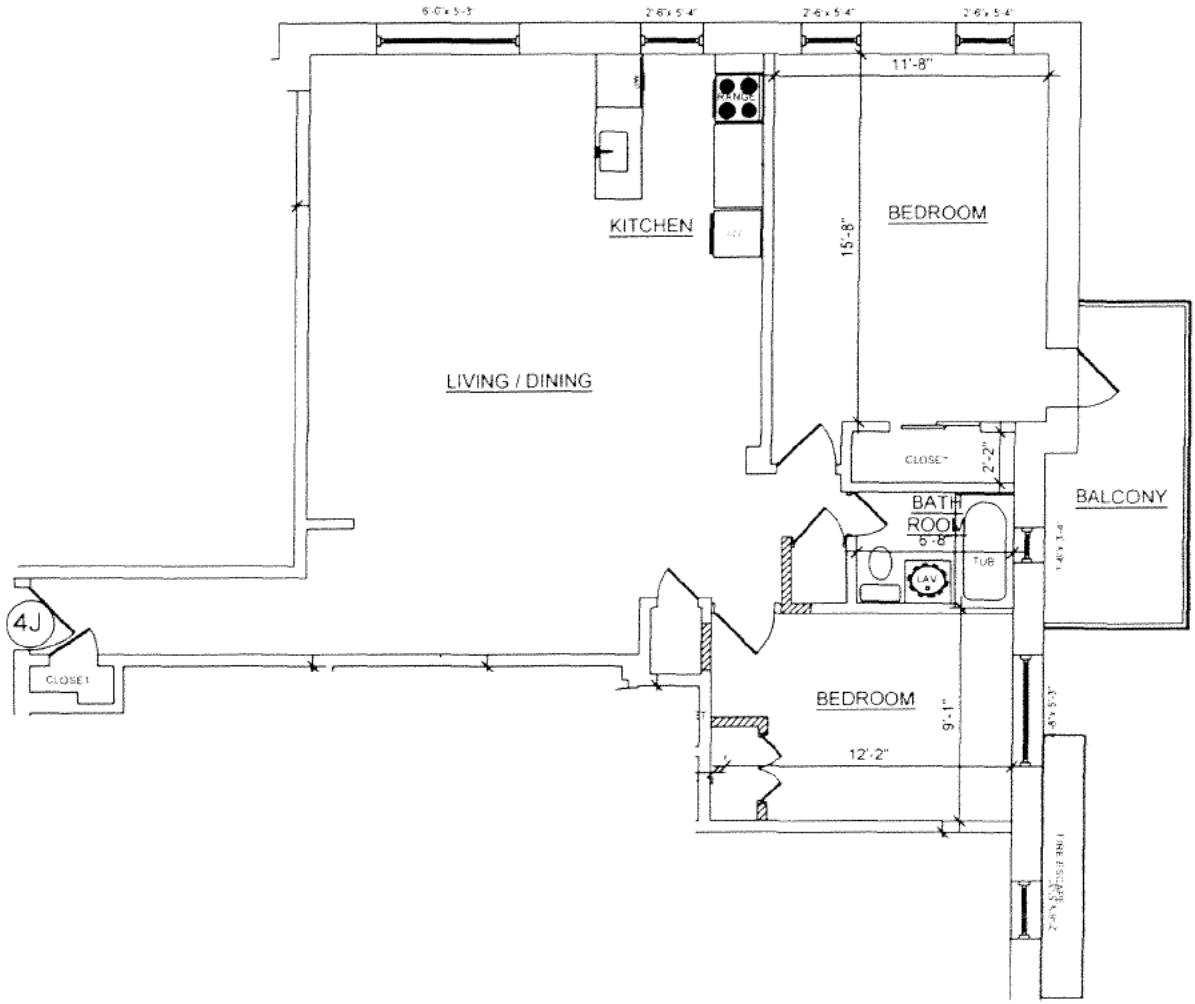
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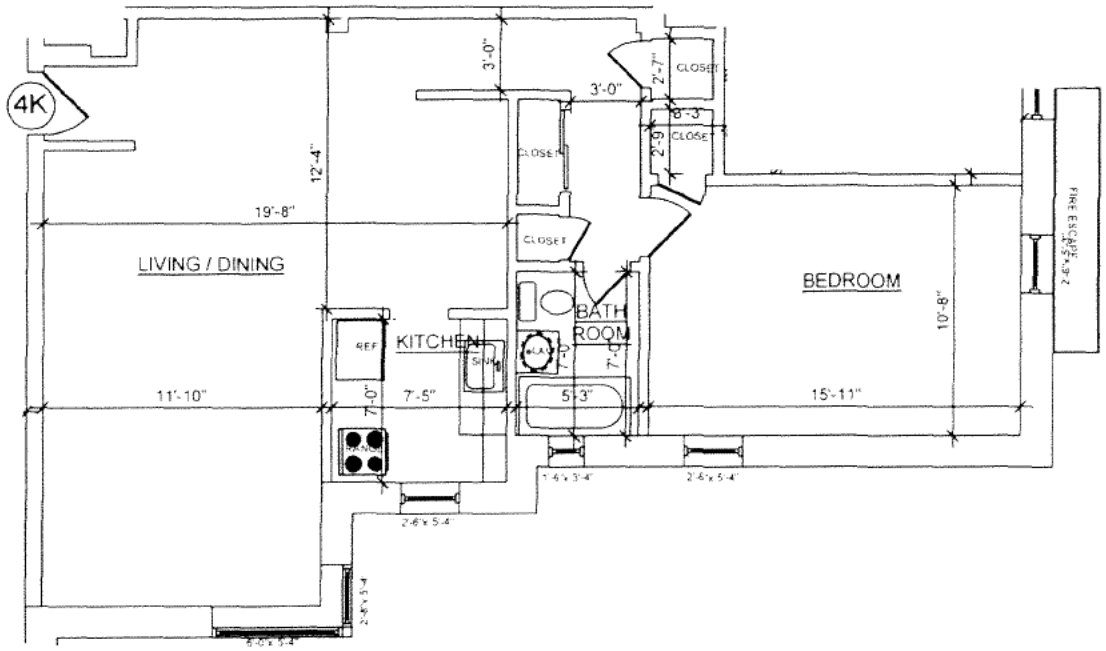
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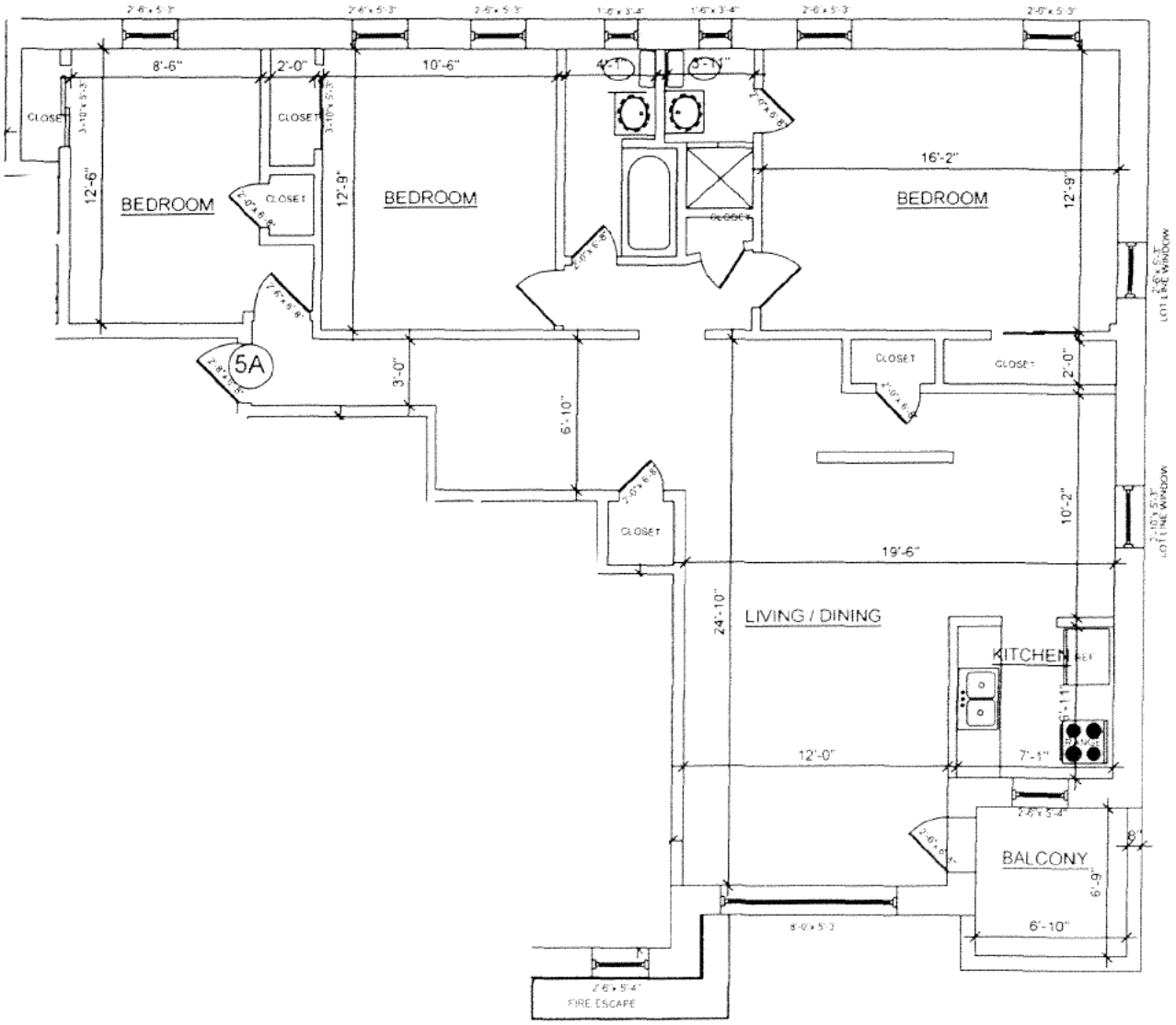
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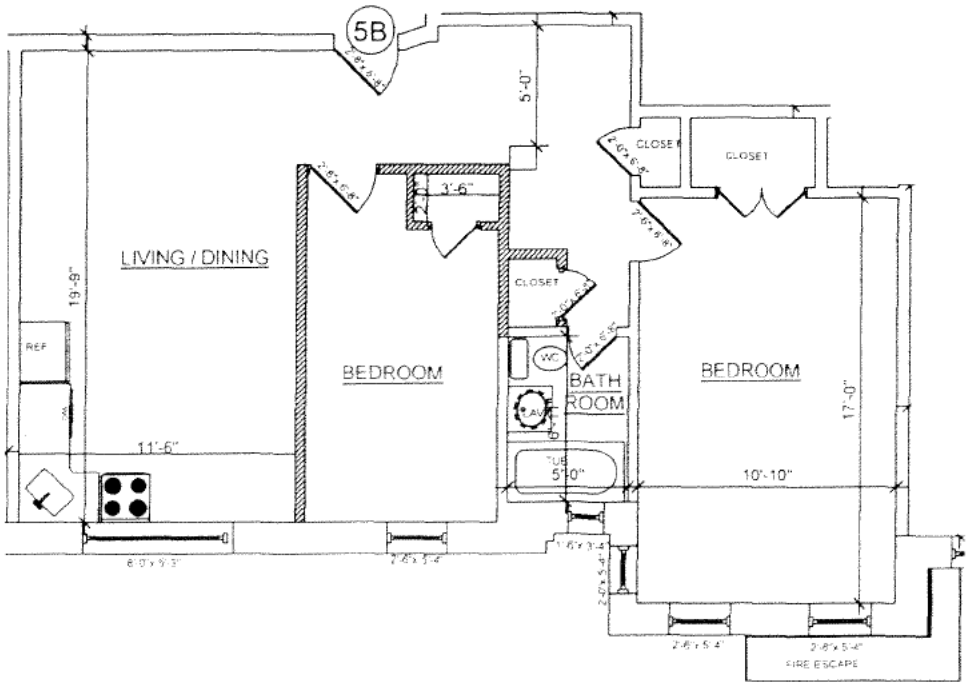
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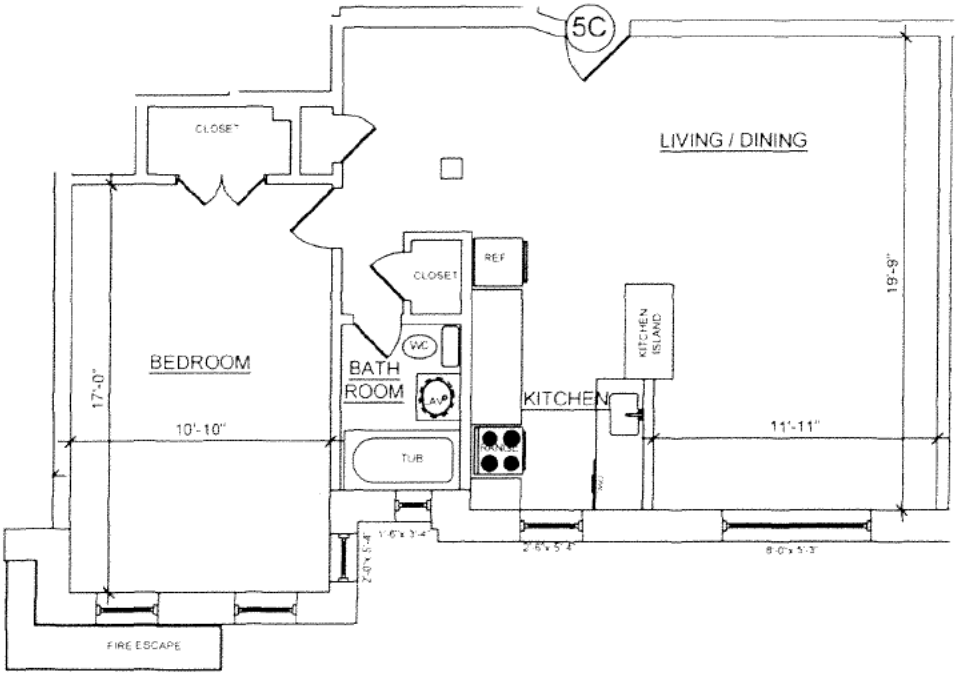
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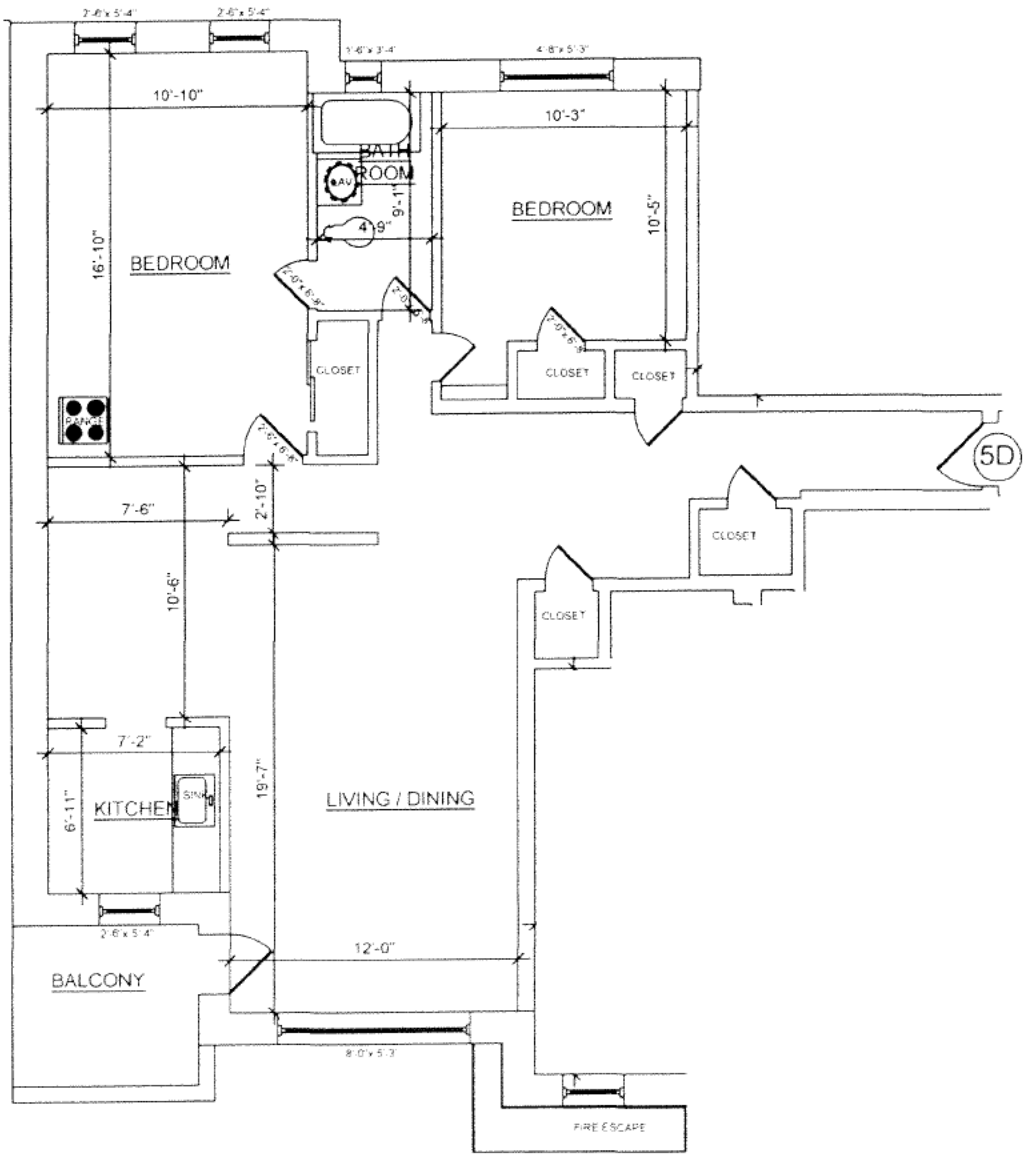
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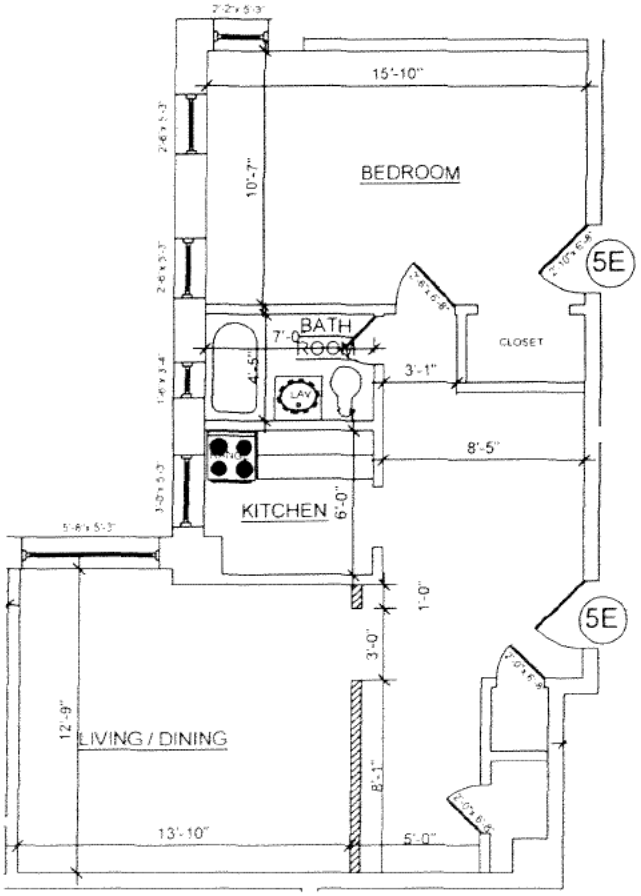
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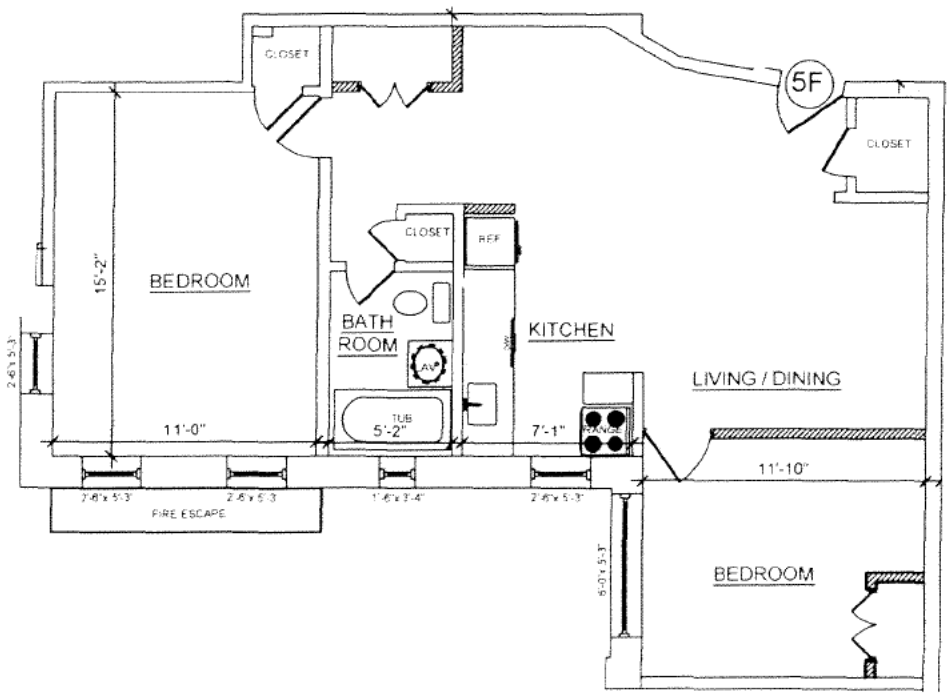
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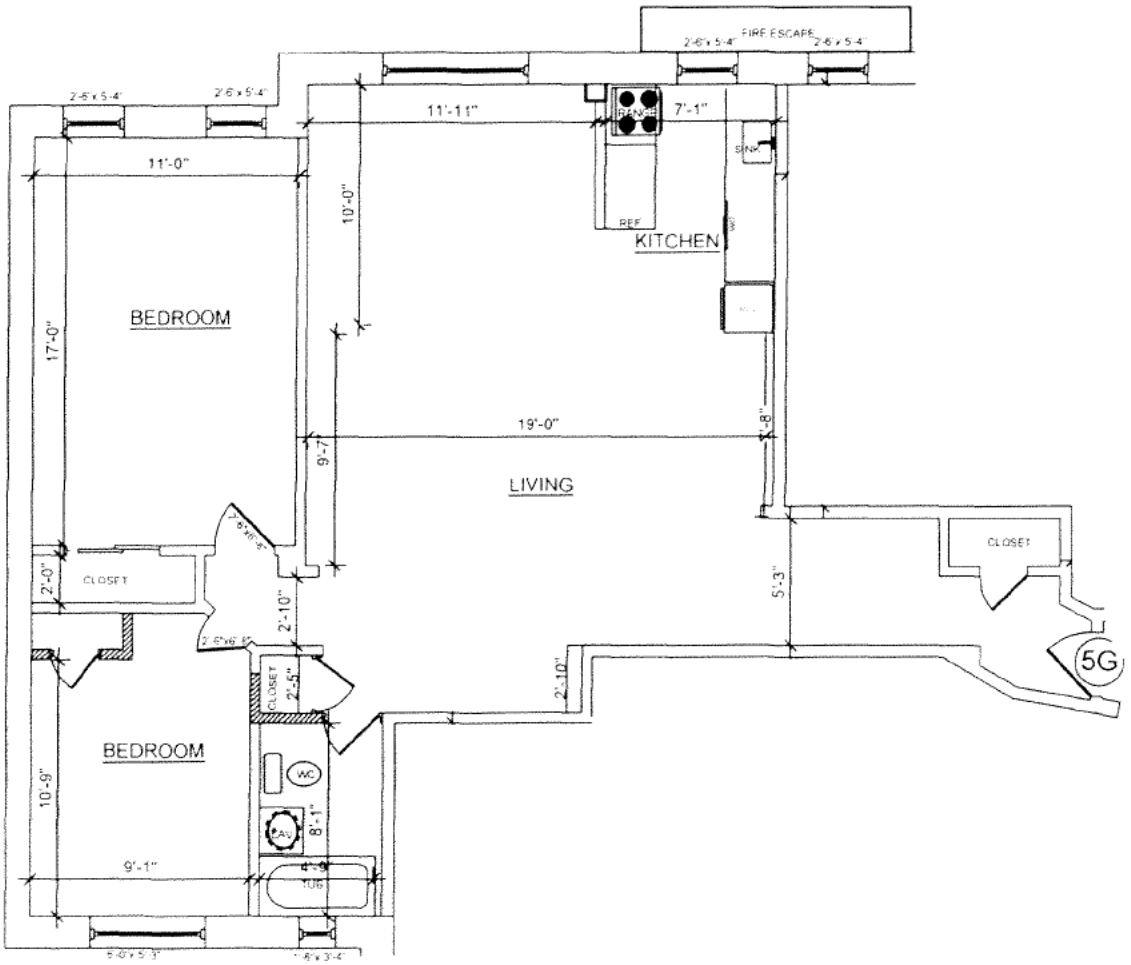
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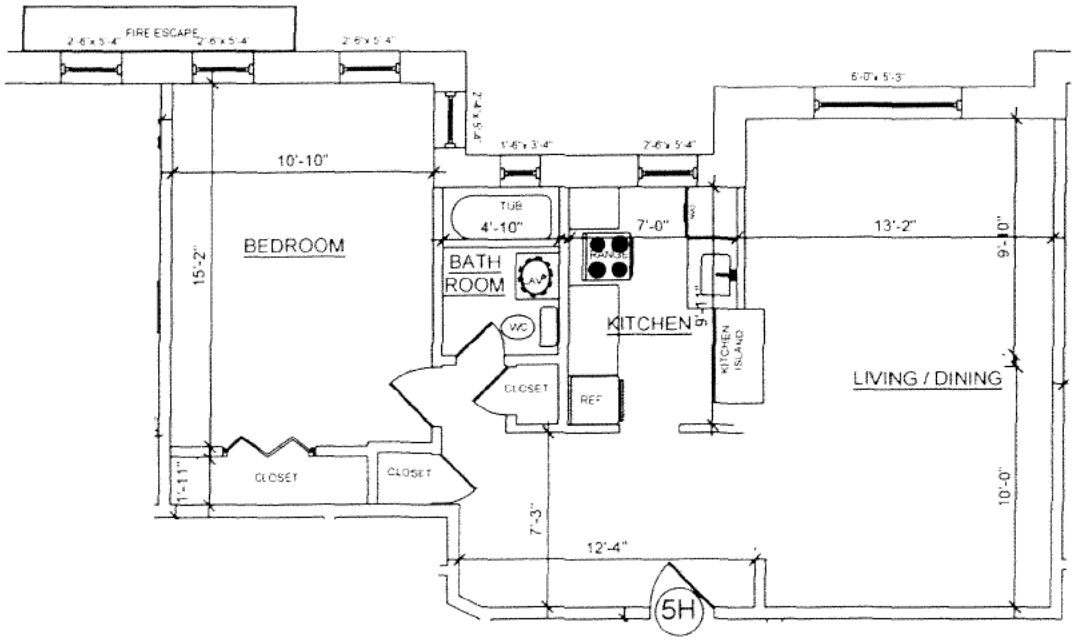


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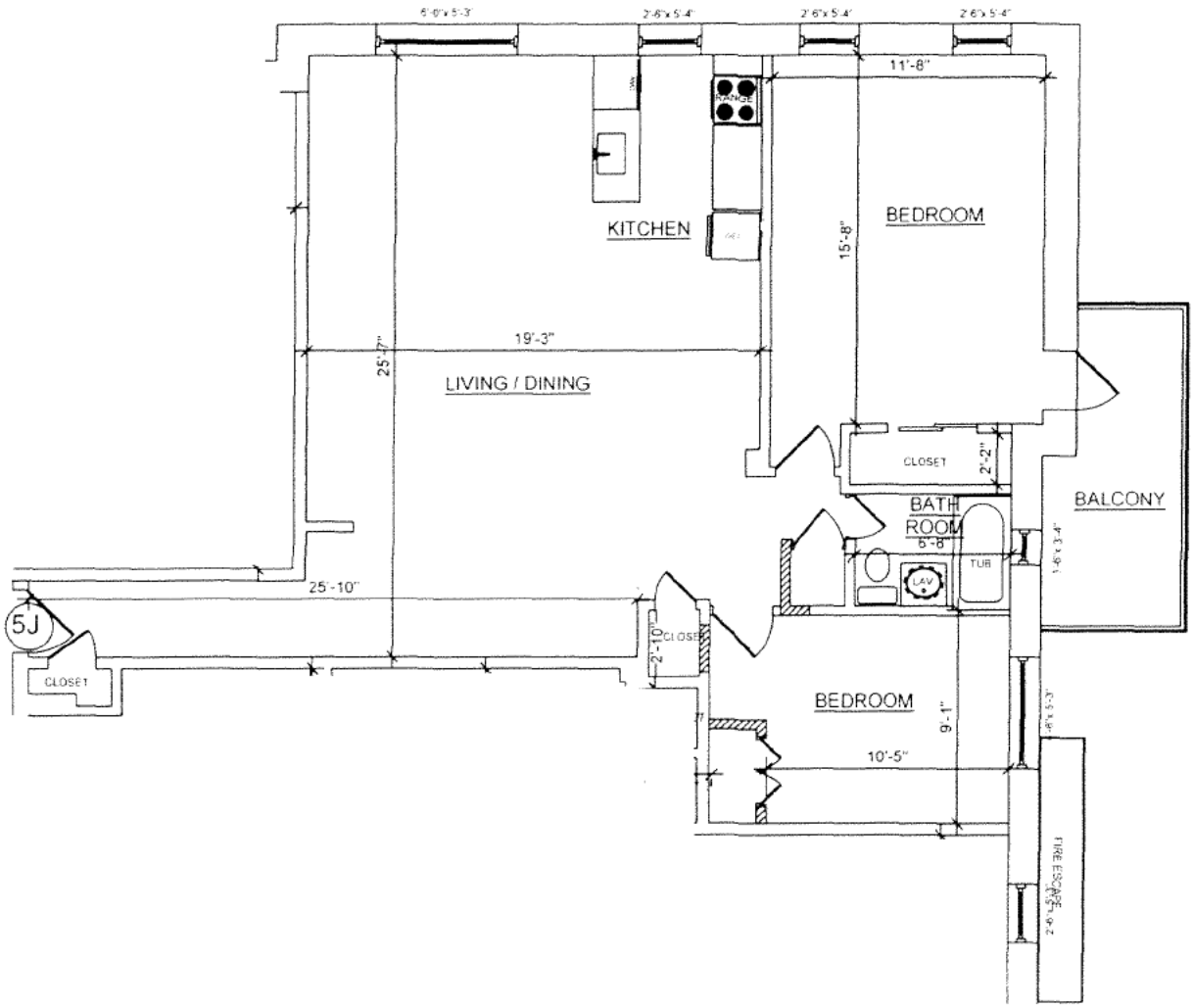
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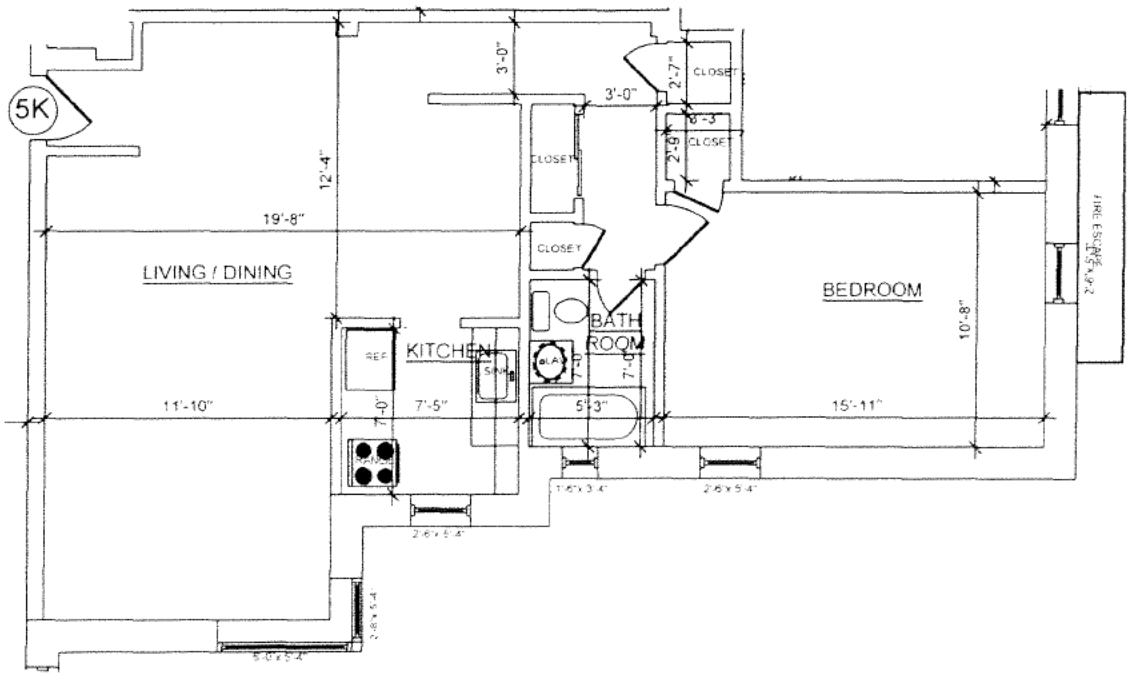


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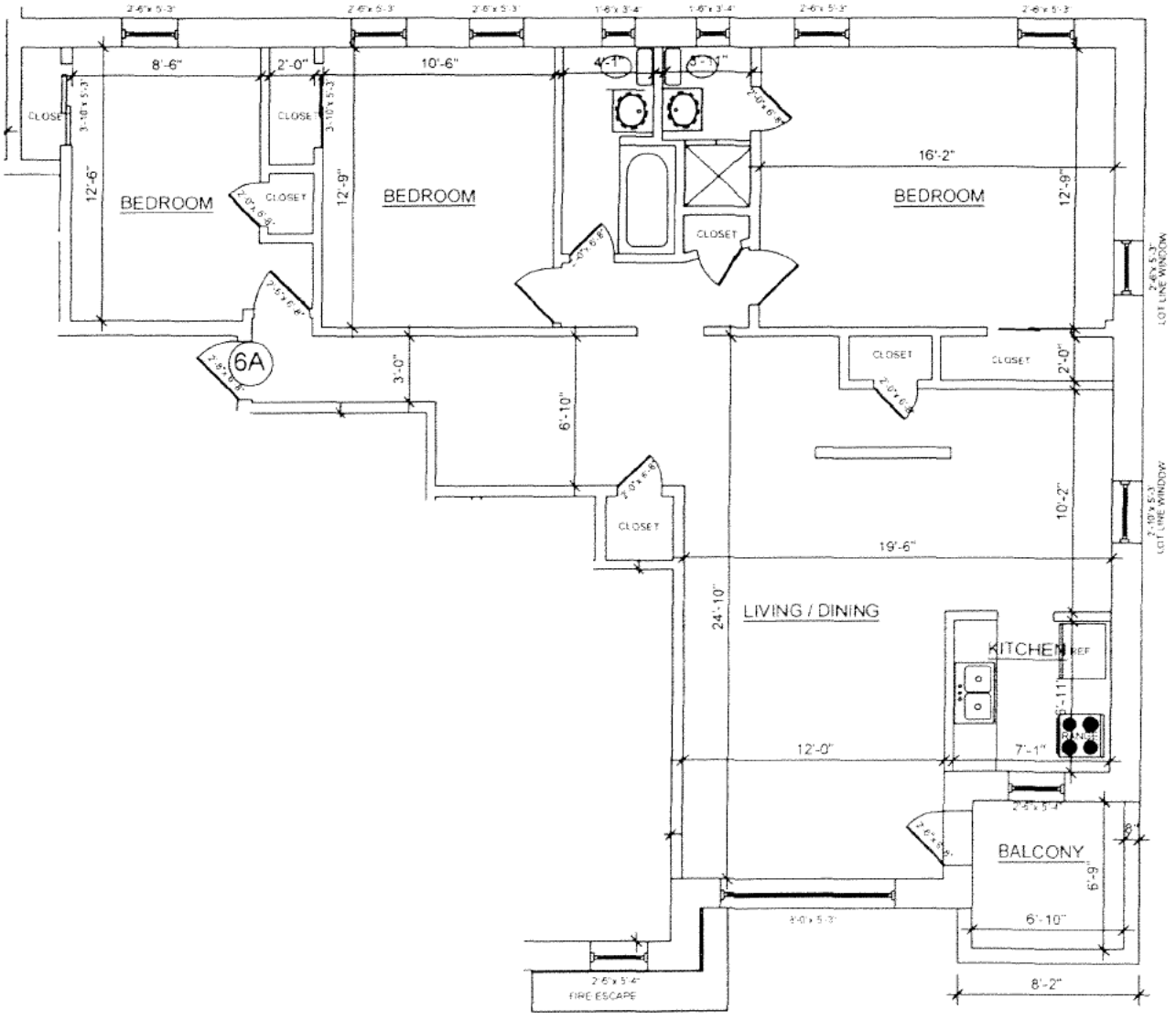


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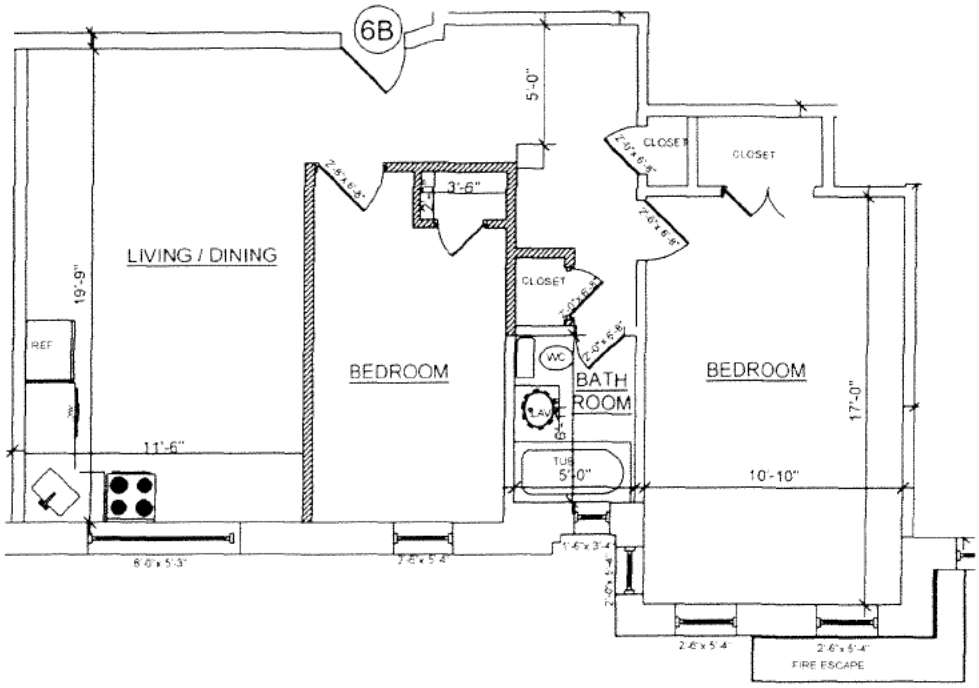


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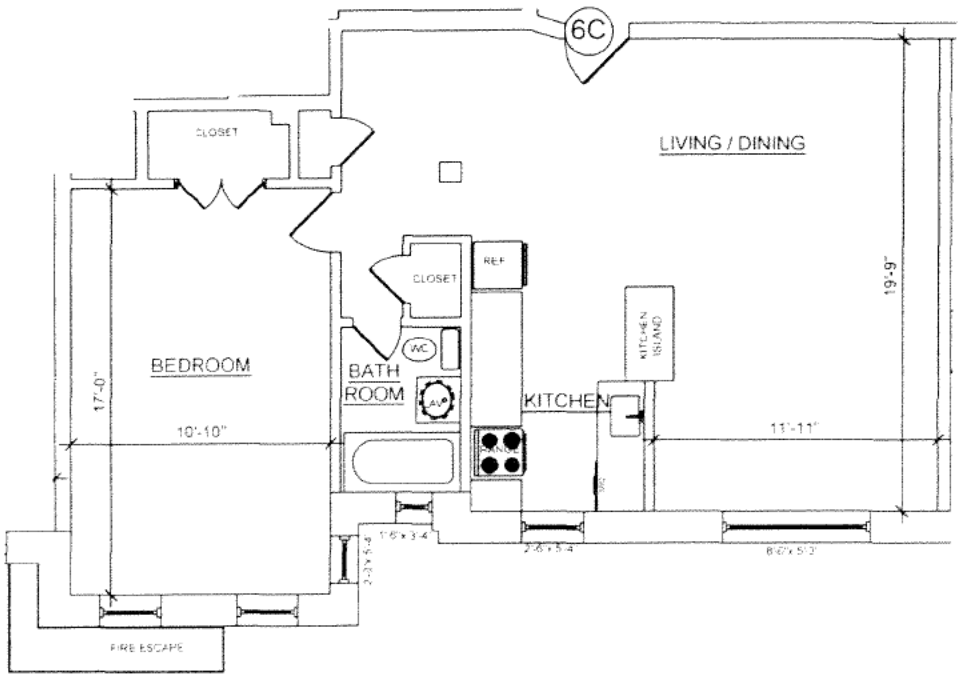
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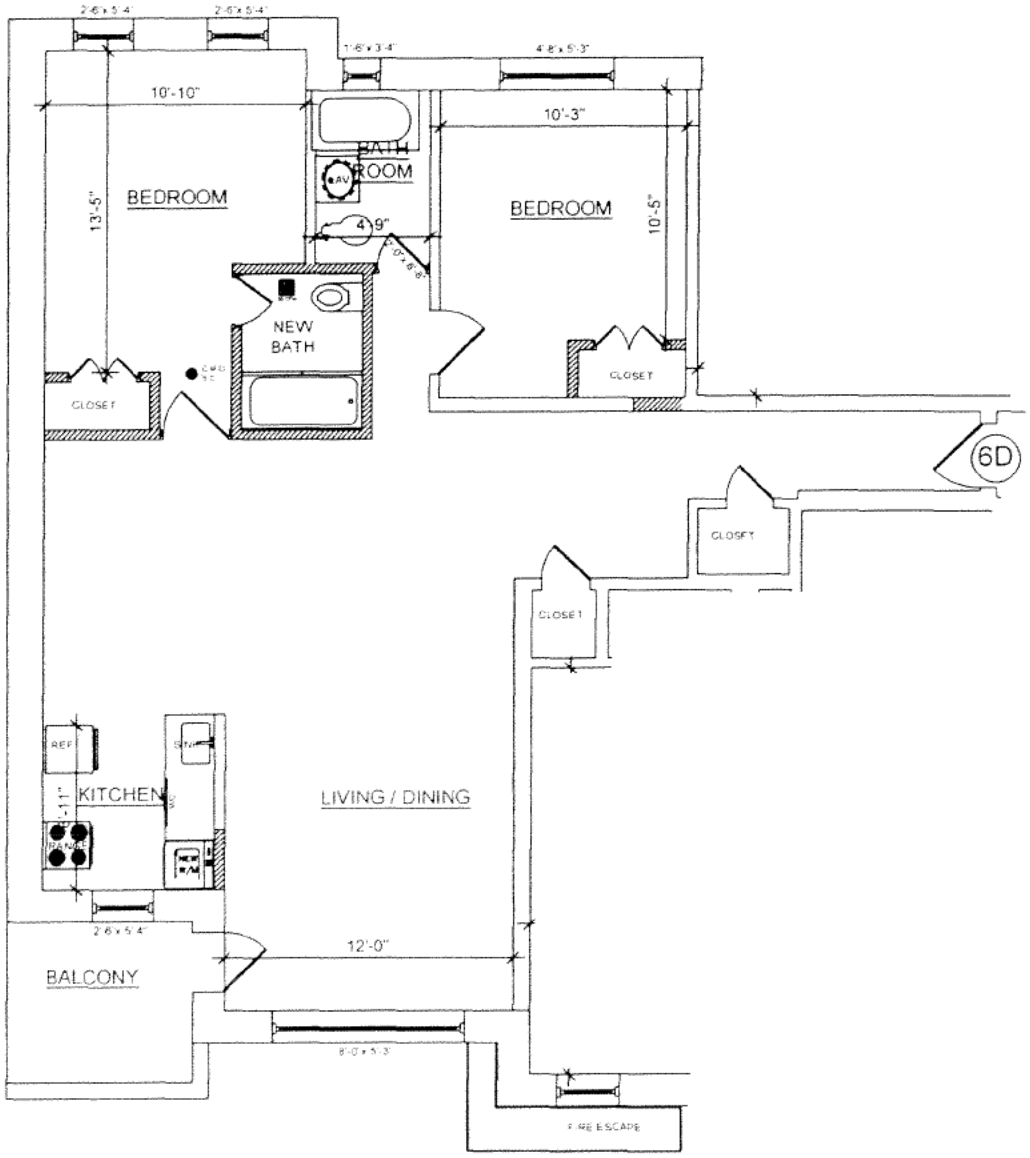
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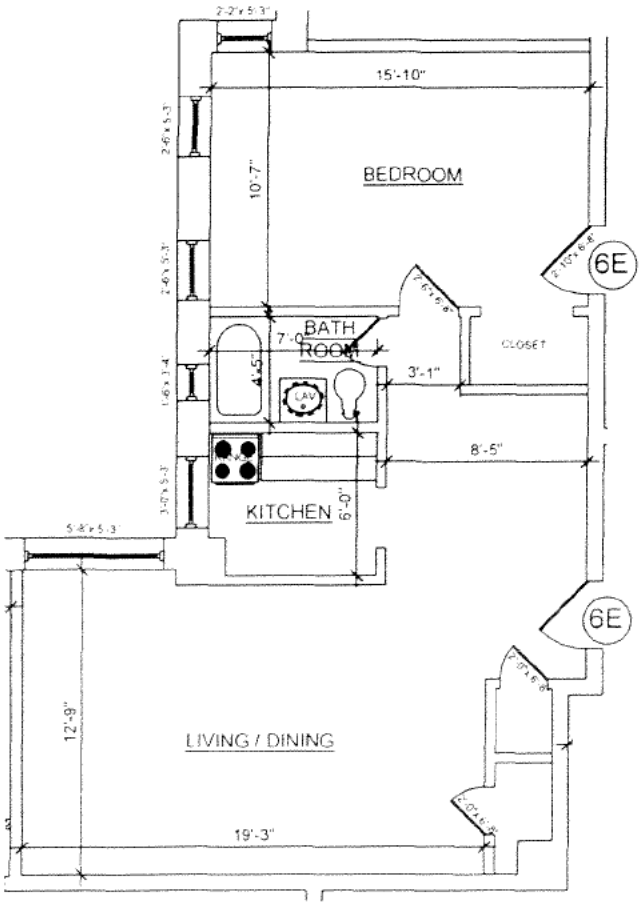


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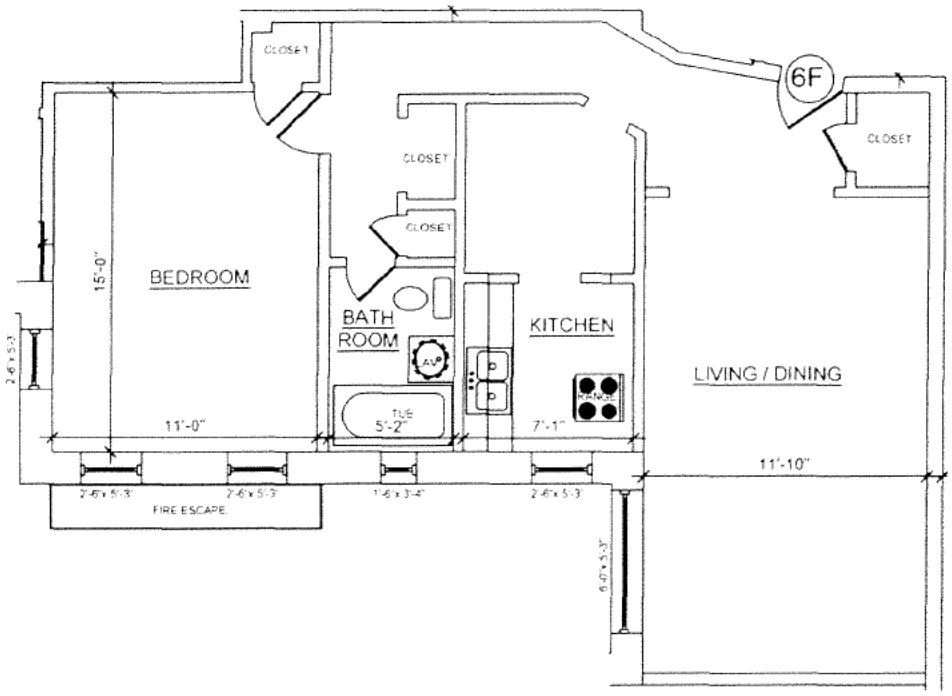
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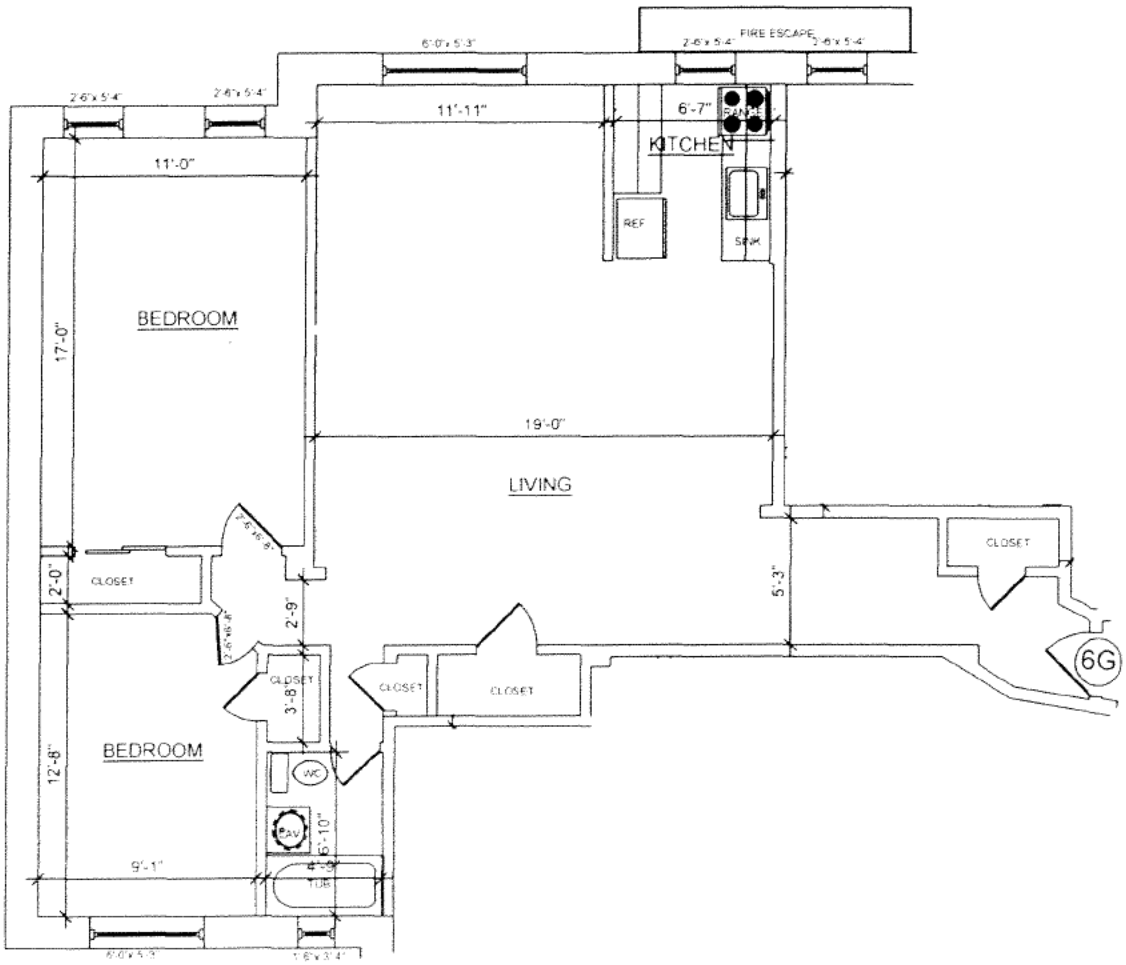


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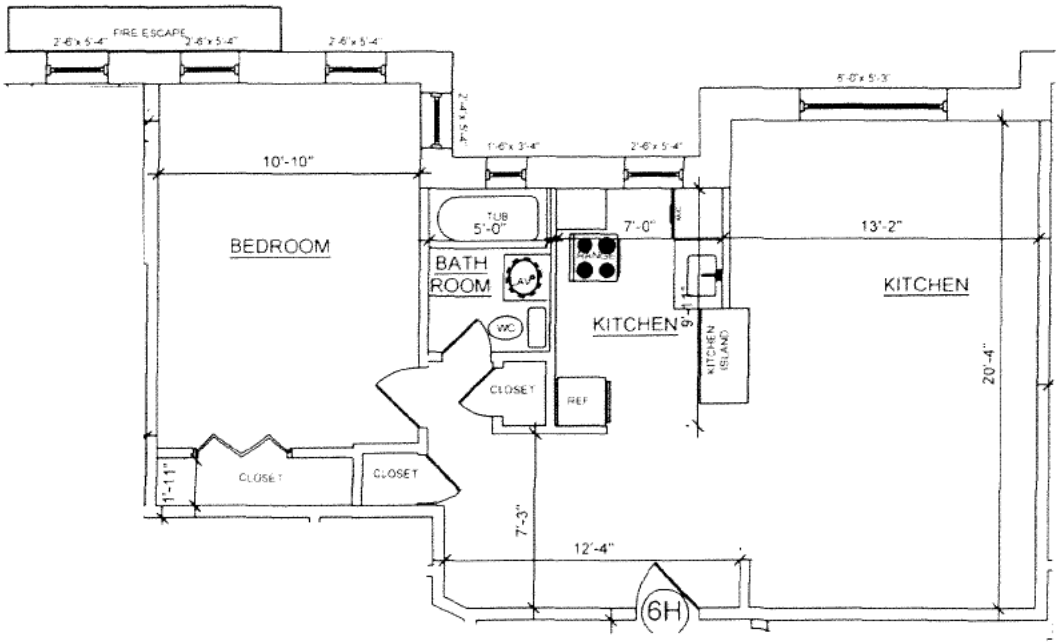
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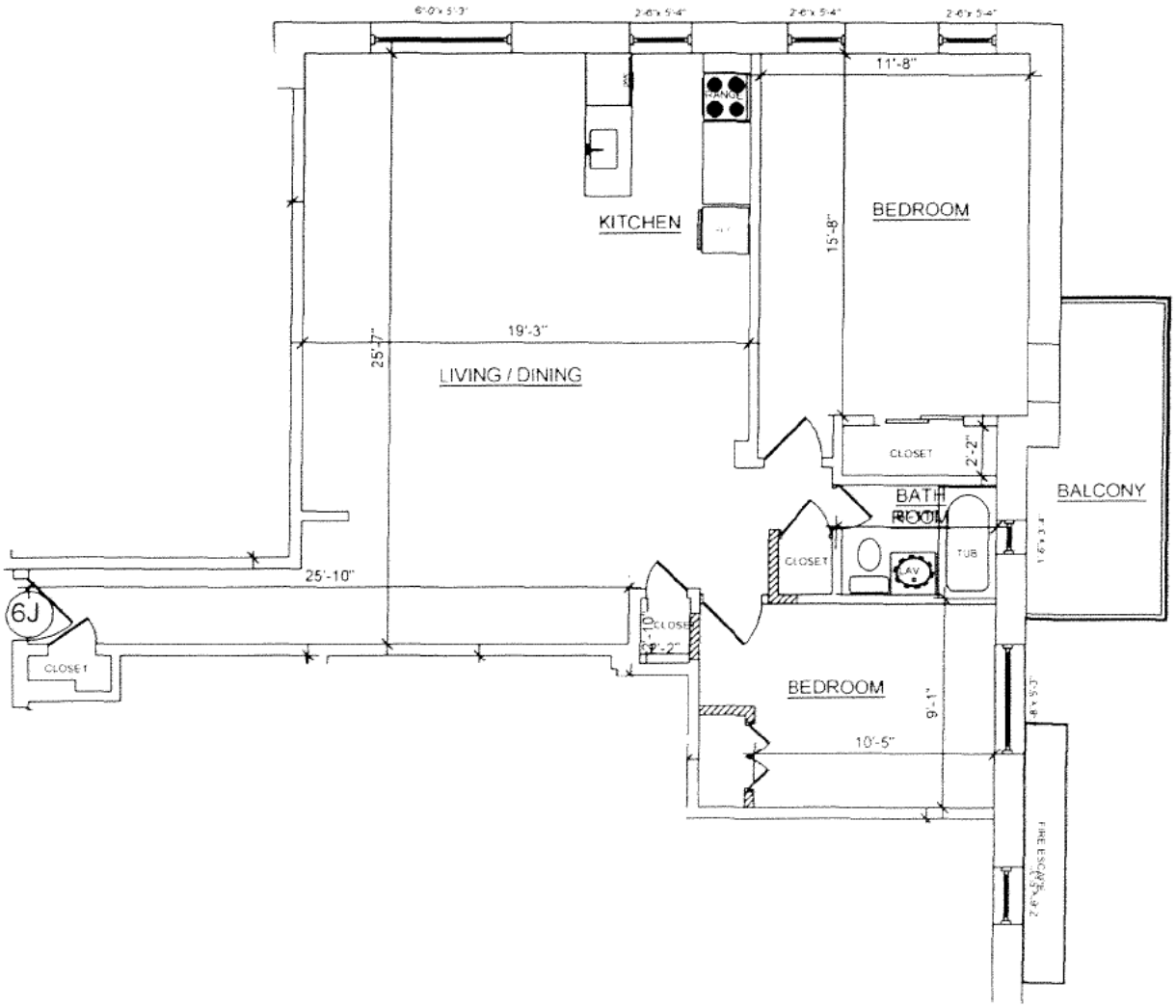
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DATED: 03/14/2018

NOTE: ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIANCES AND TOLERANCES.

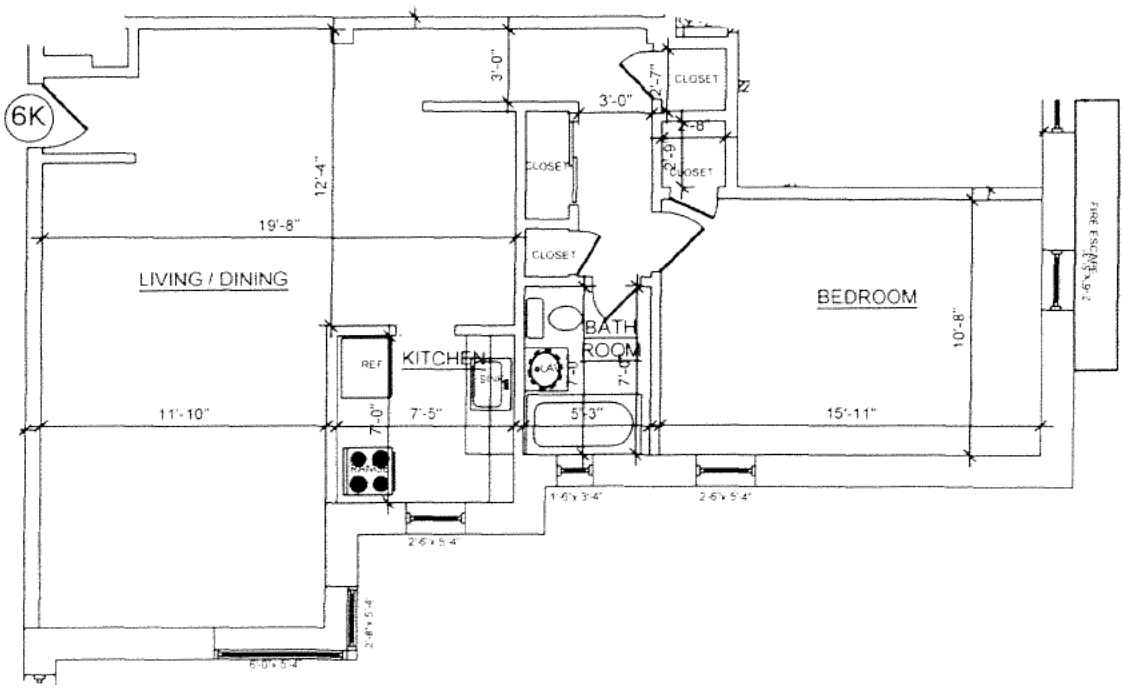


EXHIBIT "8"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
THE 61 MARTENSE STREET CONDOMINIUM
61 Martense Street
Brooklyn, New York 11226

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
THE 61 MARTENSE STREET CONDOMINIUM

Declarant:
61 Martense Street LLC

Address:
61 Martense Street
Brooklyn, New York 11226

Date of Declaration:
_____, _____

The land affected by the within instrument lies in
Block 5086 formerly known as Lot 60
now known as Lots [_____-_____]
on the Tax Map of the Borough of Brooklyn, City of New York

Stroock & Stroock & Lavan LLP
Attorneys for Declarant
180 Maiden Lane
New York, New York 10038
(212) 806-5400

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Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Power of Attorney

DECLARATION
OF
THE 61 MARTENSE STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

61 Martense Street LLC, a New York limited liability company, having an office at 2001 East 9th Street, 1K, Brooklyn, New York 12223 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C (Definitions) annexed hereto or Exhibit D (By-Laws), unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "The 61 Martense Street Condominium" (the "Condominium").

2.2 Excluded from the Property is that portion of the unused floor area development rights that are now owned, are subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, which Development Rights may be utilized by Declarant or any party acquiring same from Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms a zoning lot development agreement ("ZLDA").

2.3 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws").

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in Kings County in the City and State of New

York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately [_____] square feet.

ARTICLE 4

THE PROPERTY

4.1 Included in the Property described in Article 2 is a building (the "Building") consisting of sixty (60) Units (each referred to herein as a "Unit" or, collectively, as the "Units"). The owner of a Unit is herein called a "Unit Owner" and all the owners of the Units are herein collectively called the "Unit Owners."

ARTICLE 5

THE BUILDING

The Building consists of one Class IB (noncombustible) building, having seven (7) stories above grade. The main structural components of the Building are reinforced concrete. The construction floors in the Building are named respectively (from bottom to top) as follows: Ground Floor, Floors 1 through 6 and Roof.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area of each Unit; (v) number of rooms; (vi) Common Elements to which such Unit has immediate access, and (vii) the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by Demerara Engineering PLLC, and intended to be approved by the New York City Department of Finance, Tax Map Unit and filed in the Land Records Division and recorded in the Kings County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for the space designated on the Floor Plans as part of such Unit, together with those Facilities located within the Unit which exclusively benefit such Unit or the Unit Owner thereof, including without limitation the following:

6.2.1 The front entrance door and any other entrance doors to such Unit, windows and window framing, skylights, flooring, wallcoverings, molding, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors and carbon monoxide detectors, all plumbing, gas and heating fixtures (including shower pans, bath

liners and related installations) and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the Units), fireplaces, heating equipment, ranges, sinks, bathtubs, showers, water closets, washer and dryers and other appliances, as may be affixed, attached or appurtenant to such Unit and which serve such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors from the point at which such pipes, wiring, ductwork or conduits service other Units. Each Unit shall also include all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, or betterments and improvements installed by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit.

6.3 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title to all Units shall automatically vest in Declarant, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

The approximate physical area of each Unit is measured (i) horizontally, from the exterior side of the glass of any exterior walls of the Building bounding the Unit to the centerline of the interior walls and partitions separating a Unit from the Common Elements or an adjacent Unit, and (ii) vertically, from the top of the floor slab below (located under the finished floor and sub-floor materials) to the underside of the floor slab above. Any Common Elements which fall within the boundaries of the Unit are not deducted from the square footage of the Unit, but are not part of the Unit.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the General Common Elements and the Limited Common Elements (as hereinafter defined). The General Common Elements include, but not are not limited to the Land and all parts of the Building and improvements thereon other than the Units and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property (the "General Common Elements"). The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units or the Unit Owners ("Limited Common Elements"). The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General

Common Elements. The General Common Elements are for the common use of all Unit Owners. The Common Elements do not include any air or development rights, the rights to which shall be retained by the Declarant.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof, except as may be specifically provided for herein and in the By-Laws.

8.3 The General Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 The Parking Garage.

8.3.3 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, supports and structural walls, including without limitation, interior load bearing walls.

8.3.4 The life safety system, including the fire alarm system and sprinkler system for the Building (except such portions of such life safety system which are expressly designated as a Limited Common Element).

8.3.5 The following areas located on portions of the Ground level of the Building: the Super's Unit, mechanical space and other rooms, areas, space and Facilities servicing all of the Units and the General Common Elements, including: storage room(s), laundry rooms, meter room, boiler room, office, and closets, as more particularly delineated on the Floor Plans.

8.3.6 The exhaust fans, mechanical room, condensers, elevator machine room, emergency generator and related Facilities located on the roof.

8.3.7 All street trees, shrubbery, planters and other plantings located on the sidewalks (if any).

8.3.8 All easements, rights of way, privileges, appurtenances and other rights appurtenant to or pertaining to the Property, except those, which by their terms or by the terms of this Declaration are appurtenant or pertain only to less than all Units.

8.3.9 Central and appurtenant Facilities for services such as steam, heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, electrical work.

8.3.10 All passages, hallways, corridors, mechanical space and other rooms and stairs (including the stairs, stairways and landings) serving the Building, which are shared by all Units and Unit Owners and are more particularly delineated as a General Common Element on the Floor Plans.

8.3.11 The windows in the Building that do not exclusively open into an individual Unit.

8.3.12 All other Facilities in the Building which serve or benefit all the Units or are necessary or convenient for the existence, Maintenance, operation or safety of the Common Elements and all of the Units, which are not expressly designated as or are owned as part of another Unit or Limited Common Element or owned by another entity such as the supplier, servicer or installer of such Facilities.

Notwithstanding anything to the contrary in this Article 8, if a General Common Element benefits one Unit Owner or one category of Unit Owners and not the others, then the Condominium Board, shall have the right to re-designate such General Common Element as a Limited Common Element appurtenant to that Unit or that category of Units. Any disputes arising hereunder will be resolved by Arbitration in accordance with Article 11 of the By-Laws.

8.4 The Limited Common Elements consist of the following:

1.1.1 The Balconies to which one or more Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Balcony is a Limited Common Element appurtenant to a Unit, the Unit Owner thereof shall have the exclusive right to use such Balcony subject to rights of the Board to regulate its use and to access the Balcony for maintenance, repair and replacement and other uses.

8.4.1 That portion of equipment, fixtures or Facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.4.2 All other Facilities exclusively serving one or more but not all Units, excluding the Units and the Common Elements and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Units.

ARTICLE 9

USE OF BUILDING AND UNITS

The Units shall be used for residential purposes only (except as described below). The Condominium Board, may in its sole discretion, permit a Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations. Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, does not violate the then existing certificate of

occupancy for such Unit (subject to Sponsor's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the occupant of such Unsold Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Unsold Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium or in buildings in which principals of Sponsor may have an interest and (c) utilize any Amenity for its own purposes, including without limitation, for entertainment, charity functions and other events and permit Declarant's invitees to utilize such Amenity. A home office use hereunder shall only be accessory to the residential use of the Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Units may only be leased in accordance with the By Laws and the Rules and Regulations.

ARTICLE 10

CHANGES IN THE BUILDING

10.1 By Declarant or Owner of Unsold Units or the Board. Except to the extent prohibited by Law, Declarant or the owner of any Unsold Unit shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) Maintain or make Alterations to, in and upon any Unsold Units or Common Elements; (b) subject to the restrictions set forth in Article 9, change the use of any Unsold Unit to any use permitted by Law, and in connection therewith, cause to be recorded such amendments to the Declaration required to reflect such change; (c) change the layout of, or number of rooms in, any Unsold Units from time to time; (d) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit; (e) designate an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Unit or Common Element, and (f) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b), (c) and (d) their percentage interests in the Common Elements (collectively, the "Unit Changes"); provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Board, all other Unit Owners and any Residential Mortgage Representatives harmless from any liability arising therefrom. Declarant or the owner of any Unsold Unit will have the right, without the consent of any other Unit Owner or Board to amend the Declaration to reflect any Unit Changes, subject to Article 9 of the Declaration.

10.2 By Other Unit Owners. By written permission of the Board, any other Unit Owner may be given, with respect to his or her Unit, the same rights to make the Unit Changes as set forth in (1) clause (a), provided such work is performed or caused to be performed in accordance with (i) Law, (ii) notice requirements set forth in Article 5 of the By-Laws and (iii) the requirements of Section 6.11.1 of the By-Laws; and (2) clause (c) with respect to the right to

combine, subdivide and/or otherwise reconfigure two or more adjacent Units owned by such Unit Owner, all subject to the same limitation and conditions with respect to Unsold Units set forth in Section 10.1 above and Section 10.3 below. Such Unit Owner agrees to hold the Board and all other Unit Owners harmless from any liability arising from any work or Alterations performed or caused to be performed by such Unit Owner.

10.3 Reapportionment of Interests in the Common Elements. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Board in the case of any Unsold Unit.

10.4 Amendment. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or the owner of any Unsold Unit.

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium. To the extent permitted by law and the Office of the Secretary of State, the Secretary of State will be requested to notify the Condominium Board, to the attention of the President having an address at the Building and to the then current Managing Agent.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

12.1 The percentage interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

ARTICLE 13

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the

Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any Alteration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or the owner of an Unsold Unit in accordance with this Declaration or the By-Laws or (iii) any Alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 14

NAME OF CONDOMINIUM

The Condominium shall be designated and known as "THE 61 MARTENSE STREET CONDOMINIUM." Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Declarant. For so long as Declarant owns any Units in the Building only Declarant shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Declarant at any time without the vote or consent of the Board or Unit Owner. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 15

EASEMENTS AND RIGHTS OF ACCESS

15.1 Except as set forth in this Declaration, (i) each Unit Owner will have, in common with all other Unit Owners and each Unit will be subject to, an easement for the use of the Common Elements and any Facilities located therein, including, but not limited to, such easement as will be necessary to Maintain, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation, (ii) each Unit Owner will have, in common with all other Unit Owners, an easement for the use of the Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain as necessary, such Unit. The Units and Common Elements will be subject to such easements.

15.2 Any easements or rights of access granted hereunder will be exercised, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes and shall not result in the imposition of any mechanic's lien against any of the Units.

15.3 Except as otherwise expressly provided in this Declaration or in the By-Laws, entries to Common Elements which must be accessed through a Unit will be permitted on not less than one (1) business days' notice to the Unit Owner thereof. Notwithstanding the foregoing, only such notice as may be practical under the circumstances will be necessary in the

case of an Emergency, provided that thereafter the Board will give notice to the affected Unit Owner as promptly as is practical under the circumstances.

15.4 The Condominium Board or its agents shall have the right of access to each Unit and Limited Common Elements appurtenant thereto (if any) to inspect the Common Elements and the Limited Common Elements contained therein, to remove violations therefrom and to Maintain the Common Elements (and Limited Common Elements, to the extent provided for in the Declaration and By-Laws) contained therein or elsewhere in the Property.

15.5 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Units and Common Elements, and for the use of any Common Element, to the extent necessitated by an Emergency. The Units and Common Elements shall be subject to such easement.

15.6 The Condominium Board shall have and each Unit and the Limited Common Elements appurtenant thereto (if any) shall be subject to, an easement (a) to Maintain and perform Alterations to the Common Elements, whether located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the performance of Maintenance and Alterations to the Common Elements.

15.6.1 In connection with the Condominium Board's obligation to Maintain the Façade or any Facilities located thereon, the Condominium Board shall have and each Unit Owner, Unit and the Common Elements appurtenant thereto will be subject to, an easement to Maintain and operate any and all such Facilities located on the Façade, including, without limitation, any Window Washing Equipment which may be located and stored on a portion of the Roof and the temporary use of the Roof for the purpose of raising and lowering the Window Washing Equipment down the Façade of the Building.

15.7 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

15.8 Declarant shall, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more Signs on the Property for the purposes of advertising (i) the sale or lease of any Unsold Unit and (ii) the operation of any business of Declarant, a tenant, occupant, Managing Agent or operator of all or any portion of any Unsold Units, as the case may be.

15.9 Declarant shall have, and the Units and Common Elements shall be subject to, an easement to use the Reserved Spaces, and to further license the Reserved Spaces, for any lawful purposes including, but not limited to, advertising, storage or the operation, Maintenance and Alteration of the Reserved Space Installations and maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the operation, Maintenance or Alteration thereof; provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the use of the Units for their permitted purposes or block light or air to any Unit. The aforementioned easements may be used by Declarant for its own account or the account of any designee,

assignee, tenant, licensee or other transferee of Sponsor or any purpose permitted by Law, and shall remain in effect after the Control Period and after the Declarant no longer owns any Units in the Building. Additionally, Declarant has and shall retain the right to collect a fee for any such sublicenses or other usage fees in connection with the use of the Reserved Spaces and the Condominium shall not be entitled to any portion of such fees, compensation or other profits received by Declarant. Any Reserved Space Installations placed upon or in the Reserved Spaces, including, without limitation, the roof or facade of the Building or elsewhere on the Common Elements by Declarant or its designee, assignee, tenant, licensee or other transferee shall be the exclusive property of Declarant, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. The aforementioned easements will not revert to the Condominium in the future and shall remain in perpetuity for the sole use and benefit of Declarant for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Declarant or any purpose permitted by Law. In the event Declarant utilizes its rights described above regarding the Reserved Spaces, Declarant will continue to benefit form use of the Reserved Spaces even after Declarant no longer owns any Units, and the Unit Owners will not have the right to use, license, lease or collect profits from such Reserved Spaces, which would have been otherwise available to Unit Owners, if not for Declarant's use of such Reserved Spaces.

15.10 Declarant shall have an easement and the right to change the Facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the Facade of the Building, provided that such penetration does not materially weaken the structural soundness of the Building.

15.11 Declarant shall have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law.

15.12 Declarant and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, telephone, internet, cable, television, steam, ventilation or other easements for utilities, communications, access or other easements and to construct any shafts, flues or install an air conditioning compressors or other equipment on the Roof or relocate any easements in any portion of the Property, as Declarant, the Condominium Board, shall deem necessary or desirable for the proper operation and Maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, 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, and shall not result in the imposition of any mechanic's lien against any of the Units. Any company providing the utilities or services and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of the aforementioned easements to in order to install, operate, Maintain and service same, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

15.13 Declarant shall have an easement over all portions of the Building to complete construction thereof and to otherwise comply with its obligations under the Plan, if any.

15.14 Any easements granted to Declarant, the Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, members, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or Board.

15.15 Declarant has and shall retain the ongoing right to use the Common Elements pursuant to license agreements with the Board, at no cost to Declarant, and the Board shall be obligated to enter into such license agreements with Declarant at Declarant's request. Declarant shall have the right to use and/or sublicense and/or grant easements to any such space so licensed, for storage or otherwise, even when Declarant no longer owns any Units in the Condominium. Additionally, Declarant has and shall retain the right to collect a fee for any such sublicenses or other use fees it collects in connection with the use of such space.

15.16 Notwithstanding anything to the contrary set forth in this Declaration or the By-Laws, any and all easements, licensing rights and/or other rights granted to and reserved in favor of Declarant in the Plan shall be incorporated herein and in the By-Laws and shall survive the sale of all Units by Declarant.

ARTICLE 16

POWER OF ATTORNEY

16.1 Each Unit Owner shall grant to the Condominium Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests, whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the Property which the Board deems necessary or appropriate to comply with any Law or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Property, or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Condominium Board deems necessary or appropriate.

16.2 Each Unit Owner shall grant an irrevocable power of attorney, coupled with an interest, to the Declarant to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Declarant, or its successors or assigns, all or any portion of the Development Rights.

ARTICLE 17

ACQUISITION OF UNITS BY BOARD

17.1 If (a) any Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, 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 (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of §339 x of the Condominium Act, (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements. No Units held by the Board shall carry any voting rights.

17.2 The purchase of any Unit by the Board or its designees, on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy a Special Assessment against each Unit Owner in proportion to such Unit Owner's Common Interest as a Common Charge, and/or finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

17.3 The Board shall have the authority to purchase, on behalf of all Unit Owners, the Resident Manager's Unit, and in such event, title to all or any such portion of the Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Unit Owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into of an occupancy agreement for all or any portion of a 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, subtenant, licensee or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any Person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

ARTICLE 19

AMENDMENTS OF DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at

least 67% in number and in Common Interest of all Unit Owners taken 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 written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, or any Unsold Units, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney in-fact. Notwithstanding anything to the contrary set forth above, to the extent that the Declarant has the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or Board, then the Declarant is authorized to execute such amendment.

19.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant causing such changes is given the right by the Board to make the changes described in this Section 19.2 with respect to such Unit Owner's Unit, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board to reflect the changes made by the Unit Owner, all without the approval of the Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

19.3 Notwithstanding anything to the contrary set forth above (i) no amendment, modification, addition or deletion of the Declaration shall be effective in any way, without the prior written consent of Declarant with respect to any amendment, modification, addition or deletion of or to the Declaration modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant

or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Unit, as the case may be. Notwithstanding anything to the contrary set forth above, Declarant and the shall have the right to amend the Declaration, without the consent of the Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant under the terms of this Declaration and the By-Laws.

19.4 The provisions of the Article 19 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee. Notwithstanding the foregoing, Declarant may amend the Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 20

TERMINATION OF CONDOMINIUM

Except as otherwise set forth in the By-Laws (including termination by casualty loss, condemnation or eminent domain, as more particularly provided in Section 6.3.4 of the By-Laws), the Condominium will continue and the Property will not be subject to an action for partition until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote will be effective, however, (a) without the written consent (which consent will not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, (b) without the written consent of Declarant or the owner of any Unsold Units, until such time as Declarant or the owner of any Unsold Units has conveyed title to all Units. In the event said withdrawal is authorized as aforesaid, the Property will 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 will be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment will be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 21

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 23

CERTAIN REFERENCES

23.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

23.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any Person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 25

COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, the Condominium Board and each Unit Owner shall be required, upon the request of Declarant or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

25.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within ten (10) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to perform, execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board which represents such Unit Owner, is hereby authorized as attorney in fact for such Unit Owner, or

other party, coupled with an interest, to perform, execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

25.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to perform, execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant, then Declarant is hereby authorized, as attorney in fact for such Unit Owner, Board or other party, coupled with an interest, to perform, execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

25.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, views or light quality. The Declarant's obligation, regardless of any limitations in the warranty, is to perform the Proposed Renovations in accordance with all applicable codes and files plans and specifications, and any conflict between the disclaimers and the Declarant's obligation to perform the Proposed Renovations in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Declarant has not given and no Board has not relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

ARTICLE 26

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant, or, with the consent of Declarant, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be..

ARTICLE 27

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or its designee no longer owns any Units.

ARTICLE 28

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; and (v) the Power of Attorney annexed hereto as Exhibit E; are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 20__.

DECLARANT:

61 MARTENSE STREET LLC, a New York Limited Liability Company

By: _____
Name:
Title: Authorized Signatory

ACKNOWLEDGMENTS

STATE OF)
)
COUNTY OF)

On the ____ day of ____ in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land with the building and improvements thereon erected, situate, lying and being in the Borough of Brooklyn and City of New York on the Land Map thereof, and which taken together, are bounded and described as follows:

BEGINNING at a point on the northerly side of Martense Street, which point is distant 447 feet easterly from the northeasterly corner of Martense Street and Flatbush Avenue, as same are now laid out and open;

RUNNING THENCE easterly along the northerly line or side of Martense Street, 116 feet 6-3/4 inches, more or less, to land conveyed by [redacted] and others to [redacted] by deed dated May 16, 1921 and recorded in the Kings County Register's Office in Liber 4040 of Conveyances at Page 536 on June 16, 1921;

THENCE northerly along the westerly line of land so conveyed to [redacted] 139 feet 7 inches, more or less, to the northwesterly comer of land so conveyed to [redacted]

THENCE still northerly along the westerly line of land conveyed to [redacted] and others to Right Development Corporation by deed dated July I, 1925 in Liber 4592 of Conveyances at Page 468, 4 feet 10-3/4 inches, more or less, to land formerly of the heirs of [redacted]

THENCE westerly along the southerly line of land formerly of the heirs of [redacted] 116 feet 5-l/4 inches, more or less, to land conveyed by [redacted] individually and as executor, etc. to Martense Realty Corp. by deed dated October 29, 1936 and recorded in said Office of the Register of Kings County in Liber 5541 of Conveyances at Page 14 on October 30, 1936; and

THENCE southerly along the easterly line of land so conveyed to Martense Realty Corp., 144 feet 4 inches, more or less, to the northerly side of Martense Street, at the point or place of BEGINNING.

SAID premises known as 61 Martense Street, Brooklyn, New York, Block 5086, Lot 60.

The 61 Martense Street Condominium Block 5086 Lots: ____(Fka Lot: 60)									
Unit Designation	**Tax Lot Number**	**Number of Bedrooms/ Bathrooms**	**Location (Building Facade)**	**Floor**	**Square Footage**	**Limited Common Element Square Footage**	**Common Elements to which Unit has Immediate Access**	**Percentage of Interest in the Common Elements**	**Use of the Unit**
1A							Stairways, Hallways, Mechanical Rooms		Residential
1B							Stairways, Hallways, Mechanical Rooms		Residential
1C							Stairways, Hallways, Mechanical Rooms		Residential
1D							Stairways, Hallways, Mechanical Rooms		Residential
1E							Stairways, Hallways, Mechanical Rooms		Residential
1F							Stairways, Hallways, Mechanical Rooms		Residential
1G							Stairways, Hallways, Mechanical Rooms		Residential
1H							Stairways, Hallways, Mechanical Rooms		Residential
1J							Stairways, Hallways, Mechanical Rooms		Residential
1K							Stairways, Hallways, Mechanical Rooms		
2A							Stairways, Hallways, Mechanical Rooms		Residential
2B							Stairways, Hallways, Mechanical Rooms		Residential
2C							Stairways, Hallways, Mechanical Rooms		Residential
2D							Stairways, Hallways, Mechanical Rooms		Residential
2E							Stairways, Hallways, Mechanical Rooms		Residential
2F							Stairways, Hallways, Mechanical Rooms		Residential

The 61 Martense Street Condominium Block 5086 Lots: _____(Fka Lot: 60)									
Unit Designation	**Tax Lot Number**	**Number of Bedrooms/ Bathrooms**	**Location (Building Facade)**	**Floor**	**Square Footage**	**Limited Common Element Square Footage**	**Common Elements to which Unit has Immediate Access**	**Percentage of Interest in the Common Elements**	**Use of the Unit**
2G							Stairways, Hallways, Mechanical Rooms		Residential
2H							Stairways, Hallways, Mechanical Rooms		Residential
2J							Stairways, Hallways, Mechanical Rooms		Residential
2K							Stairways, Hallways, Mechanical Rooms		
3A							Stairways, Hallways, Mechanical Rooms		Residential
3B							Stairways, Hallways, Mechanical Rooms		Residential
3C							Stairways, Hallways, Mechanical Rooms		Residential
3D							Stairways, Hallways, Mechanical Rooms		Residential
3E							Stairways, Hallways, Mechanical Rooms		Residential
3F							Stairways, Hallways, Mechanical Rooms		Residential
3G							Stairways, Hallways, Mechanical Rooms		Residential
3H							Stairways, Hallways, Mechanical Rooms		Residential
3J							Stairways, Hallways, Mechanical Rooms		Residential
3K							Stairways, Hallways, Mechanical Rooms		
4A							Stairways, Hallways, Mechanical Rooms		Residential
4B							Stairways, Hallways, Mechanical Rooms		Residential

The 61 Martense Street Condominium Block 5086 Lots: _____(Fka Lot: 60)									
Unit Designation	**Tax Lot Number**	**Number of Bedrooms/ Bathrooms**	**Location (Building Facade)**	**Floor**	**Square Footage**	**Limited Common Element Square Footage**	**Common Elements to which Unit has Immediate Access**	**Percentage of Interest in the Common Elements**	**Use of the Unit**
4C							Stairways, Hallways, Mechanical Rooms		Residential
4D							Stairways, Hallways, Mechanical Rooms		Residential
4E							Stairways, Hallways, Mechanical Rooms		Residential
4F							Stairways, Hallways, Mechanical Rooms		Residential
4G							Stairways, Hallways, Mechanical Rooms		Residential
4H							Stairways, Hallways, Mechanical Rooms		Residential
4J							Stairways, Hallways, Mechanical Rooms		Residential
4K							Stairways, Hallways, Mechanical Rooms		
5A							Stairways, Hallways, Mechanical Rooms		Residential
5B							Stairways, Hallways, Mechanical Rooms		Residential
5C							Stairways, Hallways, Mechanical Rooms		Residential
5D							Stairways, Hallways, Mechanical Rooms		Residential
5E							Stairways, Hallways, Mechanical Rooms		Residential
5F							Stairways, Hallways, Mechanical Rooms		Residential
5G							Stairways, Hallways, Mechanical Rooms		Residential
5H							Stairways, Hallways, Mechanical Rooms		Residential

The 61 Martense Street Condominium Block 5086 Lots: _____(Fka Lot: 60)									
Unit Designation	**Tax Lot Number**	**Number of Bedrooms/ Bathrooms**	**Location (Building Facade)**	**Floor**	**Square Footage**	**Limited Common Element Square Footage**	**Common Elements to which Unit has Immediate Access**	**Percentage of Interest in the Common Elements**	**Use of the Unit**
5J							Stairways, Hallways, Mechanical Rooms		Residential
5K							Stairways, Hallways, Mechanical Rooms		Residential
6A							Stairways, Hallways, Mechanical Rooms		Residential
6B							Stairways, Hallways, Mechanical Rooms		Residential
6C							Stairways, Hallways, Mechanical Rooms		Residential
6D							Stairways, Hallways, Mechanical Rooms		Residential
6E							Stairways, Hallways, Mechanical Rooms		Residential
6F							Stairways, Hallways, Mechanical Rooms		Residential
6G							Stairways, Hallways, Mechanical Rooms		Residential
6H							Stairways, Hallways, Mechanical Rooms		Residential
6J							Stairways, Hallways, Mechanical Rooms		Residential
6K							Stairways, Hallways, Mechanical Rooms		Residential
Total								100%	

EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Affiliate" shall mean a Person or an entity who or which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner, a Person or an entity with respect to which either a Unit Owner, Declarant or any partner owns more than fifty percent (50%) of the legal and beneficial interest, or an entity as to which more than fifty percent (50%) of its legal and beneficial interest is owned by a Person or an entity which owns more than fifty percent (50%) of the legal and beneficial interest of a Unit Owner, Declarant or of any partner.

"Alteration Agreement" refers to the Alteration Agreement included as an Exhibit in Part II of the Plan, or such other form of alteration agreement approved by the Condominium Board at the time in question.

"Alterations" refers collectively to the Non-Structural Alterations and the Structural Alterations.

"Amenities" refers collectively to all of the amenities provided at the Condominium as of the date hereof or in the future.

"Arbitration" shall have the meaning set forth in Section 11.1 of the By-Laws.

"Board" refers to the Condominium Board.

"Building" refers to the structure and improvements including above and below grade segments, known as 61 Martense Street, Brooklyn, New York 11226, in which the Units of the Condominium are located.

"Building Systems" refers to the architectural, mechanical, electrical and plumbing systems of the Building.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D of the Declaration, as same may be amended from time to time.

"City Register's Office" refers to the Kings County office of the Register of The City of New York.

"Common Charges" refers to amounts payable to the Condominium Board for the purpose of meeting Common Expenses.

"Common Elements" refers to those portions of the Building other than the Units and Limited Common Elements.

"Common Expenses" refers to (i) all costs and expenses attributable to the Maintenance and operation of, and any Alteration to, the Common Elements, (ii) all such other items provided for in the Declaration or these By Laws to be Common Expenses and (iii) such amounts as the members of the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

"Common Interest" refers to the proportionate, undivided interest expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Comparable Building" shall mean, at the time in question, a comparable (in terms of physical and operational standards), residential building in Manhattan used for similar purposes as the Building.

"Condominium" refers to The 61 Martense Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time, and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" refers to the board of managers of the Condominium.

"Condominium Documents" refers collectively to the Declaration, the By-Laws, the Floor Plans and any and all exhibits thereto.

"Declarant" refers to 61 Martnese Street LLC, a New York limited liability company and its successors and assigns and designees.

"Declarant Control Period" shall have the meaning set forth in Section 3.9.3 of the By-Laws.

"Declaration" or "Condominium Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as same may be amended from time to time.

"Development Rights" shall have the meaning set forth in Section 2.2 of the Declaration.

"Development Rights Purchaser" shall have the meaning set forth in Section 2.2 of the Declaration.

"DOL" refers to the New York State Department of Law.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"Façade" refers to the outer portion of the Building above grade, including but not limited to, the exterior of all doors, masonry, aluminum or other skin materials, walls, or parapets, whether or not visible from street level.

"Facility" or "Facilities" means all equipment and facilities necessary for the operation of the Building or its systems and includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, Signage, telephone, meter, meter assembly, Scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

"First Closing," or words of similar import, refers to the date fee title to a Unit is first conveyed to a purchaser pursuant to the Offering Plan.

"Floor Plans" shall have the meaning set forth in Section 6.1 of the Declaration.

"Inside Offeror" shall have the meaning set forth in Section 8.2.1 of the By-Laws.

"Land" refers to the parcel of land described in Exhibit A to the Declaration.

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"License Fee" refers to a monthly amount imposed by the Board on a Unit Owners as licensee of a Storage Bin or other Amenity, as applicable, in order to pay for costs incurred in connection with the Maintenance and operation of such Storage Bin or other Amenity, as applicable, including without limitation, costs for utilities, insurance and necessary replacements and repairs.

"Limited Common Elements" refers to those portions of the Land and/or Building designated for the use of one or more, but not all Units and Unit Owners, and are more particularly described in the Declaration.

"Maintenance or Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, Alteration, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Merger" refers to a merger or division of the zoning lot in which the Property is located, with any other zoning lots to form a single zoning lot.

"Non-Purchasing Tenant" has the meaning set forth in Section 352-eeee of the New York State General Business Law.

"Non-Structural Alterations" refers to any alteration, addition, installation or improvement that is not a Structural Alteration, as to which materials are delivered or installed by a third party, including without limitation: (i) the installation of decorations, fixtures and coverings, wallpaper, wall to wall carpeting, pictures, mirrors shelving and lighting fixtures on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like and (ii) painting or other similar finishing.

"Offering Plan" or "Plan" refers to the condominium offering plan to be submitted for approval and filing with the DOL, as the same may be amended from time to time.

"Parking Space" refers to the Parking Spaces located in Ground floor, which will be made available for the exclusive use of Parking Space Licensees pursuant to Parking Space Licenses.

"Parking Spaces License" refers to the license to be granted to a Unit Owner evidencing the Unit Owner's right to use a Parking Space.

"Person" refers to an individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, or any other legal entity, any Federal, State, County or municipal government, or any bureau, department, agency, authority or subdivision thereof and any beneficiaries, officers, directors, employees, agents, partners, shareholders, or fiduciaries thereof acting in such capacity on behalf of any of the foregoing.

"Permitted Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation such banks and financial institutions as constitute the holders of the

construction loan mortgages given by Declarant to acquire and construct the Property, a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, or a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

"Permitted User" refers to any guest, tenant, occupant, customer, invitee, licensee, contractor, or Permitted Mortgagee.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Rent Laws" refers to (i) the New York State Rent Stabilization Law and the Code adopted pursuant thereto, (ii) the Local Emergency Housing Rent Control Act, (iii) the New York City Rent and Eviction Regulations, (iv) New York State General Business Law, Section 352-eeee and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property, as each have been amended from time-to-time.

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant to exercise its rights or obligations under the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with the Available Development Rights and to undertake, perform and complete such work to the Unsold Units and Common Elements.

"Reserved Spaces" refers to the portions of the Common Elements which are not expressly reserved for specific purposes and include, without limitation, the Roof and Façade of the Building, passages, hallways, conduits, utility lines (provided that use of the Reserved Spaces does not block light and air to any Unit), and such other areas in the Condominium which have been designated as Common Elements which are either not being utilized (e.g., the elevator lobby and the elevator cabs) or which have a use which can be relocated elsewhere in the Building (e.g. Storage Bins).

"Reserved Space Installations" refers to signage, satellite dishes, cellular equipment, computer and other information systems, furniture; wall and floor coverings and any other furnishings and Facilities to be installed on or in the Reserved Spaces.

"Rules and Regulations" shall have the meaning set forth in Section 6.18.1.

"Satellite Equipment" refers satellite dishes, antennas, satellite equipment, telecommunications equipment, communication facilities and similar installations and equipment on the Roof of the Building.

"Sign" or "Signs" or "Signage" refers to any and all signs, awnings, canopies, marquees, banners, flags, pennants, aerials, antennas or the like located in any Unit or upon any Common Elements.

"Special Assessments" shall have the meaning set forth in Section 6.1.7 of the By-Laws.

"Storage Bin" refers to storage bins, currently in existence and located in the Common Elements or which may be installed in the future, and which will be made available for the exclusive use of Storage Bin Licensees pursuant to Storage Bin Licenses.

"Storage Bin License" refers to the license to be granted to a Unit Owner evidencing the Unit Owner's right to use a Storage Bin.

"Storage Bin Licensee" refers to the holder of a Storage Bin License.

"Structural Alterations" shall refer to alterations, additions, installations, improvements to the foundations, columns, girders, beams, supports, concrete slabs, footings, bracings, Exterior Façade, Building Systems and all other structural members of the Building or which otherwise affect the structural integrity of the Building.

"Balcony" "Balconies" refers to balconies and/or terraces, including roof terraces, if any, appurtenant to and made a part of certain Units.

"Balcony Installations" refers to any decking material or other surface coverings, structures, water features (decorative or otherwise), awning, fencing, lattice, tile, brick work, lighting, landscaping, trees, shrubbery, planters and other plantings, furniture, equipment, appliances, heaters or heating lamps, statuary or the like, or any other structure placed on such Balcony.

"Unit" or "Condominium Unit" refers to either a Unit as more particularly designated in the Declaration and the Floor Plans and all of such Units are collectively referred to as "Units."

"Unit Owner" refers to any Unit Owner and all of such Unit Owners collectively referred to as the "Unit Owners."

"Unit Owner Expenses" shall be defined as those expenses set forth as "Unit Owner Expenses" under the terms of the By-Laws and which shall be the sole obligation of the Unit Owner on whose behalf the expenses are incurred. The cost of services provided to a Unit Owner other than services that are charges as part of Common Charges shall be a Unit Owner Expense.

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant; a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of the principals of any of them, is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

"ZLDA" shall have the meaning set forth in Section 2.2 of the Declaration.

EXHIBIT "9"

CONDOMINUM BY-LAWS

EXHIBIT D

BY-LAWS

OF

THE 61 MARTENSE STREET CONDOMINIUM

BROOKLYN, NEW YORK 11226

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BY LAWS

ARTICLE 1

GENERAL

1.1 **Purpose**. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property consisting of approximately _____ square feet of the Land, which forms a part of Block 5086 of the Tax Map of the Borough of Brooklyn, City, County and State of New York, the Building, including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of the Condominium Act by the recording of a Declaration in the City Register's Office, together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration or in Exhibit C thereto.

1.2 **Applicability of By-Laws**. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium**. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Brooklyn reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

ARTICLE 2

BOARD OF MANAGERS

2.1 **Number, Term and Qualification**.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by the Condominium Board. Subject to Declarant's rights under Section 3.9.3 of these By-Laws, commencing with the first annual meeting of Unit Owners, the Condominium Board shall consist of five (5) members elected by the Unit Owners. Prior to the first annual meeting of Unit Owners, the Condominium Board shall consist of three (3) members, each designated by Declarant.

2.1.2 Each member of the Board (except as otherwise provided herein), shall be elected at the separate annual meeting of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant (a) all members of the Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Units, Permitted Mortgagees, or Family Members of any of the foregoing. Other than Board members elected or designated by Declarant no Board member shall continue to serve after such member ceases to be qualified as set forth above. No Unit Owner may be elected to serve on the Board if the Board has perfected a lien against such Unit Owner's Unit which lien has not been satisfied at the time of the election.

2.2 **Powers and Duties**.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by Law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof, the Board shall have all powers and duties expressly set forth elsewhere in the Declaration and the By-Laws and shall be entitled to make such determinations and take such actions and incur such liabilities as may be required to effectuate the Board's obligations under the Declaration, the By-Laws and the Plan.

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.2 (a) Operating, caring for, and Maintaining the Condominium, including contracts for utilities, services and supplies, except to the extent that same is the responsibility of the Unit Owners under the terms of the Condominium Documents.

2.2.2.2 (b) Determining the amount of Common Charges and monthly License Fees.

2.2.2.2(c) Collecting of Common Charges from Unit Owners.

2.2.2.2(d) Employing and dismissing the personnel necessary for the Maintenance and operation of the Condominium.

2.2.2.2(e) Adopting amendments and additions to, the Rules and Regulations as they affect the Condominium.

2.2.2.2(f) Subject to Section 8.2 of these By-Laws, purchasing, leasing and otherwise acquiring in the name of the Condominium or its designee, on behalf of all Unit Owners, Units and/or storage bins offered for sale or lease or surrendered by their owners or licensees, as applicable, to the Condominium Board.

2.2.2.2(g) Purchasing Units at foreclosure or other similar sales, in the name of the Condominium Board or its designee, on behalf of all Unit Owners.

2.2.2.2(h) Subject to the rights of Declarant, selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Units, and subleasing storage bins, if any, licensed by the Condominium Board or its designee, on behalf of all Unit Owners.

2.2.2.2(i) Making Alterations to the Common Elements.

2.2.2.2(j) Performing Maintenance in the Condominium or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.2(k) Enforcing obligations of Unit Owners and the Board.

2.2.2.2(l) Levying fines against Unit Owners for violations of the Rules and Regulations as they affect the Condominium (any such fines shall constitute Common Charges payable by the Unit Owner against whom they are levied).

2.2.2.2(m) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By Laws) and designating signatories therefor.

2.2.2.2(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) as set forth in Section 6.2.

2.2.2.2(o) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and Maintenance of the Condominium or otherwise in connection with any permitted action or activity of the Condominium Board; provided, however, that (i) except as provided in 8.6, the consent of at least 66 2/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Common Interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.2(o) is not repaid by the Condominium Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or any lien which said creditor has filed or has the right to file against such Unit Owner's Unit. Notwithstanding anything to the contrary set forth herein, the consent of Unit Owners is not required in connection with the financing of the Resident Manager's Unit, if same is offered for sale to the Board pursuant to the Plan.

2.2.2.2(p) Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine, including, without limitation, in connection with the acquisition of title to or the leasing or subleasing of Units by the Condominium Board on behalf of Unit Owners.

2.2.2.2(q) Executing, acknowledging and delivering (i) any declaration or other instrument affecting only the Condominium which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition or construction of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration affecting only the Condominium which the Condominium Board deems necessary or appropriate.

2.2.2.2(r) Executing, acknowledging and delivering any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.2(s) Operating, Maintaining and supervising of all Common Elements.

2.2.2.2(t) Purchasing or leasing, in the name of the Condominium Board, space for the storage of personal property of Unit Owners, and in connection therewith the promulgation of conditions, rules and regulations for the operation and supervision thereof.

2.2.2.2(u) Imposition of move in procedures, fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such procedures, fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.2(v) Leasing or purchasing an apartment for use as the residence of the building resident manager or superintendent, either in the Building or elsewhere (in compliance with applicable Law) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment, including, without limitation, entering into a mortgage to finance the acquisition of same.

2.2.2.2(w) Reviewing and approving alterations, additions, improvements, renovations and repairs by Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such alterations, additions, improvements, renovations and repairs.

2.2.2.2(x) Licensing or leasing the Common Elements (subject to the rights of Declarant in the Declaration).

2.2.2.2 (y) Establishing move-in and move-out fees to be payable by Unit Owners.

2.2.2.2(z) Otherwise performing all of the acts to be performed by the Condominium Board in accordance with the terms of the Plan.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant continues to own at least twenty-five percent (25%) of the Units but in no event later than five (5) years from the First Closing of a sale made under an Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any Alteration to the Common Elements, or to the Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of, employees referred to in the Plan; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium or on behalf of the Condominium; (v) assess any Common Charges or Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board (i) to comply with Laws of any governmental authority having jurisdiction over the Condominium; (ii) to remedy any notice of violation; (iii) to remedy any work order by an insurer; or (iv) to protect against imminent threat to the health or safety of the residents of the Building.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as at least one Unsold Unit remains subject to the Rent Laws, the Condominium may not, without the consent of the Declarant and the owners of all Unsold Unit(s), (i) reduce or eliminate any services provided to Non-Purchasing Tenants under the Rent Laws or their tenancies or as otherwise may be required by Law, in such a manner as may result in the reduction of the rents or use and occupancy sums paid by such Non-Purchasing Tenants, (ii) separately assess a Unit Owner for fees for such services (unless such services are separately assessed at the time of the filing of this Declaration) or (iii) to the extent that services to Non-Purchasing Tenants are currently individually assessed for the provision of additional services, assess Unit Owners for an amount greater than can be charged by the owner of the Unit to the Non-Purchasing Tenants under the Rent Laws. To the extent the Condominium takes any action which causes the rent(s) of any or all Unsold Unit(s) to be reduced, the Condominium shall take all necessary steps to restore said rents and shall be liable to the owner of the Unsold Unit(s) for such rent reduction, and if the Condominium does not reimburse the owner of the Unsold Unit(s) for rent reduction, the owner of the Unsold Unit(s) may deduct such amounts from Common Charges due and owning by the owner of the Unsold Unit(s).

2.3 **Managing Agents and Managers**. With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a Managing Agent at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such Managing Agent other powers granted to the Condominium Board by these By Laws, except the powers set forth in Subsections 2.2.2.2(b), (e), (f), (g), (n), (o), (q) and (r). Notwithstanding anything to the contrary set forth above, all Units occupied by Non-Purchasing

Tenants will be managed by the same managing agent who manages all other Units in the Building. Such managing agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis.

2.4 **Initial Condominium Board.** The Condominium Board shall initially consist of three (3) members, each designated by the Declarant. The foregoing members shall be deemed to have been "elected" as members of the Condominium Board for the purposes of these By Laws. Within one (1) year after the date of the First Closing the Condominium Board will call for the first annual meetings of Unit Owners for the purpose of electing new Board members in accordance with the provisions of 3.1 of these By-Laws and subject to the rights of Declarant to designate certain members of the Condominium Board as more particularly described in Section 3.9.3 of these By-Laws. The terms of each such member of the Condominium Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect all members of the Condominium Board, the Board shall consist of three (3) members.

2.5 **Resignation and Removal**. Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Subsection 3.9.3, any Board member may be removed, with or without cause, by a majority vote of Unit Owners, present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant may only be removed by members other than Declarant or its designees with cause and such members shall be replaced as described in Section 2.6. In addition, any member of the Condominium Board who is designated as such by Declarant, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 **Vacancies**. Subject to the provisions of Section 3.9.3, any vacancy on a Board for whatever reason shall be filled by the members of a Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By Laws, in the case of a vacancy on a Board, created by the resignation, removal or any other cause which results in any Board member designated by Declarant, ceases to be a member of the Board, Declarant shall have the sole right to designate a replacement for such member.

2.7 **Organizational Meeting of Condominium Board**. The first meeting of the Condominium Board following each annual meeting of each of the Unit Owners shall be held immediately following each such annual meeting.

2.8 **Special Meetings of Board**. Special meetings of the Board may be called by the President or Vice President of the Condominium Board by giving five (5) business days' prior

written notice to each member of the Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Brooklyn) and purpose of the meeting.

2.9 **Regular Meetings of Condominium Board**. No organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Brooklyn as shall be determined by the Condominium Board, provided that written notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five (5) business days prior to the day named for such meeting.

2.10 **Waiver of Notice**. Any Board member may at any time waive notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 **Determinations by Board; Quorums**.

2.11.1 Except as otherwise set forth in 2.13.3, all determinations by the Board shall be made at a meeting of such Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at a Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board 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 Board.

2.12 **Compensation**. No member of the Board shall receive any compensation for acting as such.

2.13 **Liability of Board and Unit Owners**.

2.13.1 To the extent permitted by applicable Law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state or be deemed to state that it is made by such Board, managing agent or manager only as agent for all Unit Owners that the Board members or

managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.13.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of the Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof; or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any General or Limited Common Element.

2.14 **Fidelity Bonds**.

2.14.1 The Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute Common Expenses.

2.14.2 To the extent legally required or available at commercially reasonable rates, as such rates shall be determined by the Board, the Board shall endeavor to purchase and maintain directors and officers insurance (i) to indemnify the Condominium for any obligation which it incurs as a result of the indemnification of members and officers of the Board as required by Law or by a court order, and (ii) to indemnify members and officers of the Board in instances in which they may be indemnified by the Condominium under the provisions of these By-Laws.

2.15 **Committees**. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. For so long

as Declarant is entitled to designate members to the Condominium Board, any committee appointed by the Board shall have as at least one of its members be a member appointed by Declarant.

2.16 **Principal Office of Board**. The principal offices of the Board shall be located within the Property or at such other place in the Borough of Brooklynreasonably convenient thereto as may be designated from time to time by the Board.

2.17 **Status of Board**. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of 2.18, the provisions of this Section 2.17 shall no longer be applicable to the Board.

2.18 **Incorporation of Board**. To the extent and in the manner provided in the Condominium Act, the Board may by action of such Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.19 **Board as Agents of Unit Owners**. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act in good faith as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.20 **Development Rights**. The Board shall be authorized to, and, upon the request of Declarant or the Development Rights Purchaser, the Board shall be obligated, to execute and deliver any documents or applications reasonably required in connection with a Merger, any declaration of zoning lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings**. On or no more than one (1) year after the First Closing, the Board will call the first annual meeting of the Unit Owners. Such meetings shall be held not less than ten (10) days nor more than forty (40) days after such date. At such meeting, the incumbent Board shall resign and the Unit Owners shall elect (in accordance with the provisions of Section 2.1, but subject to the rights of Declarant to designate certain members to the Board pursuant to Section 3.9.3 of these By-Laws) a Board consisting of five (5) members. Thereafter, annual

meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign and the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings**. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the Borough of Brooklyn, as may be designated by the Board.

3.3 **Special Meetings**. The President of the Condominium Board shall call a special meeting of Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by not less than twenty-five percent (25%) in Common Interest of Unit Owners.

3.4 **Notice of Meetings and Actions Taken**. Notice of each annual meeting or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment. Only Unit Owners of record as of the date of a notice are entitled to be present and vote at the meeting for which said notice is sent.

3.5 **Adjournment of Meetings**. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

3.6 **Order of Business**. The order of business at all meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units**. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, or by any other entity legally entitled to take title to property. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or its managing agent at Closing, any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Unit for a period of years, to be held in escrow by the Condominium Board or its Managing Agent, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-Laws.

3.8 **Voting**.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all joint meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating, unless otherwise expressly set forth herein; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six (6) months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor or as otherwise expressly set forth herein. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days notification of such proposed amendment from the Condominium Board, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Board the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it. Declarant shall hold a majority of seats on the Condominium Board until the *earlier* to occur of (i) five (5) years from the date of the First Closing or (ii) that date upon which the Unsold Units constitute less than fifty percent (50%) of the Common Interests of the Condominium (the "Declarant Control Period"). Notwithstanding anything to the contrary set forth above, in the event the regulations promulgated by the New York State Department of Law governing the conversion of occupied residential property to condominium ownership are amended to provide that Declarant can elect a majority of its designated Condominium Board members for a period in excess of five (5) years, or if such regulations are finally determined to be unenforceable by a court of competent jurisdiction, provided that Declarant has a sufficient number of votes to cast a majority of the votes of the Unit Owners, then the aforesaid restrictions concerning Declarant's rights to elect a majority of the Condominium Board shall no longer be effective and Declarant shall have the same rights to vote its Common Interests as any other Unit Owner, whether or not Declarant has previously been required to give up control of any of the Condominium Board. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant. In addition, after the expiration of the Declarant Control Period, Declarant shall have the right to designate the following minimum number of members of the Condominium Board: (a) two (2) members, for so long as the Common Interests attributable to the Unsold Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests of all Units; (b) one (1) member, for so long as Declarant owns at least one Unsold Unit. Within thirty (30) days after the termination of the Declarant Control Period, one or more of the Declarant designated members of the Condominium Board shall resign in order to give up control of the Condominium Board, in which event a Unit Owner meeting will be held to elect the new Condominium member(s).

3.9.4 Nothing contained herein shall be deemed to limit the right of Declarant to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Declarant, which individuals, if elected, shall not be deemed Declarant nominees or designees and shall not be deemed to cause Declarant to control the Condominium Board.

3.9.5 Notwithstanding anything to the contrary set forth above, if required under the terms of any Permitted Mortgage held by Declarant, in the event of a default under such Permitted Mortgage, the Permitted Mortgagee will be entitled to designate, remove or replace the members of the Board designated by the Declarant whose Units are subject to the lien of said Permitted Mortgage.

3.10 **Majority of Unit Owners**. Except as may otherwise be provided by Law, as used in these By-Laws, the term "Majority of Unit Owners," means those Unit Owners having more than fifty percent (50%) of the total votes cast (in person or by proxy) at any meeting at which a quorum is present of all Unit Owners, determined in accordance with the provisions of 3.8.

3.11 **Quorum**. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than thirty percent (30%) of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12 **Majority Vote**. Except where otherwise provided by Law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 **Designation**. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the members of the Board. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Board after the first annual meeting of Unit Owners.

4.2 **Election of Officers**. The officers of the Condominium Board shall be elected annually by the members of the Board, at the organizational meetings thereof, except that the initial officers of the Board shall be elected, by the initial Board members and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 **Resignation and Removal of Officers**. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 **President**. The President of the Condominium Board shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President 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 committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the Condominium.

4.5 **Vice President**. The Vice President shall take the place of the President under whom such Vice President serves and perform the duties of the President whenever such President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Board shall appoint some member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President.

4.6 **Secretary**. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and 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.

4.7 **Treasurer**. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents**. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, the Condominium Board may, by resolution, determine that an expenditure in excess of a specified amount by said Condominium Board must be countersigned by two (2) members of the Board.

4.9 **Compensation of Officers**. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 **Notices**. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail or nationally recognized overnight carrier to the office of the Board or to such other address as the Board may designate from time

to time, by notice in writing to all Unit Owners and to all Permitted Mortgagees, as the case may be, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

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

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Condominium Board shall from time to time, and at least annually, prepare a budget (or cause the Managing Agent to prepare a budget) to meet Common Expenses which shall be allocated amongst and assessed to the Unit Owners, in accordance with their respective Common Interests (except as otherwise expressly provided in the Declaration or these By Laws or to the extent a different method or percentage of allocation is described in the Schedule B – operating budget- set forth in the Plan). In addition to allocating Common Expenses based upon Common Interest, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law. The Condominium Board's authority shall include the right to base the amount of Common Expenses on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Expenses payable by all Unit Owners for any period to reflect actual operating costs for such period.

6.1.2 Except as otherwise set forth herein, if a Limited Common Element benefits only certain Unit Owners, then the Condominium's costs of Maintenance and Alterations thereto (except in connection with a casualty or condemnation) shall be borne solely by those Unit Owners who benefit from the Limited Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interest of all benefiting Unit Owners. In addition, except as otherwise provided in the By-Laws, such benefitting Unit Owners shall be responsible for the Maintenance and operation, including but not limited to the cost of staff necessary for such operation and Maintenance, of any such Limited Common Element at their sole cost and expense.

6.1.3 The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges due and payable by such Unit Owner and shall furnish copies of each budget to all Unit Owners at least five (5) days prior to the adoption thereof and provide a copy to Permitted Mortgagees upon request therefor. In the event that the annual Common Charges levied against Unit Owners exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $250,000, the Common Charges paid by Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time Declarant and each Unit Owner owned such Unit.

6.1.4 Subject to Sections 15.9 and 15.15 of the Declaration, the excess of all rents, profits and revenues derived from the rental or use of any space or facility (i) forming part of or included in any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.5 Common Charges shall include real estate taxes on the Property until the Units are separately assessed.

6.1.6 "Special Assessments" shall be defined to include those assessments levied against Unit Owners for the purpose of paying non-recurring, extraordinary expenses affecting the Common Elements, including without limitation, capital expenses relating to the Common Elements. All Special Assessments relative to the Common Elements shall be levied by the Condominium Board against all of the Unit Owners in the proportion of each Unit Owner's respective Common Interests. Such Special Assessments shall be payable by the Unit Owners in addition to their respective obligations to pay Common Charges as herein above provided. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however that the Condominium Board shall give each Unit Owner not less than thirty (30) days' written notice, except in the case of an Emergency, prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. Special Assessments shall be deemed to be Common Charges for purposes of the Declaration and these By-Laws. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges and shall have the right to place a lien on the applicable Unit Owner's Unit as though such amounts were payable to the Condominium Board as Common Charges.

6.1.7 "Unit Owner Expenses" shall be defined to include those expenses incurred by the Condominium Board or a Unit Owner, as the case may be, on behalf of a particular Unit Owner. The cost of any services provided to a Unit Owner other than services that are charges as part of Common Charges shall be a Unit Owner Expense, including without

limitation, charges incurred by a Unit Owner for utilizing the resident dining services (if available at the time in question). Unit Owner Expenses shall be invoiced from time to time as such expenses are incurred and shall be promptly paid by the applicable Unit Owner (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore). Costs incurred by the Condominium Board for any Emergency work performed by the Condominium Board may be included in the Common Charges or invoiced as Unit Owner Expenses (as the case may be in accordance with the terms of the Declaration and these By-Laws) from time to time as such costs are incurred (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore). Unit Owner Expenses shall be deemed to be Common Charges for purposes of the Declaration and these By-Laws. The Condominium Board shall have all rights and remedies for the collection of Unit Owner Expenses as are provided herein for the collection of Common Charges and shall have the right to place a lien on the applicable Unit Owner's Unit (whether payable to the Condominium Board or another Unit Owner) as though such amounts were payable to the Condominium Board as Common Charges (but in the case of any payments due to another Unit Owner, such lien shall be held and enforced by the Condominium Board for the benefit of such Unit Owner).

6.1.8 Notwithstanding anything to the contrary herein, no part of the net earning of the Condominium may inure (other than by acquiring, constructing, or providing management, Maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings or other personal property contained in such Units), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, Managing Agent and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above shall be a Common Expense.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss involves only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5. Any dispute between or among the Board under this Subsection 6.2.2 shall be determined by Arbitration.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Board and all Unit Owners hereby waive their subrogation rights.

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance coverages the Board and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein. The Board and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

6.2.5 The Condominium Board shall also be required to obtain and maintain, commercial general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Board may from time to time determine, covering (i) the Board, the Managing Agent or agents thereof, each Board member, and each officer and employee of the Condominium and (ii) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross liability claims of one insured against another.

6.2.6 Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines.

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to the Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of

$1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $2,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

6.3 **Repair or Reconstruction after Fire or Other Casualty**.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss"), and except as otherwise provided herein, (a) the Condominium Board with respect to the Common Elements and/or Limited Common Elements and (b) each Unit Owner with respect to its Unit, shall arrange for the prompt repair or restoration ("Work") in the event of a Casualty Loss, to the portion(s) of the Building affected by such Casualty Loss. If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units or Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Unit Owner Expense.

6.3.2 Net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 6.2 hereof by reason of such Casualty Loss shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $ 1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust (a) for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss of the Common Elements and the Units, and (b) for the benefit of all Unit Owners with respect to the portion thereof allocated to a Casualty Loss of the Limited Common Elements and the Units,

6.3.3 In the event that Work shall be performed pursuant to the terms of Subsection 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments.

6.3.3.1 If only the Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne as a Common Expense or profit, respectively, and shared entirely by all Unit Owners based upon their respective Common Interests.

6.3.3.2 Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.4 If seventy-five percent (75%) or more of the Building is destroyed or substantially damaged by fire or other casualty ("Significant Casualty"), the Work will not be performed unless seventy-five percent (75%) or more of all Unit Owners agree to promptly cause the Work to be performed. In the event seventy-five percent (75%) or more of all Unit Owners do not agree to restore the Building, the Work will not be performed and the Property will be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, will be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. If less than seventy-five percent (75%) of the Building is damaged by fire or other casualty, the Work will be performed to restore the Building in accordance with the provisions of this Section 6.3.

6.3.5 As used in this Section 6.3, the term "Prompt repair or restoration" or a derivation thereof shall mean that the Work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety (90) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1, sixty (60) days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work.

6.3.6 Any dispute that may arise under this Section 6.3 between any Unit Owners or the Board shall be resolved by Arbitration.

6.4 **Payment of Common Charges**.

6.4.1 Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month. The Unit Owners shall be obligated to pay to the Common Charges assessed to them by the Board, pursuant to the provisions of Section 6.1.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration, their Unit together with its appurtenant Common Interests, to the Condominium Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by Law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

6.4.3 Except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. No Unit Owner may be exempted from liability for such Unit Owner's Common Charges by waiving use of any Common Elements (including without limitation, the Amenities) or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments.

6.4.4 All liens provided for in Subsection 6.4.3, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.5 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.6 A Unit Owner other than Declarant, owning a Unit occupied by a Non-Purchasing Tenant must deposit with the managing agent at acquisition of title to the Unit, an amount equal to two (2) months Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Such Unit Owner agrees that upon written notice by the then managing agent that such deposit has been diminished, the Unit Owner, shall replenish such fund within thirty (30) days thereafter. In the event the Unit Owner fails to so replenish such fund, the Board will have a lien against the Unit Owner's Unit in accordance with Section 6.6. of these By-Laws. Interest, if any, earned on the fund shall be the property of the Unit Owner.

6.5 **Collection of Common Charges**. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty (30) days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges and other Obligations**.

6.6.1 In the event any Unit Owner fails to make payment of Common Charges or Special Assessments when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or Special Assessments or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in §339 z of the New York Condominium Act, in the manner provided in §339 aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition the Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Special Assessments due. Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the Rules and Regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.6.2 In accordance with and subject to the provisions of §339-kk of the Real Property Law, in the event that a Unit Owner leases its Unit and the payment of Common Charges, assessments or late fees by any non-occupant Unit Owner is more than sixty (60) days late after the expiration of any grace period within which they are due, payments from a tenant of such Unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant Unit Owner. Where a majority of the Condominium Board has been elected by Unit Owners who are in occupancy of their respective Units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the Common Charges, assessments and late fees of the non-occupant Unit Owner have been brought current, the Condominium Board must notify the non-occupant unit owner and tenant within three (3) business days and thereafter the rent will be payable to the non-occupant Unit Owner or a designated agent.

6.7 **Foreclosure of Liens for Unpaid Common Charges**.

6.7.1 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit or portion thereof

at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges**. The Board shall promptly provide the Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs**.

6.9.1 Generally, and except as otherwise provided in the Declaration or these By-Laws, (a) the Condominium Board will be responsible for Maintaining the Common Elements in first-class condition, and the costs thereof shall be charged to all of the Unit Owners as a Common Expense and (b) each Unit Owner will be responsible for Maintaining its Unit and the Limited Common Elements appurtenant thereto in first-class condition (including the cleaning and maintenance of drains on a Balcony as described in Section 6.9.2.6 below) that are located therein or appurtenant thereto, except as otherwise provided in these By-Laws, at such Unit Owner's sole cost and expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 All Maintenance to be performed in or to any Unit or Common Element (including without limitation, such Maintenance requiring the shut-down of Building Systems), whether performed by a Unit Owner or Board shall be scheduled in such a manner as to minimize any disruption to the use and operation of the Units.

6.9.2.2 Each Unit and all portions of the Common Elements shall be kept in first class condition (and with respect to any Balcony, Roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or Condominium Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith.

6.9.2.3 A Unit Owner shall not permit excessive noise or vibrations to emanate from its Unit or a Limited Common Element appurtenant thereto.

6.9.2.4 The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be Maintained by it, (b) each Unit Owners with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner.

6.9.2.5 All Maintenance of any Balcony shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Balcony, including any leaks, shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense, except if and to the extent such repairs or replacements are necessitated or caused by (i) the negligence of the Unit Owner and/or (ii) Balcony Installations installed by such Unit Owner, or any prior Unit Owners (other than Sponsor), having access to the same, all of the foregoing as determined by the Condominium Board, in which event the cost and expense thereof shall be charged to the Unit Owner. The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board and enter into an Alteration Agreement prior to performing Alterations to a Terrance and/or installing Balcony Installations. To the extent that a Unit Owner performs any Alteration to a Balcony or installs any Balcony Installations to a Balcony or any portion thereof, the Unit Owner and its successor-in-interest assumes full responsibility for the future Maintenance of same. The Condominium Board may require that a Unit Owner remove Balcony Installations from a Balcony, at such Unit Owner's sole cost and expense, if the Condominium Board determines, in its sole discretion, that such Balcony Installation (x) adversely affects the structural integrity of the Building or (y) adversely affects the appearance of the Building or (z) it is necessary or convenient in order to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or these By-Laws. No Balcony may be enclosed without the express written consent of the Condominium Board, which may be denied for no reasons or any reason in its discretion. The Condominium Board may establish such other rules and regulations regarding use of Balconies, as it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.6 If one or more Unit Owners shall have a license for the use of a Storage Bin located within a General Common Element, such Storage Licensee shall be responsible for all Maintenance to their respective Storage Bin. Repairs and/or replacements of one or more, or all of the Storage Bins shall be performed by the Condominium Board and paid for by all of the Storage Bin Licensees and charged as part of the License Fee. Structural or extraordinary repairs or replacements to the room within which the Storage Bins are located shall be a Common Expense charged to all Unit Owners. Notwithstanding the foregoing, in the event that repairs or replacements to a Storage Bin is necessitated by the negligence or misuse by a Storage Bin Licensee, such Storage Bin Licensee shall be solely responsible for such costs. The Condominium Board has the authority to promulgate such rules regarding use of and access to the Storage Bins as may be determined from time to time.

6.9.2.7 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2.8 The Board may establish such other rules and regulations as it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.9 The exterior surface of all windows in the Building, if so determined by the Board, shall be washed and cleaned by the Board at least once annually and the cost and expense thereof shall be a Common Expense and may be specially assessed against each Unit Owner. Under no circumstances may a Unit Owner be permitted to clean any exterior windows. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law.

6.9.2.10 Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the Unit Owner of such Unit unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Board or such Unit Owner. No replacement, modification or alteration may be made to or of the windows without the consent of the Board.

6.9.2.11 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Board. In addition, all shades, venetian blinds or other blinds, drapes, curtains or other window decorations in or in or appurtenant to such Unit Owner's Unit shall be Maintained by such Unit Owner. All window treatments in a Unit, when viewed from the outside of the window, must be white.

6.9.2.12 The exterior of all entry doors of Units shall not be painted or decorated or otherwise modified by a Unit Owner other than with the consent of the Board.

6.9.2.13 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Building without prior written approval of the Board.

6.9.2.14 Any Maintenance work performed with respect to the incremental HVAC units in each Unit shall only be performed by a company or individual previously approved by the Board, on such terms as the Board requires, at such Unit Owner's sole cost.

6.9.2.15 All equipment, furniture, installations and appliances installed and used in a Unit shall not exceed the permissible floor loads or electrical loads for said Unit and shall be installed and Maintained by the Unit Owner in such a manner as to prevent the noise, vibration or electrical overloading or other interference from such Unit to any other area of the Building. All radio, television, telecommunications or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public

authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any such equipment in such Unit Owner's Unit.

6.9.3 Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

6.10 **Violations of Obligations**.

6.10.1 In the event that any Unit Owner, within seven (7) calendar days after receipt of written notice from the Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may, but shall not be obligated to, upon ten (10) calendar days additional notice (or sooner in the case of Emergency), perform or cause to be performed such Maintenance. All sums expended, and all costs and expenses incurred, in connection with the making of any such Maintenance by the Board, together with ten percent (10%) for overhead and interest thereon at the rate of two percent (2%) per month from the date on which such Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to such Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.10.2 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 **Alterations and Repairs of Units and Limited Common Elements**.

6.11.1 Each Unit Owner shall have the right, subject to the terms of these By-Laws, to decorate and perform Alterations in, to or upon the interior of its Unit and the Limited Common Elements appurtenant thereto.

6.11.2 Each Unit Owner shall be required to enter into an Alteration Agreement with the Condominium Board prior to performing any Alterations.

6.11.3 Pursuant to terms to be more particularly set forth in an Alteration Agreement, the Unit Owner prior to performing such Alterations shall be obligated (unless otherwise waived in writing by the Board) to among other things: (i) provide a security deposit to the Board, in such amount as determined by the Board, in its sole discretion, (ii) pay a processing fee to the Managing Agent for its review of the proposed plans as set forth in the Management Agreement, (iii) pay any other review fees, architect, engineer or consultant fees, or supervision fees required under the Alteration Agreement or as otherwise adopted by the Board from time to time, (iv) provide plans and specifications to the Board describing the Alteration, (v) obtain the consent of the Board as to contractors and suppliers that will be performing the Alterations, (vi)

comply with requirements of the Board regarding days and hours during which such Alterations maybe performed, (vii) comply with such other requirements the Board may adopt from time to time and (viii) for so long as Declarant owns a Unit or until a Permanent Certificate of Occupancy has been obtained, whichever is later, utilize a filing representative or expediter designated by the Declarant or the Board, as the case may be, to file the proposed plans with Governmental Authorities (as such term is defined in the Alteration Agreement). In addition, the Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The requirement in clause (viii) above shall not be subject to waiver by the Board subsequent to the Declarant Control Period. The foregoing provisions shall not apply to Declarant or a Permitted Mortgagee (or its designee) of Declarant. Notwithstanding the foregoing, a Unit Owner may decorate the interior of such Unit Owner's Unit in any way desired, subject to compliance with the Declaration, By-Laws, Rules and Regulations and Law, and will be solely responsible for the cost of Maintenance to such Unit Owner's Unit after Closing.

6.11.4 Prior to the commencement of making or performing any Structural Alterations, a Unit Owner must provide to the Condominium Board the following: (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board to be carried during the performance of any Structural Alterations, and otherwise in compliance with Section 6.2 of these By-Laws, (ii) a certification of the architect or engineer for the Structural Alteration stating that such Structural Alteration will not adversely affect the structural integrity of the Building or the other Units or Common Elements, and/or the Building Systems, (iii) in the case of Structural Alterations involving noise, odor or vibrations, a certification of the architect or engineer for the Structural Alteration stating that such Structural Alteration will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants), (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Structural Alteration and (v) notice of the date that such Unit Owner intends to commence such Structural Alterations, which must be at least ten (10) days prior to the commencement date, unless such shorter period is consented to by the Condominium Board (collectively, (i)-(v) the "Work Conditions").

6.11.5 Any Alteration performed by a Unit Owner (including Declarant and the Owner of Unsold Units) shall be made in compliance with all Laws of all governmental authorities having jurisdiction thereof, including without limitation, any rules and requirements of LPC.

6.11.6 A Unit Owner making or causing to be made any Alteration shall agree, and shall be deemed to have agreed, to indemnify, defend and hold the Board and all other Unit Owners harmless from any costs or liability arising out of or related to the performance of Alterations.

6.11.7 No application or other document shall be filed with any Governmental Authority for a permit covering an Alteration to be made in a Unit, unless approved and executed, if necessary, by the Board. The Board will not unreasonably refuse to approve and

execute, if required, any application or other document required to be filed in connection with approved Alterations or repairs, provided that the Board and the other Unit Owners shall not be subject to any expense (including legal fees or other professional fees) or liability by reason of such approval and execution or, by reason of such Alteration without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute the Required Documentation required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Declarant is obligated or entitled to perform in accordance with the terms of the Offering Plan or the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the Board, if requested by Declarant shall execute the Required Documentation.

6.11.8 The Board may impose fees upon a Unit Owner to reimburse such Board for its costs incurred in (i) reviewing plans, specifications and other documents for the proposed Alterations, as more particularly set forth in Section 6.11.1 above, (ii) monitoring the performance of Alterations, including without limitation, any necessary and reasonable inspections of the Alterations to determine whether same is being or has been performed in accordance with the approved plans and specifications therefor and all requirements of (x) Law; (y) insurance carriers providing insurance coverage pursuant to Section 6.2, and (z) the Declaration and these By-Laws (including, with respect to Alterations which may affect the Building structure, Building Systems or Facade, the fees and expenses of any architect or engineer employed for such purpose), and (iii) providing, in its sole discretion, appropriate security. The foregoing provisions shall not apply to Declarant or a Permitted Mortgagee (or its designee) of Declarant.

6.11.9 If at the time a Unit Owner seeks to perform Alterations, a permanent certificate of occupancy is not issued for the Building, the Board may refuse to permit a Unit Owner to perform Alterations in a Unit until such time as a permanent certificate of occupancy has been obtained therefor. In furtherance thereof, a Unit Owner performing Alterations, shall indemnify Declarant and the Board for any cost, expense, claim or liability incurred or suffered by Declarant or the Board as a result of any violation of Law or delay in obtaining a temporary or permanent certificate of occupancy. In the event the Alterations performed by a Unit Owner do adversely affect the issuance or validity of the certificate of occupancy then upon the written request of Declarant or the Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.10 Any Unit Owner performing Alterations, shall indemnify Declarant and the Board for any cost, expense, claim or liability incurred or suffered by Declarant or the Board as a result of such Alteration (including legal fees and other professional fees).

6.11.11 Until such time as the Proposed Renovations are complete, including the completion of any "punch list" work, neither the Board nor any Unit Owner shall use or suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, Declarant shall have an easement through all parts of the Building for the prosecution of the work necessary to complete Proposed Renovations (including the Units), including the completion of "punch list" work by or on behalf of Declarant, which work shall take precedence over the prosecution of any other work at the Building.

6.12 **Alterations to Common Elements**. Generally, and except as otherwise provided in the Declaration or these By-Laws, (a) the Condominium Board will be responsible for performing Alterations to the Common Elements, and the costs thereof shall be charged to all of the Unit Owners as a Common Expense, and (b) each Unit Owner will be responsible for performing Alterations to the Limited Common Elements that such Unit Owner has exclusive use of at such Unit Owner's sole cost and expense. Notwithstanding the foregoing, however, whenever the cost and expense of such Alterations would, in the judgment of the Condominium Board exceed $500,000 with respect to the Common Elements at any one time, in any fiscal year, such proposed Alterations shall not be made unless first approved by the Unit Owners if relating to the Common Elements (including Declarant if Declarant then owns any unsold Unit) owning at least 50.1% of the aggregate Common Interests, at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-laws, all such Alterations costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no Alteration shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Declarant is first obtained, provided, however, that Declarant's written consent is not necessary if such Alteration to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to protect against imminent threat to the health or safety of the residents of the Building. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Declarant no longer owns 50% in both number and aggregate Common Interests of all Units.

6.13 **Alterations of Certain Common Elements**.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board, Mortgage Representative or Unit Owner is required as a condition precedent to any Alteration to any Common Element, proposed to be made by Declarant, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such Proponent shall give to the party that it is requesting the consent of (the "Responding Party") notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Responding Party does not give notice of any objection to the Proponent within thirty (30) days after the Proponent gives its notice, then the Responding Party shall be deemed to have consented to the making of the proposed Alteration. If the Responding Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Responding Party) within such thirty (30) day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or

not the Responding Party unreasonably withheld its consent. If in such Arbitration it is determined that the Responding Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Responding Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for Maintaining such Alteration after its completion will not be charged to Unit Owners represented by the Responding Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Responding Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.13.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Responding Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Responding Party's approval.

6.14 **Restrictions on Use of Units.**

6.14.1 Each Unit Owner is obligated to notify the Managing Agent 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 be obligated to install, or cause to be installed, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall be obligated to Maintain all window guards installed in the Unit and not to remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent.

6.14.2 Notwithstanding the provisions of Subsection 6.14.1, but subject to Section 9.1 of the Declaration, Declarant may, without the permission of the Board, (a) grant permission for the use of any Unsold Unit as a professional office, home office or for any purpose including, without limitation, use as a long or short term rental or other use, provided such use is permitted by Law, does not violate the certificate of occupancy for such Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in Section 6.14.4 of these By-Laws) and the user of such Unit complies with all applicable Law with respect to such use, and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units and any other building in which Declarant or principals of Declarant have an interest or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable Law.

6.14.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an occupant in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing

materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Unit Owners shall have the responsibilities of an "owner" of their respective Units under Local Law 38 of 1999 or any other Law governing the use or removal of lead-based paint or other Hazardous Substances within each Unit and by execution of a deed for a Unit shall agree to indemnify and hold harmless the Board and other Unit Owners arising from the failure of a Unit Owner to comply with such Unit Owner's obligation arising from the foregoing.

6.14.4 In the event Declarant seeks to change an existing use, Declarant shall have the right, from time to time, to amend the certificate of occupancy for the applicable Units to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant, at the Declarant's expense, execute all applications, authorizations and other instruments reasonably required to enable the Declarant to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to person or damage to property arising therefrom. In addition to the foregoing, Declarant shall have the authority to execute documents to effectuate the foregoing on behalf of the Board, in accordance with Section 6.11.3 of these By-Laws.

6.15 **Use of Common Elements**.

6.15.1 Common Elements may be used only for the furnishing of the services, facilities and Amenities and for the other uses for which they are reasonably suited. Notwithstanding anything to the contrary contained herein or in the Declaration, Declarant, without the consent of the Condominium Board or any Unit Owner, at no charge, shall be permitted to utilize the Common Elements, including without limitation, the Amenities for its own purposes, including without limitation, for entertainment, charity functions and other events (subject only to applicable Law).

6.15.2 The Storage Bins, if any, may only be used in accordance with Law and in accordance with the applicable Storage Bin license entered into with the Condominium Board for such Storage Bin and such other rules and regulations as may be promulgated by the Condominium Board from time to time.

6.15.3 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General or Limited Common Elements other than in the areas designated as storage areas, with the prior consent of the Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.4 Unit Owners shall require their tradespeople to utilize exclusively the elevator and entrance designated by the Board for transporting packages, merchandise or other objects.

6.15.5 In the event that it is necessary for the Declarant or the Board to install a sidewalk bridge and scaffolding (collectively, the "Scaffolding") at the Building, such party shall give due regard to the use of the Units located above the Ground Floor of the Building at the time in question and, except to the extent required by Law, will use best efforts to (i) minimize any disruption to the use of the Units, (ii) erect and Maintain the Scaffolding for the minimum period required to perform the work requiring such Scaffolding, (iii) not restrict ingress or egress through the exterior doorways to the Building and (iv) be installed at the highest level possible without blocking the Units. Except in cases of an Emergency, the party erecting such Scaffolding will provide at least thirty (30) days advance written notice to the Unit Owners and the Condominium Board (unless it is the Condominium Board that is installing such Scaffolding) prior to the installation of such Scaffolding.

6.15.6 The owner of any two (2) or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 **Other Provisions as to Use**. No nuisance shall be allowed in the Building nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.17 **Right of Access**.

6.17.1 Each Unit Owner shall grant a right of access to such Unit Owner's Unit and the Limited Common Elements appurtenant thereto to the Declarant for the completion of any work to be performed in the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the Managing Agent, resident manager, superintendents and/or any other person authorized by any of the foregoing. The Unit Owners, shall grant a right of access to their respective Units (and the Limited Common Elements appurtenant thereto, including without limitation, Balconies) to the Board, the Managing Agent, resident manager, superintendents and/or any other person authorized by any of the foregoing for

the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing installations, Alterations or repairs to the mechanical or electrical services or other portions of the General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with use of the Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2 A Unit Owner shall grant a right of access to such Unit Owner's Unit, and the Board shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of Proposed Renovations and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.18 **Rules and Regulations.**

6.18.1 Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Common Elements (the "Rules and Regulations"). The Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule such Board with respect to any such modification, amendment or addition.

6.18.2 Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents**. Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more Building Systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. Until the Units are separately assessed for real estate tax purposes, Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (based upon their Unit's allocable Common Interest percentage) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. Declarant reserves the right to collect such Common Charges at the closing of title to the Units. In the case of the Unsold Units, Declarant shall pay

to the Condominium Board its allocable share of real estate taxes as Common Charges within two (2) business days of such real estate taxes being due and payable to the property taxing authorities. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In the event of a proposed sale of any Unit, the Board, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as the Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20 **Gas**. Gas for the Building will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Board. The cost of gas consumed in the Common Elements will be borne by the Unit Owners as a Common Charge and shall be allocated to the Unit Owners in proportion to their Common Interest.

6.21 **Electricity** Electricity for each Unit shall be supplied by the utility company servicing the Units and separately metered or sub-metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by the Board. Electricity for the Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Board and will be borne by the Unit Owners as Common Charges.

6.22 **Utilities Serving the General Common Elements**. Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting (a) any Common Element shall be (i) considered part of the expense of maintaining such Common Element, (ii) determined by the Condominium Board, and (iii) charged as a Common Expense, (b) any Limited Common Element shall be (i) considered part of the expense of Maintaining such Limited Common Element, (ii) determined by the Condominium Board, and (iii) charged as a Unit Owner Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.23 **Abatement and Enjoinment of Violations by Unit Owners**.

6.23.1 The violation of any of the Rules and Regulations or the breach of any By Law provision contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws (i) to enter any Unit or General Common Element or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.23.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or

licenses granted to Declarant shall give to Declarant and/or the owner of any Unsold Unit the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

6.23.3 In the event Condominium Board and/or the Declarant (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of this Section 6.23, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys' fees, together with all reasonable out of pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party or due date (if otherwise provided herein), until fully paid by the Defaulting Unit Owner. The Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owner's Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Condominium Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

ARTICLE 7

MORTGAGES

7.1 **Notice to Board.** A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. The mortgage secured by a Unit shall be substantially in the form of the New York Board of Title Underwriters or such other forms customarily used by lenders making loans secured by individual residential condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee of any Unit, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws of which the Board may have received notice.

7.3 **Performance by Permitted Mortgagees.** The Board shall accept, by any Permitted Mortgagee of a Unit Owner (including Declarant), payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force

and effect as though paid or performed by such Unit Owner and in such event the Permitted Mortgagee shall be entitled to an additional ten (10) day period after expiration of applicable notice and cure periods, within which to cure any monetary default by a Unit Owner hereunder and an additional thirty (30) days after expiration of applicable notice and cure periods; provided however, that in the case of a non-monetary default that cannot, in the exercise of diligence, be cured within such the thirty (30) day period, the Permitted Mortgagee shall have such time as is reasonably necessary to cure such non-monetary default (including any time reasonably necessary to obtain possession of the Property covered by such Permitted Mortgage if possession is necessary to enable such Permitted Mortgagee to cure or remedy such default or event of default) provided that such Permitted Mortgagee proceeds with all due diligence to cure or remedy such breach or default and/or obtain possession. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a different Permitted Mortgagee to so act, by notice to the Condominium Board.

7.4 **Examination of Books.**

7.4.1 Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

7.4.2 If the Owner of any Unit is required, or desires to file an application or other document with any agency administering any type of rent control (including the present rent stabilization law, or any amendments to such laws or similar legislation), the Declarant shall cooperate in all respects, including the furnishing of information and access to and/or copies of all books, records and documents reasonably required in connection therewith, and the filing by, and in the name of, the Declarant, of documents required to be filed by it in connection therewith. Such holder of Unsold Units will pay to the Declarant any expenses it incurs in complying with the foregoing.

7.5 **Representatives of Mortgagees**. The holders of Permitted Mortgages secured by Units (the "Residential Permitted Mortgagees"), may, at their election, designate one (1) or more (but not more than three (3)) representatives ("Residential Mortgage Representatives") who shall be empowered to act on behalf of all holders of Residential Permitted Mortgagees with respect to any matter requiring their consent or approval under the Declaration or these By Laws. If any Residential Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such Residential Mortgage Representative (or a majority of such Residential Mortgage Representatives if more than one is so designated) shall be deemed binding upon the holders of all Residential Permitted Mortgages. Any such designation of any Residential Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board.

7.6 **Consent of Mortgagees**. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing

contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

7.7 **Governmental Agency Requirements**. The following shall apply to the extent that, and for so long as a Government Agency Mortgage encumbers a Unit.

7.7.1 **Notice**. Notwithstanding anything to the contrary set forth in the Declaration or these By-Laws, the Board shall provide timely notice to a Permitted Mortgagee, upon written request therefor (which written request shall provide the name and address of such Permitted Mortgagee and the Unit secured by such Permitted Mortgagee), of: (A) any proposed action that requires the consent of a specified percentage of Permitted Mortgagees hereunder, (B) any proposed amendment to the Declaration effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto (if any), (ii) the Common Interests and the Common Expenses, (iii) the voting percentage attributable to a Unit, or (iv) the purpose to which any Unit or the Common Elements are restricted, (C) any proposed termination of the Condominium regime, (D) any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects the Unit secured by such Permitted Mortgagee, (E) any delinquency in the payment of a Common Charges or Special Assessments owed by the Owner of a Unit that is subject to a Permitted Mortgage, where such delinquency has continued for a period of sixty (60) days, and (F) any lapse, cancellation or material modification of any insurance policy maintained by the Condominium Board.

7.7.2 **Termination of the Condominium Regime**.

7.7.2.1 Termination of the Condominium after a Significant Casualty or substantial Taking. Except as otherwise required by applicable Law, any election to terminate the Condominium after a Significant Casualty or a substantial Taking in condemnation of the Condominium shall not be effective without the requisite Unit Owner approvals (or Permitted Mortgagees to the extent required under the Permitted Mortgage), more particularly described in 6.3 of the By-Laws.

7.7.2.2 Termination of the Condominium that is not a result of a Significant Casualty or substantial Taking. Except as otherwise required by applicable Law, any election to terminate the Condominium that is not a result of a Significant Casualty or a substantial Taking in condemnation of the Condominium shall not be effective without the approval of Permitted Mortgagees holding Permitted Mortgages secured by Units as to which are appurtenant to at least 67% of the aggregate Common Interest of all Units secured by such Permitted Mortgages and the requisite Unit Owner approvals and other required approvals, each as more particularly described in the Declaration.

7.7.3 **Restoration or Repair**. Except as otherwise required by applicable Law, any Work performed to the Condominium after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration, these By-Laws and the original plans and specifications for the Condominium, unless Permitted Mortgagee Approval is obtained.

7.7.4 **Amendments to the Declaration and By-Laws**.

7.7.4.1 Except as otherwise provided in the Declaration and these By-Laws, and in addition to any other approvals required in the Declaration and these By-Laws, Permitted Mortgagee approval shall be required for any amendments to the Declaration or these By-Laws, which materially amend the following provisions: voting, Special Assessments, Special Assessment lines or subordination of Special Assessment liens, reserves for Maintenance of the Common Elements, insurance or fidelity bonds, rights to use of the Common Elements, responsibility for Maintenance, expansion or contraction of the Condominium, withdrawal of property from the Condominium regime, boundaries of any Unit, Common Interests, convertibility of Units in Common Elements, leasing of Units, the establishment of self-management and/or provisions herein which are for the express benefit of Permitted Mortgagees.

7.7.4.2 In the event that a Permitted Mortgagee fails to submit a response to any written proposal for an amendment to the Declaration or these By-Laws, within sixty (60) days after such Permitted Mortgagee receives notice, by certified or registered mail with a return receipt requested, of such proposed amendment, the Permitted Mortgagee shall be deemed to have approved the amendment.

7.7.5 **Leasing Restrictions**. As more particularly set forth in Article 8 of these By-Laws, a Unit Owner may lease its Unit for a term of not less than one (1) year.

7.7.6 **Rights of Action**. The Board and any aggrieved Unit Owner shall be granted a right of action against other Unit Owners for failure to comply with (i) the provisions of the Declaration and these By-Laws and (ii) decisions of the Board, which have been made in accordance with the provisions of the Declaration and these By-Laws. The Unit Owners shall also have a similar right of action against the Board for its failure to comply with the above subparagraphs (i) and (ii).

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **General**.

8.1.1 Subject to the terms of this Article 8, each Unit Owner may (i) sell his or her Unit and (ii) lease his or her Unit for periods of not less than one year, provided however, no Unit Owner may sell or lease the Unit except in compliance with the applicable provisions of this Article 8. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Board, and, if the Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Unit Owner. Such Unit Owner shall reimburse the Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

8.1.2 The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity legally entitled to own real property (including a Government Entity) may require the delivery to the Condominium Board or its Managing Agent at Closing, of any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, an occupancy agreement, an escrow agreement and an amount equal to the current common charge for such Unit for a period of one (1) year, to be held in escrow by the Condominium Board or its Managing Agent, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in the By-Laws.

8.2 **Right of First Refusal.**

8.2.1 Subject to the terms of Sections 8.5 and 8.9 hereof any contract to sell or any lease of a Unit together with its Common Interest ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE DECLARANT AND/OR THE BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Declarant and the Board, on behalf of all Unit Owners (each of the Declarant and the Board, on behalf of all Unit Owners, individually an "Inside Offeror" and, collectively, together with their respective designees (corporate or otherwise), the "Inside Offerors") by certified mail, return receipt requested or guaranteed overnight mail addressed to the Declarant at its offices and the Board, at the office of the Managing Agent (or such other place or to such other person as the Board shall direct) (collectively, for purposes of this Article, "Written Notice"), which Written Notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror") and other documents typically requested by the Board. The Sale Agreement and Lease Agreement shall be in a form typically used in transactions in New York City.

8.2.2 The sending of the Written Notice shall constitute an offer by the Offeree Unit Owner to (i) sell or lease the Unit, together with its Common Interest to the Inside Offerors, subject, however, to any variance therefrom provided in Section 8.3 hereof. The giving of such Written Notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Inside Offerors that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Upon the written demand of an Inside Offeror, the Offeree Unit Owner shall submit to such Inside Offeror, in writing, such further information with respect to the Outside Offerors and the Sale Agreement or Lease Agreement as such Inside Offeror, or either of them, may reasonably request.

8.2.3 The Inside Offerors may elect, by sending written notice thereof to the Offeree Unit Owner not later than thirty (30) days after receipt of the Written Notice referred to in subsection 8.2.1 hereof, together with a copy of the Sales Agreement or Lease Agreement, as

the case may be, and such further information as may have been requested pursuant to the terms of subsection 8.2.2 hereof, to purchase such Unit together with its Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of subsection 8.2.2 hereof. Notwithstanding anything to the contrary contained herein, however, the Board shall not exercise any option set forth in this Section 8.2 whereby the Board purchases or leases any Unit without the prior approval of a Majority of all Unit Owners provided however that no such approval shall be required in the event a designee of the Board purchases or leases the Unit.

8.2.4 The Inside Offerors may 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 in connection with its exercise of its right of first refusal with respect to the sale or lease of a Unit.

8.3 **Acceptance of Offer.**

8.3.1 In the event that any Inside Offeror shall elect, within the time and in the manner provided in Section 8.2 hereof, to purchase or lease a Unit together with its Common Interests, or any Inside Offeror shall elect to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the purchasing Inside Offeror or, in the case of a lease, the leasing Inside Offeror within forty-five (45) days after the day upon which the purchasing or leasing Inside Offeror shall give written notice of its election to accept such offer.

8.3.2 If such Unit and its Common Interests are to be purchased by the Board, on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium (if any) or the Board may levy a Special Assessment against each Unit Owner in accordance with the terms of these By-Laws and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interests. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, any Inside Offeror may, at its option, purchase the Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. If the Board is the purchasing Inside Offeree, at the Closing, the Offeree Unit Owner shall convey the Unit, together with its Common Interest, to the Board by deed in the form required by Section 339-o of the Condominium Act. In any Closing to the Board (but not its designee) or the Declarant (or its designee), all tax and/or documentary stamps shall be affixed and paid at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, the New York State Real Property Transfer Gains Tax, the New York State Documentary Stamp Tax, New York State Additional Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the purchasing Inside Offeror

as of the later of the Closing date or the date on which Offeree Unit Owner vacates the Unit, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, to the extent the Board, on behalf of all Unit Owners, has purchased the Unit, such Unit shall be held, so long as the same is owned by the Board, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

8.3.3 In the event that such Unit is to be leased by an Inside Offeror, the Offeree Unit Owner shall execute and deliver to the Inside Offeror a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Inside Offeror, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Inside Offeror may enter into a sublease of the premises demised thereunder without consent of the landlord.

8.4 **Failure to Accept Offer.**

8.4.1 In the event that the Inside Offeror shall fail to accept an offer made pursuant to the terms of Section 8.2 hereof within the respective times set forth therein, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (60) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Inside Offeror or (ii) the expiration of the period within which the Inside Offeror might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such sixty (60) day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Common Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 8.2 and 8.3 hereof, but not more often than once in any twelve (12) month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion. No Inside Offeror shall provide a release of its right of first refusal if the conveyance is: (i) made by a Unit Owner who is not using the Unit for its own occupancy; and (ii) made within twelve (12) months after acquisition of such Unit from Declarant, as sponsor under the Plan.

8.4.2 Any deed of a Unit and its Common Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

8.4.3 Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Board or such other form approved in writing by the Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

8.4.3.1 such lease may not be amended, modified, or extended without the prior written consent of the Board in each instance;

8.4.3.2 the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Board in each instance; and

8.4.3.3 the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

8.5 **Termination of and Exceptions to, the Right of First Refusal.**

8.5.1 A certificate executed and acknowledged by Declarant and/or the Secretary of the Board or the Managing Agent, as the case may be, stating that the provisions of Section 8.2 hereof have been met by a Unit Owner and that the right of first refusal provided for therein has been duly released or deemed waived by the Inside Offerors, respectively, and that, as a result thereof the respective rights of the Inside Offerors thereunder have terminated, and said determination shall be conclusive in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Common Interest, may be sold, conveyed, or leased, free and clear of the terms and conditions contained in Section 8.2 hereof, but in accordance with the time periods set forth in Section 8.4 hereof. Each Inside Offeror shall furnish or cause the Board or its Managing Agent to furnish without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 8.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal of any Inside Offeror described in Section 8.2 hereof be deemed released or waived by the Board (as opposed to satisfied pursuant to the express terms of Sections 8.2, 8.3 and 8.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Board or the Managing Agent as aforesaid.

8.5.2 Provided that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, all of the terms and conditions of this Article 8, the terms and conditions contained in Sections 8.2, 8.3 and 8.4 hereof shall not apply with respect to any sale, lease or conveyance of a Unit, together with its Common Interests, by:

8.5.2.1 the Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

8.5.2.2 Declarant;

8.5.2.3 the Board;

8.5.2.4 any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

8.5.2.5 any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; or

8.5.2.6 any conveyance or transfer made pursuant to the terms and conditions set forth in Section 8.10 hereof.

8.5.3 A Unit Owner (other than a Unit Owner purchasing for such Unit Owner's own or their immediate Family Member's occupancy) is prohibited from advertising, listing or selling its Unit together with its Common Interest for twelve (12) months after acquiring such Unit from Declarant, as sponsor under the Plan. Any conveyance in violation of this subsection shall be voidable by Declarant.

8.6 **Consent of Unit Owners to Purchase or Lease of Units by Board**. The Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners and subject to the right of the Declarant to veto such purchase or lease in accordance with these By-Laws. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.7 **Assignment of Licenses**. A Parking Space License may only be assigned by the Parking Space Licensee to a person acquiring a Unit or to another Unit Owner in the Condominium. Upon conveyance of a Unit, the Condominium Board will enter into a new Parking Space License with the transferee of such Unit, in the applicable form set forth as an Exhibit in Part II of the Plan or in such form then required by the Condominium Board. In no event may a Unit Owner retain usage or rights to a Parking Space after conveyance or transfer of such Unit Owner's Unit. In the event a Parking Space Licensee elects to terminate a Parking Space License or sells its Unit and does not assign same to another Unit Owner or to a person acquiring a Unit, the rights to the Parking Space in question will devolve to the Condominium Board and the Condominium Board shall have the right, in its sole discretion, to issue a new Parking Space License with another Unit Owner or a person acquiring a Unit at the Condominium or retain such Parking Space. In addition, Unit Owners may only sub-license their respective Parking Space to other Unit Owners in the Building, the Board or Declarant, as the case may be. The foregoing restrictions shall not apply to Declarant. The Board shall have the right to promulgate additional rules regarding the assignment of a Parking Space License in its discretion.

8.8 **Sale to Government**. The Condominium Board has the right, but not the obligation to require that before any Unit is conveyed to a purchaser of a Unit in the Building that is a government or governmental mission, or a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws,

conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America, or elsewhere (individually, a "Government Entity" and collectively, the "Government Entities") the Condominium Board may require that certain additional conditions be satisfied. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended occupants of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Units. In addition, Government Entities may be required to deposit into escrow an amount equal to one (1) year of Common Charges then in effect to secure their obligations under this Declaration and the By-Laws for the payment of Common Charges and/or assessments and otherwise (collectively, the "Security"). In the event of any default in the payment of Common Charges and/or Special Assessments by any Governmental Entity (after notice and expiration of the applicable cure period as provided in the By-Laws, if any) with respect to the payment of Common Charges and/or Special Assessments which are the obligation of the Government Entity as a Unit Owner to observe, perform or keep under the terms of the Declaration and By-Laws, the Condominium Board may enforce the provisions of Section 6.6 of these By-Laws and use, apply or retain the whole or any part of the Security being held by the Condominium Board to the extent required for the payment of any Common Charges, Special Assessments or any other payments as to which such Government Entity shall then be in default (after notice and expiration of the applicable cure period, if any) or for any monies which the Condominium Board may expend or may be required to expend by reason of the Government Entity's default (after notice and expiration of the applicable cure period, if any). If the whole or any part thereof shall be so used, applied or retained by the Condominium Board as aforesaid, then such Government Entity shall, upon written demand from the Condominium Board, immediately deposit with the Condominium Board an amount in cash equal to the amount so used, applied or retained, so that the Condominium Board shall have the entire Security on hand at all times during the Government Entity's ownership of a Unit in the Building. The failure by the Unit Owner after due demand to deposit and maintain the full amount of the security, shall constitute a separate default under these By-Laws, which shall entitle the Condominium Board to all of the rights and remedies available hereunder. In the event that a Government Entity shall fully and

faithfully comply with all of the terms, provisions, covenants, agreements and conditions of the By-Laws, the Security shall be returned to such Governmental Entity within thirty (30) days after the transfer or sale of such Government Entity's Unit to a non-Governmental Entity.

8.9 **No Severance of Ownership**. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such 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 Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.9 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.10 **Gifts and Devises, etc**. Any Unit Owner shall be free to convey or transfer such Unit Owner's Unit by gift, or may devise such Unit Owner's Unit by will or have such Unit Owner's Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall remain subject to, the provisions of this Article

8.11 **Charges Imposed on Sale or Lease of Units**. The Board (i) shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease and (ii) may, by resolution adopt a transfer tax in connection with such sales. If such charge is/charges are adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner to the Board. The foregoing shall not apply to Declarant or its designee, with respect to the sale or lease of Unsold Units by Declarant or its designee, or with respect to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units.

8.12 **Power of Attorney**. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration, as same may be amended from time to time by the Board.

8.13 **Notices Concerning Unit Occupancy**. Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent. For so long as any Units are occupied by Non-Purchasing Tenants, a purchaser of such Unit promptly after acquiring title to the Unit, shall notify the Non-Purchasing Tenant of the change in ownership and the name of the new Unit Owner and the Condominium Board shall make available such information to the Non-

Purchasing Tenant. Additionally, each purchaser of a Unit occupied by a Non-Purchasing Tenant must: (a) to deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish such services and facilities, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a thirty (30) day period.

8.14 **Payment of Assessments**. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner shall have paid in full to the appropriate Board all unpaid Common Charges theretofore assessed by said Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages.

8.15 **Mortgage of Units**. Subject to Article 7 and Section 8.18, each Unit Owner shall have the right to mortgage such Unit Owner's Unit without restriction, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Board of the making of such mortgage.

8.16 **Lease or Purchase of Unit or Other Apartment for Superintendent's/Resident Manager Residence**. The Board will have the right to lease or purchase and finance the purchase of a Unit or other apartment for the resident manager's residence (the "Resident Manager's Unit"), whether or not in the Building and will have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease, purchase or financing without the approval of the Unit Owners. Any funds received by the Board for the purpose of purchasing the Resident Manager's Unit may only be used for said purpose.

8.17 **Assignment of Licenses**.

8.17.1 No Unit Owner shall be permitted to assign, lease, license, convey or otherwise transfer a Storage Bin License or Bike Rack License to anyone other than to a Permitted Transferee. Such Storage Bin License or Bike Rack License may be assigned by a Unit Owner at any time (and not subject to any right of first refusal by the Inside Offerors) provided (i) the assignee is a Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Storage Bin License or Bike Rack License; (iii) notification of the assignment is promptly delivered to the Board in compliance with its requirements; and (iv) all unpaid Common Charges, Special Assessments, Unit Owner Expenses and other obligations due to the Condominium have been paid in full. The foregoing restrictions shall not apply to the Declarant.

8.17.2 If the Board terminates a Storage Bin License or Bike Rack License or a Unit Owner surrenders a Storage Bin License or Bike Rack License without assigning the Storage Bin License or Bike Rack License to another Unit Owner, the Board shall have the right to issue a new Storage Bin License or Bike Rack License to another Unit Owner, in its sole discretion and the surrendering Unit Owner shall not be entitled to any compensation

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the General Common Elements or Limited Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the General Common Elements or Limited Common Elements so taken, which pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit and Owners with respect to any taking of the General Common Elements pro rata, as follows: first, to all Unit Owners in accordance with their respective Common Interests; (b) borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata in accordance with their respective Common Interests; and (c) borne and shared by all Unit Owners having exclusive access to the Limited Common Elements pro rata in accordance with their respective interest in such Limited Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that (1) 75% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of their respective Limited Common Elements, or (2) 75% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair and restoration of the General Common Elements, then such repairs or restorations of the Limited Common Elements and/or General Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in the same manner as is set forth in (a), (b) and (c) above, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10

RECORDS AND AUDITS

10.1 **Records**. The Board or the managing agent, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits**. Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners, and, if so requested, to any

Permitted Mortgagee. The cost of such report submitted by the Condominium Board shall be paid by the Unit Owners as a Common Expense.

10.3 **Availability of Documents**. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours, except that Unit Owners and their authorized agents may not be permitted to inspect same in excess of one (1) time per month.

ARTICLE 11

ARBITRATION

11.1 **General Procedure**. Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 11 (an "Arbitration"). Each Arbitration shall be conducted before one (1) arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within ten (10) days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen (15) years.

11.2 **Costs and Expenses**. The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 **Agreement by Parties**. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 **Waiver**. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions**. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References**.

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 **Severability**. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Insurance Trustee**. The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns**. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant, or with the consent of Declarant, any transferee of some or all then Unsold Units then owned by Declarant, as the case may be.

Subject to the foregoing, Declarant or its designee shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board representing such Unit Owners, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board which represents such Unit Owner, or other party is hereby authorized, as attorney in fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten (10) days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or (ii) to deliver a written notice to Declarant and to the Board representing such Unit Owners stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant is hereby authorized, as attorney in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 13

AMENDMENT TO BY LAWS

Article 19 of the Declaration is incorporated herein in its entirety, and, except as otherwise expressly set forth herein, the provisions thereof shall govern the amendment and/or modification of, addition to and/or deletion of any of the provisions of these By-Laws.

SCHEDULE A

RULES AND REGULATIONS

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

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

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Building.

4. No public hall or public elevator vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner.

5. Each Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface of any Balcony appurtenant to a Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of plantings and other installations (including whether to allow an enclosure and if so, to what extent) to be placed on Balconies and the rights of Unit Owners to paint and decorate Balconies shall be subject to the prior written approval of the Board. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Balcony shall be within the sole but reasonable discretion of the Board.

6. No window guards or window decorations shall be used in or about any Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Building except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the Managing Agent, nor shall anything be projected from any door or window of the Building without similar approval, except as may otherwise be provided by Law.

8. No heat, ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having

jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Board or the managing agent for that purpose, and no baby carriages or any of the above mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Building.

11. No Unit Owner shall make or permit any disturbing noises or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Board or the managing agent and such consent, if given, shall be revocable by the Board or such managing agent in their sole discretion, at any time. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Board nor shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the managing agent for that purpose, or in any of the public portions of the Building, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board setting forth such other rules regarding pets as the Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

13. Servants, messengers and tradespeople visiting or residing in the Building may be required to use the elevators designated by the Board or the managing agent for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

14. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick up by Unit Owners. Deliveries, if made, will be made from the package room to individual Units only by building personnel or as otherwise directed by building personnel. Such deliveries will

be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

15. Trunks and heavy baggage shall be taken in or out of the Building by the elevators designated by the Board or the managing agent for that purpose, and through a designated entrance only.

16. No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Board or the managing agent may direct.

17. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

18. No occupant of the Building shall send any employee of the Building or of the managing agent thereof out of the Building on any private business.

19. The agents of the Board or the managing agent, and any contractor or worker authorized by the Board or the managing agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

20. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

21. The Board or the managing agent may retain a passkey to each Unit. If any lock is altered or a new lock is installed, the Board or the managing agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such managing agent, then the Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

22. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.

23. Complaints regarding the services of the Building shall be made in writing to the Board or to the managing agent.

24. Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board, at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board, be conditional.

25. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board or the Board.

26. Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the Main Roof of the Building.

27. Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

28. No Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

29. If any key or keys are entrusted by a Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Board or the managing agent, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the managing agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

30. Nothing shall be done or kept in any Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the General or Limited Common Elements.

31. The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

32. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Board or the managing agent.

33. In the event that any Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

34. Unless expressly authorized by the Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise reducing material.

35. There will be no barbecuing in the Units or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Board and in accordance will all applicable Laws.

36. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Balconies other than furniture of the kind usually maintained in outdoor areas and which are appropriately weighted down.

37. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the reasonable judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Building, or the preservation of good order therein, or the operation or Maintenance of the Building, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

EXHIBIT E

POWER OF ATTORNEY

EXHIBIT "10"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
The 61 Martense Street Condominium
61 Martense Street
Brooklyn, New York

Gentlemen:

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 23 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:

1. set forth the detailed terms of the transaction and be complete, current and accurate;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

3. not omit any material fact;

4. not contain any untrue statement of a material fact;

5. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

6. not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

7. not contain any representation or statement which is false, where I/we:

    1. knew the truth;

2. with reasonable effort could have known the truth;

3. made no reasonable effort to ascertain the truth; or

4. did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal law.

SPONSOR:

61 MARTENSE STREET LLC

By: 61 Martense Holdings LLC, Managing Member

By: Cedar Beverly LLC, Manager

By: _____
Name: Moshe Greenzweig
Title: Member

Sworn to before me this
26 day of March, 2018

Notary Public

MICHAEL GOLDMAN
Notary Public - State of New York
No. 02G6093193
Qualified in Nassau County
My Commission Expires May 27, 2019

SPONSOR'S PRINCIPALS:

Sworn to before me this
26 day of March 2018

Notary Public

Moshe Greenzweig

MICHAEL GOLDMAN
Notary Public - State of New York
No. 02G6093193
Qualified in Nassau County
My Commission Expires May 27, 2019

Sworn to before me this
26 day of March 2018

Notary Public

Eliezer Jeremias

MICHAEL GOLDMAN
Notary Public - State of New York
No. 02G6093193
Qualified in Nassau County
My Commission Expires May 27, 2019

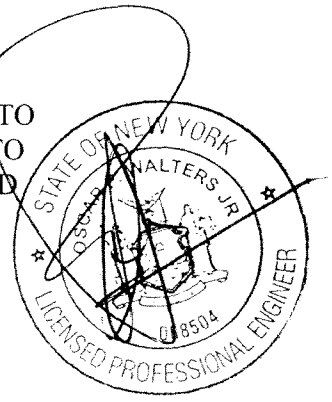
EXHIBIT "11"

CERTIFICATION OF SPONSOR'S ARCHITECT

DEMERARA ENGINEERING, PLLC
37-24 24TH STREET, SUITE 231
LONG ISLAND CITY, NEW YORK 11101
1212.383.4897

04/24/2018

CERTIFICATION OF SPONSOR'S ENGINEER PURSUANT TO PART 23.4 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED



Re: 61 Martense Street
Brooklyn, New York

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report disclosing the condition of the property (hereinafter "the Report").

We visually inspected the property on 03/18/2018* and prepared the Report dated 10/03/2017, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the report.

I am a registered engineer in the state in which the property is located. I understand that I am responsible for complying with Article 23-A of the General Business Law and the Regulations promulgated by the Department of Law in Part 23, insofar as they are applicable to the Report.

I have read the entire Report and investigated the facts set forth therein, and the facts underlying it, and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I certify that the Report and all documents prepared by us disclose all the material facts which were then discernible from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report based on my visual inspection:

(i) sets forth in narrative form the physical condition of the entire property, and is current and accurate as of the date of inspection;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment , or suppression;

(vi) does not contain any promise or representation as to the future, which is beyond reasonable expectation or unwarranted by existing circumstances;

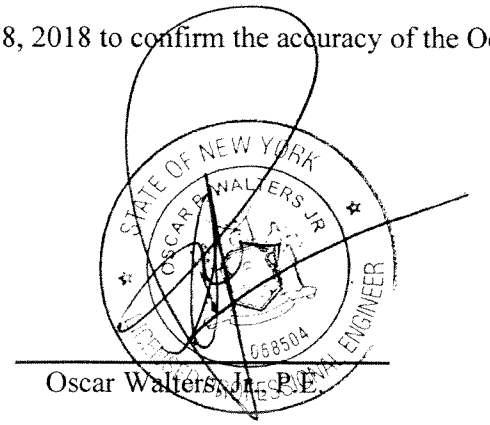
(vii) does not contain any representation or statement which is false; where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth;
(d) did not have knowledge concerning the representation or statement made.

It is understood that all aspects of the physical condition of the property cannot be determined by a visual inspection, and that all statements contained in this certification are premised on and limited to such visual inspection.

I further certify that I am not owned or controlled by, and have no beneficial interest in the Sponsor, and that my compensation for preparing this Report is not contingent on the conversion of the property to condominium, or on the profitability or price of the offering. This statement is not intended as a guarantee to warranty of the physical condition of the property.

*The property was re-inspected on March 18, 2018 to confirm the accuracy of the October 3, 2017 inspection report.



Oscar Walters, Jr., P.E.

Affirmed to before me this
24 day of April, 2018

Notary Public

SIMON M. NEUSTEIN
NOTARY PUBLIC, State of New York
NO. 01NE6052461
Qualified in Kings County
My Commission Expires Dec 18, 2018

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

King David international Realty
Licensed Real Estate Broker
616 Williamsburg Station
Brooklyn, N.Y. 11211
Tel. (718) 486-2444 Fax. (718) 889-2185

03/26/2018

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 23 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

RE: 61 Martense Street
Brooklyn, New York

The Sponsor of the condominium Offering Plan for the above captioned property retained me/our firm to review the SCHEDULE B and SCHEDULE B-1, containing the projections of income and expenses for the first year of condominium operation. My/our experience in the field includes being a licensed real estate broker for over 10 years; the management of approximately 10 buildings; and the sale of numerous condominium and rental properties. I/we are familiar with prices, practices, and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23, insofar as they are applicable to SCHEDULE B and SCHEDULE B-1. We 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. We also have relied on our experience in managing residential buildings.

We 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.

We certify that the Schedules do:

1. Set forth in detail the projected income and expenses for the first year of condominium operation;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, or suppression;

6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false where we:
   a) knew the truth;
   b) with reasonable effort, could have known the truth;
   c) made no reasonable effort to ascertain the truth; or;
   d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses of the first year of condominium operation.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offering is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

GIORGIO MAYER
Licensed Real Estate Broker

AFFIRMED TO BEFORE ME THIS
26 DAY OF MAR. , 2018

NOTARY PUBLIC

SIMON M. NEUSTEIN
NOTARY PUBLIC, State of New York
NO. 01NE6052461
Qualified in Kings County
My Commission Expires Dec 18, 2018

EXHIBIT "13"

FORM W-9

Form **W-9**
(Rev. November 2017)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–						

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | **Signature of U.S. person ▶** | **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting,* later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT "14"

FORMS W-8BEN/W-8BEN-E

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ **For use by individuals. Entities must use Form W-8BEN-E.**
▶ **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
▶ **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income):

_____

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

_____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:

  (a) not effectively connected with the conduct of a trade or business in the United States,

  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or

  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer — Capacity in which acting (if form is not signed by beneficial owner)

Form **W-8BEN-E**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)

► For use by entities. Individuals must use Form W-8BEN. ► Section references are to the Internal Revenue Code.
► Go to *www.irs.gov/FormW8BENE* for instructions and the latest information.
► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form for:	**Instead use Form:**
• U.S. entity or U.S. citizen or resident	W-9
• A foreign individual	W-8BEN (Individual) or Form 8233
• A foreign individual or entity claiming that income is effectively connected with the conduct of trade or business within the U.S. (unless claiming treaty benefits)	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (unless claiming treaty benefits) (see instructions for exceptions)	W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming that income is effectively connected U.S. income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (unless claiming treaty benefits) (see instructions for other exceptions)	W-8ECI or W-8EXP
• Any person acting as an intermediary (including a qualified intermediary acting as a qualified derivatives dealer)	W-8IMY

Part I Identification of Beneficial Owner

1 Name of organization that is the beneficial owner

2 Country of incorporation or organization

3 Name of disregarded entity receiving the payment (if applicable, see instructions)

4 Chapter 3 Status (entity type) (Must check one box only):

☐ Corporation ☐ Disregarded entity ☐ Partnership
☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government
☐ Central Bank of Issue ☐ Tax-exempt organization ☐ Private foundation ☐ International organization

If you entered disregarded entity, partnership, simple trust, or grantor trust above, is the entity a hybrid making a treaty claim? If "Yes" complete Part III. ☐ Yes ☐ No

5 Chapter 4 Status (FATCA status) (See instructions for details and complete the certification below for the entity's applicable status.)

☐ Nonparticipating FFI (including an FFI related to a Reporting IGA FFI other than a deemed-compliant FFI, participating FFI, or exempt beneficial owner).
☐ Participating FFI.
☐ Reporting Model 1 FFI.
☐ Reporting Model 2 FFI.
☐ Registered deemed-compliant FFI (other than a reporting Model 1 FFI, sponsored FFI, or nonreporting IGA FFI covered in Part XII). See instructions.
☐ Sponsored FFI. Complete Part IV.
☐ Certified deemed-compliant nonregistering local bank. Complete Part V.
☐ Certified deemed-compliant FFI with only low-value accounts. Complete Part VI.
☐ Certified deemed-compliant sponsored, closely held investment vehicle. Complete Part VII.
☐ Certified deemed-compliant limited life debt investment entity. Complete Part VIII.
☐ Certain investment entities that do not maintain financial accounts. Complete Part IX.
☐ Owner-documented FFI. Complete Part X.
☐ Restricted distributor. Complete Part XI.
☐ Nonreporting IGA FFI. Complete Part XII.
☐ Foreign government, government of a U.S. possession, or foreign central bank of issue. Complete Part XIII.
☐ International organization. Complete Part XIV.
☐ Exempt retirement plans. Complete Part XV.
☐ Entity wholly owned by exempt beneficial owners. Complete Part XVI.
☐ Territory financial institution. Complete Part XVII.
☐ Excepted nonfinancial group entity. Complete Part XVIII.
☐ Excepted nonfinancial start-up company. Complete Part XIX.
☐ Excepted nonfinancial entity in liquidation or bankruptcy. Complete Part XX.
☐ 501(c) organization. Complete Part XXI.
☐ Nonprofit organization. Complete Part XXII.
☐ Publicly traded NFFE or NFFE affiliate of a publicly traded corporation. Complete Part XXIII.
☐ Excepted territory NFFE. Complete Part XXIV.
☐ Active NFFE. Complete Part XXV.
☐ Passive NFFE. Complete Part XXVI.
☐ Excepted inter-affiliate FFI. Complete Part XXVII.
☐ Direct reporting NFFE.
☐ Sponsored direct reporting NFFE. Complete Part XXVIII.
☐ Account that is not a financial account.

6 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address** (other than a registered address).

City or town, state or province. Include postal code where appropriate. | Country

7 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate. | Country

8 U.S. taxpayer identification number (TIN), if required | **9a** GIIN | **b** Foreign TIN

10 Reference number(s) (see instructions)

Note: Please complete remainder of the form including signing the form in Part XXX.

Part II **Disregarded Entity or Branch Receiving Payment.** (Complete only if a disregarded entity with a GIIN or a branch of an FFI in a country other than the FFI's country of residence. See instructions.)

11 Chapter 4 Status (FATCA status) of disregarded entity or branch receiving payment

☐ Branch treated as nonparticipating FFI. ☐ Reporting Model 1 FFI. ☐ U.S. Branch.

☐ Participating FFI. ☐ Reporting Model 2 FFI.

12 Address of disregarded entity or branch (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address** (other than a registered address).

City or town, state or province. Include postal code where appropriate.

Country

13 GIIN (if any)

Part III **Claim of Tax Treaty Benefits** (if applicable). (For chapter 3 purposes only.)

14 I certify that (check all that apply):

a ☐ The beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

b ☐ The beneficial owner derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits. The following are types of limitation on benefits provisions that may be included in an applicable tax treaty (check only one; see instructions):

☐ Government
☐ Tax exempt pension trust or pension fund
☐ Other tax exempt organization
☐ Publicly traded corporation
☐ Subsidiary of a publicly traded corporation
☐ Company that meets the ownership and base erosion test
☐ Company that meets the derivative benefits test
☐ Company with an item of income that meets active trade or business test
☐ Favorable discretionary determination by the U.S. competent authority received
☐ Other (specify Article and paragraph): _____

c ☐ The beneficial owner is claiming treaty benefits for U.S. source dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation and meets qualified resident status (see instructions).

15 **Special rates and conditions** (if applicable—see instructions):

The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 14a above to claim a _____ % rate of withholding on (specify type of income): _____

Explain the additional conditions in the Article the beneficial owner meets to be eligible for the rate of withholding: _____

Part IV **Sponsored FFI**

16 Name of sponsoring entity: _____

17 **Check whichever box applies.**

☐ I certify that the entity identified in Part I:

- Is an investment entity;
- Is not a QI, WP (except to the extent permitted in the withholding foreign partnership agreement), or WT; **and**
- Has agreed with the entity identified above (that is not a nonparticipating FFI) to act as the sponsoring entity for this entity.

☐ I certify that the entity identified in Part I:

- Is a controlled foreign corporation as defined in section 957(a);
- Is not a QI, WP, or WT;
- Is wholly owned, directly or indirectly, by the U.S. financial institution identified above that agrees to act as the sponsoring entity for this entity; **and**
- Shares a common electronic account system with the sponsoring entity (identified above) that enables the sponsoring entity to identify all account holders and payees of the entity and to access all account and customer information maintained by the entity including, but not limited to, customer identification information, customer documentation, account balance, and all payments made to account holders or payees.

Part V Certified Deemed-Compliant Nonregistering Local Bank

18 ☐ I certify that the FFI identified in Part I:

- Operates and is licensed solely as a bank or credit union (or similar cooperative credit organization operated without profit) in its country of incorporation or organization;
- Engages primarily in the business of receiving deposits from and making loans to, with respect to a bank, retail customers unrelated to such bank and, with respect to a credit union or similar cooperative credit organization, members, provided that no member has a greater than 5% interest in such credit union or cooperative credit organization;
- Does not solicit account holders outside its country of organization;
- Has no fixed place of business outside such country (for this purpose, a fixed place of business does not include a location that is not advertised to the public and from which the FFI performs solely administrative support functions);
- Has no more than $175 million in assets on its balance sheet and, if it is a member of an expanded affiliated group, the group has no more than $500 million in total assets on its consolidated or combined balance sheets; **and**
- Does not have any member of its expanded affiliated group that is a foreign financial institution, other than a foreign financial institution that is incorporated or organized in the same country as the FFI identified in Part I and that meets the requirements set forth in this part.

Part VI Certified Deemed-Compliant FFI with Only Low-Value Accounts

19 ☐ I certify that the FFI identified in Part I:

- Is not engaged primarily in the business of investing, reinvesting, or trading in securities, partnership interests, commodities, notional principal contracts, insurance or annuity contracts, or any interest (including a futures or forward contract or option) in such security, partnership interest, commodity, notional principal contract, insurance contract or annuity contract;
- No financial account maintained by the FFI or any member of its expanded affiliated group, if any, has a balance or value in excess of $50,000 (as determined after applying applicable account aggregation rules); **and**
- Neither the FFI nor the entire expanded affiliated group, if any, of the FFI, have more than $50 million in assets on its consolidated or combined balance sheet as of the end of its most recent accounting year.

Part VII Certified Deemed-Compliant Sponsored, Closely Held Investment Vehicle

20 Name of sponsoring entity: _____

21 ☐ I certify that the entity identified in Part I:

- Is an FFI solely because it is an investment entity described in Regulations section 1.1471-5(e)(4);
- Is not a QI, WP, or WT;
- Will have all of its due diligence, withholding, and reporting responsibilities (determined as if the FFI were a participating FFI) fulfilled by the sponsoring entity identified on line 20; **and**
- 20 or fewer individuals own all of the debt and equity interests in the entity (disregarding debt interests owned by U.S. financial institutions, participating FFIs, registered deemed-compliant FFIs, and certified deemed-compliant FFIs and equity interests owned by an entity if that entity owns 100% of the equity interests in the FFI and is itself a sponsored FFI).

Part VIII Certified Deemed-Compliant Limited Life Debt Investment Entity

22 ☐ I certify that the entity identified in Part I:

- Was in existence as of January 17, 2013;
- Issued all classes of its debt or equity interests to investors on or before January 17, 2013, pursuant to a trust indenture or similar agreement; **and**
- Is certified deemed-compliant because it satisfies the requirements to be treated as a limited life debt investment entity (such as the restrictions with respect to its assets and other requirements under Regulations section 1.1471-5(f)(2)(iv)).

Part IX Certain Investment Entities that Do Not Maintain Financial Accounts

23 ☐ I certify that the entity identified in Part I:

- Is a financial institution solely because it is an investment entity described in Regulations section 1.1471-5(e)(4)(i)(A), **and**
- Does not maintain financial accounts.

Part X Owner-Documented FFI

Note: This status only applies if the U.S. financial institution, participating FFI, or reporting Model 1 FFI to which this form is given has agreed that it will treat the FFI as an owner-documented FFI (see instructions for eligibility requirements). In addition, the FFI must make the certifications below.

24a ☐ (All owner-documented FFIs check here) I certify that the FFI identified in Part I:

- Does not act as an intermediary;
- Does not accept deposits in the ordinary course of a banking or similar business;
- Does not hold, as a substantial portion of its business, financial assets for the account of others;
- Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account;
- Is not owned by or in an expanded affiliated group with an entity that accepts deposits in the ordinary course of a banking or similar business, holds, as a substantial portion of its business, financial assets for the account of others, or is an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account;
- Does not maintain a financial account for any nonparticipating FFI; **and**
- Does not have any specified U.S. persons that own an equity interest or debt interest (other than a debt interest that is not a financial account or that has a balance or value not exceeding $50,000) in the FFI other than those identified on the FFI owner reporting statement.

Part X Owner-Documented FFI *(continued)*

Check box 24b or 24c, whichever applies.

b ☐ I certify that the FFI identified in Part I:

- Has provided, or will provide, an FFI owner reporting statement that contains:
  - **(i)** The name, address, TIN (if any), chapter 4 status, and type of documentation provided (if required) of every individual and specified U.S. person that owns a direct or indirect equity interest in the owner-documented FFI (looking through all entities other than specified U.S. persons);
  - **(ii)** The name, address, TIN (if any), and chapter 4 status of every individual and specified U.S. person that owns a debt interest in the owner-documented FFI (including any indirect debt interest, which includes debt interests in any entity that directly or indirectly owns the payee or any direct or indirect equity interest in a debt holder of the payee) that constitutes a financial account in excess of $50,000 (disregarding all such debt interests owned by participating FFIs, registered deemed-compliant FFIs, certified deemed-compliant FFIs, excepted NFFEs, exempt beneficial owners, or U.S. persons other than specified U.S. persons); **and**
  - **(iii)** Any additional information the withholding agent requests in order to fulfill its obligations with respect to the entity.
- Has provided, or will provide, valid documentation meeting the requirements of Regulations section 1.1471-3(d)(6)(iii) for each person identified in the FFI owner reporting statement.

c ☐ I certify that the FFI identified in Part I has provided, or will provide, an auditor's letter, signed within 4 years of the date of payment, from an independent accounting firm or legal representative with a location in the United States stating that the firm or representative has reviewed the FFI's documentation with respect to all of its owners and debt holders identified in Regulations section 1.1471-3(d)(6)(iv)(A)(2), and that the FFI meets all the requirements to be an owner-documented FFI. The FFI identified in Part I has also provided, or will provide, an FFI owner reporting statement of its owners that are specified U.S. persons and Form(s) W-9, with applicable waivers.

Check box 24d if applicable (optional, see instructions).

d ☐ I certify that the entity identified on line 1 is a trust that does not have any contingent beneficiaries or designated classes with unidentified beneficiaries.

Part XI Restricted Distributor

25a ☐ (All restricted distributors check here) I certify that the entity identified in Part I:

- Operates as a distributor with respect to debt or equity interests of the restricted fund with respect to which this form is furnished;
- Provides investment services to at least 30 customers unrelated to each other and less than half of its customers are related to each other;
- Is required to perform AML due diligence procedures under the anti-money laundering laws of its country of organization (which is an FATF-compliant jurisdiction);
- Operates solely in its country of incorporation or organization, has no fixed place of business outside of that country, and has the same country of incorporation or organization as all members of its affiliated group, if any;
- Does not solicit customers outside its country of incorporation or organization;
- Has no more than $175 million in total assets under management and no more than $7 million in gross revenue on its income statement for the most recent accounting year;
- Is not a member of an expanded affiliated group that has more than $500 million in total assets under management or more than $20 million in gross revenue for its most recent accounting year on a combined or consolidated income statement; **and**
- Does not distribute any debt or securities of the restricted fund to specified U.S. persons, passive NFFEs with one or more substantial U.S. owners, or nonparticipating FFIs.

Check box 25b or 25c, whichever applies.

I further certify that with respect to all sales of debt or equity interests in the restricted fund with respect to which this form is furnished that are made after December 31, 2011, the entity identified in Part I:

b ☐ Has been bound by a distribution agreement that contained a general prohibition on the sale of debt or securities to U.S. entities and U.S. resident individuals and is currently bound by a distribution agreement that contains a prohibition of the sale of debt or securities to any specified U.S. person, passive NFFE with one or more substantial U.S. owners, or nonparticipating FFI.

c ☐ Is currently bound by a distribution agreement that contains a prohibition on the sale of debt or securities to any specified U.S. person, passive NFFE with one or more substantial U.S. owners, or nonparticipating FFI and, for all sales made prior to the time that such a restriction was included in its distribution agreement, has reviewed all accounts related to such sales in accordance with the procedures identified in Regulations section 1.1471-4(c) applicable to preexisting accounts and has redeemed or retired any, or caused the restricted fund to transfer the securities to a distributor that is a participating FFI or reporting Model 1 FFI securities which were sold to specified U.S. persons, passive NFFEs with one or more substantial U.S. owners, or nonparticipating FFIs.

Part XII Nonreporting IGA FFI

26 ☐ I certify that the entity identified in Part I:

- Meets the requirements to be considered a nonreporting financial institution pursuant to an applicable IGA between the United States and _____. The applicable IGA is a ☐ Model 1 IGA or a ☐ Model 2 IGA; and
- is treated as a _____ under the provisions of the applicable IGA or Treasury regulations (if applicable, see instructions);
- If you are a trustee documented trust or a sponsored entity, provide the name of the trustee or sponsor _____.

The trustee is: ☐ U.S. ☐ Foreign

Part XIII Foreign Government, Government of a U.S. Possession, or Foreign Central Bank of Issue

27 ☐ I certify that the entity identified in Part I is the beneficial owner of the payment, and is not engaged in commercial financial activities of a type engaged in by an insurance company, custodial institution, or depository institution with respect to the payments, accounts, or obligations for which this form is submitted (except as permitted in Regulations section 1.1471-6(h)(2)).

Part XIV International Organization

Check box 28a or 28b, whichever applies.

28a ☐ I certify that the entity identified in Part I is an international organization described in section 7701(a)(18).

b ☐ I certify that the entity identified in Part I:

- Is comprised primarily of foreign governments;
- Is recognized as an intergovernmental or supranational organization under a foreign law similar to the International Organizations Immunities Act or that has in effect a headquarters agreement with a foreign government;
- The benefit of the entity's income does not inure to any private person; **and**
- Is the beneficial owner of the payment and is not engaged in commercial financial activities of a type engaged in by an insurance company, custodial institution, or depository institution with respect to the payments, accounts, or obligations for which this form is submitted (except as permitted in Regulations section 1.1471-6(h)(2)).

Part XV Exempt Retirement Plans

Check box 29a, b, c, d, e, or f, whichever applies.

29a ☐ I certify that the entity identified in Part I:

- Is established in a country with which the United States has an income tax treaty in force (see Part III if claiming treaty benefits);
- Is operated principally to administer or provide pension or retirement benefits; **and**
- Is entitled to treaty benefits on income that the fund derives from U.S. sources (or would be entitled to benefits if it derived any such income) as a resident of the other country which satisfies any applicable limitation on benefits requirement.

b ☐ I certify that the entity identified in Part I:

- Is organized for the provision of retirement, disability, or death benefits (or any combination thereof) to beneficiaries that are former employees of one or more employers in consideration for services rendered;
- No single beneficiary has a right to more than 5% of the FFI's assets;
- Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operated; **and**
  - **(i)** Is generally exempt from tax on investment income under the laws of the country in which it is established or operates due to its status as a retirement or pension plan;
  - **(ii)** Receives at least 50% of its total contributions from sponsoring employers (disregarding transfers of assets from other plans described in this part, retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, other retirement funds described in an applicable Model 1 or Model 2 IGA, or accounts described in Regulations section 1.1471-5(b)(2)(i)(A));
  - **(iii)** Either does not permit or penalizes distributions or withdrawals made before the occurrence of specified events related to retirement, disability, or death (except rollover distributions to accounts described in Regulations section 1.1471-5(b)(2)(i)(A) (referring to retirement and pension accounts), to retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, or to other retirement funds described in this part or in an applicable Model 1 or Model 2 IGA); **or**
  - **(iv)** Limits contributions by employees to the fund by reference to earned income of the employee or may not exceed $50,000 annually.

c ☐ I certify that the entity identified in Part I:

- Is organized for the provision of retirement, disability, or death benefits (or any combination thereof) to beneficiaries that are former employees of one or more employers in consideration for services rendered;
- Has fewer than 50 participants;
- Is sponsored by one or more employers each of which is not an investment entity or passive NFFE;
- Employee and employer contributions to the fund (disregarding transfers of assets from other plans described in this part, retirement and pension accounts described in an applicable Model 1 or Model 2 IGA, or accounts described in Regulations section 1.1471-5(b)(2)(i)(A)) are limited by reference to earned income and compensation of the employee, respectively;
- Participants that are not residents of the country in which the fund is established or operated are not entitled to more than 20% of the fund's assets; **and**
- Is subject to government regulation and provides annual information reporting about its beneficiaries to the relevant tax authorities in the country in which the fund is established or operates.

Part XV Exempt Retirement Plans *(continued)*

d ☐ I certify that the entity identified in Part I is formed pursuant to a pension plan that would meet the requirements of section 401(a), other than the requirement that the plan be funded by a trust created or organized in the United States.

e ☐ I certify that the entity identified in Part I is established exclusively to earn income for the benefit of one or more retirement funds described in this part or in an applicable Model 1 or Model 2 IGA, or accounts described in Regulations section 1.1471-5(b)(2)(i)(A) (referring to retirement and pension accounts), or retirement and pension accounts described in an applicable Model 1 or Model 2 IGA.

f ☐ I certify that the entity identified in Part I:

- Is established and sponsored by a foreign government, international organization, central bank of issue, or government of a U.S. possession (each as defined in Regulations section 1.1471-6) or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are current or former employees of the sponsor (or persons designated by such employees); **or**

- Is established and sponsored by a foreign government, international organization, central bank of issue, or government of a U.S. possession (each as defined in Regulations section 1.1471-6) or an exempt beneficial owner described in an applicable Model 1 or Model 2 IGA to provide retirement, disability, or death benefits to beneficiaries or participants that are not current or former employees of such sponsor, but are in consideration of personal services performed for the sponsor.

Part XVI Entity Wholly Owned by Exempt Beneficial Owners

30 ☐ I certify that the entity identified in Part I:

- Is an FFI solely because it is an investment entity;
- Each direct holder of an equity interest in the investment entity is an exempt beneficial owner described in Regulations section 1.1471-6 or in an applicable Model 1 or Model 2 IGA;
- Each direct holder of a debt interest in the investment entity is either a depository institution (with respect to a loan made to such entity) or an exempt beneficial owner described in Regulations section 1.1471-6 or an applicable Model 1 or Model 2 IGA.
- Has provided an owner reporting statement that contains the name, address, TIN (if any), chapter 4 status, and a description of the type of documentation provided to the withholding agent for every person that owns a debt interest constituting a financial account or direct equity interest in the entity; **and**
- Has provided documentation establishing that every owner of the entity is an entity described in Regulations section 1.1471-6(b), (c), (d), (e), (f) and/or (g) without regard to whether such owners are beneficial owners.

Part XVII Territory Financial Institution

31 ☐ I certify that the entity identified in Part I is a financial institution (other than an investment entity) that is incorporated or organized under the laws of a possession of the United States.

Part XVIII Excepted Nonfinancial Group Entity

32 ☐ I certify that the entity identified in Part I:

- Is a holding company, treasury center, or captive finance company and substantially all of the entity's activities are functions described in Regulations section 1.1471-5(e)(5)(i)(C) through (E);
- Is a member of a nonfinancial group described in Regulations section 1.1471-5(e)(5)(i)(B);
- Is not a depository or custodial institution (other than for members of the entity's expanded affiliated group); **and**
- Does not function (or hold itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle with an investment strategy to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

Part XIX Excepted Nonfinancial Start-Up Company

33 ☐ I certify that the entity identified in Part I:

- Was formed on (or, in the case of a new line of business, the date of board resolution approving the new line of business) _____ (date must be less than 24 months prior to date of payment);
- Is not yet operating a business and has no prior operating history or is investing capital in assets with the intent to operate a new line of business other than that of a financial institution or passive NFFE;
- Is investing capital into assets with the intent to operate a business other than that of a financial institution; **and**
- Does not function (or hold itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.

Part XX Excepted Nonfinancial Entity in Liquidation or Bankruptcy

34 ☐ I certify that the entity identified in Part I:

- Filed a plan of liquidation, filed a plan of reorganization, or filed for bankruptcy on _____;
- During the past 5 years has not been engaged in business as a financial institution or acted as a passive NFFE;
- Is either liquidating or emerging from a reorganization or bankruptcy with the intent to continue or recommence operations as a nonfinancial entity; **and**
- Has, or will provide, documentary evidence such as a bankruptcy filing or other public documentation that supports its claim if it remains in bankruptcy or liquidation for more than 3 years.

Part XXI 501(c) Organization

35 ☐ I certify that the entity identified in Part I is a 501(c) organization that:

- Has been issued a determination letter from the IRS that is currently in effect concluding that the payee is a section 501(c) organization that is dated _____ ; **or**
- Has provided a copy of an opinion from U.S. counsel certifying that the payee is a section 501(c) organization (without regard to whether the payee is a foreign private foundation).

Part XXII Nonprofit Organization

36 ☐ I certify that the entity identified in Part I is a nonprofit organization that meets the following requirements.

- The entity is established and maintained in its country of residence exclusively for religious, charitable, scientific, artistic, cultural or educational purposes;
- The entity is exempt from income tax in its country of residence;
- The entity has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- Neither the applicable laws of the entity's country of residence nor the entity's formation documents permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or noncharitable entity other than pursuant to the conduct of the entity's charitable activities or as payment of reasonable compensation for services rendered or payment representing the fair market value of property which the entity has purchased; **and**
- The applicable laws of the entity's country of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to an entity that is a foreign government, an integral part of a foreign government, a controlled entity of a foreign government, or another organization that is described in this part or escheats to the government of the entity's country of residence or any political subdivision thereof.

Part XXIII Publicly Traded NFFE or NFFE Affiliate of a Publicly Traded Corporation

Check box 37a or 37b, whichever applies.

37a ☐ I certify that:

- The entity identified in Part I is a foreign corporation that is not a financial institution; **and**
- The stock of such corporation is regularly traded on one or more established securities markets, including _____ (name one securities exchange upon which the stock is regularly traded).

b ☐ I certify that:

- The entity identified in Part I is a foreign corporation that is not a financial institution;
- The entity identified in Part I is a member of the same expanded affiliated group as an entity the stock of which is regularly traded on an established securities market;
- The name of the entity, the stock of which is regularly traded on an established securities market, is _____ ; **and**
- The name of the securities market on which the stock is regularly traded is _____ .

Part XXIV Excepted Territory NFFE

38 ☐ I certify that:

- The entity identified in Part I is an entity that is organized in a possession of the United States;
- The entity identified in Part I:
  - **(i)** Does not accept deposits in the ordinary course of a banking or similar business;
  - **(ii)** Does not hold, as a substantial portion of its business, financial assets for the account of others; **or**
  - **(iii)** Is not an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account; **and**
- All of the owners of the entity identified in Part I are bona fide residents of the possession in which the NFFE is organized or incorporated.

Part XXV Active NFFE

39 ☐ I certify that:

- The entity identified in Part I is a foreign entity that is not a financial institution;
- Less than 50% of such entity's gross income for the preceding calendar year is passive income; **and**
- Less than 50% of the assets held by such entity are assets that produce or are held for the production of passive income (calculated as a weighted average of the percentage of passive assets measured quarterly) (see instructions for the definition of passive income).

Part XXVI Passive NFFE

40a ☐ I certify that the entity identified in Part I is a foreign entity that is not a financial institution (other than an investment entity organized in a possession of the United States) and is not certifying its status as a publicly traded NFFE (or affiliate), excepted territory NFFE, active NFFE, direct reporting NFFE, or sponsored direct reporting NFFE.

Check box 40b or 40c, whichever applies.

b ☐ I further certify that the entity identified in Part I has no substantial U.S. owners (or, if applicable, no controlling U.S. persons); **or**

c ☐ I further certify that the entity identified in Part I has provided the name, address, and TIN of each substantial U.S. owner (or, if applicable, controlling U.S. person) of the NFFE in Part XXIX.

Part XXVII Excepted Inter-Affiliate FFI

41 ☐ I certify that the entity identified in Part I:

- Is a member of an expanded affiliated group;
- Does not maintain financial accounts (other than accounts maintained for members of its expanded affiliated group);
- Does not make withholdable payments to any person other than to members of its expanded affiliated group;
- Does not hold an account (other than depository accounts in the country in which the entity is operating to pay for expenses) with or receive payments from any withholding agent other than a member of its expanded affiliated group; **and**
- Has not agreed to report under Regulations section 1.1471-4(d)(2)(ii)(C) or otherwise act as an agent for chapter 4 purposes on behalf of any financial institution, including a member of its expanded affiliated group.

Part XXVIII Sponsored Direct Reporting NFFE (see instructions for when this is permitted)

42 Name of sponsoring entity: _____

43 ☐ I certify that the entity identified in Part I is a direct reporting NFFE that is sponsored by the entity identified on line 42.

Part XXIX Substantial U.S. Owners of Passive NFFE

As required by Part XXVI, provide the name, address, and TIN of each substantial U.S. owner of the NFFE. Please see the instructions for a definition of substantial U.S. owner. If providing the form to an FFI treated as a reporting Model 1 FFI or reporting Model 2 FFI, an NFFE may also use this part for reporting its controlling U.S. persons under an applicable IGA.

Name	Address	TIN

Part XXX Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- The entity identified on line 1 of this form is the beneficial owner of all the income to which this form relates, is using this form to certify its status for chapter 4 purposes, or is a merchant submitting this form for purposes of section 6050W;
- The entity identified on line 1 of this form is not a U.S. person;
- The income to which this form relates is: (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income; **and**
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which the entity on line 1 is the beneficial owner or any withholding agent that can disburse or make payments of the income of which the entity on line 1 is the beneficial owner.

I agree that I will submit a new form within 30 days if any certification on this form becomes incorrect.

Sign Here ▶ _____ _____ _____

Signature of individual authorized to sign for beneficial owner | Print Name | Date (MM-DD-YYYY)

☐ **I certify that I have the capacity to sign for the entity identified on line 1 of this form.**

EXHIBIT "15"

SECTION 352-eeee of the GENERAL BUSINESS LAW

§352-eeee. Conversions to cooperative or condominium ownership in the City of New York.

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan." Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan." A plan which may not be declared effective until written agreements have been executed and delivered for at least 15% of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the Agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan." A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least 51% of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan." A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant." A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens." Non-purchasing tenants who are 62 years of age or older on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions

A. of this section, provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in

occupancy.

B. "Eligible disabled persons." Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

1. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale cooperative apartments or condominium units pursuant to a plan, unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

C. The plan provides either that it is an eviction plan or that it is a non-eviction plan.

D. The plan provides, if it is a non-eviction plan, as follows:

The plan may not be declared effective until written Agreements have been executed and delivered for at least 15% of all dwelling units in the building or group of buildings or development (i.e. 9 Units, assuming no combinations or subdivisions affect the total number of Units being offered for sale) subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the Agreement shall be executed and delivered pursuant to an offering, made without discriminatory repurchase agreements or other discriminatory inducements.

No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy, provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his or her obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he or she seeks the dwelling unit for the use and occupancy of such non-purchasing tenant or his or her family.

Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of Maintenance and operating expenses.

The plan may not be amended at any time to provide that it shall be an eviction plan.

The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any Exclusive Purchase Period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

E. The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least 51% of the

bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (l) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he or she may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of Maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal or reasonable access to the owner or a similar breach by the tenant of his or her obligations to the owner of the dwelling unit or the shares allocated thereto.

Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his or her determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding

under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any Exclusive Purchase Period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his or her agreement to purchase under the plan.

The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

F. The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) 10% and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

G. The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the

statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

2. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers.

3. It shall be unlawful for any person to engage in any course or conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially, interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his or her use or occupancy of his or her dwelling unit or the facilities related thereto. The attorney general may apply to a court of competent jurisdiction for an order restraining such conduct and, if he or she deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his or her own behalf for similar relief.

4. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

5. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

6. The provisions of this section shall only be applicable in the City of New York.

EXHIBIT "16"

RESERVE FUND LAW

(1) LOCAL LAW 70

To amend the administrative code of the city of New York, in relation to the conversion of rental housing to cooperative or condominium ownership.

Be it enacted by the Council as follows:

Section 1. Legislative declaration. The council finds that the protection of the health, safety and welfare of persons within the city who reside in buildings being converted from rental status to cooperative or condominium ownership requires that such persons be informed of the physical condition of such buildings and of any outstanding notices of code violations issued with respect to such buildings. The council further finds that for the health, safety and welfare of residents of the city and for the preservation and improvement of this substantial and increasing form of housing accommodation it is essential that funds be set aside for the purpose of making capital repairs, replacements and improvements to such buildings.

Section 2. Chapter fifty-one of the administrative code of the city of New York is amended by adding a new title YYYY to read as follows:

TITLE YYYY

COOPERATIVE AND CONDOMINIUM CONVERSIONS

§ YYYY51-1.0 Application.

The provisions of this title shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state department of law pursuant to section three hundred fifty-two-eeee of the general business law.

§ YYYY51-2.0 Definitions.

As used in this title the following words shall mean:

a. "Building"-any building, group of buildings or development.

b. "Total Price"-

(l) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made;

(2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made.

c. "Capital replacement" - a building-wide replacement of a major component of any of the following systems:

(l) elevator;
(2) heating, ventilation and air conditioning;
(3) plumbing;
(4) wiring;
(5) windows;

2. or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" - the offeror, his or her nominees, assignees and successors in interest.

§YYYY51-3.0 Establishment of reserve fund.

a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of managers, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state attorney general, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either (i) three per cent of the total price or, (ii) (A) three per cent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the plan is declared effective, provided, however, that if such amount is less than one per cent of the total price, then the fund shall be established as a minimum of one per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three per cent of the actual sales price of cooperative shares or condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the plan and within 5 years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three per cent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three per cent of the total price the offeror shall pay the difference between the amount contributed and three per cent of the total price. Supplemental contributions shall be made within 30 days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he or she has begun after the plan is submitted for filing to the state department of law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan

together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one per cent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§ YYYY51-4.0 Report on status of reserve fund.

The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by section YYYY51-3.0.

§ YYYYS51-5.0 Posting of violations.

The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state department of law pursuant to section three hundred fifty-two-eeee of the general business law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the department of buildings and the department of housing preservation and development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

§ YYYY51-6.0 Report on condition of premises.

Where, pursuant to law or regulation of the state attorney general, an offeror is required to file a report with the state department of law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§ YYYY51-7.0 No waiver of rights.

Any provision purporting to waive the provisions of this title in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

§ YYYY51-8.0 Criminal and civil penalties; enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this title shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this title shall be subject to a civil penalty of one hundred dollars per day per unit for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

b. Any person who knowingly violates or assists in the violation of section YYYY 51-3.0 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section YYYY 51-3.0 which was not so reserved. Any person who violates or assists in the violation of section YYYY 51-3.0 shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section YYYY 51-3.0 is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section YYYY 51-3.0.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this title may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this title, mandating compliance with the provisions of this title or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction, or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this title, mandating compliance with the provisions of this title, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application, with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The department of housing preservation and development is empowered to enforce the provisions of this title.

Section 3. If any provision of this local law or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of this local law and the applicability of such provision to any other person or circumstances shall not be affected thereby.

Section 4. This local law shall take effect February first nineteen hundred eighty-three and shall apply to all plans not yet accepted for filing by the state department of law pursuant to section three hundred fifty-two eeee of the general business law as of that date.

EXHIBIT "17"

RPL §339-kk

§ 3. The real property law is amended by adding a new section 339-kk to read as follows:
§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.
(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING 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 IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.
(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER OR A DESIGNATED AGENT. A NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL PAYMENTS PURSUANT TO THIS SECTION SHALL BE ENTITLED TO PRESENT FACTS SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.
(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.
(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

EXHIBIT "18"

SPECIMEN TITLE POLICY

Riverside Abstract, LLC
3839 Flatlands Avenue Suite 208
Brooklyn, NY 11234
T: (718) 252-4200 F: (718) 252-4226

June 16, 2016

Re: Our File: **RANY-24419**
Premises: **61 Martense Street, Unit No. __**
Brooklyn, NY
Owner: **61 Martense Street LLC**
Purchaser:
Policy No:

Dear Sir/Madam:

Enclosed please find your Title Insurance Owner's Policy relating to the above transaction.

Thank you for this opportunity to be of service. If you have any questions concerning the above, please do not hesitate to call.

Thank you,

Very truly yours,

Shaul C. Greenwald
Riverside Abstract, LLC

Enc.
Cc:

PRO FORMA

Riverside Abstract, LLC
3839 Flatlands Avenue Suite 208
Brooklyn, NY 11234
T: (718) 252-4200 F: (718) 252-4226

CLOSER'S FEE POLICY CERTIFICATION

June 16, 2016

Title No. **RANY-24419**

To the Title Closer:

This is the fee policy to be given to the purchaser's attorney when the closing is completed.

Please make sure that the exceptions from coverage on "Schedule B" match your marked-up title report and that the names of the insured match the grantee(s) on the deed.

We are enclosing a blank market value rider. If this rider is paid for, you may fill in the blanks, attach to the policy and mark the appropriate box.

Should any changes be required, return the policy with the corrections required noted below. If policy is correct and no changes are to be made please mark the top box.

- ☐ Fee Policy Given To Attorney-No Changes Required
- ☐ Changes Made To Original At Closing, See Copy Attached. This Box To Be Checked When Client Does Not Require Change To Be Typed On Original. **Typist To Correct Office Copies**
- ☐ Correction(s) Required On Schedule A - See Markings In Original Policy
- ☐ Correction(s) Required On Schedule B - See Markings In Original Policy
- ☐ Addition(s) Required On Schedule B - See Exception #_____ in marked-up title report
- ☐ Market Value Rider Has Been Added To Policy - **Additional Premium Collected**
- ☐ [illegible] 2nd 1/2 Mortgage Not Paid - Must Be Excepted In Both Policies

_____
CLOSER SIGNATURE

_____
PRINT NAME

**CLOSER MUST FILL OUT, SIGN AND RETURN WITH CLOSING PACKAGE*

PROFORMA

Riverside Abstract, LLC
as Agent for
AmTrust Title Insurance Company

OWNER'S POLICY
SCHEDULE A

Name and Address of Title Insurance Company:
AmTrust Title Insurance Company
611 Lynnhaven Parkway, Suite 200
Virginia Beach, VA 23452-7335

Title Number:	**RANY-24419**
Policy Number:	TBD
Address Reference:	**61 Martense Street, Unit No. __** **Brooklyn, NY 11226-9520**
Amount of Insurance:	**$TBD**
Date of Policy:	TBD

1. Name of Insured:

   TBD

2. The estate or interest in the land which is covered by this Policy is:

   Fee Simple

3. Title to the estate or interest in the land is vested in the insured by:

   TBD acquired title by a deed dated _____, and to be duly recorded in the Kings County Clerk/Register's Office, made by 61 Martense Street LLC.

4. The land referred to in this Policy is described as follows:

   See Schedule A Description, attached hereto and made a part hereof.

PROFORMA

Riverside Abstract, LLC
as Agent for
AmTrust Title Insurance Company

OWNER'S POLICY
SCHEDULE A DESCRIPTION

Title Number: **RANY-24419**
Policy Number: **TBD**

The Condominium Unit (The "Unit") known as and designated as Unit No. _____ situate in the building designated as _____, a condominium, in the Declaration establishing a Plan for Condominium ownership of said premises under Article 9-B of Real Property Law of the State of New York (The "New York Condominium Act"), dated _____ and recorded in the Office of the Register of KINGS County (the "Register's Office") on _____ in CRFN _____ and also designated as Tax Lot _____ (formed from Lot 60) in Block 5086, of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans of said building, filed with the Real Property Assessment Department of the City of New York as Condominium Plan No. _____, and also filed in the City Register's Office on _____ as Map No. _____

Together with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration).

The land on which said building is located being more particularly described as follows:

All that certain plot, piece or parcel of land situate, lying and being in the Borough of Brooklyn, County of Kings, State of New York bounded and described as follows:

All that certain plot, piece or parcel of land situate, lying and being in the Borough of Brooklyn, County of Kings, State of New York bounded and described as follows:

BEGINNING at a point on the northerly side of Martense Street, which point is distant 447 feet easterly from the northeasterly corner of Martense Street and Flatbush Avenue, as same are now laid out and open:

RUNNING THENCE easterly along the northerly line or side of Martense Street, 116 feet 6-3/4 inches, more or less, to land conveyed by John D. Prince and others to Nils Nilsen, by deed dated May 16, 1921 and recorded in the Kings County Register's Office in Liber 4040 of Conveyances at Page 536 on June 16, 1921;

THENCE northerly along the westerly line of land so conveyed to Nils Nilsen, 139 feet 7 inches, more or less, to the northwesterly corner of land so conveyed to Nils Nilsen;

THENCE still northerly along the westerly line of land conveyed to John D. Prince, Jr. and others to Right Development Corporation by deed dated July 1, 1925 in Liber 4592 of Conveyances at Page 468, 4 feet 10-3/4 inches, more or less, to land formerly of the heirs of Deborah Martense;

THENCE westerly along the southerly line of land formerly of the heirs of Deborah Martense, 116 feet 5-1/4 inches, more or less, to land conveyed by J. Duffield Prince individually and as executor, etc. to

PROFORMA

SCHEDULE A DESCRIPTION
CONTINUED

Martense Realty Corp. by deed dated October 29, 1936 and recorded in said Office of the Register of Kings County in Liber 5541 of Conveyances at Page 14 on October 30, 1936; and

THENCE southerly along the easterly line of land so conveyed to Martense Realty Corp., 144 feet 4 inches, more or less, to the northerly side of Martense Street, at the point or place of BEGINNING.

Note: Address, Block & Lot shown for informational purposes only

Designated as Block 5086, Lot _____(Formed from Lot 60), Kings County and also known as 55/65 Martense Street, Unit No. __, Brooklyn, NY.

PRO FORMA

Riverside Abstract, LLC
as Agent for
AmTrust Title Insurance Company

OWNER'S POLICY
SCHEDULE B
Part I
EXCEPTIONS FROM COVERAGE

Title Number: **RANY-24419**
Policy Number: **TBD**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which may arise by reason of:

1. Rights of tenants or persons in possession, if any.

2. Covenants, restrictions, easements, leases and agreements of record, etc., more fully set forth herein: Declaration of Condominium recorded in CRFN _____.

3. Any state of facts which an accurate survey and inspection would show, but this policy insures that any encroachment of a portion of the unit structure upon other units or upon the common elements may remain undisturbed as long as the building shall stand.

4. FOR NYC ONLY: Policy excepts Emergency Repair Liens and charges which may exist but are not filed. There may be work in progress or completed work and such liens cannot effectively be determined due to the delay in entering such items.

5. Section 26-128 of the Administrative Code of The City of New York, creates tax liens for unpaid Inspection Fees and Permit Fees billed by the Building Department and Fire Department regardless of the fact that such fees may not be reflected in the City Collector's records. Policy excepts any loss, claim or damage for any unpaid fee or charge claimed by the Building Department or Fire Department and entered in the records of the City Collector after the date of closing.

6. All taxes, water, sewer rent charges and other miscellaneous assessments not entered prior to date of closing, which might include charges for use prior to the date of the policy.

7. If the subject premises are currently benefited by a tax exemption, discount, credit or abatement, no liability is assumed for the retroactive restoration of any taxes due to a loss or reversal, partial or total, of said exemption, discount, credit or abatement. Any tax which may be assessed or entered subsequently by the City is not insured.

8. If the subject premises consists of 6 units or more and is rent stabilized, this policy excepts any rent stabilization fees not transferred to the NYC Department of Finance as of the date of closing. Any fee which may be assessed or entered subsequently by the City is not insured.

PROFORMA

SCHEDULE B
PART I
CONTINUED

9. If subject property is used for both residential and commercial use, and the total purchase price is in excess of $1,000,000.00. New York State Department of Taxation and Finance may impose Mansion Tax on the residential portion of said property. This policy does not insure any such tax, nor any penalties related thereto, which may be assessed or entered subsequently by the State.

10. Premises to be insured forms part of a newly subdivided tax lot. Said new tax lots have not, at the time of closing, been independently reassessed and/or do not appear on the tax rolls of the town where premises is located. Company assumes no responsibility for said subdivison and /or tax apportionment and will therefore except the impositions of additional taxes on premises herein due to said reassessment/subdivision.

11. Terms, provisions, covenants, restrictions, conditions and options contained in and rights and easements established by the Declaration of Condominium dated ____ and recorded ____ in the Office of the Kings County Register/Clerk, at CRFN _____ but policy will insure against loss or damage occasioned by the premises not being part of the condominium validly created pursuant to Article 9-B of the Real Property Law.

12. Subject to the rights of others in and to all common areas and party wall rights.

Mortgage made by 61 Martense Street LLC to TBD dated _____ in the amount of $TBD, to be duly recorded in the Kings County Clerk/Register's Office.

In the event that escrow is to be held for taxes, water/sewer charges, the liability of this Company shall be limited to the sum deposited in escrow.

Countersigned by:

Authorized Signature for:
Riverside Abstract, LLC
3839 Flatlands Avenue Suite 208
Brooklyn, NY 11234
T: (718) 252-4200 F: (718) 252-4226

PRO-FORMA

Riverside Abstract, LLC
as Agent for
AmTrust Title Insurance Company

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Attached to and made part of Policy Number:

1. The following is added as a Covered Risk:

   "11. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

This endorsement shall not be valid or binding until countersigned by an authorized signature as designated below.

Riverside Abstract, LLC
3839 Flatlands Avenue Suite 208
Brooklyn, NY 11234
T: (718) 252-4200 F: (718) 252-4226

Dated: _____

Countersigned by:

_____
Authorized Office or Agent

PROFORMA

Riverside Abstract, LLC
as Agent for
AmTrust Title Insurance Company

WAIVER OF ARBITRATION ENDORSEMENT
(OWNER'S POLICY)

Attached to and made part of Policy Number:

The policy is amended by deleting therefrom:

(A) If this endorsement is attached to an ALTA Loan Policy: Condition 13.

(B) If this endorsement is attached to an ALTA Owner's Policy: Condition 14.

(C) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition 12

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

This endorsement shall not be valid or binding until countersigned by an authorized signature as designated below.

Riverside Abstract, LLC
3839 Flatlands Avenue Suite 208
Brooklyn, NY 11234
T: (718) 252-4200 F: (718) 252-4226

Dated: _____

Countersigned by:

_____
Authorized Officer or Agent

PROFORMA

Riverside Abstract, LLC
as Agent for
AmTrust Title Insurance Company

MARKET VALUE POLICY RIDER

Title No. **RANY-24419**

Attached to and made part of Policy Number:
Name(s) of Insured Homeowner(s):

Owner's Statement of Coverage:
In consideration of the payment of the additional premium for the issuance of this Rider to the Policy as hereinafter defined, the Company insures the named homeowner against loss or damage not exceeding the market value of the premises at the time of loss, in accordance with the Conditions of the Policy not inconsistent with the provisions of this Rider, and subject to the matters excepted from coverage in Schedule B.

DEFINITIONS:

(a) The Policy is the policy issued to the named insured herein in the amount of the original purchase price paid for the insured premises.

(b) Time of loss shall be such date as the homeowner shall have actual knowledge of facts giving rise to a claim under the Policy.

(c) A homeowner is a natural person, fee owner and resident of real property used predominately for residential purposes and containing no more than 4 dwelling units, a residential condominium unit, or a residential co-operative leasehold interest. The benefits of this Rider shall be available only to the named insured provided the named insured is a homeowner as defined herein at the date of the issuance of this Rider and at the date any claim under this Rider is made.

(d) Market value at time of loss shall be such value of the insured premises as is determined by three arbitrators or any two of them, one of whom should be chosen by the insured and one by the Company, and the two so chosen selecting the third arbitrator. Such value shall exclude the market value of any improvements made to the premises subsequent to the date of the Policy. The above valuation procedure shall also apply in the event the insured premises is a residential cooperative leasehold interest.

CONDITIONS:

(a) Notwithstanding anything herein to the contrary, in the event of a loss, partial or total, the insured shall have the option to elect to value such loss under the terms of this Rider or under the terms and amount of the Policy.

(b) All other provisions of the Policy not inconsistent with the provisions of this Rider, shall remain in full force and effect.

(c) This Rider and the Policy is the entire contract between the named insured and the Company.Dated:

Countersigned by:

Authorized Office or Agent

PROFORMA

RIVERSIDE ABSTRACT, LLC
as Agent for
AmTrust Title Insurance Company

AGENTS AFFIDAVIT

This section to be completed by the Agent after the transaction has closed

The insured has paid the title agent only the premium for the title policy in accordance with the insurer's filed rates and any additional charges are reasonably related to the work performed and are not excessive.

DATED: _____

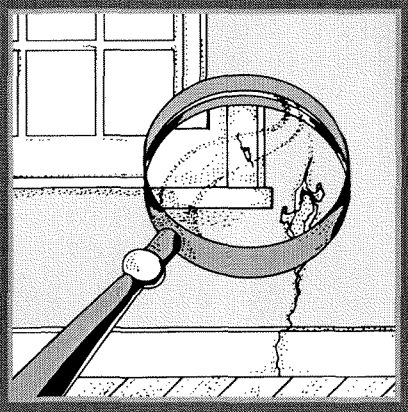
Countersigned by:

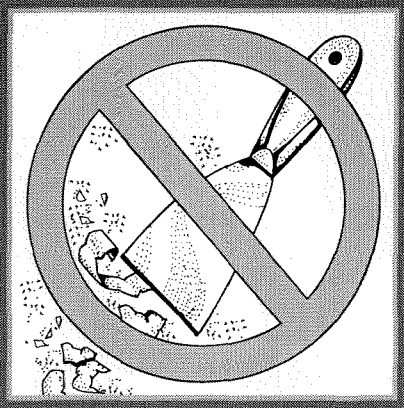
_____
Authorized Office or Agent

PRO FORMA

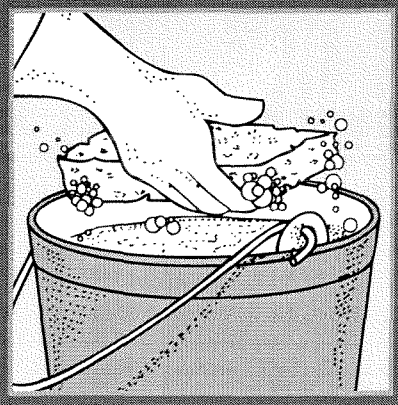
EXHIBIT "19"

LEAD BASED PAINT BOOKLET





Protect Your Family From Lead In Your Home



United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
September 2001

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

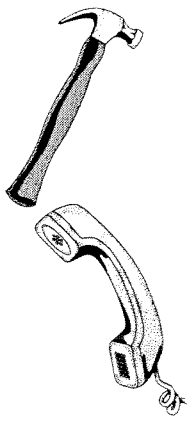
Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure form about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure form about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS have to give you this pamphlet before starting work.

IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Center at **1-800-424-LEAD (424-5323)**.

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

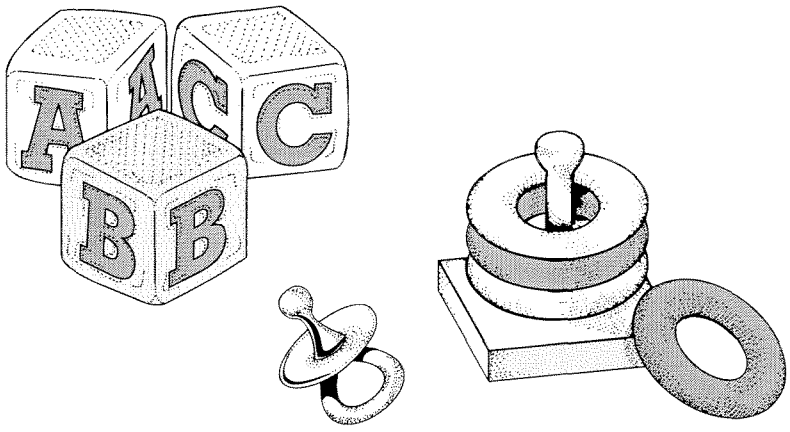
Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children than adults because:

- Children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



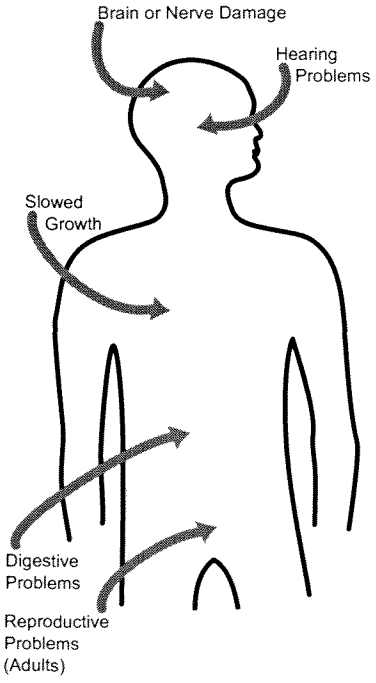
Lead's Effects

If not detected early, children with high levels of lead in their bodies can suffer from:

- Damage to the brain and nervous system
- Behavior and learning problems (such as hyperactivity)
- Slowed growth
- Hearing problems
- Headaches

Lead is also harmful to adults. Adults can suffer from:

- Difficulties during pregnancy
- Other reproductive problems (in both men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside *and* outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead in one of two ways, or both:

- A paint **inspection** tells you the lead content of every different type of painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Hire a trained, certified professional who will use a range of reliable methods when checking your home, such as:

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.



There are standards in place to ensure the work is done safely, reliably, and effectively. Contact your local lead poisoning prevention program for more information, or call **1-800-424-LEAD** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly**. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



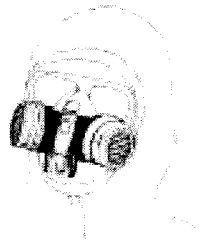
- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas**.
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**



- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

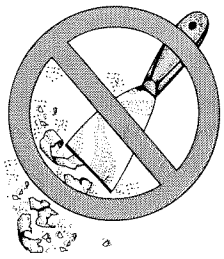
Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your local agency (see page 11) for help with locating certified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

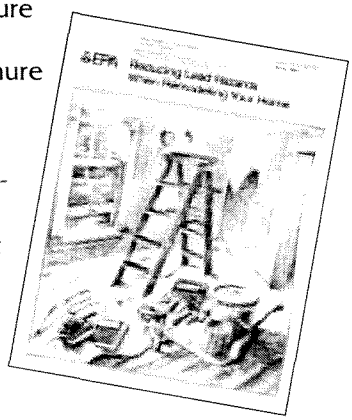
Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



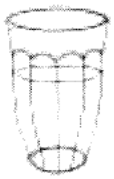
- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.



Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.

- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.



- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.



- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** and ask for the National Lead Information Center at **1-800-424-LEAD.**

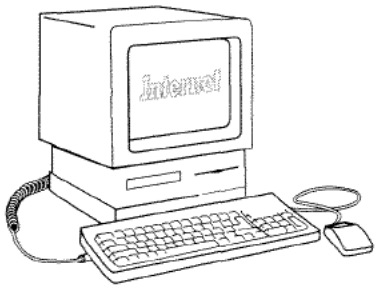


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's website at: **www.cpsc.gov.**



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

EXHIBIT "20"

FORM OF INTERIM LEASE

[FORM]

INTERIM LEASE AGREEMENT

INTERIM LEASE AGREEMENT dated the _____day of _____, 20__, by and between 61 Martense Street LLC, a _____ Limited Liability Company, having an office at 2001 East 9th Street, Brooklyn, NY 11223 ("Sponsor"), and [_____], having an address at [_____] ("Purchaser").

3. WHEREAS, Seller is the sponsor of a condominium offering plan ("Plan") for The 61 Martense Street Condominium (the "Condominium"), located at 61 Martense Street, Brooklyn, New York 11226 (the "Property") accepted for filing by the New York State Department of Law on _____, as amended (the "Plan"); and

4. WHEREAS, in connection herewith, Seller and Purchaser have entered into that certain Purchase Agreement and Rider to Agreement (collectively, the "Agreement") for Unit __ (the "Unit") at the Condominium; and

5. WHEREAS, pending the effectiveness of the Plan and the consummation of Purchaser's purchase of the Unit, Seller has agreed to permit Purchaser to obtain possession of the Unit, subject to the terms of this Interim Lease Agreement; and

6. WHEREAS, Purchaser is desirous of taking possession of the Unit and moving certain furniture, boxes, clothing and other personal belongings of Purchaser ("Purchaser's Belongings") into the Unit, and occupying the Unit prior to the closing of title thereof (the Closing"); and

7. WHEREAS, the parties wish to set forth their agreement with respect to the Purchaser's use and occupancy of the Unit.

8. NOW, THEREFORE, in consideration of ten ($10.00) dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

A. This is an interim (non-rent regulated or rent stabilized) lease agreement (the "Interim Lease Agreement") entered into by Seller solely in consideration of Purchaser having entered into the Agreement. Purchaser agrees and acknowledges that an uncured default or Event of Default by the Purchaser under the Agreement will constitute a default under the Interim Lease Agreement entitling Seller, at its option, to terminate the Interim Lease Agreement in accordance with applicable Law. In addition, the parties agree that an uncured default by the Purchaser under the Interim Lease Agreement will constitute a default or Event of Default under the Agreement entitling Seller, at its option, to terminate the Agreement and to exercise any remedies therein provided; provided however, that before Seller utilizes the default under the Interim Lease Agreement to declare a default or Event of Default under the Agreement, Seller will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against Purchaser unless Purchaser has vacated the Unit. Purchaser will have thirty (30) days to vacate the Unit after a default or an Event of Default under the Agreement. The provisions of this Paragraph are hereby deemed incorporated into the

Agreement.

B. Purchaser shall be given possession of the Unit on _____, 20__ ("Possession Date") provided however that this Interim Lease Agreement is executed by both Seller and Purchaser.

C. Purchaser shall remain in possession of the Unit pursuant to this Interim Lease Agreement until the earlier to occur of: (i) the date an Amendment abandoning the Plan has been accepted for filing by the New York Department of Law (ii) the Closing, (iii) five business days after Seller sends written notice to Purchaser that Purchaser has defaulted under this Interim Lease Agreement or there is an Event of Default under the Agreement, provided that such default remains uncured, (iv) a court order directing eviction, (v) thirty (30) calendar days after Purchaser exercises a right of rescission under the Agreement, should such rescission right exist (collectively, the "Lease Termination Date").

D. Commencing on the Possession Date and from and after the first (1st) day of each month thereafter, Purchaser shall pay to Seller in advance a monthly installment in the amount of $_____ representing the Interim Lease Agreement fee ("Interim Lease Fee"). Purchaser acknowledges that the Interim Lease Fee paid under this Interim Lease Agreement shall belong to Seller as payment for use and occupancy of the Unit prior to the Closing and that no portion of the Interim Lease Fee paid shall be credited to or applied to the Purchase Price of the Unit. In the event that possession is terminated in accordance with Section 3(ii) of this Interim Lease Agreement, any adjustments with respect to the Interim Lease Fee paid or due pursuant to this Interim Lease Agreement shall be apportioned as of midnight of the date prior to the Closing, subject to any contrary provisions of the Agreement. Notwithstanding the foregoing, the first month of the Interim Lease Fee shall be pro-rated from the date occupancy is granted to the Purchaser and shall be pro-rated for the last month, which will be the closing date, or such adjourned closing date.

E. Purchaser agrees to abide by and follow all of the rules and regulations of the Condominium, including without limitation all of the rules and regulations set forth in the Declaration and By Laws which are contained in the Plan and which Purchaser hereby acknowledges having received a copy thereof. Purchaser further acknowledges and agrees that this Interim Lease Agreement is subject and subordinate to the Plan and the Condominium Declaration and By-Laws.

F. Purchaser shall indemnify and hold harmless the Seller, the Selling Agent, the Managing Agent, the Condominium Board, the Residential Board, their Managers and their members, officers and directors from any claims, causes of action, damage or liability (including attorneys' fees) arising from or out of Purchaser's breach or failure to observe any covenant required to be observed by Purchaser under this Lease or the Offering Plan and occurring during the term of this Interim Lease Agreement, whether by Purchaser or of Purchaser's invitees.

G. Prior to taking possession to the Unit, Purchaser shall obtain insurance for the Unit, at Purchaser's expense; covering the Purchaser's Belongings and personal liability insurance (such liability insurance shall be in an amount of not less than One Million Dollars ($1,000,000.00). Such insurance policy shall name the Seller as well as all entities listed in the

Condominium Bylaws as an additional insured if Purchaser is able to obtain insurance naming the other entities. The insurance required above shall be written in a form reasonably satisfactory to Seller by good and solvent insurance companies with an A.M. Best rating of A-, VIII or better of recognized standing, authorized to do business in the State of New York.

H. During the term of this Interim Lease Agreement, Purchaser acknowledges and agrees that Purchaser may not build in, add to, change or alter the Unit, or the Unit's fixtures and installations, in any way, including the Unit's building systems without first obtaining the prior written consent of Seller, in its sole and absolute discretion.

I. Upon any termination of this Interim Lease Agreement, other than as a result of Purchaser closing title to the Unit, Purchaser shall (i) return the Unit in the condition received on the Possession Date, normal wear and tear excepted, which may include, but not be limited to: (a) repainting the Unit, (b) polishing the floors and repairing and/or replacing any damaged flooring, if reasonably necessary, and (c) fine cleaning the appliances, (ii) reimburse Seller for any actual and reasonable repairs to the Unit Seller may incur as a result of Purchaser's use of the Unit while Purchaser is in possession of the Unit and (iii) vacate and surrender the Unit. Purchaser shall in any and all events remain liable for any damage caused by Purchaser or Purchaser's invitees to the Unit during the period of Purchaser's occupancy and/or to the Unit or the Building during Purchaser's moving in or out of the Unit on the date required by a termination notice under this Interim Lease Agreement.

J. If Purchaser fails to vacate the Unit when required by this Interim Lease Agreement, (i) Seller may commence a holdover summary proceeding or any other appropriate action to remove the Purchaser from possession, (ii) Purchaser shall be liable to Seller for all actual damages sustained by Seller as a result of Purchaser's failure to vacate in accordance with the provisions of this Interim Lease Agreement, (iii) Purchaser shall pay Seller's costs and reasonable attorneys' fees and/or marshal's fees or other costs and expenses in connection with Seller's enforcement of its rights under this Interim Lease Agreement, including the right to cause any person(s) to vacate the Unit, and (iv) the Interim Lease Fee shall increase to $____ per month, or partial month that Purchaser has been and/or continues to be in possession of the Unit (the "Holdover Lease Fee"). Purchaser shall be responsible for the Holdover Lease Fee for the period of time commencing on the Lease Termination Date through and including the date that Purchaser vacates the Unit. Nothing contained herein shall be construed to mean that Seller consents to the Purchaser's occupancy of the Unit beyond the Lease Termination Date.

K. Subject to Purchaser's rights set forth in the Agreement, Purchaser acknowledges and agrees that Purchaser has inspected the Unit and Purchaser agrees that Purchaser is accepting the Unit in its "as-is" condition as of the date of this Interim Lease Agreement, and has waived the right to (a) inspect the Unit prior to the Closing Date and (b) to generate a "punch list" prior to the Closing Date, and that nothing contained in this Interim Lease Agreement or the Agreement shall provide the Purchaser a basis to delay or postpone the Closing Date. Purchaser further agrees that any damages in and to the Unit after Purchaser has access to the Unit under this Interim Lease Agreement shall not be a basis for Purchaser to delay or postpone the Closing Date, except for damage to the Unit caused by fire or other casualty as described in article 20 of the Agreement, nor shall Purchaser make any claim against Seller or the Condominium Board or the Residential Board arising from any damages in and to the Unit

after Purchaser takes possession thereof except for damage to the Unit caused by fire or other casualty as described in the Agreement. Purchaser hereby releases and forever discharges Seller and its successors and/or assigns, from all manner of actions, and waives any claims, causes of action, suits, debts, dues, sums of money, damages, claims and demands whatsoever in law or equity, which Purchaser, its successors and assigns ever had, now have, or may have, now or hereafter upon or by reason of any matter arising from or out any items of a "punch list" nature in the Unit.

L. Seller shall have no liability for the care and safety of Purchaser's Belongings maintained in the Unit or the Building under this Interim Lease Agreement.

M. It is expressly understood and agreed that Seller is under no obligation to provide Purchaser with any utility, other than utilities, if any, included in the common charges, and/or service including, but not limited to: electric, telephone service, internet service, and/or cable television/satellite service. Therefore, in the event that Purchaser wishes to obtain any such services (telephone, cable, etc.) Purchaser must contract directly with the providers of such service in order to receive such services.

N. Purchaser and Seller represent to each other that they have not dealt with any real estate broker (other than the Selling Agent and co-broker named in the Agreement) in connection with the leasing of the Unit. Purchaser and Seller agree to indemnify, defend and hold harmless each other from and against any loss, liability, cost or expense incurred by each other and each other's successors and/or assigns, as a result of a breach of the foregoing representations. The provisions of this Paragraph shall expressly survive the termination of this Interim Lease Agreement.

O. Purchaser shall complete and deliver to the Seller, when requested, a notice with respect to the installation of window guards in the Unit in the form required by the City of New York. Purchaser acknowledges that it is a violation of law to refuse, interfere with installation or remove window guards where required.

P. The use and occupancy of the Unit under this Interim Lease Agreement shall be limited to Purchaser and immediate family members of Purchaser only or, if an entity, to a principal of Purchaser and said principal's immediate family members.

Q. If any of the provisions of this Interim Lease Agreement or any part hereof shall be judged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of any portion of this Interim Lease Agreement or part hereof.

R. Purchaser shall be in default under the Interim Lease Agreement if (i) Purchaser fails to comply with any agreement or provision of this Interim Lease Agreement, including but not limited to that which is set forth in Paragraph 3, (ii) Purchaser or another occupant of the Unit behaves in an objectionable manner or (iii) Purchaser and other legal occupants of the Unit move out permanently before this Interim Lease Agreement ends.

S. If Purchaser defaults as set forth above, other than a default in the agreement to pay the Interim Lease Fee in which case no notice shall be required, Seller may

serve Purchaser with a written notice to correct the specified default within 10 days. Purchaser must then correct the default within 10 days, or, if Purchaser needs more than 10 days, Purchaser must begin to correct the default within 10 days and continue to do all that is necessary to correct the default as soon as possible. If Purchaser does not correct or begin to correct a default within 10 days, as set forth above, Seller may give Purchaser a second written notice that this Interim Lease Agreement will end five days after the date the second written notice is sent to Purchaser. At the end of the five day period, this Interim Lease Agreement will end and Purchaser then must move out of the Unit.

T. Any notice from Seller's or Seller's agent or attorney will be considered properly given to Purchaser if it (i) is in writing; (ii) is signed by or in the name of Seller or Seller's agent; and (3) is either delivered to Purchaser personally or sent by registered or certified mail to Purchaser at the Unit. The date of service of any written notice by Seller to Purchaser under this Interim Lease Agreement is the date of delivery or mailing of such notice. If Purchaser wishes to give a notice to Seller, it must be in writing and served by registered or certified mail to Seller at the address noted on page 1 of this Interim Lease Agreement or at another address of which Seller or Agent has given Purchaser written notice.

U. Purchaser waives the right to a trial by jury in any court action or proceeding concerning this Interim Lease Agreement or Purchaser's use or occupancy of the Apartment. If Seller commences any court action or proceeding against Purchaser concerning this Interim Lease Agreement, Purchaser will not counterclaim or seek any damages as a set-off or abatement.

V. This Interim Lease Agreement shall be construed in accordance with the laws of the State of New York. Any action or proceeding commenced in connection with this Agreement or the subject thereof shall be in a Court of competent jurisdiction in the State and City of New York and County of Kings. If any of the provisions of this Interim Lease Agreement or any part hereof shall be judged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of any portion of this Interim Lease Agreement or part hereof.

W. The delivery of executed counterparts of this Interim Lease Agreement by a party hereto or their attorney by facsimile, pdf or other similar electronic means shall be given the same force and effect as delivery of an original executed counterpart of this Interim Lease Agreement.

[Signature Page Follows]

9. IN WITNESS WHEREOF, the parties have executed this Interim Lease Agreement as of the day and year first above written.

SPONSOR:

61 Martense Street LLC

By:_____
Name:
Title:

PURCHASER:

_____

Telephone No.: _____

_____

Telephone No.: _____

For purposes of this Agreement, it is acknowledged and agreed that the undersigned is the controlling individual of the Purchaser and shall remain personally liable for Purchaser's obligations under this Agreement:

_____
[Insert Name]

10.

EXHIBIT "21"

ALTERATION AGREEMENT

ALTERATION AGREEMENT

THIS AGREEMENT made as of this _____ day of _____, _____ by and between The Board of Managers of The 61 Martense Street Condominium (the "Board") having an address of 61 Martense Street, Brooklyn, New York 11226, 61 Martense Street LLC ("Sponsor"), having an address at 61 Martense Street, Brooklyn, New York 11226 and _____ (the "Unit Owner") having an address of 61 Martense Street, Brooklyn, New York 11226 (the "Property").

(i) **W I T N E S S E T H:**

WHEREAS, pursuant to a declaration dated _____ (the "Declaration"), Sponsor submitted the Property to a condominium regime known as The 61 Martense Street Condominium (the "Condominium").

WHEREAS, pursuant to the Declaration and the by-laws of the Condominium (the "By-Laws"), Unit Owner has requested permission to install equipment and/or make alterations in Unit ____ (the "Unit") the building situated on the Property (the "Building"); and

WHEREAS, the Declaration and By-Laws provide that no equipment shall be installed and no alterations shall be made in the Unit without the consent of the Board; and

WHEREAS, Unit Owner desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. Unit Owner's Submissions. Together with this Agreement, Unit Owner is delivering to the Sponsor and the Board:

a. detailed plans, drawings and specifications for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by the Sponsor and/or the Board, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.

b. a check in the sum of $_____ payable to the Board for the security deposit required to be posted by Unit Owner as provided for in Section 13 of this Agreement (and/or such alternate form of security as may be required by the Board).

c. a check in the sum of $_____ payable to _____, managing agent for the Building (the "Managing Agent"), as a processing fee in connection with this Agreement.

2. Review of Plans, Drawings and Specification. The plans, drawings and specifications submitted by Unit Owner shall be subject to review and approval by Sponsor and/or the Board, in their sole discretion, and may be subject to review and approval by Sponsor's and/or the Board's architect or engineer (collectively the "Designated Engineer") in the

sole discretion of Sponsor or the Board, and Unit Owner shall make such changes in and to such plans, drawings and specifications as Sponsor, the Board or the Designated Engineer shall require in order to obtain such approval, including, without limitation, such changes as may be required to minimize noise or vibrations to surrounding portions of the Building. The term "Plans" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by the Sponsor and/or the Board and the Designated Engineer and the term "Work" shall refer to the work called for by the Plans or any other work performed by or on behalf of Unit Owner. After approval by the Sponsor and/or Board and the Designated Engineer, the Plans shall not be modified without the approval of the Sponsor and/or the Board and the Designated Engineer. Notwithstanding any approval of the Plans by the Sponsor and/or Board or the Designated Engineer, Unit Owner shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

The execution of this Agreement by the Sponsor and the Board does not constitute consent to the work called for by the plans, drawings and specifications submitted by Unit Owner, and the Sponsor and the Board retains all of its rights under this Agreement and the By-Laws to withhold consent. Only written approval of such plans, drawings and specifications as provided for above shall constitute the Sponsor's and Board's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.

3. Pre-Conditions to Commencement of Work by Unit Owner. Unit Owner shall not commence the Work unless and until all of the following has occurred:

a. The Sponsor and the Board and the Designated Engineer, as same may be required, shall have approved in writing the plans, drawings and specifications submitted by Unit Owner, and Unit Owner shall have received a copy of such approvals.

b. Unit Owner shall have submitted to Sponsor and the Board (i) a designation of the general contractor or construction manager (collectively the "General Contractor") which will be principally responsible for the Work, which designation shall authorize the General Contractor to submit the information more particularly described on the letter annexed hereto as set forth on Exhibit A annexed hereto (the Contractor's Instructions"), (ii) complete copies of all agreements entered into with the General Contractor and all other such contractors, subcontractors and suppliers pertaining to the Work (collectively the "Subcontractors"), (iii) other than the communications required to be made by the General Contractor in accordance with the terms of the Contractor's Instructions, the name of the party solely authorized to communicate with Sponsor, the Board and the Managing Agent (the "Owner's Representative") (e.g. Owner, General Contractor, Owner's architect) and (iv) telephone numbers for the Owner, the General Contractor and the Owner's Representative, if different from the foregoing. Prior to the commencement of the work, the General Contractor and the Subcontractors shall have been approved in writing by the Board.

Notwithstanding the foregoing (i) prior to the issuance of a permanent certificate of occupancy for the Building, Sponsor may require that Work relating to the structural electrical, mechanical, plumbing, sprinkler or HVAC systems of the Building (collectively the "Building Systems") be performed by contractors designated by Sponsor. After the issuance of a permanent certificate of occupancy for the Building, the Board may require that Work relating to the Building Systems be performed by contractors designated by the Board.

c. Unit Owner shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work (collectively the "Governmental Authorities") including, but not limited to, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and Unit Owner shall have furnished copies of all such filings, permits, approvals, licenses and consents to Sponsor and to the Board. The determination of the Designated Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive. As a prerequisite to its approval of the Plans and Specifications, Sponsor and/or the Board may require Unit Owner to furnish a letter from Unit Owner's licensed architect or engineer, certifying that the electrical loads required as a result of the Work, will not adversely affect the Building's electrical service and certifying to such other matters as Sponsor and the Board may require. Sponsor may require that Unit Owner utilize a filing representative or expediter designated by Sponsor to file the Plans and Specifications with the Governmental Authorities.

d. Unit Owner shall have caused each of its contractors to furnish to the Board the insurance policies described on Exhibit B attached hereto or certificates thereof. Such policies (i) shall name the Condominium, the Board, the Board's officers and directors, the Designated Engineer, the Managing Agent, Sponsor and the other Unit Owners, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Board and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Board. Unit Owner shall cause all such insurance policies to be kept in full force and effect until the completion of the Work. In the event that such insurance lapses prior to the completion of the Work, Sponsor and/or the Board will have the right to suspend the Work until Sponsor and/or the Board receives evidence of appropriate insurance and approves such insurance. Sponsor and/or the Board reserves the right to revise the parameters and scope of the insurance requirements from time to time. Unit Owner and the General Contractor shall be advised, writing, of any such changes.

e. If requested, the Unit Owner's architect or engineer shall have provided to the Board evidence of professional liability insurance in amounts reasonably acceptable to the Board.

f. The Unit Owner's architect or engineer shall have prepared and submitted to the Sponsor and the Board a schedule of all Work to be performed by the General

Contract and each Subcontractor, setting forth the number of weeks and days of the various trades, the anticipated number of workmen involved and affirming that the work can be completed within the time allotted under Paragraph 5d hereof.

g. The General Contractor will be required to attend a start-up meeting approximately two (2) weeks prior to the commencement of the Work. At this meeting the General Contractor will be introduced to Sponsor and other members of the project team. The agenda for the meeting will include a review of the requirements of this Agreement and the General Contractor's construction plan as well as collection of payment to Sponsor of any charges or deposits due hereunder.

4. Unit Owner to Give Notice Prior to Commencement of Work. Prior to commencing the Work, the Owner's Representative shall give at least five days' prior written notice to the Designated Engineer, the resident manager or superintendent of the Building and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.

5. Performance of the Work.

a. In General. Unit Owner shall perform the Work strictly in accordance with the Plans in a first-class, workmanlike manner in keeping with the standards of the Building and shall not perform any Work not called for by the Plans. All materials shall be new and of high quality. In performing the Work, Unit Owner shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Unit or the Building, (iii) this Agreement, (iv) the By-Laws, (v) the Rules and Regulations of the Condominium, (vi) the requirements of Sponsor and the Board and (vii) any directions given by the Managing Agent, the Designated Engineer or the resident manager or superintendent of the Building. The Work will not compromise the energy efficiency or increase the energy consumption of the Building, change the number of zoning rooms located within the Unit or materially delay the issuance of a permanent Certificate of Occupancy for the Building without the consent of Sponsor prior to the issuance of the permanent Certificate of Occupancy or the consent of the Board, after the issuance of the permanent Certificate of Occupancy.

b. Work Hours and Noise. Unit Owner shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the hours of ___ a.m. and ____ p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before ___ a.m. The Work shall not be performed on weekends or holidays. Sponsor until there are no remaining Unsold Units, and thereafter the Board, shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

c. Licensing and Labor Harmony. The General Contractor and the Subcontractors, if any, shall be duly licensed to the extent required by applicable law and Unit Owner shall cause its General Contractor and the Subcontractors, to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. Unit Owner, the General Contractor and the Subcontractors, expressly acknowledge that Sponsor's contractors and subcontractors may be engaged at the Property to finish renovations at the Building (other than the Unit) (the "Sponsor's Work") and Unit Owner, the General Contractor and the Subcontractors agree (i) that they the Sponsor's Work shall have priority over the Work and (ii) Unit Owner, the General Contractor and the Subcontractors must coordinate the Work with Sponsor so that no disruption of the Sponsor Work occurs. In the event such disruption occurs, Sponsor reserves the right to immediately close Unit Owner's job site. During all periods of construction, the General Contractor shall conduct or cause to be conducted all labor practices and relations with employees and subcontractors in such a manner as to avoid all strikes, picketing and boycotts of, on or about the Building. The General Contractor further agrees that if during the period of construction any of its employees or employees of its subcontractors strike, or if picket lines or boycotts or other visible activities objectionable to Sponsor are conducted or carried out by or against Sponsor, its contractors or subcontractors or any of their respective employees, on or about the Building or otherwise involving Sponsor, the General Contractor shall (or Sponsor may, but shall not be obligated so to do) immediately close Unit Owner's job site and remove or cause to be removed all personnel therefrom until the dispute giving rise to such strike, picket line, boycott or objectionable activity has been settled to Sponsor's satisfaction.

d. Required Completion Date. Unit Owner shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "Required Completion Date") which is ___ days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, Unit Owner shall pay to the Board, as liquidated damages on account of late completion, the sum of $____ per day (excluding weekends and holidays) until the Work is completed. The determination of whether the Work is completed shall be made by the Sponsor until such time as there are no longer any Unsold Units and thereafter by the Board, and such determination shall be conclusive. The work shall diligently proceed to completion in compliance with all plans and specifications and in conformity with all permits and licenses of any governmental authority. All time limitations set forth in this paragraph shall be subject to extension for delays caused by or attributable to acts of God, unusual weather conditions or strikes not attributable to Unit Owner or Unit Owner's General Contractor or Subcontractors or other agents bad faith, no to exceed forty-five (45) calendar days. Notwithstanding the foregoing, if, within six (6) months prior to the expiration of the temporary Certificate of Occupancy, the Board or Sponsor, in their sole discretion, determines that the progression of the Work is such that there is a

potential to delay or otherwise hinder the issuance of the permanent Certificate of Occupancy for the Building, the Board or Sponsor, as the case may be, undertake to perform, a Unit Owner's sole cost and expense, those items of work necessary to be completed for the issuance of the permanent Certificate of Occupancy.

e. Evidence of Completion. Upon completion of the Work, Unit Owner shall obtain and deliver to Sponsor and the Board (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if Sponsor or the Board shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of the Sponsor, until such time as there are no longer any Unsold Units and thereafter the Board, as to whether the Work has been completed and/or the need for an amended certificate of occupancy and/or any other applicable governmental signoffs and approvals shall be conclusive.

f. Security Personnel. The Board shall have the right, at the sole cost and expense of the Unit Owner, to install or engage or require the Unit Owner to install or engage, security systems or personnel to ensure the safety and well-being of persons and property in the Condominium.

g. "As-Built" Drawings. Upon completion of the Work, the Unit Owner shall provide the Board with an "as-built" set of drawings for the Unit.

h. Confidentiality. Any and all knowledge, information, data, materials, trade secrets and work product regarding the Building, obtained, produced, generated or otherwise acquired by Unit Owner or the General Contractor or their agents, employees and Subcontractors shall be confidential.

6. Inspection and Correction of the Work. Sponsor and the Board shall have the right from time to time to inspect or observe the Work and to ensure compliance with the terms of this Agreement, and for this purpose Unit Owner shall provide access to the Unit to Designated Engineer, the Managing Agent, the resident manager or superintendent of the Building, or any other person Sponsor or the Board may authorize. The General Contractor shall be required to conduct a walkthrough with Sponsor and/or the Board for the purpose of observing the construction of the demising wall and perimeter wall assemblies. After the installation of all framing, insulation and vapor barriers General Contractor shall notify Sponsor and the Board and schedule a walkthrough to observe such portion of the Work. The General Contractor may not proceed with installation of gypsum board until written approval of Sponsor and the Board is received. Unit Owner shall promptly make all corrections required by Sponsor or the Board in order to conform to the Plans and the other requirements of this Agreement. If Sponsor or the Board so requires, such corrections shall include the removal and replacement of non-conforming work. Sponsor's or the Board's failure to inspect shall not be considered a waiver of Unit Owner's obligation to comply with this Agreement. If Unit Owner or the General Contractor observes or otherwise becomes aware that the Work or any of their contract documents are at variance with each other or applicable laws, statutes, ordinances,

building codes and regulations in any respect or otherwise are inconsistent, the General Contractor shall promptly notify Sponsor and the Board. If, in the sole judgment of Sponsor or the Board, an Emergency exists with respect to the Work, which in Sponsor's or Board's opinion requires immediate corrective action, then Sponsor may, without notice to Unit Owner's Contractor, perform such corrective work or cause it to be performed by others. In such case, any costs (including general conditions and fees) arising from such corrective work will be borne by Unit Owner and/or General Contractor.

7. Damage or Adverse Effect Caused by the Work. Unit Owner shall be responsible for any damage to or any other adverse effect upon the Unit or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, Sponsor and/or the Board may (a) require Unit Owner, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at Unit Owner's expense.

Unit Owner acknowledges that the performance of the Work shall in no event cause any environmental hazards in the Units or the Common Elements (including, without limitation, any environmental hazards such as mold or other bacterial contamination) and that the Unit Owner is obligated at all times (both during and after the performance of the Work) to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

Without limiting the generality of the foregoing, Unit Owner specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).

If the Managing Agent advises Unit Owner of any damage which, in the Managing Agent's opinion, was caused by the Work, Unit Owner shall promptly submit a claim to Unit Owner's insurance carrier and to Unit Owner's contractor for submission to its insurance carrier, and Unit Owner agrees to use all reasonable efforts, and to cause its contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit Unit Owner's liability under this Section 7.

8. Indemnification and Release by Unit Owner. Unit Owner shall indemnify and hold harmless Sponsor and Sponsor's principals, employees, agents, the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, the Managing Agent, and the other Unit Owners and residents of the Building (the "Indemnified Persons") against any loss, cost, claim, damage (including damage to persons or property) or expense

arising out of or related to the Work or any act or omission of Unit Owner, the General Contractor or any Subcontractors, architects, engineers or consultants, including reasonable attorneys' fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon. Unit Owner releases the Board, the Sponsor, the Managing Agent and the agents and employees of the foregoing from any from any liability for damage to the portions of the Unit affected by the Work. Notwithstanding anything to the contrary contained in the By-Laws, the Unit Owner accepts sole responsibility for the work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Unit affected by the Work, and acknowledges that such responsibility shall pass to the Unit Owner's successor-in-interest in the Unit. Unit Owner shall also be responsible to deliver to the Board a written agreement in the form of Exhibit C hereto in which Unit Owner's General Contractors agree that they will not make claims for damage within the perils of the insurance referred to in this Agreement and will defend, indemnify and hold harmless the Board, the Board's officers, directors, Sponsor, unit owners, agents, partners, servants, employees, tenants, guests, licensees, invitees and their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners (collectively, the "Indemnitees"), against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work unless such injury or loss of life or loss or damage to property was caused by the willful misconduct or gross negligence of the Indemnitee.

Unit Owner hereby acknowledges that it is a condition of this Agreement that no Work may be performed by, or on behalf of Unit Owner until Sponsor, in its sole discretion, determines that the commencement of the Work will not interfere with Sponsor's Work and Sponsor notifies Unit Owner of said determination in writing. At Closing, Unit Owner has accepted the Unit from Sponsor in its "as is" condition. Upon commencement of the Work, Unit Owner releases Sponsor and the Board from any and all obligation to perform any additional work in the Unit, including, without limitation, weather tightness of windows, exterior walls or roofs, and work of a "punch list" nature. In furtherance thereof, Unit Owner expressly agrees to release and forever discharge Sponsor and its successor and/or assigns and the Board, from all manner of actions, causes of action, suits, debts, dues, sums of money, damages, claims and demands whatsoever in law or equity, which Unit Owner, its successors and assigns ever had, now have, or may have, now or hereafter upon or by reason of any matter arising from or out of the Work to the Unit.

9. Unit Owner to Bear All Costs Associated with Work. Unit Owner shall be responsible for all costs incurred by Unit Owner, Sponsor or the Board in connection with the Work or this Agreement, including, without limitation, the fees and disbursements of any attorney, architect, engineer, consultant or security personnel retained by the Board, the Sponsor or the Unit Owner in connection with the Work or this Agreement. Without limiting the generality of the foregoing, Unit Owner specifically agrees to reimburse Sponsor and/or the Board for all charges of the Designated Engineer for the review of the plans, drawings and specifications submitted for inspection of the Work or otherwise related to the Work or this Agreement. Waivers of the right to lien or otherwise

encumber the Building shall be obtained from the General Contractor and all Subcontractors. However, if for any reason whatsoever, any lien is filed for work done, or material alleged to have been furnished in connection with the Work, Unit Owner shall at its sole expense cause such lien to be bonded or otherwise discharged within twenty (20) days after learning of the existence of such lien. If Unit Owner fails to do so or otherwise defaults hereunder, the Board may pay or bond such lien and otherwise exercise all rights and remedies reserved to it in this Agreement and the By-laws as and for a default thereunder.

10. Additional Requirements.

a. No Change in Building Heating or Air-Conditioning. Unit Owner recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which Unit Owner may be installing other than stoppages approved by Sponsor or the Board in order to facilitate and enable Unit Owner to hook-up to the Building's heating and air conditioning systems and or sprinkler system. The General Contractor shall submit to Sponsor a plan and anticipated schedule of any required shut downs, drain downs, etc., of the Building's existing systems prior to the commencement of their work. Failure to submit this plan shall cause the General Contractor to be accountable for all extra costs associated with delays to reschedule shut downs, drain downs, etc., should they occur.

No utility interruption will be permitted without written approval from Sponsor and/or the Board. General Contractor is required to give Sponsor and/or the Board at least seventy-two (72) hours' notice before any Building or utility service interruption which affects occupied and unoccupied areas. Each request for such interruption will indicate estimated downtime.

Sponsor and or the Board will schedule the appropriate personnel to perform all drain downs and recharging of building systems. The cost of all services provided by the appropriate personnel shall be paid in advance to Sponsor prior to the commencement of any work. The minimum charge for each and every drain down and recharge will be $500.00.

b. Prohibited Construction Methods. Unit Owner shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system, sprinkler system or any other Building system or service. Unit Owner shall not penetrate any exterior Building wall, attach fasteners in any manner or the exterior building facade or use any pneumatic or power tool such as hammers or other tools which cause excessive vibrations, except with the consent of Sponsor or the Board. Flammable materials are not to be stored within the Building. They must be used and removed the same day.

c. Accessibility of Valves. Unit Owner shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then

Sponsor or the Board may (i) require Unit Owner, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at Unit Owner's expense.

d. Use of Public and Common Areas During Work. Unit Owner shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. Electrical and other utility receptacles in the Common Areas may not be utilized to perform any work or power any equipment employed in connection with the Work. Unit Owner shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent damage to the carpeting, wall coverings or other finishes in the Building's hallways, elevators and other common areas. Only the service elevators may be utilized by for the delivery of materials or supplies.

e. Parking. Parking in front of the Building or in its driveways is strictly prohibited. General Contractor must enter the Building through the designated construction entrance only. No other means of entry shall be permitted. The General Contractor will be expected to check in at the location to be designated by Sponsor or the Board and obtain the required authorization to enter the Building in compliance with the procedures and requirements of Sponsor and the Board. In the event that employees, agents or Subcontractors of General Contractor are in the Building without proper authorization, such individuals will be asked to leave.

f. Safety Precautions. Unit Owner shall maintain functioning fire extinguishers and smoke alarms in the Unit throughout the prosecution of the Work. Unit Owner shall insure that the Work does not block access to any fire exits in the Building. Unit Owner shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 11 years old or under lives in the Unit, Unit Owner shall install window guards pursuant to Section 131.15 of the New York City Health Code.

Hard hats must be worn by all construction personnel at all times. Only work shoes or shoes with leather soles will be permitted in the Building. No personnel wearing gym shoes or soft rubber shoes will be allowed into the Building.

The General Contractor shall abide by all other written safety policies or directives established by Sponsor or the Board. The General Contractor is required to establish a written safety program for its operations, as well as the operations of any of its Subcontractors. Such safety program shall be available at the job site for inspection by Sponsor and the Board. Any accidents or injuries that occur on the construction site, no matter how minor, must be reported to Sponsor and the Board within twenty four (24) hours of the occurrence. If an accident or injury occurs due to the existence of a dangerous condition, the General Contractor shall take immediate steps to secure the area in order to protect others from further injury.

g. Unit Owner to Control Refuse, Dirt, Dust. Unit Owner shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Unit. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Unit and taken out of the Building at Unit Owner's expense and removal of trash containers shall be scheduled for after 3:30 p.m. unless otherwise directed by the Board, but in no event shall such removal interfere with regularly scheduled building operations. Unit Owner acknowledges and agrees that the trash chute may not be used for such removal and recognizes that only the service elevator may be used for such removal and only at such times as the resident manager or superintendent of the Building may direct. Unit Owner shall not permit any dumpster or garbage container to be left outside of the Unit without the written consent of Sponsor or the Board. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits. In the event that Sponsor determines that it is reasonably necessary, Sponsor shall have the option to coordinate and perform trash removal from a central location on individual floors and, in that event, General Contractor will be responsible for its share of the cost thereof, which shall be billed on a regular basis.

h. Installations by Unit Owner. Unit Owner agrees that any air conditioning units, balcony plantings and/or structures, wherever located in the Building, may be removed by Sponsor or the Board for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of Unit Owner.

i. Deliveries to the Property. Under no circumstances will deliveries be allowed to the Building unless General Contractor has secured the prior written consent of the Sponsor, or the Board, at such time as Sponsor has secured a permanent certificate of occupancy for the Building. In addition, all materials must be delivered to the area of the Building as designated by the Board to the Unit Owner.

The General Contractor must be at the Property at the scheduled time of delivery. The delivery vehicle will be allowed to remain at the Property for the time allotted by the prior written consent. No materials will be accepted or unloaded by any person other than those associated with the General Contractor. Under no circumstances can materials be stored for any length of time at the Property. Delivery vehicles will not be allowed at any time to park, stand, stage, load or unload on any of the streets or alleys adjoining the Building.

If the General Contractor fails to appear at the Property and/or completely unload the delivery within the allotted time, the delivery truck driver will be instructed to leave the Property and the General Contractor will be responsible for any re-delivery charges. Sponsor reserves the right to amend and revise the delivery procedures at any time and from time to time.

j. Use of Elevators. The access to and use of the elevator for the delivery of supplies and materials must be requested no less than forty-eight (48) hours in advance of the time that such access and use is required. The request must indicate the period of time that the elevators will be "booked". Unit Owner will be responsible for all costs associated with the operation of the elevator and/or hoisting charges for the period requested. The allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators, but in no event shall such access and use interfere with regularly scheduled building operations.

k. On-Site Supervision. The General Contractor- shall maintain supervisory personnel on-site at all times when the General Contractor has work in progress on-site. Such personnel shall be (i) fully empowered to coordinate and direct the work of its forces and subcontractors, (ii) trained as safety officers and (iii) in numbers sufficient to properly supervise all work.

l. Adjacent Premises. The Board may require that Unit Owner give not less than fourteen (14) days' written notice, setting forth the date the Unit Owner plans to commence the Work and the duration of the Work, to residents in the Units that are adjacent to, above and below the Unit (the "Adjacent Premises") in the form of Exhibit "D" hereto, a copy of which shall be delivered to the Managing Agent or such other form then adopted by the Board.

11. Unit Owner to Comply with Laws, etc. Unit Owner shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Unit Owner or for Unit Owner's benefit. Unit Owner shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.

12. Maintenance and Repair of the Work. Notwithstanding anything to the contrary contained in the By-Laws, Unit Owner shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Unit affected by the Work, and for all costs incurred by Sponsor or the Board or Unit Owner in connection therewith. Furthermore, Unit Owner releases the Board, the Managing Agent, Sponsor, Sponsor's agents and employees and the Board's agents and employees from any liability for damage to the Work or any portion of the Unit affected by the Work however arising.

13. Unit Owner's Security Deposit. As security for the faithful performance and observance by Unit Owner of the terms and conditions of this Agreement, Unit Owner has deposited the sum indicated in Section l(b) with the Board and/or provided payment and performance bonds and maintenance bonds in an amount established by the Board. Unit Owner agrees that the Board may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Board under this Agreement as determined in the discretion of the Board. If the deposit is diminished by one-half of the original amount, Unit Owner shall replenish it to the full amount within (3) days after written demand.

Unit Owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle Sponsor or the Board to stop the Work, and/or exercise any remedies it has hereunder. If Unit Owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Unit Owner after completion of the Work. The Board's release of the security deposit shall not constitute acceptance of the Work by Sponsor or the Board or a waiver of any of Sponsor or the Board's rights under this Agreement. Any sums due to the Board under this Agreement and not recovered by application of the security deposit shall be deemed obligations chargeable and collectable as additional common charges to Unit due by Unit Owner to the Board pursuant to the By-Laws.

14. Security; Construction Locks. It shall be the General Contractor's responsibility to safeguard its own materials, tools and equipment at all times and to bear the risk of loss and/or damage thereto, and General Contractor hereby waives any claims against any property damage insurance coverage of the Building, Sponsor or the Board. Construction locks will be required and must be provided by the General Contractor. One key to the Unit must be provided to Sponsor and /or the Board for access to the Unit.

15. Miscellaneous. This Agreement represents the only agreements between Sponsor, the Board and Unit Owner relative to the subject matter hereto. Sponsor and the Board reserve the right to update and amend the requirements governing the Work from time to time. Any changes will be provided to Unit Owner and General Contractor and General Contractor will be required to acknowledge receipt of such update(s). This Agreement may not be changed orally. None of Sponsor, the Board, Manager or Managing Agent or any of their principals, agents, employees, contractors or subcontractors, will be responsible for failure or inefficient performance of Building Services to the Unit resulting from the Work. Unit Owner acknowledges that it has not relied upon any representations, warranties, architect's plans or statements of any nature whatsoever, whether written or oral, made by Sponsor, Sponsor's selling agent, the Managing Agent, or otherwise, including, without limitation, any representations, warranties, architect's plans, statements or estimates relating to the cost, feasibility, safety or compliance with all legal requirements pertaining to the Work, it being understood that approval of the Plans by Sponsor or the Board is not an express or implied warranty as to any such matter. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. SPONSOR, THE BOARD, UNIT OWNER AND GENERAL CONTRACTOR WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

16. Notices, Assignment. Any notice, request, consent or other communication hereunder shall begin in writing and sent by registered mail or certified mail, to Unit Owner at the address given at the beginning of this Agreement and to Sponsor and Board at the respective address given at the beginning of this Agreement, with a copy, in each case to Stroock & Stroock & Lavan LLP, 180 Maiden Lane New York, New York 10038, Attn: Michel Evanusa, Esq., or to such other address as either party may hereafter designate to the other in writing. 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. If, at any time, Unit Owner shall require the consent or approval of Sponsor or the Board to any proposed action hereunder, Unit Owner shall make a written request therefor, requesting such consent or approval. In no event whatsoever may Unit Owner rely on any consents, approvals, communications, statements or notices given by any person (including, without limitation, the Managing Agent or the resident manager or superintendent of the Building or any representative of either) who is not a member of Sponsor, or the Board or which are not in writing. This Agreement may not be assigned by Unit Owner.

17. Amendment to Condominium Documents. If the Work involves the combination or subdivision of a Unit or Units, upon completion of the Work and upon receipt of all applicable certifications and approvals, the Board agrees to amend the Declaration of the Condominium ("Declaration") and the Condominium Floor Plans ("Floor Plans") to reflect the modifications to the Unit. Unit Owner agrees to provide the Board with all information and execute all documentation required to amend the aforesaid documents and to pay all costs incurred by the Board or otherwise associated with the amendment of the Declaration and Floor Plans.

18. Assumption by Purchaser. The Unit Owner (a) shall advise the person or persons to whom it transfers the Unit ("Purchaser") of the Work undertaken by the Unit Owner pursuant to this Agreement; (b) shall provide copies of the Plans and this Agreement to the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Condominium Board an agreement substantially in the form of Exhibit C hereto pursuant to which the Purchaser shall assume all of the obligations of Unit Owner under this Agreement, including the obligation under this Section with respect to any transfer of the Unit by the Purchaser.

The Unit Owner hereby waives any claim against the Condominium Board on account of (a) the Condominium Board advising a potential Purchaser of the provisions of this Agreement, including this Section and/or (b) refusing to accept the sales package with respect to its waiver of its right of first refusal unless and until such potential Purchaser shall execute and deliver to the Condominium Board an agreement in the form of Exhibit C hereto.

19. Unit Owner's Breach and Board's and Sponsor's Remedies. Any breach by Unit Owner of any of the provisions of this Agreement shall constitute a breach of the Declaration and By-Laws and shall entitle the Board to exercise all of the rights and remedies therein provided. In addition, the Board shall also have the right (a) to suspend the Work and prevent workers from entering the Unit for any purpose other than to remove their tools, and/or (b) to revoke its consent to the Work, and/or (c) to complete or remove all or any part of such Work and restore the Unit to its condition prior to the commencement of the Work at Unit Owner's sole cost and expense, and/or (d) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the By-Laws shall not be exclusive and the Board shall also be entitled to exercise any of the remedies provided by applicable law.

The Board and Unit Owner acknowledge that Sponsor is the Sponsor of the offering plan for the Property, pursuant to which Sponsor has certain obligations to complete the Building and that a breach by Unit Owner of any of the provisions of this Agreement could adversely affect Sponsor's ability to perform its obligations. Accordingly the Board hereby assigns to Sponsor all of the rights of the Board pursuant to the Declaration and the By-Laws as may asserted with respect to the Work and this Agreement until such time as Sponsor has obtained a permanent certificate of occupancy for the Building. Until such time as Sponsor has obtained a permanent certificate of occupancy for the Building, the Board shall not consent to any request hereunder which would have the effect of delaying or interfering with or increasing the cost to perform the Sponsor's Work.

Notwithstanding anything to the contrary set forth herein, to the extent notices or documents are required to be delivered to Sponsor or the consent or approval of Sponsor is required hereunder, such delivery, consent or approval shall not be required after such time as Sponsor no longer owns any Unsold Units in the Building. Sponsor, in its sole discretion, may waive its right, in writing, to receive notices or give approvals or consents hereunder.

IN WITNESS WHEREOF, Unit Owner, Sponsor and the Board have executed this Agreement.

THE BOARD OF MANAGERS OF
The 61 Martense Street Condominium

By: _____
Name:
Title:

61 Martense Street LLC
By:

By: _____
Name:
Title:

Unit Owner

_____
Name:

EXHIBIT A

Date

The Board of Managers
The 61 Martense Street Condominium

c/o _____
_____
Brooklyn, New York _____

Re: Unit ___ (the "Unit")
_____ (the "Unit Owner")
The 61 Martense Street Condominium (the "Condominium")
61 Martense Street
Brooklyn, New York 11226 (the "Property")

Ladies and Gentlemen:

The undersigned acknowledges being the general contractor for the Work to be performed in the referenced Unit ("Contractor") pursuant to the Plans, as such terms are defined in the alteration agreement (the "Alteration Agreement") entered into between The Board of Managers of the Condominium (the "Board"), the above referenced Unit Owner and ("Sponsor") Contractor acknowledges that it has received a copy of the Alteration Agreement (including. without limitation, the Contractor's Instructions annexed thereto), the Declaration, By-Laws and rules and regulations of the Condominium (collectively the "Requirements") and has reviewed the Requirements, understands them and will in all cases abide by all of the terms, conditions and requirements contained herein while completing the Work at the Building on behalf of Unit Owner. Contractor will be responsible for conveying these Requirements to any of its employees, suppliers and subcontractors who will be bound by these Requirements. Contractor will incorporate by reference the terms hereof into any contract or agreement with any Subcontractor employed by or retained by Contractor in connection with the Work and will deliver copies of all such subcontracts to the Board and/or Sponsor upon request. In all cases, Contractor will be solely responsible for the compliance by its employees, suppliers and subcontractors with the Requirements

Contractor agrees that it will not make any claim against, or seek to recover against the Board, the Board's officers, directors, Sponsor, other unit owners, servants, agents, partners, guests, licensees, invitees, tenants or employees or any of their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners of the foregoing (collectively, the "Indemnitees") for any damage to persons or property by the perils within the scope of the policies described in the Alteration Agreement, unless the loss or damage is due to the gross negligence or willful misconduct of the Indemnitees. Contractor further agrees to defend, indemnify and hold harmless the Indemnitees against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work, unless such

injury or loss of life or loss or damage to property is caused by the gross negligence or willful misconduct of the Indemnitees.

Contractor agrees:

(A) Contractor will, prior to the commencement of the Work, shall have submitted to the Board a list containing the names of all contractors, subcontractors and suppliers (collectively the "Subcontractors') which will be performing the Work or providing materials and supplies with respect thereto. Such list (the "Subcontractor's List") must be updated within forty-eight hours after any additional Subcontractors are engaged or retained. The General Contractor must submit notification to the Managing Agent (each a "Notice") containing the name of any Subcontractor requiring access to the Property in furtherance of the Work, no less than forty-eight (48) hours in advance of the time that such access is required. The Notice shall include (a) the list of the individuals employed by the Subcontractor (the "Subcontractor's Employees") and (b) the period of time that the Subcontractor seeks to "book" the elevators to bring the Subcontractor's Employees and materials and supplies to the Unit. No Subcontractor will be permitted access to the Building unless the name of such Subcontractor is on the Subcontractor's list and a copy of the subcontract for such Subcontractor has been provided to the Board. The General Contractor acknowledges that the allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators.

(B) Each Subcontractor's Employee identified in the Notice will be given an access pass. Such pass must be worn by the Subcontractor's Employees whenever they are in the Building and must be returned at the end of each work day. All persons gaining access to the work site must wear hard hats and such other safety gear as may be required by Sponsor or the Board.

(C) The party to whom communications are required to be made hereunder and under the Alteration Agreement, including, without limitation, the submission of the Subcontractor's List and the Notices is _____. The Managing Agent reserves the right to change the aforementioned individual upon written notice to the General Contractor and Unit Owner.

11. Any terms not otherwise defined in this letter will have the meaning ascribed thereto in the Alteration Agreement. By execution of this letter below, the General Contractor hereby acknowledges and agrees to the foregoing and agrees to comply with those provisions of the Alteration Agreement which are the obligation of the General Contractor to perform.

[GENERAL CONTRACTOR]

By: _____
Name:
Title:

EXHIBIT B

13. Each of Unit Owner's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Board, licensed to do business in the State of New York, and all such policies shall name the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, Sponsor and the Managing Agent as additional named insureds. No diminution of limits of insurance will be permitted.

(i) WORKER'S COMPENSATION as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.

(ii) COMMERCIAL GENERAL LIABILITY including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage.

The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Section 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II Section B(l) is to be deleted). The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Board's consent.

$1,000,000 BODILY INJURY & PROPERTY DAMAGE1* (combined single limit)

(iii) COMPREHENSIVE AUTOMOBILE LIABILITY, including non-ownership and hired car coverage, as well as owned vehicles:

$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit)

(iv) UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

$3,000,000 COMBINED2*
(combined single limit)

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1 Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

14. Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Board showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Board. The Contractor shall promptly furnish the Board with copies of any endorsements subsequently issued amending insurance coverage or limits.

15. In the event of the failure of the Contractor to furnish and maintain such insurance, the Board shall have the right, at its option, at any time:

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) to take out and maintain the said insurance for and in the name of the Board, the Contractor or Unit Owner and, in such a case, Unit Owner agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Board to take out and maintain such insurance for and in the name of the Board, the Contractor or Unit Owner.

16. Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve Unit Owner from liability assumed under any provisions of this Agreement.

17. The Contractor's insurance policy shall also contain in substance the following endorsement:

> This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein.

Nothing in this Exhibit B shall constitute a waiver of or limitation of any other rights or remedies the Board may have for consequential damages or otherwise.

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2 Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

EXHIBIT C

ASSUMPTION OF ALTERATION AGREEMENT

18. WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement the undersigned is becoming the owner of Unit ____ in the building known as The 61 Martense Street Condominium and located at 61 Martense Street, New York, New York 11226; and

19. WHEREAS, a prior owner of the Unit and the Condominium Board entered into an Alteration Agreement dated _____, ____ ("Alteration Agreement"), a copy of which is attached hereto,

20. WHEREAS, the Alteration Agreement (1) provides that any person acquiring the Unit shall assume the obligations of the Unit Owner under the Agreement and (2) authorizes the Condominium Board not to accept the sales package in connection with its waiver of its right of first refusal unless and until such person assumes the obligations of the Unit Owner under the Agreement,

21. NOW, THEREFORE, in order to induce the Condominium Board to accept the sales package and waive its right of first refusal, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Unit Owner thereunder (including the provisions of Section 18 thereof pertain to future transfers).

22. Henceforth, the term "Unit Owner" as used in the Alterations Agreement shall include the undersigned. Any breach of this Assumption of Alterations Agreement or of the Alterations Agreement shall constitute a breach of the By-Laws of the Condominium. This Assumption of Alteration Agreement shall be binding on the undersigned and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

Brooklyn, New York
Date: _____

State of New York }
} ss.:
County of Kings }

On this _____ day of _____, _____ before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

23.

_____
Notary Public

EXHIBIT D

TO: [Addressed to the Unit Owners
or residents of the units
adjacent to, above and below,
the Unit Owner's unit]

25. DEAR _____:

In accordance with the Alteration Agreement between me and the Board of Managers (the "Board") of the _____ (the "Condominium") covering the alterations to be performed in unit ___, you are advised as follows:

1. Alterations will be performed in unit ___ commencing on or about _____. The alteration agreement with the Board permits me an aggregate of ___ days to complete the alterations.

2. I hereby agree to indemnify you for any damage whatsoever to your unit caused by the alterations performed in my apartment as determined by the Condominium's architect. I agree to pay the reasonable cost of repair of such damage. At your option, such repair may be performed, at my expense, by contractors of your choice or by my contractors.

3. In order to take advantage of the foregoing indemnification, you must permit my designated representatives to inspect your apartment prior to the commencement of my alterations. Please call me at _____ to arrange the inspection. You must also permit my designated representative to inspect any damage you claim my alterations have caused.

Very truly yours,

Unit Owner

Unit No.:_____

Date:_____

EXHIBIT "22"

PARKING SPACE LICENSE

PARKING SPACE LICENSE FOR DESIGNATED PARKING

AGREEMENT MADE THIS _____ day of _____, 201_ (this "**Agreement**") by and between the Condominium Board of The 61 Martense Street Condominium ("**Licensor**"), having an office at 61 Martense Street, Brooklyn, New York, 11226 and _____, having an address at 61 Martense Street, Brooklyn, New York 11226(the "**Licensee**");

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as The 61 Martense Street Condominium(the "Condominium") dated _____, recorded on _____ in CRFN_____ (collectively the "**Declaration**") for the property having the street address 61 Martense Street, Brooklyn, New York 11226 (the "**Property**"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Condominium of the Condominium, including, without limitation the parking spaces located in the Building as such term in more particularly defined and described in the Declaration;

WHEREAS, Licensee, owns or simultaneously herewith, Licensee is acquiring a Unit in the Condominium and;

WHEREAS, the Condominium includes a parking garage with individual parking spaces all located on the Ground Floor of the Condominium, as more particularly identified on the Tax Lot Drawings (the "**Parking Garage**")

WHEREAS, Licensee desires the right to the exclusive use of ___ (__) Parking Spaces designated as Parking Spaces _____ on the Tax Lot Drawing (the "Designated **Parking Spaces**") for so long as Licensee owns a Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensee shall be granted the exclusive right to the Designated Parking Spaces reof by Licensee or a guest of Licensee (the "**Permitted Users**") and for no other purpose. Licensee shall not (a) interfere with another Unit Owner or resident of the Condominium, (b) allow any other person to use the Parking Space except in accordance with the terms hereof, or (c) deface or damage the Parking Garage, Parking Space, another Unit Owner's parking space or vehicle, the Building or any equipment, including without limitation, the vehicle elevator.

2. Licensee shall be solely responsible for payment to the Condominium Board for the monthly License Fee.

3. Licensee acknowledges and agrees that Licensee's vehicle is being parked in the Parking Garage at Licensee's own risk and expense.

4. Licensee agrees that all personal property left in any vehicle while in the Parking Garage

shall be at the sole risk of the Licensee or the persons owning the same, and that nether the Licensor, the Condominium Board, nor any other person, shall be liable for the loss, destruction, theft of, or damage to, such property.

5. The term of this Agreement shall commence on date first set forth above, and shall continue until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein. This Agreement shall automatically terminate in the event that Licensee no longer owns a Unit in the Condominium. In the event this Agreement is terminated, Licensee shall no longer be permitted to park its vehicle in the Parking Garage and if Licensee refuses to claim Licensee's vehicle upon the termination of this Agreement, Licensee's vehicle shall be considered abandoned and may, at the Licensor's option, be towed at Licensee's sole cost and expense. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

6. Licensee shall indemnify and save harmless the Licensor, Condominium Board, Sponsor, agents and building staff (and each of their respective agents) and the other Unit Owners from any and all liability, loss, damage, expense, injury to person or property (including, without limitation, attorney fees and expenses) arising out of or related to Licensee's failure to comply with any provision in this Agreement

7. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to the Licensor, Licensor may (i) deny access to the Parking Garage until Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

8. The Licensor and its agents shall have the right (but not the obligation) to access the Licensee's vehicle in the event of an Emergency, as the Licensor shall deem necessary, all without any liability to Licensee whatsoever as a result thereof.

9. The failure of the Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by the Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

10. Neither the Licensor, the Board or the management agent, or their respective agents, servants or employees shall be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, gas, electricity, water, rain or snow or leaks from any part of the Building, or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or resulting from dampness or resulting from any other cause of nature whatsoever.

11. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of the Licensor and the provisions of the Declaration to effectuate such assignment, including, without limitation, the obligation to enter into a new Parking Space License with the assignee.

12. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

13. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

Condominium Board of Managers of
The 61 Martense Street Condominium

By: _____

LICENSEE:

_____