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

CONDOMINIUM OFFERING PLAN

THE 66 WEST 138TH STREET CONDOMINIUM

A PLAN FOR CONDOMINIUM CONVERSION OF PREMISES LOCATED AT

66 WEST 138TH STREET
COUNTY OF NEW YORK, CITY OF NEW YORK
NEW YORK, NEW YORK 10037

20 RESIDENTIAL UNITS OFFERED FOR SALE

TOTAL OFFERING PRICE OF 20 RESIDENTIAL UNITS..... **$9,939,600.00**
PROJECTED RESERVE FUND OF CONDOMINIUM (1)..... **$221,744.00**

(1) THE ACTUAL AMOUNT OF THE RESERVE FUND WILL BE NOT LESS THAN 3% OF THE LAST DISCOUNT PRICE OFFERED TO TENANTS WHEN THE PLAN IS DECLARED EFFECTIVE, MINUS A CREDIT, IF ANY, FOR ELIGIBLE CAPITAL REPLACEMENT WORK UNDERTAKEN BY SPONSOR, PURSUANT TO THE RESERVE FUND LAW. PURCHASER SHOULD NOTE THAT WHILE SPONSOR CONTROLS THE CONDOMINIUM BOARD, THE RESERVE FUND MAY BE USED AS NECESSARY FOR MAKING CAPITAL REPAIRS, REPLACEMENTS AND IMPROVEMENTS NECESSARY FOR THE HEALTH AND SAFETY OF THE RESIDENTS OF THE BUILDING. SEE "RESERVE FUND" FOR MORE DETAILS.

SPONSORS:	**ATTORNEY FOR SPONSOR:**
66 WEST 138 LLC **85 DELANCEY STREET** **NEW YORK, NEW YORK 10002**	**THE LAW OFFICE OF JAY LICHTMAN P.C.** **68 JAY STREET, SUITE 420** **BROOKLYN, NEW YORK 11201** **(347) 504-1724**

DATE OF ACCEPTANCE FOR FILING: _____

THIS OFFERING PLAN MAY ONLY BE USED FOR 12 MONTHS FROM THIS DATE UNLESS EXTENDED BY A DULY FILED AMENDMENT.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. SEE SPECIAL RISKS SECTION OF THE PLAN.

THIS IS A PROPOSED OFFERING PLAN ("RED HERRING") TO CONVERT THIS BUILDING TO A CONDOMINIUM. IT HAS BEEN SUBMITTED TO THE NEW YORK STATE DEPARTMENT OF LAW, REAL ESTATE FINANCE BUREAU. CONDOMINIUM UNITS MAY NOT BE SOLD OR OFFERED FOR SALE UNTIL THE OFFERING PLAN IS FILED WITH THE DEPARTMENT OF LAW.

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

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Sponsor and Principals
Sponsor's Engineer (Or Architect)
Sponsor's Expert Concerning Adequacy of Budget

A. SPECIAL RISKS

1. Unit and Building Conditions. **THE PROPERTY IS OFFERED IN ITS CURRENT EXISTING CONDITION "AS-IS, WHERE-IS, AND WITH ALL FAULTS," WITHOUT ANY OBLIGATION ON THE PART OF THE SPONSOR, SELLING AGENT OR ANY OTHER PERSON TO MAKE ANY REPAIRS OR IMPROVEMENTS, EXCEPT AS PROVIDED IN THIS PLAN. NO GOVERNMENTAL AGENCY HAS APPROVED THE ADEQUACY OF THE RESERVE FUND OR THE PHYSICAL CONDITION OF THE BUILDING.** The Units and the Building are being sold in the condition in which they exist at the time of signing the Purchase Agreement, subject to ordinary use, wear and tear and natural deterioration and subject, further, to the Sponsor's obligation to maintain the Building until the First Closing as required by applicable laws, rules and regulations. Purchasers are advised that the Building is pre-war construction and has not been substantially updated as of the date of filing of this Plan. There are various aspects of the Building and Units that should be considered by Purchasers prior to entering into a Purchase Agreement. For example, the Sponsor is only undertaking to make certain repairs, modifications, or changes as set forth in the Sponsor's Statement of Building Condition. Moreover, there are some conditions in the Building that some Purchasers may find unacceptable, which are solely due to the age of the Building (e.g., sloping floors). In addition to fully reading the Sponsor's Statement of Building Condition, Purchasers are strongly encouraged to visit the Building to inspect the foregoing, including the individual Unit. The Sponsor will permit prospective Purchasers to conduct a site inspection of the Building and Unit with a licensed or registered building professional prior to signing a Purchase Agreement to facilitate Purchasers obtaining a full understanding of the conditions of the Building and Units.

    a. In addition to the foregoing, the Sponsor will only be obligated to make repairs, modifications, or changes in or to any Unit expressly agreed to in writing or, if required by statute or regulations. However, the Sponsor is currently renovating Units 1C, 4A and 5A, and the Sponsor intends to repair and renovate any Units as they become vacant. In accordance with the statute, each Purchaser will be given 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. See Sections "Introduction," "Description of Property and Improvements" and "Procedure to Purchase."

2. Building Violations. There are outstanding violations regarding the condition of the Building. Please see Schedule A to the Description of Property and Specifications, attached herein as Exhibit 1 of Part II of the Plan, for a list of all outstanding violations. All open violations against the building will be cured at the expense of the Sponsor. Any outstanding violations within any of the Units will be cured by the Sponsor, but only to the extent that the Sponsor is given access to the Units. There are no current Con Edison safety alerts issued against the building. Any prior alerts have been lifted at the expense of the Sponsor. There are outstanding lead-based paint violations open against the building. All lead-based paint violations were corrected at the expense of the Sponsor. Sponsor is waiting on paperwork from HPD acknowledging that the violations were cured. See Section "Description of Property and Improvements."

a. On [redacted] the Division of Housing and Community Renewal issued an order that the legal regulated rent shall be reduced for certain occupied Units (the **"DHCR Order"**). The DHCR Order reduced the rent of rent controlled tenants by [redacted] per month, and for rent stabilized tenants, the rents were reduced to the level in effect prior to the most recent guideline's increase for each tenant's lease, with certain exceptions. The reductions were due to findings of certain conditions not being maintained in the Building, such as peeling paint, water stains on hallway ceilings, and inadequate janitorial services provided in the backyard and courtyard. In addition, DHCR ordered a rent reduction for one apartment in [redacted] and for another apartment in [redacted], due to a finding that services had not been maintained. Purchasers should note that the DHCR Order does not impact vacant Units offered for sale under the Plan. A redacted copy of each DHCR Order is attached hereto as Exhibit 16 in Part II of the Plan.

b. On [redacted] five tenants at the Building commenced an action against Sponsor in the Civil Court of the City of New York (Index [redacted]) (the "**Tenants Action**") relating to certain violations and conditions at the Building. On [redacted], in connection with the Tenants Action, the Court ordered Sponsor to correct certain violations occurring in the Building and in certain occupied Units. Sponsor is and has been cooperating with the foregoing court orders and will continue to endeavor in good faith to address required repairs in occupied Units, contingent upon tenants providing the required access thereto. Purchasers can review and check the current status of the Tenants Action online at the following webpage: https://iapps.courts.state.ny.us/nyscef/CaseSearch?TAB=caseIdentifier. Updates will be disclosed in subsequently-filed amendments.

c. Purchasers are further advised that as of the date of acceptance of this Plan, there are outstanding violations of record of the Housing Maintenance Code, Multiple Dwelling Law, Building Code, and other laws and regulations that exist regarding the condition of the Building and the Units. These violations have been issued by the New York City Department of Buildings (the "DOB") and the New York City Department of Housing Preservation and Development ("HPD"). Please see Exhibit 17 in Part II of the Plan for a list of all outstanding violations as of the date of acceptance for filing of this Plan. To the extent Sponsor continues to own any impacted occupied Unit, and to the extent the tenant provides access to Sponsor to make the required repairs, Sponsor will endeavor to address all violations that impact occupied Units. Sponsor will further continue to endeavor to correct additional violations at the Building that are not within occupied Units. Purchasers can check the status of DOB violations online at: https://www1.nyc.gov/nyc-resources/service/1279/building-violation-status and the status of HPD violations online at: https://www1.nyc.gov/site/hpd/about/hpdonline.page. Updates will be disclosed in subsequently-filed amendments.

3. The Sponsor hereby discloses that areas of the Building have tested positive for asbestos-containing materials ("ACM"). The details are set forth in the EBI Asbestos Screening Report in Exhibit 13" in Part II of the Plan. Given the foregoing, Purchasers should be aware that certain Unit Owners and the Condominium Board may be required to undertake certain precautionary measures at the time of renovations, repairs, or other work that could potentially

disrupt a suspect ACM, including but not limited to: (a) conducting a full survey of all areas of the Unit or Building to be disturbed during renovations, repairs or other work in conformance with the New York Department of Labor Code Rule 56, the New York City Department of Environmental Protection (Rules of NYC Article 15, Chapter 1) the PACNY survey and inspection guidance, regardless of whether such survey is otherwise required by law; (b) if applicable, the safe abatement or removal of any ACM identified in such survey, in each instance to be carried out in compliance with all applicable legal requirements and best practices relating thereto; and (c) abiding by any and all requirements set by the Condominium Board with regard to carrying out renovations, repairs, or other work in the Units or Building, which may include compliance with an Operations and Maintenance Plan for ACM. A copy of a proposed Maintenance and Operations Plan for the Building is set forth in Exhibit 18 in Part II of the Plan. BECAUSE OF THE FOREGOING, PURCHASERS ARE ADVISED THERE MAY BE ACM ABATEMENT OR REMOVAL PROJECTS AT THE CONDOMINIUM, INCLUDING, WITHOUT LIMITATION, ON THE FLOOR OF PURCHASER'S UNIT.

a. The Sponsor has undertaken ACM testing as required by the Department of Law regulations to determine whether there is any ACM in fireproofing or insulating materials in the Building. The results of such testing are set forth in Exhibit 13 in Part II of the Plan (EBI Asbestos Screening Report). Despite undertaking the testing required by the Department of Law regulations, the Sponsor has not undertaken additional testing to determine the status of all suspect ACM materials in the Building. Generally, any material that is not wood, glass, rubber or metal may be deemed a suspect ACM material. Despite the fact that the U.S. Environmental Protection Agency limited the use of ACM in fireproofing and insulating materials in 1973, and prohibited decorative uses in 1978, various building materials containing ACM continue to be manufactured worldwide and may be distributed to the United States. Therefore, Purchasers are advised that there may be additional testing requirements if a Unit Owner or the Condominium undertakes any work that may disrupt suspect ACM. Moreover, the ACM testing conducted by the Sponsor to comply with the Department of Law regulations did not test certain areas of the Building which should be tested prior to commencement of any work that could disrupt suspect ACM. In the event a material tests positive for ACM, additional requirements will in all likelihood apply, including but not limited to abiding by all applicable laws, rules and regulations governing the safe handling and remediation of ACM. The Sponsor cannot make any representations about the status of materials in the Building other than those set forth in this Special Risk and those made by EBI in the ACM Screening Report set forth in Part II of the Plan.

b. Purchasers can obtain additional information on the risks associated with ACM exposure by visiting the following website: https://www.epa.gov/asbestos/learn-about-asbestos#effects

c. See "Description of Property and Specifications" and "EBI Asbestos Screening Report" in Part II of the Plan for more information.

4. Each purchaser will be required to pay an additional $3,500.00 at closing to defray Sponsor's

costs, e.g., architectural costs, filing fees, legal fees and other costs incurred in creating the condominium. See Sections "Schedule A" and "Unit Closing Costs and Adjustments."

5. Pursuant to applicable law and regulation, the Sponsor may declare the plan effective by entering into contracts to sell a minimum of fifteen percent (15%) of the Units in the building, which is three (3) of the residential Units in the Building. Even if the plan is declared effective with a minimum number of sales, it is possible that the sponsor may be able to convert the building with fewer than the minimum number of sales, if purchasers counted toward effectiveness do not ultimately purchase an apartment.

   Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of the apartments in a building or group of buildings 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 or a group of buildings where the Sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where the investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. See Section entitled "Effective Date" for further details.

6. The Sponsor is the reserving the unconditional right to rent Units rather than sell Units. Accordingly, there is no commitment by Sponsor to sell more than 15% or three (3) Units which is necessary to declare the plan effective. Purchasers should note that owner-occupants may never gain effective control of the condominium. See Section entitled "Rights and Obligations of Sponsor."

   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 a majority of the Units are owned by owner-occupants or investors unrelated to the Sponsor and its Principal. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

7. The Plan will be deemed abandoned, void and of no effect if it does not become effective within fifteen (15) months from the date of acceptance for filing and, in the event of such abandonment, no new plan for the conversion of the building shall be submitted to the Attorney General for at least twelve (12) months after such abandonment. Additionally, Unit upgrade funds must be returned to Purchasers within five (5) days after the Amendment abandoning the Plan is accepted for filing. See section "Effective Date" for more details.

8. After the Plan has been declared effective, Sponsor will serve a notice setting a closing date, which date shall not be earlier than thirty (30) days from the date of such notice. TIME IS OF THE ESSENCE to close on such date. The failure to close by such date may result in the

Purchaser losing his down payment, but the sponsor may not retain more than 10% of the purchase price (regardless of the amount of the down payment), plus any amounts paid for any special work or extras. Any remainder will be returned to the purchaser with reasonable promptness thereafter. Sponsor has the right to postpone the closing date and to fix a new closing date within a reasonable time period. Additionally, following any Event of Default as listed in the "Procedure to Purchase" section of this Plan, Sponsor shall serve a notice upon Purchaser of the default and Purchaser shall have thirty (30) days with which to cure said default WITH TIME BEING OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. If such event of default is not cured within said thirty (30) days, Sponsor may retain as and for liquidated damages all payments made thereunder (but in no event to exceed ten (10%) percent of the total Purchase Price of the Unit, plus the cost of any special work in the Unit ordered by Purchaser). See Section "Procedure to Purchase" and "Definitions."

9. In the event a purchaser does not close on the Closing Date set forth in the Notice of Closing and the Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his apartment, interest shall accrue on the unpaid amount of the purchase price from the Closing Date or adjourned closing date until such amount is paid. The interest rate shall be sixteen percent (16%) per annum calculated at a daily rate of 0.04383561%. This rate shall be in effect for as long as there are any unpaid amounts owing towards the full purchase price. See Section "Procedure to Purchase" for further details.

10. Purchaser will be responsible for the following costs at closing, in addition to the purchase price and other closing costs (such as the $3,500.00 previously mentioned) listed in the Section "Unit Closing Costs and Adjustments":

    a. Although usually Seller's expense, Purchaser shall pay the Real Property Transfer Tax due to the City of New York. This tax is in the amount of one percent (1%) of the total purchase price of the Unit, if $500,000.00 or less; and 1.425% of the total purchase price of the Unit if over $500,000.00. The Purchaser shall also pay for the New York State Deed Documentary stamps (currently $2.00 per $500.00 or a fractional portion thereof of the purchase price) imposed by statute on the transferors of the property. For purposes of calculating the transfer taxes to be paid, consideration includes the transfer taxes paid by the purchaser. See Section "Unit Closing Costs and Adjustments" for further details.

    b. Purchasers shall be obligated to pay the following fees to Sponsor's attorney: (a) $2,000.000 for services rendered in connection with the preparation of documents; (b) $350.00 if the closing is held at any location other than Sponsor's attorney's offices by the request of Purchaser, Purchaser's counsel or Purchaser's lender; (c) $150.00 if E-forms for New York City Real Property Transfer Tax are prepared by Sponsor's Attorney; and (d) $250.00 for each time the closing is rescheduled through no fault of Sponsor or Sponsor's attorney (for the costs to fix a new Closing Date and time, to coordinate the attendance of all persons, to re-date the closing documents and to recalculate the closing apportionments).

c. Purchasers of a Unit from the Sponsor will be required to deposit at closing with the Board of Managers two (2) months' estimated common charges for his Unit to be used as working capital. The Sponsor will not be responsible for this contribution, however, on unsold Units. See Sections "Unit Closing Costs and Adjustments" and "Working Capital Fund" for further details.

d. At closing, the Sponsor will collect each purchaser's pro-rated share in the first year's insurance premium, and any pre-paid water and sewer, and any other pre-paid expenses, from the date of the closing until the end of the first year of condominium operation. This amount will be calculated in proportion to each purchaser's common interest and will be used to reimburse the Sponsor for payment of the first year's pre-paid expenses. See Section "Unit Closing Costs and Adjustments" for further details.

11. Each Unit owner is responsible for the payment of the electricity costs and gas cost (gas is used for cooking), of his individual Unit. The Plan provides that the budget charges (which include heating and water/sewer charges as part of the common charges) are to be divided among the Units in proportion to percentage of common interest, even though the Units may use heat or water in a different proportion. See Schedules B and B-1 and the notes to the schedules for further details.

12. Generally, any provision of the Declaration, the By-Laws, or the Rules and Regulations may be amended, modified, added to or deleted by the affirmative vote of 75% of all Unit Owners. However, for so long as Sponsor or its designee is the owner of one (1) or more Units, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or such designee without the prior written consent of every Unit Owner affected by such amendment. In addition, the Sponsor reserves the right without approval of the Board of Managers or any one Unit owner to make changes to any unsold Unit, and to the common areas of the building. Specifically, the Sponsor retains the right to make changes in size, layout and number of unsold Units, and the common areas including, annexing part of a hallway to part of one or more of the Units without the approval of the Board of Managers provided that all changes comply with the building code and all applicable laws and regulations. The result of said changes could include a smaller hallway, with larger Units, and said change may affect the percent common interest of the non-enlarged Units, by reducing the Units' Percent Common Interest, and increasing the Percent Common Interest of the enlarged Units. Said change will be documented in an amendment to the Plan and the Declaration if already recorded. Any material changes must be with the consent of any affected purchasers. Unless an affected purchaser receives a right to rescind their Purchase Agreement and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, no material change will be made in Unit size, layout or percentage of common interest, and no material adverse change will be made in the quality of common elements, if a purchase agreement has been executed and delivered to the Sponsor and the Purchaser is not in default. In addition, if any area of the building affects only two (2) Units, the two Unit owners may agree between each other how to allocate said area between their Units without the permission of the Board of Managers. See Section "Changes in Prices and Units" for further details.

13. The escrow account in which down payments or advances made by purchasers will be placed is covered by federal bank deposit insurance to $250,000.00 per individual deposit. Any deposit in excess of $250,000.00 will not be insured into the extent such amount exceeds $250,000.00. See Section "Procedure to Purchase" for further details.

14. All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. However, purchasers should note that such funds may be released from the escrow account by the escrow agent as long as the sponsor uses the funds for such upgrades or extras. As a result, in the event a purchaser is entitled to rescission, the purchaser will not receive a refund of any funds used for upgrades or extras. If the Plan is abandoned, however, such funds *will* be returned to Purchaser, in accordance with the Plan. See Section "Procedure to Purchase" for details.

15. No representation is made that the initial working capital fund will be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the initial capital fund, it may be necessary for the board of managers to increase the common charges. See Section "Working Capital Fund" for details.

16. Insurance coverage does not include claims for personal injury or property damage occurring within a Unit. Therefore, the Unit Owner should consider obtaining the following at his own cost additional insurance cost covering the contents of the Unit, personal property, and liability for personal injury as a result of occurrences in the individual Unit. See sections "Footnotes to Schedule B" and "Rights and Obligations of Unit Owners" for details.

17. All Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith, willful misconduct or gross negligence of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of the indemnification of the Board of Managers will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bear to the aggregate Common Interests of all Unit Owners. See Section "Rights and Obligations of Board of Managers."

18. Since the condominium board does not have the right to approve or disapprove purchasers, there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and accordingly there may always be a substantial percentage of owners who are non-residents. See Section "Introduction."

19. There are no limitations on who can purchase Units so that Units may be purchased as an investment purpose. After the initial sponsor control period, a majority of the board of managers need not be owner-occupants or members of an owner-occupant's household who are unrelated to the sponsor and its principals, purchasers for their own occupancy may never gain control of the board of managers under the terms of this plan. Owner-occupants and non-resident owners, including sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. See Section "Introduction."

20. In the event of a bulk sale by the Sponsor of all or some of its unsold Units, the transferee successor sponsor will be bound by the Sponsor's representation regarding its commitment to sell Units. See Section "Introduction."

21. The Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment concessionaire and other agreements and insurance policies and to enter into new agreements and policies that will be binding on the board of managers on the closing date. The Sponsor may not unilaterally change the terms of the offer. Services must remain comparable to what is in the budget. Any such new agreement which has the effect of materially increasing common charges or is binding on the board of managers for more than two years will be disclosed by a duly filed amendment to this Plan. See Section "Notes to Schedule B."

22. In addition to the Working Capital Fund which can be subject to reduction for closing apportionments, and in accordance with Title 26 § 703 of the Administrative Code of the City of New York, within thirty (30) days after the first closing, Sponsor shall establish and transfer to the 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 the building. 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. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

    Such fund shall be established in an amount equal to either: (i) three percent (3%) of the total offering price for the Units; or (ii) three per cent of the actual sales price of all condominium Units sold by the Sponsor at the time the plan is declared effective, provided, however, that if such amount is less than one percent (1%) of the total price, then the fund shall be established as a minimum of one percent (1%) of the total price; plus supplemental contributions to be made by the Sponsor at a rate of three per cent of the actual sales price of condominium Units for each Unit held by the Sponsor and sold to bona fide purchasers subsequent to the effective date of the plan and within five (5) years of the closing of the conversion pursuant to this Plan notwithstanding that the total amount contributed may exceed three percent (3%) of the total price; and provided, further, that if five (5) years from thirty (30) days after the closing of the first Unit pursuant to this Plan the total contributions by the Sponsor to the fund are less than three percent (3%) of the total price, the Sponsor shall pay the difference between the amount contributed and three percent (3%) of the total price. Supplemental contributions shall be made within thirty (30) days of each sale.

    The above contributions required may be made earlier or in an amount greater than so provided. Sponsor 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. Sponsor has plans to do work to the common area and receive a credit for the cost of said work. The Reserve Fund will therefore consequently be diminished by the cost of the improvements.

Whether or not Sponsor does indeed undertake said improvements, and their costs if Sponsor does so, will be set forth in a subsequent amendment to the Plan.

In Sponsor's opinion, the amount allocated to the reserve fund is sufficient for major capital improvements and replacements which are reasonably foreseeable within three (3) years from the date of this offering.

NEITHER THE DEPARTMENT OF LAW, NOR ANY OTHER GOVERNMENTAL AGENCY, HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL OR RESERVE FUNDS. NO REPRESENTATION IS MADE THAT SUCH FUNDS, EITHER AS PRESENTLY CONSTITUTED OR AS THEY MAY BE INCREASED BY SUBSEQUENT AMENDMENTS, ARE ADEQUATE OR SUFFICIENT TO PAY FOR NEEDED CAPITAL EXPENDITURES, EITHER AS MAY BE DISCLOSED IN THE "DESCRIPTION OF PROPERTY AND BUILDING CONDITION", OR AS MAY BE SUBSEQUENTLY DISCOVERED. See section entitled "Reserve Fund."

23. While the Sponsor is in control of the Board of Directors, the Working Capital Fund may not be used to reduce Closing Adjustments. Reserve funds pursuant to the Reserve Fund Law shall never be used to reduce common charges but may be used for the intended purpose of making capital repairs, replacements and improvements necessary for the health and safety of the residents of the building while Sponsor controls the Board or after relinquishing control to the Unit Owners. See sections entitled "Working Capital Fund" and "Reserve Fund."

24. The Sponsor is reserving the right to transfer air or developmental rights if any exists today, or if created in the future, for use in other buildings. The building undergoing conversion cannot be expanded, or expansion may be limited.

25. The obligations of a purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase 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. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the sponsor as to the availability or cost of such financing. See section entitled "Procedure to Purchase" in Part I of the Plan and the form Purchase Agreement in Part II of the Plan for more details.

26. Secured Loan Condition Rider. The Sponsor will approve a mortgage contingency to the Purchase Agreement if the proposed mortgage is applied for through Sponsor's Preferred Mortgagee, Citizens Bank N.A., NMLS#490562, Att: Ami Rosen, Office: (212) 857-6682, Cell: (917) 705-1900, Fax: (877) 556-0567, Email: ami.rosen@citizensbank.com. In the event that the Purchaser wishes to apply for a mortgage through a different lending institution, the Sponsor reserves the right to reject such lending institution unless the name of such lending institution is provided at the time of the contract and Sponsor consents at such time. In the event the Sponsor consents to permit a mortgage contingency, the purchaser may condition his Purchase Agreement upon obtaining a loan from an institutional lender doing business in New York of not more than 75% of the sales price and the Purchase Agreement will be modified by

appending to the Purchase Agreement, the Secured Loan Condition Rider set forth as Exhibit A to the Purchase Agreement in Part II of this Plan (the terms of which are also set forth in the "Procedure to Purchase" Section of this Part I, paragraph (c)). Purchasers should note that the financing commitment may expire or that the terms of the commitment may change prior to actual closing. See said Section for more details.

27. 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, it is our opinion that a Unit Owner who itemizes deductions will be entitled to deduct, for federal income tax purposes, real estate taxes in the amount of up to $10,000.00 a year assessed against his Unit. Purchasers should note, that the $10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000.00 threshold. In addition, a Unit Owner who itemizes deductions will be entitled to deduct, for federal income tax purposes, interest on any acquisition indebtedness up to $750,000.00. See Sections 163 (interest) and 164 (taxes) of the Internal Revenue Code of 1986, as amended (the "Code"). These expenses will be deductible when paid or accrued in accordance with the Unit Owner's method of accounting. Purchasers are advised to consult with their own private counsel or expert regarding how the new tax law will impact them See Section "Counsel's Income Tax Opinion."

28. 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. See "Notes to Schedule B."

29. The Condominium Board shall have the powers and duties necessary for administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws), including, to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements. With respect to the borrowing of any sum less than $500,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) the affirmative consent of a majority of all Unit Owners shall be not required. See section "Board of Managers" for more details.

30. The Sponsor is not providing laundry appliances, or hookups for laundry appliances, to the Units. Sponsor permits the installation of laundry appliances at the expense of the purchaser, provided the installation is proper. See Part II, "Description of Property" for further details.

31. The Sponsor is not providing window air conditioning Units to the Units. It will be the responsibility of the Unit owners to obtain same at the Unit Owner's own cost. See Part II, "Description of Property" for further details.

32. There are no mechanical ventilation systems. All areas requiring ventilation shall be direct vented. See Part II, "Description of Property" for further details.

33. Purchasers are advised that the below-grade cellar space, which shall include equipment spaces, may not be used for any residential uses including bedroom, dining room or any other use considered to be a habitable space as defined by the New York City Building Code. Any use of the cellar as a living or sleeping space may result in a violation being issued against the Building and/or the imposition of fines against the Building.

34. Certain tenants in the building receive the Senior Citizen Rent Increase Exemption (SCRIE) and the Disability Rent Increase Exemption (DRIE). If a Purchaser for investment purchases an occupied Unit with SCRIE or DRIE, certain restrictions apply. Therefore, any prospective purchaser for investment is advised to seek the status of a Unit prior to purchasing. Owners of SCRIE and DRIE Units should see the brochure regarding SCRIE and DRIE program and the effect these Units will have on property taxes. SCRIE and DRIE Unit owners should be advised that they will not be able to move into these Units unless they comply with the SCRIE and/or DRIE guidelines. Purchasers should consult with their attorneys prior to purchasing these Units. For the privacy of the tenants in the building, the exact units receiving SCRIE or DRIE is not provided herein, but available upon request. The SCRIE and DRIE Brochure can be found at: http://www.lawhelpny.org/files/B23B29BF-0DED-F7B9-2149-1DB14E1A7DE5/attachments/134B8C34-8767-47D3-9641-996DD540F566/scriedriebrochure.pdf

35. The Building is estimated to have been constructed in approximately 1900, after the enactment of the Tenement House Act of 1879 (the "Tenement House Law"), and prior to the enactment of the New York State Tenement House Act of 1901 (i.e., the "New Law"). Class "A" multiple dwellings constructed under the Tenement House Law and prior to the enactment of the New Law are commonly referred to as "Old Law Tenements". As is characteristic of Old Law Tenements, the Building has a dumbbell-shaped footprint, due to the air shafts on the eastern and western sides of the Building, and ground-level concrete courtyards at the base of each such shaft. The Building windows which face such courtyards on the east and west sides of the Building are located less than 30 inches from the respective lot lines shared with the westerly and easterly adjacent properties (the "Courtyard Windows"). For each such courtyard, on each above-ground level of the Building, 1 Courtyard Window provides natural light for a stairway, 2 Courtyard Windows provide natural light for bathrooms, and 3 Courtyard Windows provide natural light for living spaces within Units. While the Courtyard Windows are not close enough to the lot lines shared with the adjacent properties to be deemed "lot line windows" by DOB, they provide natural light for the spaces noted above (which natural light would be diminished in the event of adjacent construction), and would be subject to additional legal requirements if the Building was not an Old Law Tenement. Examples of current legal requirements which the Building does not comply with, and is not required to comply with by virtue of being an Old Law Tenement, or by virtue of an express exemption or allowance provided under applicable law, include the following:

    a. Many of the Courtyard Windows are close enough to a lot line that, if the Building were being newly constructed, the Courtyard Windows would require fire protection, such as glazing, wire glass or fire shutters, if any adjacent building was erected to the level of any such Courtyard Window. As the Building is an Old Law Tenement, however, Section 28-101.4.3 of the 2014 New York City Administrative Code allows the use of the 1968 Code, or, if the 1968 Code allows, a prior Code. Therefore, the Courtyard Windows do not have,

and are not required under such Code to have, any such fire protection.

b. The erection of an adjacent structure up to a shared lot line would negatively impact the availability of natural light and natural ventilation for the Courtyard Windows, in a manner which would be impermissible if the Building were being newly constructed. However, Section 54-11 of the Zoning Resolution of the City of New York (the "Zoning Resolution") states that the use of a non-complying building or other structure may be continued, except as otherwise provided in Chapter 4 of Article V of the Zoning Resolution regarding enlargements and conversions. Therefore, the use of the Building may continue pursuant to Section 54-11 of the Zoning Resolution, notwithstanding the diminution of natural light and natural ventilation. Any such adjacent construction would also negatively impact views from any particular Courtyard Window; however, the New York City Building Code does not impose requirements with respect to aesthetic matters such as views. Moreover, there is no guarantee that the law may not change in a manner that may require the Condominium to make changes to the Building in the event there is adjacent construction. In the event there is a change in the law during the time Sponsor or any successor thereto is selling Units under the Plan, Sponsor or its successor will update the Plan to disclose the impact of such change, as well as what changes, if any, must be made to the Building, as well as the impact to the Condominium.

c. The natural light, natural ventilation and/or views from the westerly Courtyard Windows in the Units on the first and second floor of the Building are currently significantly impaired by both an existing adjacent 1-story building and an existing adjacent 2-story building. As noted above, such configuration would be impermissible if the Building were being newly constructed; however, as the Building is an Old Law Tenement, the use of the Building may be continued pursuant to Section 54-11 of the Zoning Resolution, and there are no requirements under the New York City Building Code with respect to aesthetic matters such as views.

d. Section 212.4. of the Multiple Dwelling Law provides that in every Old Law Tenement:

> "there shall be a door at the bottom of every shaft and inner court giving access to the shaft or court and whenever the shaft or inner court is less than two hundred square feet in area or ten feet in any dimension, such door and its assembly shall be fireproof with the door self-closing."

However, such Section further provides as follows:

> "Where a window or door existing on April eighteenth, nineteen hundred twenty-nine, gives proper access to such a shaft or court, such window or door shall be deemed sufficient."

As there is a window at the bottom of each of the Building shafts (each, a "Shaft Window"), and each such Shaft Window was in place as of April 18, 1929, such Shaft Windows are deemed sufficient and there is no fireproof, self-closing door as would otherwise be required under such Section.

36. The Shaft Windows were previously neglected for many years, with missing and/or broken Shaft Windows resulting in portions of the interior of the Building being exposed to the elements, birds and/or other animals, prior to recently being temporarily sealed with plywood. As is noted in the Description of Property, the Shaft Windows will be replaced by Sponsor not later than the First Closing.

37. As is described in the Description of Property, the existing roof is of indeterminate age, does not have a warranty of any kind, and was installed over previous roofing materials. Sponsor has applied a fibrated aluminum roof coating over the existing top membrane of the roof in order to provide protection from ultraviolet light; however, such coating does not improve the waterproofing properties of the existing roofing, and does not constitute a new layer of the roof. As Section 28-101.4.3 of the 2014 New York City Administrative Code allows the use of a prior Code with respect to roof conditions (with several exceptions, none of which are applicable to the Building roof), such prior Codes are applicable to the Building roof. Accordingly, compliance with 2014 New York City Administrative Code Sections 1510.1 to 1510.6 (relating to reroofing for prior Code buildings) is required for the Building roof. Code Section 1510.3.3 requires that all existing layers of roofing be removed prior to the installation of a new roof, where two or more applications of any roof covering are present. As described above, the existing roof has two layers; therefore, any reroofing of the Building will require the following:

    a. The installation of positive drainage through the introduction of tapered insulation, joist replacement or other means pursuant to Code Section 1510.1.1;

    b. The repair of the deck and supporting joists, pursuant to Code Section 1510.2;

    c. Removal of the existing roof down to the roof deck, pursuant to Code Section 1510.3;

    d. The existing roof system does not include secondary drainage, which is required per Code Section 1503.4, or parapet wall scuppers, which are required in new buildings per Code Section 1503.4.2; and

    e. In the event of any replacement of the roof framing, the same will require compliance with Local Law 94 of 2019, which requires the installation of solar panels or a "green" roof in compliance with such Local Law.

    Purchasers are advised that Sponsor does not intend to procure a warranty for the roof, and that therefore the procurement of a roof warranty (if desired), as well as any repair and replacement of the roof (which is a General Common Element of the Condominium) will be the collective responsibility of the Unit Owners. Furthermore, as is noted in the Description of Property, the roof slopes toward the center of the East façade, where an area of flat roof interferes with complete drainage and allows ponding. There is no secondary drainage system, and no parapet scuppers at the roof.

38. As noted in the Description of Property, there are no known functioning drains in the courtyards, and it is unknown whether any part of the courtyards are paved. If, upon

investigation, the yard is unpaved, storm water will be absorbed by the earth. If paving is discovered, any existing drains will need to be repaired to be workable, or new drains installed. Should a new drain be required the increased impervious surface on the site will require DEP approval relating to the availability of a public combined or storm sewer per 2014 NYC Plumbing Code 106.6.2. In such event Sponsor will amend the Plan to disclose the same and update the Description of Property.

39. The Building is estimated to have been constructed in approximately 1900. Buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as Exhibit 15 in Part II of the Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for lead paint.

40. The Description of Property in Part II of the Plan provides a description of the current boiler. Based upon a visual inspection, the boiler appears to be more than 25 years old, is in fair condition, but has passed the typical useful life. Therefore, Purchasers are advised that the Condominium Board will in all likelihood need to either rebuild or replace the boiler in the near future. The Condominium Board will be required to obtain one or more bids to determine the scope of work for replacing the boiler. Since Sponsor is not currently undertaking the replacement or repair of the boiler, an estimate cannot be provided with accuracy as to the scope and costs of such work associated with repairing or replacing the boiler. Notwithstanding, such work should be treated as a major capital improvement, and may be paid for out of the Reserve Fund account, to the extent such funds are available.

41. The Description of Property in Part II of the Plan provides a description of the current burner. Based upon an inspection of DOB records, the previous burner, which used oil, appears to have been replaced in 2015 with a gas burner. With proper maintenance, it is estimated that the burner may last three years or less. Therefore, Purchasers are advised that the Condominium Board will in all likelihood need to replace the burner in the near future. The Condominium Board will be required to obtain one or more bids to determine the scope of work for replacing the burner. Since Sponsor is not currently undertaking the replacement or repair of the burner, an estimate cannot be provided with accuracy as to the scope and costs of such work associated with repairing or replacing the burner. Notwithstanding, such work should be treated as a major capital improvement, and may be paid for out of the Reserve Fund account, to the extent such funds are available.

42. The Sponsor will create cellar storage rooms to service the Units which will be retained by the Sponsor. The storage rooms are part of the Common Elements. The storage rooms will be conveyed via revocable licenses by the Sponsor and/or the Condominium Board to purchasers of licenses. Alternatively, in the event Units are vacated on the first floor, Sponsor reserves the right to use said storage area in cellar as accessory space for the first floor Units. The residential cellar space appurtenant to a unit may not be used for sleeping or dining space. That cellar

space has less light and air than ordinary living space and it is more susceptible to dampness. See "Description of Property and Floor Plans."

43. In New York City, any Plan that involves construction where tenants live in the building, regardless of whether construction is taking place in an individual unit or units or building-wide, or whether the construction is taking place on an unoccupied floor, requires the filing of a Tenant Protection Plan. See New York City Administrative Code § 28-104.8.4 (the "Tenant Protection Law"). The Sponsor has filed a Tenant Protection Plan with the DOB with the intention of renovating Units 1C, 4A and 5A, and Sponsor intends to repair and renovate any Units as they become vacant. Any other changes in plans for any work will be disclosed in duly-filed amendments. The Tenant Protection Plan is included as Exhibit 14 Part II of the Plan.

44. The Department of Law published a memorandum regarding tenant buyouts as a guidance document pursuant to State Administrative Procedure Act Section 102(14). Accordingly, to the extent permitted by law, Sponsor reserves the right to selectively offer regulated and unregulated tenants, 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. Buyout offers may not violate anti-discrimination laws, including but not limited to the federal Fair Housing Act of 1968, the federal Fair Housing Act Amendments Act of 1988 and the New York State Human Rights Law. A tenant in a rent-regulated unit may not accept a buyout offer until Department of Law has accepted the Plan for filing.

45. The New York City Administrative Code requires the establishment and disclosure of a smoking policy for the Condominium. As set forth in the Residential Rules and Regulations, smoking is prohibited within the Common Elements and Limited Common Elements of the Residential Section, except as otherwise expressly set forth therein. The smoke-free areas of the Condominium apply to Unit Owners and any guest, agent, licensee, tenant or invitee of a Unit Owner, as well as any other occupants of Units, all of whom are hereby prohibited from smoking or permitting smoking in such areas. Notwithstanding the foregoing restrictions, smoking shall be permitted inside the Units. *See* the "Smoking Policy" for the Condominium in the "Bylaws" in Part II of the Plan for more information.

46. Pursuant to amendments to the New York Business Corporation Law (the "BCL") and the New York Not-For-Profit Corporation Law (the "NPCL"), boards of condominiums and cooperative corporations are required to provide each director with the conflict of interest section of the applicable law and submit an annual report to its members or shareholders regarding related party transactions. The Conflict of Interest Policy for the Condominium is attached hereto as Exhibit 19 in Part II of the Plan. Purchasers are advised to review the By-Laws and Conflict of Interest Policy for further details. *See* "Bylaws" in Part II of the Plan for more information.

47. This Plan includes a certification by Sponsor and Sponsor's principals (the "Sponsor Certification") pursuant to 13 N.Y.C.R.R. § 23.4(b) of the Department of Law regulations. Sponsor's principals have executed the Sponsor Certification solely for the purpose of complying with such Department of Law regulations. Consistent with New York court decisions, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Sponsor Certification, absent liability under another statute or under an alter-ego or other veil-piercing theory. See *Board of Managers of 125 North 10th Condominium v. 125North10*, 150 A.D.3d 1065 (2d Dept. 2017); See also *Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al., 2013 N.Y. Slip Op. 03574 (1st Dept. May 16, 2013)*. *See* "Rights and Obligations of Sponsor" in Part II of the Plan for more information.

48. 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 residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. 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 Section entitled "Sponsor's Statement of Building Condition" in Part I of the Plan for further details.)

49. It is the responsibility of each Unit Owner 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. 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. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers," in Part I of the Plan for further details.)

50. Floor Plans depicting the 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 are approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and, to varying degrees, will significantly exceed the finished floor area. Floor area measurements may include columns, shear walls, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available or useable floor area. *See* the actual measurements on "Schedule A" of the Plan and the "Floor Plans" in Part II for more information.

    a. Each Unit is measured horizontally from the exterior side of the exterior walls or exterior glass to the centerline of the partitions separating Units or to common side of Common Elements not within a Unit or to the exterior side of the opposite exterior

walls or glass, provided, however, columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits in all Units are not deducted from the measurement of each Unit.

b. The ceiling heights are measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling above. Ceiling heights are estimates only and may vary within any given room or Unit. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The cellar has an approximate floor to ceiling height of 7'-6". The 1st floor has an approximate floor to ceiling height of 10'-3". The 2nd and 3rd floors have an approximate floor to ceiling height of 9'-7". The 4th floor has an approximate floor to ceiling height of 9'-9". The 5th floor has an approximate floor to ceiling height of 9'-6". The clearance between the top of the finished floor and the bottom of the finished ceiling in the Units will typically be approximately 8' 7" in major areas including living/dining rooms and master bedrooms. Ceiling heights in kitchens and bathrooms will be approximately 7'-6". A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in Schedule A and on the Floor Plans, by 5% or less is not a material and/or adverse change. (See the "Notes to Schedule A" in the Description of Property in Part II of the Plan for further details.)

c. It is anticipated that the square foot area of each Unit set forth in Schedule A of this Plan shall be approximately the same square foot area of each Unit set forth in the Declaration.

d. The room count and square footage for each Unit is based upon the current conditions of the Unit and were confirmed by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or square footage method utilized by the Real Estate Board of New York. Because the measurements are not based upon measurements from interior surfaces of interior walls, the square footage areas of the Units provided herein may significantly exceed the usable floor area of each Unit, and may include, among other things, shaft ways, chases, walls and mechanical spaces. The method of measurement is applicable to all Units. Since all Units are built, the burden lies solely on Purchaser to verify the actual usable square footage and room count prior to closing. Under no circumstances shall Purchaser have any claim against Sponsor involving square footage or room count, it being fully understood that Purchaser has a full and fair opportunity to both inspect and measure the Unit prior to entering into a Purchase Agreement.

e. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan is approximate, within reasonable tolerances, of the square footage and layout of the Unit in question. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Purchasers are advised that the actual layout of a Unit may have been altered by the tenants thereof or others, and any nonmaterial variations will not affect a Purchaser's obligations under his or her Purchase Agreement

or the Plan. Sponsor will have no liability to any Purchaser of a Unit, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of an immaterial inaccuracy or error in the Floor Plans. Each Unit shall be inspected by the Purchaser thereof prior to purchase to determine its actual dimensions, layout and physical condition. Each Purchaser will be given a reasonable opportunity to examine the Unit prior to Closing, subject to the rights of any tenant in occupancy, and is urged to make careful inspection thereof. If there are any material and adverse variations with respect to the Unit measurements, the Purchaser is entitled to rescission.

f. The square foot areas determined using the methodology set forth above would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces may yield significantly lesser actual useable floor area for each Unit. See the actual measurements on "Schedule A" of the Plan and the "Floor Plans" in Part II for more information.

51. On November 8, 2019, the U.S. Financial Crimes Enforcement Network ("FinCEN") issued a Geographic Targeting Order (as the same may be further revised, the "Order"), requiring title insurance companies to collect and report certain information about persons involved in certain real estate transactions, including, but not limited to, residential "all cash" transactions, *i.e.*, non-financed residential real estate purchases. The Order supersedes FinCEN's previously issued Geographic Targeting Orders respectively dated January 13, 2016, July 22, 2016, February 21, 2017, August 22, 2017, and April 13, 2018, November 15, 2018, and May 14, 2019.

a. The Order directs title insurance companies to report to FinCEN the identities of the beneficial owner(s) or holder(s) of 25% or more of the direct or indirect equity interest in a legal entity that is buying residential real estate in which: (i) the purchase is by a "Legal Entity," (which is defined in the Order as corporations, limited liability companies, partnerships, or other similar business entities, whether formed under the laws of a state, or of the United States, or a foreign jurisdiction); (ii) the purchase price is in excess of $300,000.00; (iii) the property is located in certain areas specified in the Order (which includes Boroughs of Brooklyn, Queens, Bronx, Staten Island, or Manhattan in New York City, New York); (iv) such purchase is made without a bank loan or other similar form of external financing; and (v) such purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency. The Order is set to expire on May 9, 2020 but is subject to further extension by FinCEN.

b. Purchasers should consult with their attorneys and with their title insurance company to fully understand the reporting requirements of the Order. To the extent any of the FinCEN requirements are applicable to Purchaser's transaction, Purchasers should make arrangements to provide the title company with any necessary information in advance of closing so as to permit the title company to insure title and comply with the title company's closing and reporting requirements pursuant to the Order. Sponsor shall have no obligation whatsoever in connection with satisfying any requirements of

Purchaser's title insurer or otherwise with respect to the Order; and Purchaser will be fully liable for any additional costs or delays to Closing relating thereto.

52. Sponsor is undertaking capital improvements to the Common Elements of the Condominium, as well as making upgrades and repairs to major Building systems.

Sponsor is offering all Existing Tenants, at no cost to them, the opportunity to have their individual Units renovated, in accordance with the scope of work specified at Exhibit 12 in Part II of the Plan (the "Renovation Work"). Sponsor is also offering Existing Tenants the opportunity to relocate to one of two Temporary Relocation Suites (defined below) located within the Building while the Renovation Work is being performed, subject to the terms described below. Relocation is not mandatory and Existing Tenants may choose to not accept the offer of relocation (the "Relocation Offer"). **In addition to the foregoing, the Renovation Work shall not commence while the Executive Order of Governor Andrew M. Cuomo declaring a state of disaster emergency in New York due to the COVID-19 pandemic is in effect, to the extent such Executive Order places limitations on the commencement and/or completion of Renovation Work.**

The procedure for Existing Tenants to elect to have Renovation Work performed and to accept the Relocation Offer is as follows:

a. Any Existing Tenant may elect, during the six-week period commencing on the presentation date of this Plan (the "Election Period"), to have the Renovation Work performed on his/her unit by returning to the Sponsor a signed copy of the Temporary Relocation License Agreement attached hereto as Exhibit 11 in Part II of the Plan (the "Temporary Relocation License Agreement") by mail or by hand delivery to the attention of Jonathan Weinberger at 85 Delancey Street, New York, New York 10022. Sponsor represents and warrants it shall perform the Renovation Work for any Existing Tenant who so elects during the Election Period. Moreover, Renovation Work will not commence while the Executive Order of Governor Andrew M. Cuomo declaring a state of disaster emergency in New York due to the COVID-19 pandemic is in effect, to the extent such Executive Order places limitations on the commencement and/or completion of Renovation Work.

b. Sponsor represents and warrants that it will comply with all terms of the Temporary Relocation License Agreement. Existing Tenants are urged to seek the advice of counsel prior to signing any Temporary Relocation License Agreement.,

c. Sponsor will set aside two Units located within the Building for the sole use as temporary relocation suites for Existing Tenants who have elected during the Election Period to have the Renovation Work performed on their units (the "Temporary Relocation Suites").

d. Sponsor will maintain a record of the order in which it receives every Existing Tenant's election for Renovation Work. If elected by an Existing Tenant during the Election Period, the Renovation Work will be performed in the order in which the requests for Renovation Work are received by the Sponsor.

e. Because Sponsor is setting aside only two Temporary Relocation Suites, and more than two Existing Tenants may elect to have the Renovation Work performed, Sponsor may not be able to immediately perform the Renovation Work for every Existing Tenant who so elects during the Election Period. The actual start date for Renovation Work will be different for each Existing Tenant who accepts the offer, and will be individually negotiated between the Existing Tenant and Sponsor. See "Temporary Relocation as an Accommodation to Tenants in Furtherance of Renovation Plans" for more information on temporary relocation of Existing Tenants in Part I of the Plan.

f. Each Existing Tenant who accepts the Renovation Work offer will receive a written notice at least 15-business days in advance of date by which, if they elect to relocate and if a Relocation Suite is available, they must quit their use of, and move out of their Unit (the "Temporary Relocation Apartment Move Notice"). Similarly, once the Renovation Work is complete such Existing Tenant will receive a written notice at least 15-business days in advance of date by which they must quit their use of, and move out of, the Temporary Relocation Suite, and return to their Unit ("Return to Stabilized Apartment Move Notice"). See Exhibit 22 in Part II of the Plan for the forms of Notices exhibited to the Temporary Relocation License Agreement.

g. After the Election Period ends, Sponsor may choose, at its sole discretion, to permit Existing Tenants to elect to have Renovation Work performed in their individual Unit. However, to take advantage of Renovation Work, Existing Tenants are strongly encouraged to elect to take advantage of Renovation Work during the Election Period.

h. Due to the nature of the Renovation Work, Existing Tenants are advised that temporary relocation is being provided by Sponsor for the sole purpose of completing the Renovation Work and is in the best interest of each Existing Tenant who accepts the offer of Renovation Work.

i. Sponsor's performance of the Renovation Work shall not entitle Sponsor to, and Sponsor will not endeavor to, increase the legal regulated rent for the Stabilized Apartment under any rule governing rent increases for rent stabilized apartments. Sponsor agrees that such Renovation Work will not qualify as an "individual apartment improvement" or "major capital improvement" under rent regulation.

j. Tenants should note that as part of the Renovation Work, Sponsor will replace existing wood floors with new wood floors. However, the installation of new wood floors, which will be performed in accordance with applicable laws, rules and regulations, may not result in a reduction of the sloping in the Unit, and therefore may not meet the same industry standards that would be acceptable for wood floors being installed in a newly constructed building. Regardless of the foregoing, generally sloping floors are not a violation of applicable laws, rules and regulations and are common in older buildings in New York City. However, if sloping floors are associated with certain underlying conditions such as compromised floor joints or structural issues, it may result in code violations, in which case, the sloping floors and the cause thereof would require correction. In the event the cause of sloping floors is due to compromised floor joists or structural issue as opposed to

shifting which is common in older buildings in New York City, then the underlying cause of the sloping floors may result in a violation of applicable laws, rules and regulations, and would therefore need to be remedied. For so long as the Building is owned as a rental, the landlord and owner of such Building would be responsible for the correction of sloping floors. In the event the Building is converted to Condominium and the cause of sloping floors is a structural issue involving the Common Elements of the Building, then all Unit Owners would be responsible for the correction thereof. Both Tenants and Purchasers should take this into consideration when deciding whether to purchase a Unit in the Building.

B. INTRODUCTION

Purpose of the Plan

The purpose of the Plan is to set forth all the material terms of the offer to sell these apartments as condominium Units. The plan may be amended from time to time to reflect changes which materially affect the offering. All amendments will be filed with the New York State Department of Law and will thereafter be served upon one tenant per Unit, purchasers who have executed and delivered Purchase Agreements to the Sponsor or Selling Agent and are not in default, Unit Owners and any other person entitled to service pursuant to 13 N.Y.C.R.R. § 23.1(d).

The Offer

The Sponsor presents this Plan (the "Plan") for the conversion of condominium ownership of the Property pursuant to and in compliance with Article 9-B of the Real Property Law of the State of New York, as amended (the "Condominium Act"). The condominium shall be known as The 66 West 138th Street Condominium (the "Condominium").

The Plan encompasses the land, the structure and all appurtenances thereto at the following address: 66 West 138th Street, New York, New York (the "Building"). The Sponsor is 66 West 138 LLC, a New York limited liability company with an address at 85 Delancey Street, New York, New York, 10002 (hereinafter collectively referred to as the "Sponsor"). The Sponsor acquired the property on October 21, 2015. There is one (1) existing building on the site containing rental apartments and which is being converted to condominiums. The building and land are hereinafter collectively referred to as the "Property."

There are a total of twenty (20) residential Units in the Condominium being offered for sale under this Plan. The common areas of the building including the lobby, the hallways, the roof (which is not accessible to occupants), the rear yard and the cellar are not being offered for sale. The Sponsor will create cellar storage rooms to service the Units, which will be retained by the Sponsor. The storage rooms are part of the Common Elements. The storage rooms will be conveyed via revocable licenses by the Sponsor and/or the Condominium Board to purchasers of licenses. Alternatively, in the event Units are vacated on the first floor, Sponsor reserves the right to use said storage area in cellar as accessory space for the first floor Units. The residential cellar space appurtenant to a unit may not be used for sleeping or dining space. That cellar space has less light and air than ordinary living space and it is more susceptible to dampness. The purchase prices and estimated Common Charges for each of the Units are listed in "Schedule A -- Offering Prices and Related Information." THE PRICES CONTAINED IN THE PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARM'S LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY GOVERNMENTAL AGENCY.

Tenants who sign a Purchase Agreement for their Unit during the ninety (90) day period following the acceptance and presentation of the Plan (the "Ninety Day Exclusive Period") will be allowed to purchase the Unit they occupy for the price set out in the column "Offering Price for Tenants" in the Schedule A (below). There will be no increase in the Offering Price for Tenants during the Ninety Day Exclusive Period, and Sponsor will not accept Purchase Agreements from

non-tenant purchasers for occupied Units during the Ninety Day Exclusive Period. Following the Ninety Day Exclusive Period, or if Tenants wish to purchase a Unit other than the Unit they occupy, the purchase price will be as set out in the column "Offering Price for Non-Tenants." This column also represents the offering price for non-tenants wishing to purchase vacant Units within the Ninety Day Exclusive Period.

Due to the fact that Sponsor must sell a minimum of 15%, or three (3) Units, to (i) Tenants in Occupancy without discriminatory repurchase agreements or other discriminatory inducement or (ii) bona fide purchasers who represent that they or one or more specified members of their immediate family intend to occupy the Unit if it is, or when it becomes, vacant, and due to the fact that this offering is classified as a non-eviction offering and there may be tenants in the building who wish to remain as tenants and not purchase their Units, the time it takes for Sponsor to consummate the Plan effective may be prolonged.

Although Sponsor will endeavor in good faith to sell all the Units in the building as they become vacant, Sponsor is reserving the unconditional right to rent Units rather than sell Units. Accordingly, there is no commitment by Sponsor to sell more than 15% or three (3) Units, which is necessary to declare the plan effective. In addition, the By-laws do not contain a provision that, after an initial Sponsor voting control period a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principal(s). Purchasers should note that owner-occupants may never gain effective control of the condominium.

The plan can be declared effective based on sales of 15% of the units to tenants or bona fide purchasers for their own occupancy, accordingly purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time and owner-occupants may not control the Board or operation of the property during such transition or ever, unless the By-Laws provide for an owner-occupant majority on the board. Rent regulated, non-purchasing, tenants, who have a right to continued occupancy, may affect the speed of the conversion process. Unit owners and renters may have inherent differences regarding the operation of the building.

In the event of a bulk sale by the Sponsor of all or some of its unsold Units, the transferee successor sponsor will be responsible for all obligations under the Plan for those Units. The Sponsor will provide a financially responsible entity or individuals who will assume the status and all of the obligations of the Sponsor for those Units under the Plan, applicable laws and regulations. A bulk sale is a sale by the Sponsor of ten (10) Units or twenty percent (20%) of the Units (whichever is less) to one purchaser not purchasing for occupancy by the purchaser or one or more members of his or her immediate family. In this condominium, four (4) Units will have to be sold to constitute a bulk sale.

This Plan including all Schedules and Parts A, B, C and D of the Exhibits constitute the entire Offer of the Sponsor, and copies of the Plan and Parts A, B, C and D of the Exhibits will be available for inspection by prospective purchasers without charge at the Property Site whenever the on-site office is open, and at the office of the selling agent or the Sponsor.

<u>Basic Aspects of Condominium Ownership</u>

The ownership of a condominium Unit is similar in many respects to the ownership of a private home. Each purchaser owns his Unit outright, in fee simple absolute, and is entitled to exclusive possession of his Unit together with an interest in and right to use the Common Elements and the Limited Common Elements. The Common Elements essentially consist of all parts of the Property other than the Units themselves, are owned by all of the Unit Owners as tenants in common, each having an undivided interest therein. In this Plan, the Sponsor reserved the right to enclose and annex part of the hallway as part of one or more of the first floor Units. The result of said change would be a smaller hallway, with larger Units and said change may affect the percent common interest of the non-enlarged Units, by reducing the Units Percent Common Interest, and increasing the Percent Common Interest of the enlarged Units. Said change will be documented in an amendment to the Plan and the Declaration if already recorded. Additionally, Sponsor will grant a right of rescission, for fifteen (15) days, to any purchaser not in default on their Purchase Agreement. In addition of any area of the building affects only two (2) Units, the two Unit owners may agree between each other how to allocate said area between their Units without the permission of the Board of Managers.

The Common Elements consist of all portions of the Condominium Property that are not designated as Units or parts thereof. The Common Elements include, generally, but without limitation, the Condominium Property including the portions on which the Building are erected.

Limited Common Elements

Limited Common Elements generally are those Common Elements reserved for use and enjoyment by one or more, but fewer than all Unit Owners. An easement is granted in all Limited Common Elements in favor of those Units which they are designed to serve, or to which they are otherwise expressly allocated. In this Condominium, there are no limited common. Storage rooms which will be located in the Cellar, and will be conveyed by the Sponsor and/or the Condominium Board to Purchasers of Licenses. All other areas are either (i) designated for specific Unit use as Unit Area; or (ii) reserved for the use of all Unit owners as common area; or (iii) retained by Sponsor.

Common and Limited Common Elements are not subject to partition nor are they severable from the Units except in accordance with The Condominium Act (Article 9-B of the Real Property Law).

Common Charges

Each Unit Owner must pay Common Charges in accordance with the New York Condominium Act, Real Property Law Sections 339-i and 339-m. These charges are payable on a monthly basis. Common Charges have been estimated by the Sponsor and include fire insurance for the Units and the Common Elements, liability insurance for the Common Elements, and maintenance and operation of the Common Elements. Each Unit Owner is obligated to comply with the Declaration, the By-Laws, Rules and Regulations of the Condominium and any other requirements of the Board of Managers. For more information on Common Charges and how they are assessed, see Article VI of the By-Laws attached hereto as Exhibit 6.

Ownership/Leasing of Units

Other than as set forth herein, there is no restriction upon ownership of a Unit.

Any Unit Owner may sell or lease his or her Unit to anyone (said purchaser or tenant hereinafter being referred to as an "Outside Offeror"), without restriction or limitation, subject only to Civil Rights laws and the right of first refusal in favor of the Board of Managers of the Condominium (the "Condominium Board") or a third party produced by the Condominium Board to acquire or lease such Unit upon the same terms that were offered to the Outside Offeror.

The board of managers will notify the Unit Owner offering his/her Unit for sale (Offeree Unit Owner) of its intention to exercise the right within fifteen (15) business days from the date the Unit Owner gives notice of intended sale or lease. The Board of Managers must exercise any right of first refusal within fifteen (15) business days from the date said notice was received by the Offeree Unit Owner;

The Condominium Board shall not exercise any option to purchase any Unit without the unanimous prior approval of the Unit Owners other than the Offeree Unit Owner ("Remaining Unit Owners"). Accordingly, if one (1) Unit owner offers his Unit for sale, the Condominium Board may not exercise the option to purchase the Unit unless the Remaining Unit Owners unanimously agree to purchase the Unit.

The Remaining Unit Owners may reach an agreement between themselves under which the right of first refusal shall be exercised by one (1) of the Remaining Unit Owners (the "Purchasing Unit Owner"), who will then be responsible for closing on such Unit and will be required to fulfill all the terms and conditions set forth in Section 7.7 of the By-Laws, "Acceptance of Offer." In such event, such title may be closed in the name of the Purchasing Unit Owner and the parties may agree between themselves as to the terms and conditions of the voting power, operation and maintenance of the property, repairs, and improvements, so as to take into account the voting power of each of the Unit Owners.

If the Board elects to purchase such Unit or produce a third party to acquire such Unit, the purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a special assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 of the By-Laws 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 Condominium other than the Unit to be purchased together with its Appurtenant 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 Purchase Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree

Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Purchase Agreement to the contrary. Real estate taxes (including water charges and sewer rent, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Purchase Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as provided in the By-Laws.

In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and 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 Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord. In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit owners, or if one of the Remaining Unit Owner exercises the right to lease the apartment, such Unit Owner shall be responsible for any damages caused to the Unit by the occupant.

In the event the Unit is purchased by the Board of Managers or by a third party produced by the Board of Managers, the Board shall then be able to offer the Unit for resale or sublease. If offered for resale, the proceeds of said sale shall be used (i) to replenish the capital and/or expense accounts of the Condominium; (ii) pay back the Remaining Unit Owners who were levied a special assessment for the purchase of the Unit; or (iii) to pay down any existing mortgages encumbering the Unit including the Board's own lien for unpaid Common Charges. If the proceeds exceed the amounts used to purchase the Unit, the excess shall be deposited into the capital and/or expense accounts of the Condominium. Common charges and real estate taxes will be paid for by income from sale or lease of the Unit.

In the resale of the Unit, the Board of Managers 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.

The provisions of the By-Laws requiring a Unit Owner to obtain the written consent of the Board of Managers, waving its right of first refusal on a sale or lease of a Unit, do not apply to the Sponsor or its designee. Note that the following is merely a summary of conditions for the resale or lease of a Unit, and you are referred to Article 7 of the By-Laws attached hereto for detailed restrictions on sale, resale or leasing of Units. Any deed to a subsequent purchaser must provide that the acceptance thereof by the grantee constitutes an assumption of the provisions of the Declaration, the By-Laws, and the rules and regulations of the Condominium as they may be amended from time to time.

No Unit Owner may convey or mortgage title to his Unit without including therein the appurtenant interest.

No Unit Owner is permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he has paid in full to the Board of Managers all unpaid Common Charges previously assessed by the Board of Managers against his Unit, and until he shall have satisfied all unpaid liens against the Unit, except permitted mortgages.

No Unit Owner may mortgage his Unit except by a first Mortgage made to a bank, trust company, insurance company, savings and loan association, pension fund, or other institutional lender, or by a purchase money mortgage taken by a Unit Owner in the sale of a Unit. Any such mortgage must be substantially in the form on file with the Board of Managers, except for such changes or additions which may be necessary in order to permit or induce the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers.

Mortgage Encumbering the Premises

Purchasers should note the building has an outstanding lien encumbering the property as follows:

The Sponsor has secured financing for the purchase and conversion of the Premises through New York Community Bank, 102 Duffy Avenue, 3rd Floor, Hicksville, NY 11801 (hereinafter "Lender"), in the amount of $2,495,000.00.

The Lender shall allow for the conversion of the Premises to condominium ownership, subject to receipt and review to the satisfaction of the Lender and its counsel, of this Plan. In order to release a Unit, the Sponsor must make a principal reduction equal to or greater of (i) 125% of the Unit's pro rata share of the mortgage (as determined by the Lender at the time of Closing based upon the original principal loan balance) or (ii) 85% of the Unit's net sales price as determined by the Lender. The Lender requires thirty (30) days' written notice of Sponsor's intention to release a Unit. As a fee, the Lender will charge 1% of the principal reduction amount to release each Unit. In the event of a bulk sale (3 or more Units), or a sale to a purchaser owning three (3) or more Units, the fill prepayment penalty will apply, but in no event will that premium be less than 1% of the principal reduction. Sponsor must pay all costs and fees associated with these transactions, including but not limited to the Lender's attorney fees.

At or before the closing of a Unit, Sponsor shall provide to Purchaser, either a partial release of lien with regard to the Unit in order to deliver title to the purchaser free of all encumbrances or satisfaction of all liens against the building. IF THE SPONSOR DOES NOT REMOVE ALL LIENS ENCUMBERING THE UNIT AT OR BEFORE CLOSING PURCHASER WILL BE UNABLE TO CLOSE AND SHALL BE AFFORDED A RIGHT OF RESCISSION. UPON THE PURCHASERS RESCISSION SPONSOR SHALL RETURN TO PURCHASER ANY AND ALL FUNDS SENT FOR UPGRADES, DEPOSITS, AND ANY OTHER FUNDS DELIVERED TO THE SPONSOR BY THE PURCHASER WITH REGARD TO THE UNIT. See Section "Rights and Obligations of Sponsor."

Powers/Duties of Board of Managers

The Board of Managers has the power and responsibility for the operation of the Condominium. These responsibilities include, among other things, the operation care, upkeep and maintenance of the Common Areas, collection of Common Charges from the Unit Owners, employment of personnel, adoption and amendment of rules and regulations, maintenance of bank accounts, obtaining insurance, making repairs, additions, improvements or alterations to the Common Elements, repair, reconstruction and restoration of damage by fire or other casualty, and such other functions as may be required in connection with the operation and maintenance of the Property. The Board of Managers will elect a President, a Secretary and a Treasurer and such Vice Presidents as it may deem necessary for the administration of its affairs. Neither members of the Board nor any officers will receive any compensation for acting in such capacity. The Board may engage a manager or managing agent to perform any of its delegable duties as provided in the By-Laws of the Condominium, and may pay such manager or managing agent such compensation as the Board deems desirable. See Section "Rights and Obligations of Board of Managers."

Voting

Each Unit Owner is entitled to vote as follows: one (1) vote for each Unit owned in all matters which require a vote of the Unit Owners, including Board elections. Except in those instances where the New York Condominium Act, the Declaration or the By-Laws provide otherwise, all matters to be decided by the vote of Unit Owners will be decided by a majority vote thereof.

Real Estate Taxes

Each Unit will be separately taxed for real estate tax purposes and, therefore, no Unit Owner is liable for the payment of real estate taxes on any Unit other than his own. No Unit is subject to the lien of a mortgage on any other Unit.

In the opinion of Sponsor's Counsel (set forth in "Opinion of Counsel" of the Plan), each Unit Owner who itemizes his deductions may, under present income tax laws, deduct from his or her income, for the purposes of federal, New York State and New York City income taxes, any mortgage interest and real estate taxes paid on his or her Unit, substantially like a homeowner.

Furthermore, a Unit Owner who uses the Unit for business purposes or in connection with the production of income is presently entitled to deduct from income, for purposes of Federal, New York State and New York City income taxes, any mortgage interest, real estate taxes, common charges and cost recovery (similar to depreciation) on his or her Unit.

The undivided percentage interest in the Common Elements of each Unit (the "Common Interest" of such Unit) shall be based upon floor space of the Unit, 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 aggregate Common Interest of all Units equals 100%. Each Unit's Common Interest and an estimate of the Common Charges that will be payable by the owner of each Unit during the first year of condominium operation of the Property are listed in Schedule

A. See Schedule A for price information, common charges, percentage of common interest, and an estimate of real estate taxes appurtenant to the Units.

Insurance

Fire and liability insurance covering the entire Condominium are included with other items as part of the Common Charges, but fire and liability insurance for the purchaser's personal effects in the interior of each Unit, including, but not limited to decorations, painting, furniture tor improvements made by the Unit Owner, should be carried out by the individual purchaser. Each Unit Owner desiring such coverage on his personal effects must purchase his own policy at his own cost and expense. All policies purchased by Unit Owners must contain waivers of subrogation and must contain provisions to the effect that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of the policy or policies carried by Unit Owners.

Appliances

The Units are already equipped with a refrigerator and a range/oven installed. Sponsor will provide a range/oven to Units not currently equipped with one, if any. Sponsor may install electric stoves in some Units. The Sponsor is not providing laundry appliances, or hookups for laundry appliances, to the Units. Sponsor permits the installation of laundry appliances at the expense of the purchaser, provided the installation is proper. The Sponsor is not providing blinds or shades to the Units. It will be the responsibility of each Unit owner to provide them, at his or her own cost. See Part II, "Description of Property" for further details.

Painting/Decoration of Common Elements and Units

All painting and decorating of exterior portions of the Building and Common Elements as well as all repairs and replacements to the Common Elements shall be made by the Board of Managers through its officers, its manager or managing agent. No further approval of the Unit Owners shall be required for the foregoing, regardless of the cost, and such costs will be charged to the Unit Owners as Common Charges, except to the extent that the same may be charged to a particular Unit Owner if such costs are necessitated by his negligence or misuse.

Each Unit Owner may decorate the interior of his or her Unit in any manner that he or she desires, subject to compliance with the Condominium's By-Laws and the Rules and Regulations promulgated pursuant thereto, and will be solely responsible for the cost and expense of maintaining, repairing, painting and maintaining casualty and liability insurance on his or her Unit.

Limitations on Purchase of Units

There are no restrictions on who may purchase a Unit in the Condominium. However, the Sponsor hereby reserves the right at any time for any reason whatsoever to refuse to approve and execute (i) a Purchase Agreement for any Unit, and (ii) a Purchase Agreement or Agreements, as the case may be, for more than one (1) Unit to any one person or entity; provided, however, that neither the Sponsor nor the Selling Agent will discriminate in the sale or lease of Units on the basis

of race, creed, sex, color, disability, marital status or national origin or other basis prohibit by law.

Applicable Rent Laws

There are twenty (20) residential Units located at the premises. Six (6) Units are vacant, eighteen (18) are currently rent stabilized, and two (2) are rent controlled. [redacted]. Owners of SCRIE and DRIE Units should see the brochure regarding SCRIE and DRIE program and the effect these Units will have on property taxes. SCRIE and DRIE Unit owners should be advised that they will not be able to move into these Units unless they comply with the SCRIE and/or DRIE guidelines. Purchasers should consult with their attorneys prior to purchasing these Units. The SCRIE and DRIE Brochure can be found at: https://www1.nyc.gov/assets/finance/downloads/pdf/brochures/scriedriebrochure.pdf

The Plan is being presented in compliance with the procedures contained in General Business Law Section 352-eeee for converting the Premises to condominium ownership on a non-eviction basis. As a result, no eviction proceedings will be commenced at any time against non-purchasing residential 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 residential tenant of his obligations to the owner of the dwelling Unit (see "Rights of Existing Tenants").

A copy of the Plan will be served upon all bona fide tenants in occupancy within three (3) business days after acceptance for filing by the Department of Law.

THIS PLAN MAY NOT BE AMENDED AT ANY TIME TO AN EVICTION PLAN.

Units Conditions

The Units in the Building are being sold in the condition in which they exist at the time of signing the Purchase Agreement, subject to ordinary use, wear and tear and natural deterioration and subject, further, to Sponsor's obligation to maintain the building until the first Closing to the extent indicated in the Section entitled "Sponsor's Statement of Building Condition." Sponsor will only be obligated to make repairs, modifications, or changes in or to any Unit expressly agreed to in writing or, if required by statute or regulations. In accordance with the statute, each Purchaser will be given 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. Any equipment or fixtures described in the Plan may not be included in the Purchase Price, or may carry an extra cost.

Contents of Part II

The agreement to purchase a Unit is called a "Purchase Agreement", the general form of which is set forth in Part II as Exhibit 2. The terms of sale of Units, as well as the procedure to purchase the same, are summarized in Section "Procedure to Purchase."

The form of Unit Owner's Power of Attorney that each Unit Owner will be required to give to the Condominium Board and to Sponsor pursuant to the terms of the Declaration, set forth as Exhibit 5 in Part II of the Plan. The Power of Attorney (1) gives the Board of Managers the power to acquire a Unit when offered for sale by a Unit owner or pursuant to foreclosure and (2) permits the Board of Managers to file an instrument affecting the condominium with respect to compliance with laws, zoning, easements, etc. For more details, see the form annexed as Exhibit 3 in Part II of the Plan. The form of deed that Sponsor will issue to purchasers of Units is set forth as Exhibit 4 in Part II.

A detailed description of the physical condition of the Property is set forth in Part II as Exhibit 1, entitled "Description of Property and Specifications", which includes an architect's/engineer's report describing the property, and should be reviewed carefully by prospective purchasers. Floor plans of the Units are set forth as Exhibit 20 in the Part II.

The salient provisions of the Declaration of the Condominium (the "Declaration"), which is the document that establishes condominium ownership of the Property, and the By-Laws of the Condominium (the "By-Laws"), which govern the operation of the Condominium and to which are annexed the Rules and Regulations of the Condominium (the "Rules and Regulations"), are partially summarized in Section "Rights and Obligations of Unit Owners and Board of Managers" and are reproduced in full in Part II as Exhibit 5 and Exhibit 6, respectively. Each Unit owner is obligated to comply with the Declaration, the By-laws, the Rules and Regulations and any other requirement of the Board of Managers.

The salient provisions of General Business Law Section 352-eeee which concern the conversion of the Property to condominium ownership are set forth as Exhibit 7 in Part II.

Parts I and II constitute the entire offering and contain all the material terms of the offer. The exhibits submitted to the Department of Law in connection with the filing of the Plan contain additional supporting documentation. All of these are available for inspection and copying to prospective purchasers and their attorneys at the office of the attorneys for the Sponsor during regular business hours. There will be no charge for inspection. However, there will be a charge of forty cents ($0.40) per page for copying. The Plan and exhibits are also available for inspection without charge and copying by appointment (at a current charge of $0.25 per page) at the Department of Law, 28 Liberty Street, New York, NY 10005. There is a $25.00 deposit required for each copy of the book, which will be refunded if it is returned to the Sponsor in good condition, normal wear and tear excepted.

In accordance with Title 26 of the Administrative Code of The City of New York, Sponsor shall, not later than the thirtieth (30th) day following the presentation date and until the Closing Date, cause to be maintained at the premises a listing of all violations of record against the Property as determined by the Department of Buildings and the Department of Housing, Preservation and Development and to add to such list all new violations noted against the Property within forty-eight (48) hours of their issuance.

THIS PLAN SETS FORTH ALL OF THE MATERIAL TERMS OF THE OFFER AND THE DETAILED TERMS OF THE TRANSACTION. THE PLAN WILL BE KEPT CURRENT AND

ACCURATE THROUGH AMENDMENTS FILED WITH THE DEPARTMENT OF LAW AND SERVED ON TENANTS AND PURCHASERS.

THE PLAN, ALL OF THE DOCUMENTS REFERRED TO IN THE PLAN, AS WELL AS PARTS A, B, C AND D OF THE EXHIBITS SUBMITTED TO THE DEPARTMENT OF LAW PURSUANT TO PART 23 OF ITS REGULATIONS, WILL BE AVAILABLE FOR INSPECTION AT THE OFFICE OF THE SPONSOR'S ATTORNEY, 68 JAY STREET, SUITE 420, BROOKLYN, NEW YORK 11201.

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

C. DEFINITIONS

The following words as hereinafter referred to shall be defined as follows:

1. Below Grade: means below first floor or ground floor level.

2. Board of Managers: The governing body of the Condominium, being the group selected, authorized and directed to manage and operate the Condominium individually as provided by the New York Condominium Act, the Declaration and the By-Laws. The Board of Managers will manage and operate the building as provided by the New York Condominium Act, the Declaration and the By-Laws.

3. Common Charges: Assessments by the Board of Managers of the Condominium upon the Unit Owners, in proportion to their respective interests in the Common Elements for the purpose of paying common Expenses. NOTE: These charges are payable by the Unit Owners of its building on a monthly basis.

4. Common Elements: All that part of the Condominium Property or facilities servicing or benefitting all the Units comprising the Condominium, as defined in Section 339-e of the Condominium Act. The Common Elements include generally, and without limitation: (i) all parts of the building (other than the Units in the building) including but not limited to the foundation, roof and supports of the building; and (ii) all areas or facilities for the common use of all the Units of the building and Unit Owners. Common Elements consist of all portions of the Condominium Property which are not designated as Units or parts thereof.

5. Common Expenses: Expenses for which Unit Owners shall be proportionately liable, and includes the actual and estimated expenses of operating the property, assessments relating to repair, maintenance, replacements, management and operation of the Condominium, and reasonable reserves for such purposes as found and determined by the Board of Managers, and sums designated as Common Expenses by or pursuant to the Condominium Documents.

6. Common Interest: The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, as expressed in the Declaration of Condominium for the building.

7. The Condominium: The 66 West 138th Street Condominium, proposed to be created and organized as provided for in this Plan, consisting of land, building, and appurtenances of the building located at 66 West 138th Street, New York, New York.

8. Condominium Documents: This Plan, and the Declaration, Floor Plans, By-Laws and rules and regulations of the Condominium and all Exhibits for the foregoing, each of which will be recorded or filed simultaneously with the recording of the Declaration, and as amended from time to time.

9. Condominium Property or Property: The land described in the Declaration which is subject to the Condominium Act by the Declaration, together with all improvements thereon and all

easements, rights and appurtenances belonging thereto or intended for the benefit thereof.

10. Declaration: The instrument by which the Building is submitted to the provisions of the New York Condominium Act and that instrument as from time to time amended, consistent with the provisions of the New York Condominium Act and the By-Laws of the Condominium.

11. Eligible Disabled Persons: Eligible disabled persons are 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 Sponsor, to become Non-Purchasing Tenants under New York General Business Law § 352-eeee; 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 Sponsor 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 on the terms then offered to tenants in occupancy under the Plan.

12. Eligible Senior Citizens: Eligible senior citizens are non-purchasing tenants who are sixty-two 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 present to such tenants by the Sponsor, to become non-purchasing tenants under the provisions of New York General Business Law § 352-eeee. Such election shall not preclude any such tenant from subsequently purchasing the dwelling Unit on the terms then offered under the Plan.

13. Equal or Better Quality: shall mean comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

14. First Class Condition: shall mean same as new, excepting normal wear and tear.

15. Floor Plans: shall mean the floor plans of the Units filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and By-Laws and the Floor Plans.

16. Limited Common Elements: Limited Common Elements (if any) generally are those Common Elements reserved for use and enjoyment by one or more Units. Examples are porches, decks, balconies and terraces. In this Condominium, there are no limited common areas. See Section "Introduction" for information regarding the Limited Common Elements in

this Condominium, if any. An easement is granted to the Unit Owner(s) of the Unit(s) which they are designed to serve, or to which they are otherwise expressly allocated.

17. Lot Line: shall mean the boundaries of the tax lot as determined by the City of New York Department of Finance, Real Property Assessment Bureau. Lot line windows are windows located on such boundaries, in the event the building is constructed on the lot lines. There shall be lot line windows on the westerly and easterly walls on each floor. These windows are assumed acceptable since this building is designated as Class "A" old law tenement.

18. New York Condominium Act: Article 9-B of the Real Property Law of the State of New York, as amended, which sets forth provisions governing the creation and operation of condominiums, and to which the Condominium is the subject of this Plan, is submitted.

19. Non-Purchasing Tenant: A non-purchasing tenant is 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. A Non-Purchasing Tenant shall also include Eligible Senior Citizens and Eligible Disabled Persons who have elected to become such.

20. Sponsor: As used in New York State regulations pertaining to newly constructed and vacant condominium, the word "sponsor" means "any person, partnership, joint venture, corporation, company, trust, association or other entity or agent thereof who makes or takes part in a public offering or sale in or from the State of New York of participation interests or investments in real estate including condominium interests in realty." The Sponsor of this Plan is 66 West 138 LLC.

21. Time of the Essence: shall mean that the purchaser must cure a default under his purchase agreement by the date indicated on the notice of closing or forfeit his down payment.

22. Unit: Any Unit designated as such in the Declaration of the Condominium and further described in the floor plans to be filed simultaneously with the Declaration.

23. Unit Owner: The person or persons owning a Unit in fee simple absolute.

A complete set of definitions is set forth in Exhibit C to the Declaration of the Condominium set forth in Part II of the plan.

D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

This description of the property and improvements is intended to provide a general outline of the land, building and Units, but shall not be interpreted as enlarging in any manner, directly or by reference, the obligations or liability of the Sponsor as set forth in this Plan. A more detailed description of the building and property, including the Engineer's Report and floor plans is set forth in the "Description of Property and Specifications", Exhibit 1 in Part II of the Plan.

The land is known by street address as 66 West 138th Street, New York, New York. It is situated 100 feet from the southeasterly corner of Lenox Avenue and West 138th Street, in the Borough of Manhattan, County, City and State of New York and is situated in the neighborhood of Manhattan known as Central Harlem.

There is one (1) existing building on the site consists of five (5) stories, and a cellar and contains twenty (20) residential Units and will also contain storage units in the cellar to be conveyed by the Sponsor and/or the Condominium Board to Purchasers via revocable licenses. The building does not have an elevator. See "Schedule A - Offering Prices and Related Information" and the Architect's Report and Floor Plans in Part II of the Plan for more information.

The building was constructed prior to 1938 and as such does not require a certificate of occupancy. The building complies with Construction Class IIB a/k/a 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. There shall be lot line windows on the westerly and easterly walls on each floor. These windows are assumed acceptable since this building is designated as Class "A" old law tenement.

The Building is estimated to have been constructed in approximately 1900. Buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as Exhibit 15 to this plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for lead paint.

The dimensions of the Units shown on the Floor Plans measure the approximate distance from the inner face of the masonry of the outer wall of the building to the center line of the wall separating the Unit from corridors, stairs, mechanical spaces and other Units, within reasonable tolerances. The measurements are not based upon measurements from interior surfaces of interior walls, and that the actual area comprising the unit is significantly less than the area listed in Schedule A.

No Unit Owner shall be deemed to own the structural walls, supporting columns, pipes, wires,

conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. Any area or installation which is designated on the Floor Plans as part of a Unit, including doors and windows, shall be considered as part of said Unit and the owner of said Unit shall be responsible therefor.

The Sponsor reserves the right to amend or modify such plans, specifications and description of property (including changes in area, floor plans and allocation of space, changes in materials, and other construction details) and substitute in place of any materials and other construction details set forth herein or in Exhibit 1 in Part II of this Plan, materials and other construction details of Equal or Better Quality. However, unless an affected purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to the sponsor for that unit and the purchaser is not in default; and that no material change will be made in the size and no material adverse change will be made in the quality of common elements unless purchasers not in default receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right.. See Section "Changes in Prices and Units" for further details. All references in this Plan to "Plans and Specifications" shall mean the aforesaid plans and specifications for the Building prepared by the Sponsor's Architects and Engineers as the same may have, from time to time, been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the provisions of this paragraph.

Sponsor has no plans to do any capital improvements at this time, however Sponsor is currently renovating Units 1C, 4A and 5A, and Sponsor reserves the right to repair and renovate any Units as they become vacant. If the Sponsor does make capital improvements, the Reserve Fund will be diminished by the cost of the improvements. Whether or not Sponsor does indeed undertake said improvements, and their costs if Sponsor does so, will be set forth in a subsequent amendment to the Plan. The Reserve Funds cannot be used for any project that does not involve the entire building, such as Unit renovations. See section "Reserve Fund" for more details.

Water is provided by the City of New York and the Units will be billed together for water consumption as a common charge. Units will have gas ovens and ranges. Sponsor may install electric stoves in some Units. Natural gas for cooking is provided by National Grid. Each Unit will be separately metered and billed for gas for cooking use. There is a separate meter for gas utilized for heating that services the entire building. The cost for heating the building will be borne by the condominium and paid for as part of the common charges. Telephone service is provided by local providers and billed separately to the Unit owners. Electricity is provided by the Consolidated Edison Co. Each Unit is metered and billed separately, and there is a separate meter servicing the common areas that will be paid for by the condominium as part of the common charges. Storm water is carried into the New York sewer system as is the entire sanitary waste from the building.

There shall be lot line windows on each floor of the building. 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 the adjoining premises. Additionally, there may be an obligation to seal the windows if the neighboring lot is developed. The expense to seal the windows will be borne by the Purchaser. Since these windows are not providing required light and air their occlusion will not change the

legal occupancy of the room in which they are located.

The Units are already equipped with a refrigerator and a range/oven installed. Sponsor will provide a range/oven to Units not currently equipped with one, if any. Sponsor may install electric stoves in some Units. The Sponsor is not providing laundry appliances, or hookups for laundry appliances, to the Units. Sponsor permits the installation of laundry appliances at the expense of the purchaser, provided the installation is proper. The Sponsor is not providing blinds or shades to the Units. It will be the responsibility of each Unit owner to provide them, at his or her own cost. See Part II, "Description of Property" for further details.

There are outstanding violations regarding the condition of the Building. Please see Exhibit 21 of Part II of the Plan, for a list of all outstanding violations. All open violations against the building will be cured at the expense of the Sponsor. Any outstanding violations within any of the Units will be cured by the Sponsor if Sponsor is given access to the Units. There are no current Con Edison safety alerts issued against the building. Any prior alerts have been lifted at the expense of the Sponsor. There are outstanding lead-based paint violations open against the building. All lead-based paint violations were corrected at the expense of the Sponsor. Sponsor is waiting on paperwork from HPD acknowledging that the violations were cured. See Section "Description of Property and Improvements."

On [redacted], the Division of Housing and Community Renewal issued an order that the legal regulated rent shall be reduced for certain occupied Units (the **"DHCR Order"**). The DHCR Order reduced the rent of rent controlled tenants by [redacted] per month, and for rent stabilized tenants, the rents were reduced to the level in effect prior to the most recent guideline's increase for each tenant's lease, with certain exceptions. The reductions were due to findings of certain conditions not being maintained in the Building, such as peeling paint, water stains on hallway ceilings, and inadequate janitorial services provided in the backyard and courtyard. In addition, DHCR ordered a rent reduction for one apartment in [redacted] and for another apartment in [redacted], due to a finding that services had not been maintained. Purchasers should note that the DHCR Order does not impact vacant Units offered for sale under the Plan. A redacted copy of each DHCR Order is attached hereto as Exhibit 16 in Part II of the Plan.

On [redacted], five tenants at the Building commenced an action against Sponsor in the Civil Court of the City of New York ([redacted] (the "**Tenants Action**") relating to certain violations and conditions at the Building. On August 20, 2018, in connection with the Tenants Action, the Court ordered Sponsor to correct certain violations occurring in the Building and in certain occupied Units. Sponsor is and has been cooperating with the foregoing court orders and will continue to endeavor in good faith to address required repairs in occupied Units, contingent upon tenants providing the required access thereto. Purchasers can review and check the current status of the Tenants Action online at the following webpage: https://iapps.courts.state.ny.us/nyscef/CaseSearch?TAB=caseIdentifier. Updates will be disclosed in subsequently-filed amendments.

Purchasers are further advised that as of the date of acceptance of this Plan, there are outstanding violations of record of the Housing Maintenance Code, Multiple Dwelling Law, Building Code, and other laws and regulations that exist regarding the condition of the Building

and the Units. These violations have been issued by the New York City Department of Buildings (the "DOB") and the New York City Department of Housing Preservation and Development ("HPD"). Please see Exhibit 17 in Part II of the Plan for a list of all outstanding violations as of the date of acceptance for filing of this Plan. To the extent Sponsor continues to own any impacted occupied Unit, and to the extent the tenant provides access to Sponsor to make the required repairs, Sponsor will endeavor to address all violations that impact occupied Units. Sponsor will further continue to endeavor to correct additional violations at the Building that are not within occupied Units. Purchasers can check the status of DOB violations online at: https://www1.nyc.gov/nyc-resources/service/1279/building-violation-status and the status of HPD violations online at: https://www1.nyc.gov/site/hpd/about/hpdonline.page. Updates will be disclosed in subsequently-filed amendments.

Each purchaser will be required to pay an additional $3,500.00 at closing to defray Sponsor's costs, e.g., architectural costs, filing fees, legal fees and other costs incurred in creating the condominium. See Sections "Schedule A" and "Unit Closing Costs and Adjustments."

Estimate of Commencement of Condominium Operations

The Sponsor projects that condominium operations are estimated to commence on September 1, 2020, which is anticipated to be the date when there will be sufficient Units closed upon to begin operations. In the event that the actual or anticipated date of commencement of condominium operation is delayed by twelve (12) months or more from the anticipated date of closing, the Sponsor will update the budget in the plan and to the extent such budget projections for the first year of operation increase by 25% or more, the Sponsor will offer all purchasers for fifteen (15) days following the presentation of such amendment the right to rescind their offer to purchase and to have their down payments refunded. If such right to rescind is exercised, the downpayment will be refunded within ten (10) days of the Sponsor's receipt of the notice of rescission.

E. LOCATION AND AREA INFORMATION

The following is a general description of the location of the building and the area surrounding the property. Reference should be made to the Architect's Description of Property, reproduced in full as Exhibit 1 in Part II of the Plan, for a more detailed description of the Property and its physical condition.

Location

The land is known by street address as 66 West 138th Street, New York, New York. It is situated 100 feet from the southeasterly corner of Lenox Avenue and West 138th Street, in the Borough of Manhattan, County, City and State of New York and is situated in the neighborhood of Manhattan known as Central Harlem. The site is zoned R7-2 which is a General Residence District zone and allows Group 2 Residential Use as a matter of right.

The major access roads are 5th Avenue, Madison Avenue Bridge and Harlem River Drive. The George Washington Bridge and the Robert F. Kennedy Bridge are accessible via Harlem River Drive.

The Condominium is located in a primarily residential neighborhood with convenient residential amenities. The immediate area consists of multi-occupancy housing with elementary schools within walking distance. Located nearby are public, private and parochial schools, religious institutions, synagogues, day care centers and a senior citizen center. The nearest police station is the 32nd Precinct, located at 250 West 135 Street, New York, NY 10030, approximately one third (1/3) of a mile away. The Fire Department has station house Engine 59 Ladder 30, located at 111 West 133 Street New York, NY 10030, approximately one quarter (1/4) of a mile away. Harlem Hospital Center is located 506 Lenox Avenue, New York, NY 10037, approximately one tenth (1/10) of a mile away.

Many retail facilities such as supermarkets, fruit and vegetable stores, meat and fish stores and bakeries exist on the surrounding streets. Complete shopping needs and services are available on nearby Lenox Avenue. The Condominium is within walking distance of banks, restaurants, hotels, parks and subway and bus transit.

The City of New York provides police, fire, sanitation, snow removal and road maintenance services.

There are no Sponsor projects that are pending adjacent to, or in the immediate vicinity of, the premises. Sponsor is not aware of any publicly announced development projects adjacent to or directly across from the premises. If Sponsor becomes aware of and such development projects while sales are continuing, Sponsor will disclose such information within thirty (30) days after the information becomes known in an amendment to the Plan.

F. SCHEDULE A

OFFERING PRICES AND RELATED INFORMATION

The 66 West 138th Street Condominium

66 West 138th Street, New York, New York 10037

Year Projected: September 1, 2020- August 31, 2021

Unit No.	Occupancy Status	Regulatory Status*	Location	Approx. Floor Area	Limited Common Elements Floor Area	No. of Bedrooms/ Bathrooms	Offering Price** for Non-Tenants	Offering Price** for Tenants	Percent Common Interest	Projected Monthly Common Charges	Projected Real Estate Taxes (Monthly)	Projected Real Estate Taxes (Annual)	Projected Monthly Carrying Charges ***
				(1)	(1)	(1)	(2)	(2)	(3)	(4)	(5)	(5)	(6)
1A	Occupied	S	1st Floor	421		1/1	$463,100	$301,015	4.54%	$522.53	$226.60	$2,719.25	$749.13
1B	Occupied	S	1st Floor	426		1/1	$468,600	$304,590	4.57%	$525.98	$228.10	$2,737.22	$754.08
1C	Vacant	S	1st Floor	408		1/1	$448,800	$291,720	4.81%	$553.61	$240.08	$2,880.97	$793.69
1D	Occupied	S	1st Floor	417		1/1	$458,700	$298,155	4.91%	$565.12	$245.07	$2,940.86	$810.19
2A	Occupied	C	2nd Floor	508		1/1	$558,800	$363,220	5.64%	$649.14	$281.51	$3,378.10	$930.65
2B	Occupied	S	2nd Floor	508		1/1	$558,800	$363,220	5.64%	$649.14	$281.51	$3,378.10	$930.65
2C	Occupied	S	2nd Floor	408		1/1	$448,800	$291,720	4.53%	$521.38	$226.10	$2,713.26	$747.48
2D	Occupied	S	2nd Floor	417		1/1	$458,700	$298,155	4.63%	$532.89	$231.10	$2,773.15	$763.99
3A	Vacant	S	2nd Floor	508		1/1	$558,800	$363,220	5.64%	$649.14	$281.51	$3,378.10	$930.65
3B	Occupied	S	3rd Floor	508		1/1	$558,800	$363,220	5.64%	$649.14	$281.51	$3,378.10	$930.65
3C	Occupied	S	3rd Floor	408		1/1	$448,800	$291,720	4.53%	$521.38	$226.10	$2,713.26	$747.48
3D	Occupied	S	3rd Floor	417		1/1	$458,700	$298,155	4.63%	$532.89	$231.10	$2,773.15	$763.99
4A	Vacant	S	4th Floor	508		1/1	$558,800	$363,220	5.64%	$649.14	$281.51	$3,378.10	$930.65
4B	Occupied	S	4th Floor	508		1/1	$558,800	$363,220	5.64%	$649.14	$281.51	$3,378.10	$930.65
4C	Vacant	S	4th Floor	408		1/1	$448,800	$291,720	4.53%	$521.38	$226.10	$2,713.26	$747.48
4D	Occupied	C	4th Floor	417		1/1	$458,700	$298,155	4.63%	$532.89	$231.10	$2,773.15	$763.99
5A	Vacant	S	5th Floor	508		1/1	$558,800	$363,220	5.46%	$628.42	$272.52	$3,270.29	$900.94
5B	Occupied	S	5th Floor	508		1/1	$558,800	$363,220	5.46%	$628.42	$272.52	$3,270.29	$900.94
5C	Occupied	S	5th Floor	408		1/1	$448,800	$291,720	4.41%	$507.57	$220.12	$2,641.38	$727.69
5D	Vacant	S	5th Floor	417		1/1	$458,700	$298,155	4.52%	$520.23	$225.61	$2,707.27	$745.84
				9,036			$9,939,600	$6,460,740	100.00%	$11,509.53	$4,991.28	$59,895.35	$16,500.81

20 Residential Units Offered for Sale

* E -- Employee Occupied
S -- Rent Stabilized
C- Rent Controlled

** At closing, each Purchaser shall pay an additional $3,500.00 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."

*** Estimated individual heating and electric costs are set forth in Schedule B-1

Note: There are no Limited Common Elements currently in this Offering Plan.

F1. NOTES TO SCHEDULE A

1. Any floor plan or sketch shown to a prospective purchaser is only an approximation of the dimensions and layout of a Unit, within reasonable tolerances. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The number of rooms in each Unit is computed in accordance with the standards established by the New York City Building Code. See the "Description of Property" set forth in Part II for a more detailed description of the Units and the rooms, including floor plans of the Units. The approximate area calculates the square footage as the area from the inner face of the masonry of the outer wall of the building to the center line of the wall separating the Unit from corridors, stairs, mechanical spaces and other Units. Accordingly, they include the area of the interior walls of the Unit, and the actual area of the Units is significantly less than the area set forth in Schedule A.

2. Floor Plans depicting the 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 are approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and, to varying degrees, will 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. See the actual measurements on "Schedule A" of the Plan and the "Floor Plans" in Part II for more information.

   a. Each Unit is measured horizontally from the exterior side of the exterior walls or exterior glass to the centerline of the partitions separating Units or to common side of Common Elements not within a Unit or to the exterior side of the opposite exterior walls or glass, provided, however, (i) columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits in all Units; and (ii) in the event of the sale of a Unit that comprises a full floor, elevator shafts, elevator lobbies, and stairwells on the floors containing full floor (floor through) Units are not deducted from the measurement of each Unit.

   b. The ceiling heights are measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling above. Ceiling heights are estimates only and may vary within any given room or Unit. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The cellar has an approximate floor to ceiling height of 7'-6". The 1st floor has an approximate floor to ceiling height of 10'-3". The 2nd and 3rd floors have an approximate floor to ceiling height of 9'-7". The 4th floor has an approximate floor to ceiling height of 9'-9". The 5th floor has an approximate floor to ceiling height of 9'-6". The clearance between the top of the finished floor and the bottom of the finished ceiling in the Units will typically be approximately 8' 7" in major areas including living/dining rooms and master bedrooms. Ceiling heights in kitchens and bathrooms will be approximately 7'-6". A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit,

as set forth in Schedule A and on the Floor Plans, by 5% or less is not a material and/or adverse change. (See the "Notes to Schedule A" in the Description of Property in Part II of the Plan for further details.)

Purchasers are further advised that, while not contemplated, Sponsor has reserved the right to negotiate with individual purchasers to perform Custom Work which may require a modification in Floor Plans for certain Units and accordingly the layout of the Units and Common Elements may vary.

The room count for each Unit was determined by Sponsor's Architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

3. Prices are negotiable. The Sponsor reserves the right to change the offering prices set forth in Schedule A. These offering prices, however, may only be changed by a duly filed amendment to this Plan when the change in price is an across the board change affecting one or more lines of Units or is to be advertised or is a price increase for an individual purchaser. However, the prices for the Units are negotiable and the Sponsor may enter into an agreement with a purchaser to sell one or more Units at prices lower from those set forth in Schedule A. See Section "Changes in Prices and Units. Also See Section "Unit Closing Cost and Adjustments" which discloses and explains the closing costs and adjustments that a purchaser has to pay.

   Tenants who sign a Purchase Agreement for their Unit during the ninety (90) day period following the acceptance and presentation of the Plan will be allowed to purchase the Unit they occupy for the price set out in the column "Offering Price for Tenants." Following the Ninety Day Exclusive Period, or if Tenants wish to purchase a Unit other than the Unit they occupy, the purchase price will be as set out in the column "Offering Price for Non-Tenants." This column also represents the offering price for non-tenants wishing to purchase vacant Units within the Ninety Day Exclusive Period.

   Sponsor reserves the right to negotiate with purchasers all aspects of the purchase price of the Unit, including but not limited to: renovations or improvements to the apartments or the fixtures or equipment contained therein or credits or allowances therefor; changes to the layout, amount of down payment; the terms of financing contingency in the event the Sponsor agrees to permit the same; extension of period to secure financing; default clause; application of the interim lease rental payment towards the purchase price; payment of all or part of purchaser's closing or financing costs such as closing costs, attorneys' fees, origination fees, commitment fees and waiver or reduction of the attorney's fees set forth in the Plan; and any and all other costs relating to the cost of acquiring title to the Unit. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms.

4. In accordance with Section 339-i(1)(iv) of the New York State Condominium Act, the Common Interests of each of the Units have been allocated 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 charges have been estimated by the Sponsor and include fire insurance for the

building and liability insurance for the Common Elements, and maintenance and operation of the Common Elements including gas used for heating. Common Charges exclude insurance for, and repair or decoration to the inside of the Units, electricity and gas (if applicable) used for cooking for each Unit and insurance for personal effects. Common charges have been estimated by the Sponsor based on the estimated operating budgets annexed as Schedule B to this Plan. See Schedule B-1 for individual electricity and gas (cooking if applicable) expenses for the Units.

5. Based on the current real estate taxes for the building, the real estate taxes for the condominium for the first year of operations are projected to be $59,895.35. The projected assessed valuation for the first year of operations is projected to be $480,200.00.

   Estimated real estate tax assessments are determined using various factors including sales price, square footage, location of the Unit, availability of Limited Common Elements and/or access to common elements. No assurances can be given that the taxing authorities will assess the building and allocate the assessments in the same manner and the actual assessments may not be in the same proportion as the common interests set forth in Schedule A.

   After separate tax lots are apportioned, each Unit will be taxed as a separate 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. See section "Real Estate Taxes" for further details.

   The estimated date of completion and reassessment is July 1, 2021. The projections of taxes due for the first year of condominium operation are based on the new real estate tax rate of 12.4730%. However, it is not possible to accurately determine what the increase in actual assessed valuation will be and it is equally impossible to predict any future increases in real estate tax rates which may affect the amount of tax due on the property.

   Purchasers should note that the IRS allows homeowners to make the following deductions on their federal income tax returns: Any amount spent on property taxes, state and local income taxes up to cumulative amount of $10,000.00; All mortgage interest paid on mortgages valued at less than $750,000.00 for not more than two homes.

   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.

6. All projected total carrying charges are for the projected first year of operation beginning September 1, 2020 NOTE: Sponsor has not obtained, nor is it offering, permanent financing commitments to purchasers. Therefore, if a purchaser obtains financing, debt service on such financing will be a monthly expense additional to the total charge listed. Monthly Carrying

costs do not include certain costs for which the owner is responsible such as repairs to the interior of the Unit, separately metered gas used for cooking, electricity, air conditioning and cable television service, if applicable. In addition, prospective purchasers will be required to pay at closing, among other things: (i) two (2) months' common charges to be used as working capital (the Sponsor will not be responsible for this contribution, however, on unsold Units); (ii) New York City and State transfer taxes; and (iii) $3,500.00 to defray Sponsor's costs of creating the condominium. See section entitled "Closing Costs and Adjustments" below.

THE ABOVE IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF ALL LIMITATIONS IMPOSED BY THE CODE, PARTICULARLY FOR INVESTORS. ALL PURCHASERS ARE ADVISED TO SEEK ADVICE FROM THEIR TAX CONSULTANTS CONCERNING TAX CONSEQUENCES OF PURCHASE OF A UNIT IN A CONDOMINIUM.

G. SCHEDULE B
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

The 66 West 138th Street Condominium

66 West 138th Street, New York, New York 10037

Year Projected: September 1, 2020 to August 31, 2021

INCOME:		
Common Charges Residential Units		$138,114
TOTAL INCOME:		**$138,114**
EXPENSES:		
1	Labor	$36,176
2	Management	$24,000
3	Heating	$14,400
4	Electricity	$2,350
5	Water & Sewer	$13,977
6	Utilities Other	$900
7	Repairs and Maintenance and Supplies	$10,300
8	Service Contracts	$700
9	Insurance	$10,000
10	Legal fees and Audit Fees	$6,500
11	Contingency Fund	$5,000
12	Reserve Fund 10%	$13,811
	TOTAL EXPENSES	**$138,114**

If the actual or anticipated date of commencement of condominium operation is to be delayed more than six (6) months from the budget year projected in the offering plan, the Plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty-five percent (25%) or more, the Sponsor must offer all Purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not Sponsor offers to guarantee the previous budget projection. Sponsor will return any deposit or downpayment to Purchasers who rescind within ten (10) days. Sponsor may not declare the Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

NOTES TO SCHEDULE B

1. Salaries and Wages, Payroll Taxes and Benefits

There will be one non-union member superintendent who will reside at the property and will be paid approximately $15 per hour and will work an average of 40 hours per week, for an estimated annual base salary of $31,200.00. The budgeted figure incorporates the following:

a. Base annual salary:	$31,200.00
b. F.I.C.A. (7.65%)	$2,386.80
c. Federal & State Unemployment Insurance (4.1%):	$1,279.20
d. Disability & Workers' Compensation (4.2%):	$1,310.10
	$36,176.10

The level of staffing set forth above 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. Management

The building will be managed by the Sponsor 66 West 138 LLC, each with an address at 85 Delancey Street, New York, New York, for the first year of condominium operation, for a fee of $2,000.00 a month. 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 may need to be increased. The prevailing fees are approximately $50.00 per Unit per month or more.

3. Heating

The property recently converted from oil to gas heating and has one meter for the property. As such, the projected cost for heating is expected to decrease significantly from prior years. Based on comparable owned or managed properties, the Sponsor expects about $14,400 in annual heating costs which is about $720 per unit in heating costs for the year.

4. Electricity

This item includes the cost of electricity for lighting the common areas. The building uses approximately 6,850 KWH of electricity per year at an approximate cost of $0.34 per KwH for an annual cost of approximately $2,350.00. The budgeted figure is based upon actual electricity costs for the building (excluding the individual Units) for the past three years.

The cost of electricity to the Units is separately metered and the charges therefore 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.

5. 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 $13,977 budgeting for a 10% increase and is based on estimated daily usage of 2,520 gallons of water for the building and converted to cubic feet (CF) by dividing by 7.48.

Estimated Consumption		
Estimated daily usage	=	337 CF
Estimated annual usage	=	123,005 CF
Convert to 100 CF (HCF) 123,005 / 100	=	1,230.05 HCF

Estimated Water & Sewer Rates		
Water charge:	=	$3.99/HCF
Sewer charge: (159% of water charge)	=	$6.34/HCF

	Usage		**Rate per HCF**		**Cost**
Water charges:	1,230.05 HCF	x	$3.99/HCF	=	$4,907.90
Sewer charges:	1,230.05 HCF	x	$6.34/HCF	=	$7,798.52
Total:					$12,706.42
Estimated Charges (Including 10% Inflation):					**$13,977.06**

6. Utilities Other

The property has one internet and phone line with Spectrum Business for the property office. The cost of internet is $44.99 monthly and the cost of the phone line is $29.99 monthly totaling $74.98 monthly.

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:

Plumbing	$1,500
Electrical	$1,500

Carpentry	$1,500
Services & Supplies	$5,000
Cleaning	$800
TOTAL:	**$10,300**

8. Service Contracts

Monthly exterminating will be roughly $700 for the year. There are no other scheduled service contracts.

Exterminating	$700

9. Insurance

The following insurance is available for the Property for the first year of condominium operations as set forth in a letter dated May 8, 2020 from Fairmont Insurance Brokers, LTD of New York, Insurance Specialists, and a licensed insurance broker with an address 1600 60th Street, Brooklyn Y, 11204:

Building, All risk: $2,137,000
Maintenance Fees: Actual Loss Sustained
Boiler & Machinery: Included
Deductible: $5,000

Building Ordinance A, B, C: $1,000,000
Flood: $1,000,000
Quake: $1,000,000
Deductible: $5,000

Crime & Fidelity: $50,000
Deductible $5,000

Liability:
$1,000,000 per Occurrence /$2,000,000 Aggregate
$1,000,000 Directors & Officers Liability

Umbrella: $5,000,000 per Occurrence / $5,000,000 Aggregate

PROJECTED ANNUAL PREMIUM APPROXIMATELY $10,000.00

The coverage limits for the building are based upon the current replacement cost for the Building (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 ensure 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).

Coverage for the following is not included in the premium quoted and may be available at extra cost (if applicable): rent insurance; water damage; elevator collision; boiler and machinery; excess liability; auto liability; fidelity bond and garage keeper's liability.

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 ($4,500.00) 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 auditing and accounting fees for comparable condo entities. An allowance ($2,000.00) 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. It will be at the discretion of the Board (i) whether to hire an attorney for such services, and (ii) which attorney or law firm will be used.

11. Contingency Fund

This item is to provide for possible increases in one or more items of operating expense above the amounts projected or for unanticipated expenses. This amount is separate and apart from the reserve fund that is to be used for capital expenditures. 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. Reserve 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 and is approximately 10% of the Annual Budget. At this time the Sponsor has no knowledge of any capital improvements that may have to be made during the first five years of condominium operation.

H. SCHEDULE B-1 BUDGET FOR INDIVIDUAL ENERGY COSTS

UNIT	Square Feet	Approx UNIT SQ. Ft.	% Sq. Ft	Electric		Gas[1]		
				Cost/KwH	Total Estimate[3]	Therms	Cost/Therm	Total Estimate[2,3]
1A	421	1,016	4.7%	$ 0.34	$ 380	160	$ 1.57	$251.20
1B	426	1,029	4.7%	$ 0.34	$ 385	160	$ 1.57	$251.20
1C	408	989	4.5%	$ 0.34	$ 370	160	$ 1.57	$251.20
1D	417	1,002	4.6%	$ 0.34	$ 375	160	$ 1.57	$251.20
2A	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
2B	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
2C	408	989	4.5%	$ 0.34	$ 370	160	$ 1.57	$251.20
2D	417	1,002	4.6%	$ 0.34	$ 375	160	$ 1.57	$251.20
3A	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
3B	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
3C	408	989	4.5%	$ 0.34	$ 370	160	$ 1.57	$251.20
3D	417	1,002	4.6%	$ 0.34	$ 375	160	$ 1.57	$251.20
4A	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
4B	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
4C	408	989	4.5%	$ 0.34	$ 370	160	$ 1.57	$251.20
4D	417	1,002	4.6%	$ 0.34	$ 375	160	$ 1.57	$251.20
5A	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
5B	508	1,229	5.6%	$ 0.34	$ 460	160	$ 1.57	$251.20
5C	408	989	4.5%	$ 0.34	$ 370	160	$ 1.57	$251.20
5D	417	1,002	4.6%	$ 0.34	$ 375	160	$ 1.57	$251.20

1 -Gas used for Cooking. Heating Costs are included in the Schedule B.

2-Amount is estimate—actual charges will depend on usage.

3- Includes at 10% inflation factor

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 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 Wayfinder PM, 20 W 20th St #1102, New York, NY 10011. 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 1B are estimated based on current Con Edison rates of $0.34 per KwH and projected usage of 1,029 KwH per year, for approximately $385.00 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.

corcoran

January 8, 2020

RE: 66 West 138th Street
New York, NY, 10037
Compliance with Real Property Law 339i (I) (IV)

To Whom It May Concern:

The firm has reviewed the floor plans and calculated the common interests for Schedule A of the offering plan for 66 West 138th Street. The firm will act as a selling agent of the property. We have no beneficial interests in the sponsor or in the profits of this offering of the property, with the exception of a fee for our services as selling agent.

Corcoran is a licensed Real Estate broker that has marketed condominium units throughout New York City for over 20 years. The method of allocation used in this plan evaluates floor space, 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 unit.

The factual basis of calculating the percentage of common interests consists of the size, layout and the location within the premises of each individual unit, and the anticipated selling price of each unit.

Based on the review of the forgoing factors, I have concluded that the proposal allocation of the common interest to individual units is in compliance with section 339-i(I) (IV) of the New York Real Property Law.

Regards,

Paula Manikowski
Senior Managing Director
The Corcoran Group

66 WEST 138 LLC
STATEMENT OF INCOME AND OPERATING EXPENSES
FOR THE PERIOD DECEMBER 31, 2019 and DECEMBER 31, 2018

DANIEL DILLER, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

DANIEL DILLER, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

DANIEL DILLER, C.P.A. (N.Y. & N.J.)

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INDEPENDENT AUDITORS' REPORT

To Management
66 West 138 LLC
New York, NY

Report on the Financial Statement

We have audited the accompanying statement of income and operating expenses of 66 West 138 LLC for the years December 31, 2019 and December 31, 2018 and the related notes to the statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the income and operating expenses of 66 West 138 LLC for each of the two years ending December 31, 2019 and December 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

Daniel Keller, CPA, P.C.

Barnegat, NJ 08005
June 1, 2020

66 WEST 138 LLC
Statement of Income and Operating Expenses
December 31, 2019 and 2018

Income	2019	2018
Rental Income	$ 154,076	$ 173,893
Other income	2,720	4,726
	156,796	178,619
Total Income		
Labor	19,811	20,659
Management	6,365	7,342
Heating	19,157	23,012
Electricity	3,644	1,656
Water and sewer	4,429	9,837
Utilities - other	9,094	2,588
Repairs and maintenance	14,632	22,451
Service contracts	3,363	2,200
Insurance	12,016	8,205
Professional fees	58,609	20,067
Administrative expenses	16,016	8,400
Real estate taxes	55,154	56,634
Total operating expenses	$ 222,290	$ 183,051
Net operating income (deficit)	$ (65,494)	$ (4,432)

The accompanying notes are an integral part of this financial statement

NOTE 1 NATURE OF ORGANIZATION

Organization

66 West 138 LLC is an LLC which owns the residential building located at 66 West 138th Street in the Central Harlem neighborhood of Manhattan, New York. The building was originally built in 1900, has five floors and 20 residential units. As of December 31, 2019 and December 31, 2018 there were six and five vacant units respectively.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statement has been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

Rental Income and Uncollectible Rent

Rental income is reported net of uncollectible rent of $19,122 and $22,741 in 2019 and 2018 respectively. Management's policy is to write-off rent as uncollectible when rent is in arrears for over 90 days.

Operating Expenses
The statement of income and operating expenses only reports income and expense items that are applicable to the operation of the building. As such, certain items such as depreciation, selected professional fees and selected repairs, interest income and interest expense are not reported in this financial statement.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events
The company has evaluated subsequent events through June 1, 2020, the date the financial statement was available to be issued. There were no material subsequent events that required recognition or additional disclosure in the financial statement.

NOTE 3 - RELATED PARTIES

The LLC entered into a management fee agreement with ISJ AM Corp., whereby the manager will perform services relating to the management, operation, supervision and maintenance of the property for a monthly fee based on 4% of rent collected each month. The agreement provides for a term of one year commencing after the initial signing. Thereafter, the term automatically renews for one year periods unless and until the agreement is terminated by either party upon not less than 60 days prior written notice. Total management fees for the year ended December 31, 2019 and 2018 were $6,365 and $7,342 respectively.
Members of ISJ AM Corp. also own equity in 66 West 138 LLC.

K. CHANGES IN PRICES AND UNITS

Changes in Purchase Price

The Sponsor reserves the right at any time and from time to time prior and subsequent to the date of transfer of title to the first Unit, to increase or decrease the amount of the purchase price of one or more Units from the amounts shown in the Section entitled "Schedule A—Offering Prices and Other Financial Information for Each Unit." Sponsor will not change the price, however, for Units being purchased by tenants during any exclusive period.

The offering prices set forth in Schedule A of the Plan may be changed only by a duly filed amendment to the Plan when the change in price is: (i) an across-the-board increase or decrease affecting one (1) or more lines of Units or Unit models; or (ii) is to be advertised; or (iii) is a price increase for an individual purchaser. However, the prices for the Units are negotiable unless it would constitute a prohibited discriminatory inducement, and the Sponsor may enter into an agreement with a purchaser to sell one or more Units at prices lower from those set forth in Schedule A.

No change will be made in the size or number of Units and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements, except by amendment to the plan, and, when applicable, to the Declaration.

Unless an affected purchaser consents, no material change will be made in Unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to the sponsor for that Unit and the Purchaser is not in default. Additionally, no material change will be made in the size or quality of common elements unless Purchasers not in default receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right.

In the event of a change in the purchase price of one or more Units, the purchaser of a Unit may pay or have paid more or less than other purchasers of comparable Units having the same Common Interest. However, such change shall not affect the Common Charges or Common Interest of any Unit (including Units whose purchase prices have changed), nor affect the purchase price stated in any Purchase Agreement then in effect.

Changes in Size, Layout and Number of Units

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective purchasers, or for any other reason, Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, by combining two or more separate Unsold Units into one or more Unsold Units, by altering the boundary walls of any Unsold Unit(s), or otherwise, including, without limitation, the use of any portion(s) of the Common Elements adjacent to such Unsold Units to the extent that such portion(s) are not required to be maintained as Common Elements pursuant to the terms of the By-Laws. Subject to the terms of this section, such right may be exercised by Sponsor from time to time,

both before and after the First Closing, and without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, or any mortgagee, so long as such changes do not compromise the structural integrity of the building. However, Sponsor shall first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by law. In addition, there may be no change in the number of Units at any time without an amendment to the Plan.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit be changed, unless reflected in a duly recorded amendment to the Declaration. As more particularly provided in the Declaration, Sponsor or its designee, as the Owner of an Unsold Units, will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners, or any mortgagee consenting to, or executing, such amendment. However, no increase of a Unit's Common Interest will be made without obtaining the prior consent of all affected Unit Owners not then in default. In addition, no change will be made in the Unit size, layout or Common Interest of any Unit for which a Purchase Agreement is in effect, without obtaining the prior written consent of the Purchaser thereof. Additionally, no material change will be made in the size or layout and no material adverse change will be made in the quality of the Common Elements unless all purchasers who have signed Purchase Agreements receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. Therefore, Sponsor must first obtain consent of all purchasers who have signed Purchase Agreements before amending the Declaration to reflect such change.

Alternatively, Sponsor may make such changes provided Sponsor grants Purchasers a right to rescind their Purchase Agreements and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. Sponsor must return any deposit or downpayment within ten (10) days to purchasers who rescind.

L. RIGHTS OF ELIGIBLE SENIOR CITIZENS AND ELIGIBLE DISABLED PERSONS

Under the terms of the Plan, Eligible Senior Citizens and Eligible Disabled Persons are eligible to elect the status of a Non-Purchasing Tenant upon acceptance for filing of the Plan by the Department of Law. Eligible Senior Citizen and Eligible Disabled Person election forms promulgated by the Department of Law, forms SH-1 and SH-2, respectively, are included in Part II of the Plan as Exhibit 10.

An Eligible Senior Citizen is a Non-Purchasing Tenant and the spouse of such Non-Purchasing Tenant who:

(i) is sixty-two (62) years of age or older on the date the Plan is accepted for filing by the Department of Law; and

(ii) has elected not to purchase his or her apartment within sixty (60) days from the Presentation Date by completing the senior citizen election form in the Plan, signing the form and having the signature notarized, and personally delivering it to the Sponsor, or mailing it by certified or registered mail, return receipt requested to the Sponsor, at Sponsor's principal place of business as disclosed in this Plan.

An Eligible Disabled Person is a Non-Purchasing Tenant and the spouse of such Non-Purchasing Tenant who:

(i) has an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which is expected to be permanent, and which prevents the disabled person from engaging in any substantial gainful employment on the date the Department of Law accepted the Plan for filing; and

(ii) has elected not to purchase his or her apartment within sixty (60) days from the presentation date by completing the disabled person election form in the Plan, signing the form and having the signature notarized, and personally delivering it to the Sponsor, or mailing it by certified or registered mail, return receipt requested to the Sponsor, at Sponsor's principal place of business as disclosed in this Plan.; and

(iii) if the disability first occurs after acceptance of the Plan for filing, then such election may be made within sixty (60) days following the onset of such disability unless during the period subsequent to sixty (60) days following the presentation 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. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005.

As a Non-Purchasing Tenant under the Plan, Eligible Senior Citizens and Eligible Disabled Persons are entitled to the following protections upon electing Non-Purchasing Tenant status:

(i) No eviction proceeding will be commenced at any time against either Eligible Senior Citizen or Eligible Disabled Persons unless they are in violation of their lease;

(ii) Eligible Senior Citizens and Eligible Disables Persons who reside in apartments subject to government regulations as to rentals and continued occupancy shall continue to be subject thereto;

(iii) The rents of Eligible Senior Citizens and Eligible Disables Persons who reside in the Building not subject to government regulations as to rentals and continued occupancy, and Eligible Senior Citizens and Eligible Disabled Persons who reside in the Building with respect to which government regulations 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.

The rights granted under the Plan and rent regulatory laws to Eligible Senior Citizens and Eligible Disabled Persons may not be abrogated or reduced, regardless of any expiration of or amendment to G.B.L., section 352-e(2-a), 352-eee or 352-eeee. The By-Laws of the Condominium contains that such purchase is subject to all the rights of the Eligible Senior Citizen or Eligible Disabled Person occupying the Unit and the Purchaser, his successors and assigns shall continue to be bound as long as such occupancy continues.

Any owner of a Unit occupied by an Eligible Senior Citizen or Eligible Disabled Person shall be bound by the provisions of the New York General Business Law and the terms of the Plan. The by-laws of the Condominium must require that such purchase is subject to all the rights of the Eligible Senior Citizen or Eligible Disabled Person occupying the apartment and that the purchaser, his successors and assigns shall continue to be bound as long as such occupancy continues.

Sponsor may dispute the election by a tenant to be an Eligible Senior Citizen or an Eligible Disabled Person by applying to the Department of Law for a determination of the tenant's eligibility within thirty (30) days of the receipt of the election form. The Department of Law shall issue a determination of eligibility within thirty (30) days thereafter.

In the absence of fraud, the determination by the Department of Law is the sole method for resolving a dispute as to whether a tenant is an Eligible Senior Citizen or Eligible Disabled Person. The determination by the Department of Law is reviewable only through a proceeding under article 78 of the Civil Practice Law and Rules.

An election not to purchase shall not preclude an electing senior citizen or disabled person from subsequently purchasing his or her apartment on the terms and conditions set forth in the Plan.

[redacted] Owners of SCRIE and DRIE Units should see the brochure regarding SCRIE and DRIE program and the effect these Units will have on property taxes. SCRIE and DRIE Unit owners should be advised that they will not be able to move into these Units unless

they comply with the SCRIE and/or DRIE guidelines. Purchasers should consult with their attorneys prior to purchasing these Units. The SCRIE and DRIE Brochure can be found at: https://www1.nyc.gov/assets/finance/downloads/pdf/brochures/scriedriebrochure.pdf

M. RIGHTS OF EXISTING TENANTS

Legal Rights of Non-Purchasing Tenants

For purposes of tenant rights under this Plan, all occupants of Units are deemed to be occupied by tenants. A person who does not purchase under the Plan and is 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 is called a "Non-Purchasing Tenant." A subtenant of a purchaser under this Plan is not a Non-Purchasing Tenant. This is a Non-Eviction Plan which protects Non-Purchasing Tenants (as defined above) from eviction based solely on their not buying, even though the Premises are converted to condominium ownership. So long as a Non-Purchasing Tenant pays the full rent and otherwise complies with the obligations imposed on him under his lease or applicable law, he may continue in possession.

In accordance with the GBL:

1. 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 similar breach by the Non-Purchasing Tenant of his obligations to the owner of the Unit may not commence an action to recover possession of an apartment from a Non-Purchasing Tenant on the grounds that he seeks the Unit for the use and occupancy of himself or his family.

2. Non-Purchasing Tenants who reside in Units subject to government regulation as to rentals and continued occupancy prior to the conversion of the Property to condominium ownership shall continue to be subject thereto.

3. The rentals of Non-Purchasing Tenants who reside in apartments not subject to government regulation as to rentals and continued occupancy and Non-Purchasing Tenants who reside in apartments with respect to which government regulation as to rentals and continued occupancy has been eliminated or becomes inapplicable after this Plan has been accepted for filing by the Department of Law 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.

4. The Plan shall not be amended at any time to provide that it shall be an "eviction" plan.

5. The rights granted under this Plan to Non-Purchasing Tenants may not be abrogated or reduced, notwithstanding any expiration of, or amendment to, any applicable law, such as Section 352-eeee of the GBL.

6. It is 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 use or occupancy of his

apartment or the facilities related to the apartment or to harass the tenant in any other manner. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate an order restraining the non-occupant purchaser from selling the Unit or an order restraining the Sponsor from proceeding with the plan of conversion; provided that nothing contained in the GBL shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

7. Complaints of unconscionable rent increases proscribed by law may be referred to the New York State Department of Law, Real Estate Financing Bureau, 28 Liberty Street, New York, NY 10005.

8. Tenants or their representatives who are registered architects or professional engineers licensed to practice in the State of New York may physically inspect the Building during normal business hours, upon prior written request to the Selling Agent.

9. The Declaration of the Condominium provides that the Board of Managers will notify each non-purchasing tenant of changes in ownership of Unit. Such notice will be provided in writing within a reasonable period of time (not to exceed 30 days) after the change in ownership.

10. If prior to the expiration of any exclusive purchase period that had begun prior to closing, the terms and conditions of the Plan are amended to be more favorable to prospective tenant purchasers, then a Tenant in Occupancy on the Filing date who had already executed and submitted a Purchase Agreement for his Unit shall be allowed the option to purchase on and subject to all of the same new terms and conditions set forth in the amendment provided that he is not in default under his Purchase Agreement and further provided that any sales quota or other prerequisite for implementing the new terms and conditions (as stated in the amendment) are satisfied.

11. Under this non-eviction Plan, 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.

    Tenants who lease Unsold Units after the Plan is declared effective **ARE NOT 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."

Rights of Residential Tenants in Occupancy to Purchase Their Units

Each Residential Tenant in Occupancy of a Unit, as defined in GBL Part 23, has the exclusive right for the ninety (90) day period following the presentation of the Plan (but not thereafter) to purchase his Unit for a Total Price, which is less than the Total Price being offered

to non-tenants, during which time his Unit shall not be shown to a third party unless he has, in writing, waived his right to purchase. A purchaser who purchases an occupied apartment does so subject to the rights of the residential tenant-in-occupancy of said apartment to purchase said apartment during any Exclusive Period granted by the Sponsor.

Such exclusive right to purchase applies only to the Unit occupied by said Tenant in Occupancy and not to any vacant Unit on the Premises. Tenants in occupancy will not be permitted to purchase a vacant apartment or any other apartment not occupied by the tenant. The exclusive right to purchase may only be exercised by the Tenant in Occupancy and not by any subtenant. The Purchase Agreement may not be transferred or assigned by the purchasers without Sponsor's prior written consent. (See section "Assignment of Purchase Agreement").

After the expiration of the Ninety Day Exclusive Period, the Total Price to Tenants in Occupancy shall automatically increase to the Total Price then being offered to non-tenants, subject to further change in accordance with the procedures set forth in "Changes in Prices and Units." In addition, tenants shall no longer have the exclusive right to purchase their Units and, if not purchased by them, their Unit may be offered for sale to others. No tenant-in-occupancy has an exclusive right to use any portion of the common elements, such as hallways.

Exclusive Purchase Period

In accordance with the GBL and Part 23:

1. Each residential tenant-in-occupancy on the date the plan is accepted for filing shall have the exclusive right for a period of ninety (90) days after the presentation date (the "Ninety Day Exclusive Period") to purchase their dwelling Unit for the Total Purchase Price set forth in Schedule A. A Purchase Agreement from a tenant-in-occupancy for his or her own Unit executed during the Ninety Day Exclusive Period shall have priority over and preempt any Purchase Agreement from non-tenants.

2. Part 23 further defines those tenants-in-occupancy who have the exclusive right to purchase during the Ninety Day Exclusive Period. These include:

    a. All bona fide tenants-in-occupancy, including corporations, on the dated accepted for filing ("Filing Date").

    b. Any bona fide tenant-in occupancy who, on the Filing Date, has the right to renew a lease.

    c. Any bona fide tenant-in occupancy who, on the Filing Date, has the right to continued occupancy.

3. For the purpose of determining who has the right to purchase during an exclusive period, a bona fide tenant of record with an unexpired lease on the Filing Date shall be presumed to be a "tenant-in-occupancy" even though the tenant has sublet his or her dwelling Unit or the dwelling Unit is not his or her primary residence.

4. A bona fide sublessee in occupancy, including corporations, on the Filing Date has the right to purchase during an exclusive period if he or she sublets from a non-bona fide tenant, or has obtained written permission from the bona fide tenant of record to purchase the Unit. Nothing herein shall be construed to deprive an owner of any legal remedy for illegal occupancy.

5. A residential occupant entitled to protection under Article 7C of the Multiple Dwelling Law has the right to purchase during the exclusive period.

6. If the residential tenant-in-occupancy does not purchase his Unit within the Ninety Day Exclusive Period, then such Units may be offered to others at the Total Purchase Price as set forth in Schedule A of the Plan or at such other prices as the Sponsor may determine in a duly filed amendment to the Plan if required.

7. In the event a substantial amendment is filed prior to the Closing, the exclusive right to purchase time period shall be extended, as follows:

    a. If the presentation of the Substantial Amendment occurs during the Ninety Day Exclusive Period, such period shall terminate at the later of 30 days after presentation of the Substantial Amendment or the expiration of the Ninety Day Exclusive Period.

    b. If the presentation of the Substantial Amendment occurs after the expiration of the Ninety Day Exclusive Period, the Substantial Amendment must grant to all tenants who had the right to purchase during the Ninety Day Exclusive Period a new exclusive right to purchase on the terms offered in the amendment for a period of not less than thirty (30) days from the Date of Presentation.

Tenant Buyout Offers

The Department of Law published a memorandum regarding tenant buyouts as a guidance document pursuant to State Administrative Procedure Act Section 102(14). Accordingly, to the extent permitted by law, Sponsor reserves the right to selectively offer regulated and unregulated tenants, 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. Buyout offers may not violate anti-discrimination laws, including but not limited to the federal Fair Housing Act of 1968, the federal Fair Housing Act Amendments Act of 1988 and the New York State Human Rights Law. A tenant in a rent-regulated unit may not accept a buyout offer until Department of Law has accepted the Plan for filing.

Tenant's Right to be Notified of Pending Sales

On the 30th, 60th, 88th and 90th days from the date of presentation of this Plan to the tenants and at least once every thirty days thereafter, until to and including the day the Plan is declared effective or is abandoned, as the case may be, and on the tenth and second day before the expiration

of any exclusive purchase period provided in a substantial amendment to the Plan, Sponsor will: post before noon in prominent places on the Premises accessible to all tenants copies of Sponsor's written statement under oath, setting forth the percentage of Units on the Premises, as of the date of such statement, purchased by (i) Tenants in Occupancy without discriminatory repurchase agreements or other discriminatory inducement or (ii) bona fide purchasers who represent that they or one or more specified members of their immediate family (a) intend to occupy the Unit or (if the Unit is then occupied by someone else) (b) intend to occupy the Unit when it becomes vacant. The notice shall further state the number of Tenants in Occupancy as of the date of presentation of the Plan who have signed Purchase Agreements to purchase under the Plan and what percentage this represents of the total number of such Tenants in Occupancy. The statement shall also be filed with the Department of Law.

Copies of this notice will be available to any tenant from 10:00 A.M. to 5:00 P.M. at the office of Sponsor's Attorney, The Law Office of Jay Lichtman P.C., 68 Jay Street, Suite 420, Brooklyn, New York 11201 and at the offices of the Attorney General, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 10005.

Services Provided to All Tenants on a Non-Discriminatory Basis

All apartments occupied by Non-Purchasing Tenants shall be managed by the same managing agent employed by the Board of Managers and such managing agent shall provide to Non-Purchasing Tenants all services and facilities required by law on a non-discriminatory basis. Sponsor shall guarantee the obligation to provide such services and facilities until such time as a majority of the Board of Managers consists of residents of the Premises. See "Obligations of owners of Dwelling Units occupied by Non-Purchasing Tenants."

General

If a tenant purchases a Unit, then from and after the date the deed to his Condominium Unit delivered to him, such tenant-purchaser shall be entitled to all the rights and benefits customarily available to all condominium owners as explained elsewhere herein, such as the right to exclusive possession of the Unit.

Non-purchasing tenants will be subject to rent increases as a result of capital improvements made by the Sponsor, the Board of managers, or Unit Owners. Sponsor has no plans to do any capital improvements at this time. If the Sponsor does make capital improvements, the Reserve Fund will be diminished by the cost of the improvements. Whether or not Sponsor does indeed undertake said improvements, and their costs if Sponsor does so, will be set forth in a subsequent amendment to the Plan. See section "Reserve Fund" for more details.

Purchase Agreements are not assignable or transferable by any purchaser without the prior written consent of the Sponsor which is under no obligation to grant such consent. (See section, "Assignment of Purchase Agreements").

Rights of Residential Tenants under the Omnibus Housing Act of 1983 (Chapter 403 of the Laws of 1983)

In addition to the foregoing rights of tenants, tenants-in-occupancy shall have the following rights under the Omnibus Housing Act of 1983:

1. A tenant renting an apartment shall have the right to sublease his or her apartment, if the tenant can establish that at all times he or she has maintained the apartment as his or her primary residence and intends to reoccupy it as such at the expiration of the sublease, subject to prior written consent of the Landlord. Such consent shall not be unreasonably withheld. If the Landlord unreasonably withholds consent, the tenant may sublet in accordance with the tenant's request and may recover the costs of a proceeding and attorney's fees, if it is found that the owner acted in bad faith by withholding consent.

2. Tenants who sublet their apartments, in accordance with the statute, shall retain their rights to renewal leases and the rights and status of tenant in occupancy with respect to the conversion of the Property and no action or proceeding based on the non-primary residence of a tenant may be commenced prior to the expiration date of the tenant's lease.

3. Unless a greater right to assign is conferred by the lease, a tenant-in-occupancy may not assign his or her lease without the written consent of the Landlord and such consent may be unconditionally withheld without cause. However, if the Landlord unreasonably withholds consent, the Landlord shall release the tenant from the lease upon request of tenant upon thirty (30) days' notice.

4. Any lease or rental agreement for residential premises entered into by one tenant shall be construed to permit occupancy by the tenant, the immediate family of the tenant, one additional occupant, and dependents of the occupant. Any lease or rental agreement for residential premises entered into by two or more tenants shall be construed to permit occupancy by tenants, the immediate family of tenants, occupants, and dependent children of occupants; provided that the total number of tenants and occupants, excluding occupants, dependent children, do not exceed the number of tenants specified in the lease or rental agreement and that at least one tenant or a tenant's spouse occupies the premises as his or her primary residence.

5. The tenant shall inform the Landlord of the name of any occupant within thirty (30) days following the commencement of occupancy by such person or within thirty (30) days following a request by the Landlord.

6. No action or proceeding shall be commenced seeking to recover possession on the ground that an apartment is not occupied by the tenant as his or her primary residence, unless the owner or Landlord shall have given thirty (30) days' notice to the tenant of his or her intention to commence such action or proceeding on such ground.

7. The foregoing rights of tenants in occupancy with respect to assignment and subleasing are subject to tenants following certain notice requirements. Therefore, a Landlord may terminate the tenancy of a tenant or subtenant who sublets contrary to the provision of the Omnibus Housing Act.

Temporary Relocation as an Accommodation to Tenants in Furtherance of Renovation Plans

Sponsor is undertaking capital improvements to the Common Elements of the Condominium, as well as making upgrades and repairs to major Building systems. Sponsor is offering all Existing Tenants, at no cost to them, the opportunity to have their individual Units renovated, in accordance with the scope of work specified at Exhibit 12 in Part II of the Plan (the "Renovation Work"). If Existing Tenants wish to elect to have the Renovation Work performed in their Units, such Existing Tenants shall have a one-time opportunity to elect, during the six-week period commencing on the presentation date this Plan (the "Relocation Period"), to elect to relocate to one of two Temporary Relocation Suites (defined below) while the Renovation Work is being performed, on a first-come first-served basis and subject to availability of a relocation Suite during the performance of Renovation Work. Sponsor may choose, at its sole discretion, to permit Existing Tenants to elect to have Renovation Work performed in their individual Unit, subsequent to the Relocation Period, based upon availability of Temporary Relocation Suites. However, to take advantage of Renovation Work, Existing Tenants are strongly encouraged to elect to take advantage of Renovation Work during the Relocation Period.

If elected by an Existing Tenant during the Relocation Period, the Renovation Work will be performed on a first-come, first-served basis as determined by the date of Sponsor's receipt of the Existing Tenant's request for Renovation Work. The actual start date for Renovation Work will be different for each Existing Tenant who accepts the offer, and will be individually negotiated between the Existing Tenant and Sponsor.

Due to the nature of the Renovation Work, Existing Tenants are advised that temporary relocation is being provided by Sponsor for the sole purpose of completing the Renovation Work and is in the best interest of each Existing Tenant who accepts the offer of Renovation Work.

Sponsor will set aside two Units located within the Building for the sole use as temporary relocation suite to perform Renovation Work for Existing Tenants that have elected during the Relocation Period (the "Temporary Relocation Suites"). The form of temporary relocation and license agreement is in the form attached hereto as Exhibit 11 in Part II of the Plan (the "Temporary Relocation License Agreement"). Sponsor represents and warrants that it will comply with all terms of the Temporary Relocation License Agreement. Existing Tenants are urged to seek the advice of counsel prior to signing any Temporary Relocation License Agreement.

Each Existing Tenant who accepts the Renovation Work offer will receive a written notice at least 15-business days in advance of date by which, if they elect to relocate and if a Relocation Suite is available, they must quit their use of, and move out of their Unit (the "Temporary Relocation Apartment Move Notice"). Similarly, once the Renovation Work is complete such Existing Tenant will receive a written notice at least 15-business days in advance of date by which they must quit their use of, and move out of, the Temporary Relocation Suite, and return to their Unit ("Return to Stabilized Apartment Move Notice"). See Exhibit 21 in Part II of the Plan for the forms of Notices exhibited to the Temporary Relocation License Agreement.

Sponsor's performance of the Renovation Work shall not entitle Sponsor to, and Sponsor will not endeavor to, increase the legal regulated rent for the Stabilized Apartment under any rule governing rent increases for rent stabilized apartments. Sponsor agrees that such Renovation Work will not qualify as an "individual apartment improvement" or "major capital improvement" under rent regulation.

N. OBLIGATIONS OF OWNERS OF DWELLING UNITS OCCUPIED BY NON-PURCHASING TENANTS

A person interested in purchasing a Unit occupied by another will purchase same and obtain a Condominium Deed therefor subject to (a) the existing lease of the Unit, if any (and any renewal thereof required to be made under the Rent Stabilization Law and Code ("RSL")), (b) the existing occupancy of the Unit, and (c) rights of the tenant thereof, if any, under the General Business Law ("GBL") and RSL, including the right to stay in possession of the Unit as discussed herein and in the foregoing section, "Rights of Existing Tenants." A person interested in purchasing a Unit subject to SCRIE and DRIE should be advised that they will not be able to move into these Units unless they comply with the SCRIE and/or DRIE guidelines. Purchasers should consult with their attorneys prior to purchasing these Units.

The Board of Managers, Sponsor, and Selling Agent make no representations or statements of any kind as to the requirements of the RSL, the NYS Emergency Tenant Protection Act (1974) ("ETPA"), or GBL, except as expressly set forth in this Plan, and a prospective purchaser interested in purchasing a Unit in which he does not reside is advised to consult with his attorney regarding the application and effect of the foregoing laws in order to become fully apprised of his rights as a purchaser and his obligations to any existing tenant or occupant.

Under the GBL, a Non-Purchasing Tenant, as defined in 352-eeee(1)(e), may not be evicted at any time, unless the tenant's lease is terminated for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or other justifiable cause permitted by the GBL and RSL. Under the RSL, if the tenant continues to maintain the Unit as his primary residence, then when his present lease and each renewal expires, he may demand and (if he wishes to stay in possession) must sign a renewal lease for a term of one or two years (at the tenant's choice) at the then applicable increased rental.

If a Non-Purchasing Tenant fails to pay rent or to comply with the other obligations imposed on him under his lease or applicable law or the RSL, and such default is not cured within any applicable grace period provided in the lease, then the non-tenant, in order to gain possession of the Unit, may be required (at his own expense) to institute a summary dispossess proceeding in court. In any such dispossess proceeding, the court has discretionary power to stay the issuance of a warrant of eviction for not more than six (6) months, depending upon the availability of other suitable accommodations and upon other factors.

No representation or warranty is made as to the length of time which may elapse before a final court order of eviction is granted and made effective, or that such court order will be granted, or that possession of a Unit occupied by another will be obtained.

All costs and expenses incurred in connection with the ownership of a Unit occupied by another (including, without limitation, annual registration fees to the State Division of Housing and Community Renewal, dues to the Rent Stabilization Association of New York City, Inc., and legal fees and litigation expenses for enforcing the lease and obtaining possession of the Unit), will be borne entirely by the purchaser.

If a purchaser acquires the Unit occupied by another person, then on the Closing Date the purchaser will become the landlord of such occupant and the latter will become the purchaser's tenant. Such purchaser will be required under the Declaration of Condominium and the By-Laws of the Condominium to pay the Common Charges for such Unit to the Board of Managers, whether or not such Common Charges are greater or less that the rent payable by the tenant or occupant and regardless of whether the rent is received. Such purchaser will be responsible for the performance of all obligations of the landlord under the lease or required by applicable law that are not the responsibility of the Board of Managers under the Declaration of Condominium and the By-Laws of the Condominium. Such obligations include, without limitation the obligations to make all repairs to the Unit which are not the responsibility of the Board of Managers of the Condominium, to maintain, repair and replace the plumbing fixtures, refrigerator, range, any dishwasher, lighting fixtures, and other equipment (if any) in the Unit and to paint the Unit, as provided in the Declaration of Condominium, the By-Laws of the Condominium, the existing tenant's Lease (if any), the RSL, GBL or other applicable law. While the Sponsor is in control of the Board of Managers, Sponsor must guarantee that these services will be provided if required by applicable law.

Purchase Agreements for Units occupied by non-purchasing tenants, other than the Sponsor, and the Condominium Deed for said Units shall include an agreement by the Purchaser to:

1. Irrevocably appoint the managing agent for the Board of Managers as his agent to perform for the account and at the expense of the Purchaser all services required to be furnished or performed by a landlord under the non-purchasing tenant's lease, the applicable New York City Law and any other applicable laws and regulations that are not to be provided by the Board of Managers under the Declaration of Condominium, including, but not limited to, interior repairs and Unit painting; and

2. Deposit with the Managing Agent at the Closing for such Unit a sum not less than an amount equal to the greater of two (2) months Common Charges or two (2) month's rent to be used as working capital to furnish services required under the non-purchasing tenant's lease, the applicable New York City Rent Laws and any other applicable laws and regulations. Upon notice by the managing agent that the said deposit has been diminished, such fund shall be replenished by the Unit Owners within thirty (30) days of such notice. The failure of the Unit Owner to replenish this fund within said thirty (30) day period shall result in the Board of Managers having a lien against the Unit. Interest, if any, earned on this fund shall be the property of the Unit owner. The monies deposited are in addition to any other closing costs listed in this Plan. This paragraph, however, shall not apply to the Sponsor.

A person interested in purchasing the Unit in which he does not reside is advised to examine any lease for such Unit to ascertain the rental, expiration date and obligations imposed on the landlord. These leases are on file at the office of the Sponsor. In particular, leases of tenants subject to the RSL should be examined to ascertain the purchaser's obligations. It is further recommended that such person consult with his own attorney in order to become fully apprised of the effect of the GBL, RSL and any lease for the Unit on his rights as a purchase and his obligations to any existing tenant or occupant.

A purchaser of a Unit subject to a lease will be entitled to receive the unapplied portion of any rent security deposit held by the Sponsor under the terms of the lease. Such security must be held by the purchaser in an interest-bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon delivery of such security deposit, the purchaser will be required to execute, notarize and deliver to Sponsor and agreement acknowledging the amount received and indemnifying the Sponsor and the Board of Managers against all claims and liability in connection therewith.

If required by applicable law or code, the purchaser shall become a member of, and register the Unit with, and pay annual fees to, the New York State Division of Housing Community Renewal (DHCR) or any successor organization. In the event purchaser is required to become a member of the DHCR or a successor organization and permits his membership to lapse or purchaser is expelled, or if purchaser fails to register the Unit with or pay annual fees to the DHCR, the purchaser may be barred from obtaining rent increases and faces possible civil penalties.

There are outstanding violations regarding the condition of the Building. Please see Schedule A to the Description of Property and Specifications, attached herein as Exhibit 1 in Part II of the Plan. All open violations against the building will be cured at the expense of the Sponsor. Any outstanding violations within any of the Units will be cured by the Sponsor if Sponsor is given access to the Units. There are no current Con Edison safety alerts issued against the building. Any prior alerts have been lifted at the expense of the Sponsor. There are outstanding lead-based paint violations open against the building. All lead-based paint violations were corrected at the expense of the Sponsor. Sponsor is waiting on paperwork from HPD acknowledging that the violations were cured. [redacted] Any repairs to fix the DHCR violations will be the responsibility of the Sponsor.

O. INTERIM LEASES

The Sponsor-Seller reserves the right to rent or lease vacant Units (including any Units which become vacant after the date of presentation of this Plan) to purchasers and non-purchasers. However, once a vacant Unit has an executed Purchase Agreement, and so long as the Purchase Agreement is in effect, it may only be leased to the purchaser of such Unit. No purchaser shall have the right to occupy the Unit purchased by him prior to the closing unless Sponsor-Seller agrees to permit such occupancy under an interim lease or other written rental agreement. It is possible that Sponsor-Seller will condition the sale of a vacant Unit upon the Purchaser entering into an interim lease. **Note: a person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be doubly insured. Therefore, a person who takes possession prior to closing assumes the risk of losses not covered by insurance.** The purchaser may not occupy the Unit or perform any work in the Unit prior to closing without the prior consent of the Sponsor. Such event shall constitute a default under the terms of the Purchase Agreement. See Section "Procedure to Purchase" for further details.

There are twenty (20) residential Units located at the premises. Six (6) Units are vacant, eighteen (18) are currently rent stabilized, and two (2) are rent controlled. [redacted] Owners of SCRIE and DRIE Units should see the brochure regarding SCRIE and DRIE program and the effect these Units will have on property taxes. SCRIE and DRIE Unit owners should be advised that they will not be able to move into these Units unless they comply with the SCRIE and/or DRIE guidelines. Purchasers should consult with their attorneys prior to purchasing these Units. The SCRIE and DRIE Brochure can be found at: https://www1.nyc.gov/assets/finance/downloads/pdf/brochures/scriedriebrochure.pdf

The lease shall be prepared substantially in accordance with the general form of lease which is set forth as Exhibit 9 in Part II of the Plan. The form lease is applicable to apartments not under any rental protection laws. The terms of such lease shall be subject to negotiation.

If Sponsor-Seller elects to lease an apartment, the lease will be for such rent and other terms as may be mutually agreed upon. Such lease will also provide that an uncured default by the purchaser under his Purchase Agreement will constitute a default under the lease entitling the landlord (i.e., Sponsor-Seller), at its sole option, to immediately terminate such lease. The Purchaser-tenant shall be required to vacate the Unit within thirty days (30) after notice of cancellation of the Purchase Agreement. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement in the event the purchaser fails to cure a default under his lease within the applicable grace period (if any) and purchaser has vacated the apartment. Before the Sponsor may utilize the default under the lease to declare a default under the purchase agreement, the Sponsor must 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. No portion of the rental paid under such lease will be credited toward the Unit's Total Cash Payment. The interim lessee will have thirty (30) days to vacate the apartment after a default under the Purchase Agreement and Sponsor must make a written demand for payment after default, thirty (30) days before forfeiture of the deposit shall be declared.

In the event of a material adverse amendment to the Plan which would permit the purchaser to rescind his Purchase Agreement and the purchaser elects to rescind, the interim lease made with such rescinding purchaser shall be canceled and possession of the Unit surrendered within ninety (90) days thereafter. In the event the Plan is abandoned, a purchaser who has entered into an interim lease must vacate the Unit upon the termination of the term of his/her lease, unless Sponsor, in its sole option, enters into a new lease with said purchaser. If Sponsor enters into a new lease with said Purchaser, the purchaser-tenant will continue to be subject to applicable rent regulatory laws.

It should be noted that until this Plan is consummated in accordance with its terms, tenants of the Units in the Building, shall not be able to claim income tax deductions. Such deductions may become available only when there is a Closing under this Plan, and the purchaser becomes a Unit Owner, but only deductions for the period subsequent to the tenant's closing may be taken. Rents due under any Interim Lease shall be adjusted as of the Closing Date between the Sponsor and tenant. No part of any rent paid under any Interim Lease will inure to the benefit of the tenant-purchaser under the Interim Lease if such tenant later purchases the leased apartment or any other apartment in the building. All rent paid under Interim Leases will belong to the Sponsor as payment for the use and occupancy of the Unit prior to Closing.

P. PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute, in triplicate, a Purchase Agreement in the form set forth as Exhibit 2 in Part II of the Plan. Non-tenant purchasers must also execute an Affidavit of Intention to Reside in the Unit as set forth in Document Number 12 of Part II of the Plan. Purchaser must deliver all of the above documents to the Selling Agent, together with a check for the downpayment payable to the order of "Fink & Zelmanovitz, P.C., as Attorney." The down payment shall be ten percent (10%) of the purchase price (subject to negotiation) but in no event shall it be less than $10,000.00. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by the prospective Purchaser and his or her legal or financial representative before being executed.

A purchaser seeking financing will be responsible for all fees and costs imposed by the lender, including (but not limited to) appraisal and origination fees (if any). It is possible that a purchaser's financing commitment may expire prior to the Closing and purchaser will incur additional costs.

Tenant and Non-Tenant Purchasers shall have at least three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement.

A Purchase Agreement properly executed and submitted by an existing tenant during an exclusive period afforded tenants to purchase his or her Unit will be deemed accepted. A Purchase Agreement submitted by any other prospective purchaser, including an existing tenant who submits a Purchase Agreement after the Exclusive period afforded tenants, or an existing tenant who submits a Purchase Agreement for a Unit other than his own, will not be binding on the Sponsor until a fully executed duplicate original of such Purchase Agreement is returned to such prospective purchaser. If such duplicate Purchase Agreement is not returned to the prospective purchaser within twenty (20) days after it is received by the Selling Agent, it will be deemed rejected and all monies submitted with such Purchase Agreement will be promptly returned to such prospective purchaser, without interest. Except as otherwise provided herein with respect to tenants who execute Purchase Agreements for the Unit in which they reside, Sponsor may reject any Purchase Agreement without cause or explanation so long as such rejection is not based upon race, creed, color, national origin, ancestry, sex, or any other ground prohibited by law.

Notice of Closing

After the Plan is declared effective, Sponsor will give each Purchaser not less than thirty (30) days' prior written notice of the date, time and place (in The City of New York) for the transfer of title to his or her Unit. Such notice will be served in compliance with Section 20.1(d)(1) no less than thirty (30) days before the date set for the closing of the Units. Purchaser at his option may waive this thirty (30) day notice provision as provided for in the Purchase Agreement.

At title closing, such Purchaser shall pay the balance of the Purchase Price stated in the Purchase Agreement by his or her unendorsed certified personal check or by official cashier's check drawn on a New York bank, a member of the New York Clearing House Association, and execute a Unit Owner's Power of Attorney to the Board of Managers which provides for the Condominium Board to acquire a Unit from an individual Unit owner if such owner sells the Unit

to the Board of Managers.

The Sponsor expects the first closing of a Unit to occur on approximately September 1, 2020.

In the event that a purchaser does not close on the Closing Date set forth in the Notice of Closing, and Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his apartment, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be sixteen percent (16%) per annum. This rate shall be in effect for as long as there are any unpaid amounts owed towards the full purchase price.

Terms of Purchase Agreement

The following is a summary of certain material provisions of the Purchase Agreement, but is not intended as a complete statement of these or other important provisions of the same. Reference should be made to the form of Purchase Agreement set forth as Exhibit 2 of the Plan for the complete terms of these and other material provisions:

(a) Incorporation of the Plan. The Plan (including, without limitation, the Condominium Documents contained in Part II of the Plan) and any amendments thereto duly filed by Sponsor are incorporated into each Purchase Agreement by reference. The execution and submission of a Purchase Agreement constitutes Purchaser's acceptance of the Plan (Parts I and II) and his or her agreement to abide and be bound by the terms of the same, as well as all amendments to the Plan duly filed by Sponsor. No Purchaser shall have the right to approve or consent to any such amendments, including, without limitation, any changes, modifications, or updating of the estimated Common Charges or estimated real estate taxes and assessments to be paid by the Purchaser on Schedule B, "Budget for First Year of Condominium Operation" and no such amendment will excuse a purchaser from performing his or her obligations under a Purchase Agreement or entitle such purchaser to any credit or offset against the purchase price set forth therein. However, if an amendment materially adversely affects the rights, obligations, or liabilities of then existing Purchasers, Purchasers will be given for fifteen (15) days following the presentation of such amendment the right to rescind their Purchase Agreements by notifying Sponsor and will receive a refund of their Down Payments, without interest (unless interest is earned), within ten (10) days after Sponsor's receipt of Purchaser's election to rescind.

(b) Funds. All funds received from prospective purchasers by the Sponsor will be handled in accordance with the provisions of Sections 352-h and 352-e(2)(b) of the General Business Law and Section 71-a(3)(a) of the Lien Law and shall be used by the Sponsor only in connection with the consummation of the Plan. Section 71-a(3) of the Lien Law requires, at the purchaser's option, that the deposit funds be placed in an escrow account in a bank trust company, savings bank, or state or federal savings and loan association located in New York State. Said monies must be deposited within five (5) business days of the Sponsor's receiving them. The Sponsor must advise the purchaser in writing within ten (10) business days after the deposit has been made of the name of the depository where the funds have been placed.

All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. However, purchasers should note as a special risk that such funds may be released from the escrow account by the escrow agent as long as the sponsor uses the funds for such upgrades or extras. As a result, in the event a purchaser is entitled to rescission, the purchaser will not receive a refund of any funds used for upgrades or extras. If the Plan is abandoned, however, all Unit upgrade funds will be returned to Purchasers.

(c) Secured Loan Condition Rider. The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase 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. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

The Sponsor will approve a mortgage contingency if the proposed mortgage is applied for through Sponsor's Preferred Mortgagee, Citizens Bank N.A., NMLS#490562, Att: Ami Rosen, Office: (212) 857-6682, Cell: (917) 705-1900, Fax: (877) 556-0567, Email: ami.rosen@citizensbank.com. In the event that the Purchaser wishes to apply for a mortgage through a different lending institution, the Sponsor reserves the right to reject such lending institution unless the name of such lending institution is provided at the time of the contract and Sponsor consents at such time. In the event the Sponsor consents to permit a mortgage contingency, the purchaser may condition his Purchase Agreement upon obtaining a loan from an institutional lender doing business in New York of not more than 75% of the sales price and the Purchase Agreement will be modified by appending to Purchase Agreement, the Secured Loan Condition Rider set forth as Exhibit A to the Purchase Agreement in Part II of this Plan (the terms of which are also set forth below). Purchasers should note that the financing commitment may expire or that the terms of the commitment may change prior to actual closing.

The following are the terms of the Secured Loan Condition Rider:

(i) Within two (2) weeks of Purchaser's Attorney receiving a fully executed purchase Agreement from Sponsor, Purchaser must make a mortgage application. Within seven (7) days thereafter, the Purchaser must provide the Seller and/or Seller's attorney with the name and address of the bank or mortgage broker to which application has been made. Seller and/or Seller's attorney shall be permitted to deal directly with Purchaser's bank or mortgage broker. Failure to send such notice will be considered to be a waiver of the mortgage contingency.

(ii) The obligations of Purchaser hereunder are conditioned upon issuance on a date which is on or before forty-five (45) days from Purchaser's attorney receiving a fully executed Purchase Agreement ("Mortgage Contingency Expiration Date"), of a written commitment from any Institutional Lender (which shall include a mortgage banker and broker) pursuant to which such Institutional Lender agrees to make a first mortgage loan to Purchaser, at Purchaser's sole cost and expense, of an amount equal to 75% of

the purchase price or such lesser sum as Purchaser shall be willing to accept, at prevailing interest rates for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender.

(iii) Purchaser shall (a) make an application within two (2) weeks after Purchaser's attorney receiving a fully executed Purchase Agreement, (b) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (c) pay all fees, points and charges required in connection with such application and loan, (d) pursue such application with diligence, (e) cooperate in good faith with such Institutional Lender to obtain such commitment and (f) give notice to Seller within three (3) weeks of Purchaser's attorney receiving a fully executed Purchase Agreement, of the name and address of each Institutional Lender to which Purchaser has made such application. Purchaser shall comply with all requirements of such commitment (or of any other commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt thereof.

(iv) If such commitment is not issued on or before the Mortgage Contingency Expiration Date, or a rejection is received, Purchaser shall within five (5) days of the Mortgage Contingency Expiration Date or rejection date, notify the Seller of the failure to receive a commitment or of the rejection and at such time, Purchaser in the event he was approved by the Preferred Mortgagee, may close with Preferred Mortgagee or be deemed in default, or in the event he was denied by both lenders, may cancel this contract by giving notice to Seller, in which case this contract shall be deemed cancelled and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract and the down payment shall be promptly refunded to Purchaser.

(v) If Purchaser fails to give notice of cancellation, Purchaser shall be deemed to have waived Purchaser's right to cancel this contract and to receive a refund of the Down payment by reason of the contingency contained in this Rider and the mortgage contingency will no longer apply. In addition, if Purchaser fails to notify Seller within fifty (50) days of Purchaser's attorney receiving a fully executed Purchase Agreement that he has received a commitment, Seller may at its option cancel the contract and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract, and upon cancellation the down payment shall be promptly refunded to Purchaser.

Provided that the Sponsor consents to permit a mortgage contingency in accordance with the above terms and the purchaser complies with all of such terms, if the financing commitment lapses or expires prior to closing and the purchaser has made a good faith effort to extend the commitment, the Sponsor will grant to purchaser a right of rescission and a reasonable period of time to exercise such right.

A purchaser seeking financing will be responsible for all fees and costs imposed by the lender, including (but not limited to) appraisal and origination fees (if any).

In accordance with the Secured Loan Condition Rider, the purchaser will have the right to terminate the Purchase Agreement and be refunded all monies deposited thereunder, without interest, in the event:

(i) an institutional lender fails, through no fault of the purchaser, to issue its commitment on the terms described above within 45 days (or such greater period as the Sponsor may permit, in Sponsor's sole discretion), provided the purchaser gives notice of termination not later than five (5) days after the expiration of the aforementioned period; or

(ii) the commitment issued by the lender is not funded by the closing through no fault of the purchaser, provided the purchaser gives notice of termination no later than ten (10) days before the closing.

In the event purchaser fails to exercise the right of termination within time periods set forth above or has failed to satisfy the conditions set forth in the Secured Loan Condition Rider, then, in either case, the Purchase Agreement shall remain in full force and effect.

(d) Escrow and Trust Fund Requirements

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto and all funds paid by purchasers shall be handled in accordance with these statutes and regulations.

The Escrow Agent

The law firm of Fink & Zelmanovitz, P.C., with an address at 3839 Flatlands Avenue Ste 206, Brooklyn, NY 11234, telephone number (718)-377-7600, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Neil Fink and Judah Zelmanovitz, Esqs. All designated signatories are admitted to practice law in the State of New York.

Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account

The Escrow Agent has established the escrow account at Signature Bank located at 6321 New Utrecht Avenue, Brooklyn NY 11219 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Fink & Zelmanovitz, P.C. Attorney Escrow Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

All Deposits received from Purchaser shall be in the form of checks, money orders, wire

transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of "Fink & Zelmanovitz, P.C., as Attorney."

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

The Escrow Account is an IOLA account with no interest accrued to the benefit of the either the Sponsor or the purchaser. An IOLA account is a special segregated escrow account maintained by an attorney in which the interest earned is paid to the State of New York. It is not anticipated that any interest will be earned thereon. If at some future point, the Plan is amended to provide that the account will be a non-IOLA account, then the interest rate for all deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The Purchase Agreement

The Purchase Agreement is attached hereto as Exhibit 2 in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 5 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser

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

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY 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.

Release of Funds

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

If there is no written agreement between the parties to release the escrowed funds, the escrow agent will not pay the funds to the sponsor until the escrow agent has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor.

The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after the release of the funds. Upon the dissolution of any law firm which was the escrow agent,

the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by the successor firm and shall notify the Department of Law of such transfer.

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

Waiver Void

Any provision of the Purchase Agreement or separate agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding any deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Purchase Agreement, the Plan or any amendment thereto. Purchasers shall not be obligated to pay any legal or other expense of the sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

See Exhibit 8 in Part II of the Plan for a copy of the escrow agreement which incorporates the terms of the Attorney General's regulations.

The Sponsor will deposit all deposit monies in Signature Bank located at 6321 New Utrecht Avenue, Brooklyn NY 11219. All funds will be held as trust funds pursuant to Sections 352-e(2)(b) and 352-h of the General Business Law. The signature of Neil Fink or Judah Zelmanovitz shall be required for withdrawals or drafts on such account. Such funds will be payable to the Sponsor upon the closing of title to the Units covered by the Purchase Agreement.

Events of Default

The following are events of default under the Purchase Agreement:

(i) purchaser fails to pay the unfinanced balance of the price of his Unit by the Closing Date;

(ii) the Sponsor fails to receive the financed portion of the price of his apartment by the Closing Date;

(iii) if purchaser becomes a tenant of the Building after the Plan is presented and purchaser defaults under his interim lease or tenancy, such default shall become a default under the Purchase Agreement if an order of eviction or other judgment or order from a court or agency of competent jurisdiction is issued against purchaser or purchaser shall have vacated the Apartment;

(iv) if purchaser is a residential tenant of the Building when the Plan is presented and purchaser defaults in paying the rent, such default shall become a default under the Purchase Agreement if an order of eviction or other judgment or order from a court or

agency of competent jurisdiction is issued against purchaser or purchaser shall have vacated the Apartment;

(v) if purchaser is a residential tenant of the Building when the Plan is presented and purchaser fails to renew his lease, such failure shall become a default under the Purchase Agreement if purchaser fails to continue to pay to Sponsor monthly the rent that would have been payable had the lease not expired;

(vi) purchaser defaults in performing some other obligation under the Purchase Agreement and fails to cure.

If such event of default is not cured within a further period of thirty (30) days after sending written notice thereof, the Sponsor's sole remedy is to cancel the Purchase Agreement and retain as and for liquidated damages all payments made thereunder (but in no event to exceed ten (10%) percent of the total Purchase Price of the Unit plus the cost of any special work in the Unit ordered by Purchaser), without interest (hereinafter collectively called the "Liquidated Sum"). TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. Any payments received in excess of the Liquidated Sum, shall be refunded to the purchaser with reasonable promptness after cancellation. In the event the Purchase Agreement is canceled, the Sponsor will have the right to sell the Unit to another person as though said Purchase Agreement had never been made (and without accounting to purchaser for the proceeds of such sale), and purchaser and Sponsor shall be relieved of all further liability and obligations thereunder and under the Plan.

The purchaser may not occupy the Unit or perform any work in the Unit prior to closing without the prior consent of the Sponsor. In the event the purchaser occupies the Unit or performs any work in the Unit prior to closing without the prior consent of the Sponsor, such event shall constitute a default under this section.

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

Unit Conditions

The Units in the Building are being sold in the condition in which they exist at the time of signing the Purchase Agreement, subject to ordinary use, wear and tear and natural deterioration and subject, further, to Sponsor's obligation to maintain the building until the First Closing to the extent indicated in the Section entitled "Sponsor's Statement of Building Condition." Sponsor will only be obligated to make repairs, modifications, or changes in or to any Unit expressly agreed to in writing or, if required by statute or regulations. However, Sponsor is currently renovating Units 1C, 4A and 5A, and Sponsor intends to repair and renovate any Units as they become vacant. Any other changes in plans for any work will be disclosed in duly-filed amendments. In accordance with the statute, each Purchaser will be given 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.

Fixtures and Appliances

At closing, each Unit will contain only those appliances, countertops, cabinets, sinks, vanities (if any), hardware and other fixtures and equipment installed therein as of the date of the Purchase Agreement relating thereto that are owned by the Sponsor. Each Unit is to be sold unfurnished, and there will be no modifications or extras unless agreed to in writing by the parties. Any appliances, furnishings, equipment, fixtures, and other personal property owned by any tenant of the Unit will not be included in the sale.

The Sponsor is providing a gas range/oven, kitchen sink, kitchen cabinets and countertops. The Sponsor is not providing laundry appliances, or hookups for laundry appliances, to the Units. Sponsor permits the installation of laundry appliances at the expense of the purchaser, provided the installation is proper. The Sponsor is not providing blinds or shades to the Units. It will be the responsibility of each Unit owner to provide them, at his or her own cost. Furniture, wall coverings, furnishings, decorations and the like in or about any model are not included in the sale. There will be no modifications or extras unless agreed to in writing by the parties.

Fee to Sponsor's Attorney

Purchasers shall be obligated to pay the following fees to Sponsor's attorney: (a) $2,000.000 for services rendered in connection with the preparation of documents; (b) $350.00 if the closing is held at any location other than Sponsor's attorney's offices by the request of Purchaser, Purchaser's counsel or Purchaser's lender; (c) $150.00 if E-forms for New York City Real Property Transfer Tax are prepared by Sponsor's Attorney; and (d) $250.00 for each time the closing is rescheduled through no fault of Sponsor or Sponsor's attorney (for the costs to fix a new Closing Date and time, to coordinate the attendance of all persons, to re-date the closing documents and to recalculate the closing apportionments).

Closing of Title

The closing of title to each Unit will be held at the office of the Sponsor's attorney, on such date and at such hour as the Sponsor shall designate to the Purchaser of such Unit on not less than thirty (30) days' prior written notice. The Purchaser may waive this notice provision. Sponsor has the right to postpone the closing date and to fix a new closing date within a reasonable time period. In such event, Sponsor shall give the Purchaser not less than ten (10) days' notice of the new date and time of closing. The closing shall take place only after or concurrently with the occurrence of the events set forth in Section "Unit Closing Costs and Adjustments." Purchasers desiring to arrange for such closing to take place at another location in New York City should promptly notify Counsel for Sponsor of that address and, in addition, will be responsible for the payment of an attendance fee to such Counsel (see Section "Unit Closing Costs and Adjustments").

The foregoing shall not act to extend Sponsor's time to declare the Plan effective as set forth in the Section entitled "Effective Date" and shall not affect the Sponsor's right to abandon or withdraw the Plan as set forth in such section. In the event that the Plan is so abandoned or

withdrawn, the Purchase Agreement will be deemed canceled and all monies paid by the Purchaser thereunder, together with interest earned thereon, if any, shall be disbursed as discussed in the subsection entitled "Escrow and Trust Funds Requirements" in this section of the Plan. After the funds are so disbursed, neither the Purchaser nor Sponsor shall have any claims against each other or against the Selling Agent in connection with the Purchase Agreement or the Plan, and all of the same shall be released and discharged from all liabilities under the Purchase Agreement and the Plan.

Broker

The Purchaser will represent to Sponsor that he or she has not dealt with any broker other than the Selling Agent, or directly with the Sponsor in connection with the acquisition of his or her Unit and will indemnify the Sponsor against the claims of any other broker, if such broker is not disclosed to the Sponsor at the time of the contract.

No Lien

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

Non-Survival of Obligations

No provisions of the Purchase Agreement shall survive the delivery of the deed, except those obligations expressly stated therein or to be performed subsequent to the closing. However, all representations set forth in the Plan, all obligations pursuant to the GBL, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed.

DAMAGE TO UNITS

IF THE PURCHASER BECOMES THE TENANT OR ACTUALLY OCCUPIES 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 LOSSES NOT COVERED BY INSURANCE. No purchaser shall have the right to occupy a Unit purchased by him prior to the Closing of title unless Sponsor agrees to permit such occupancy under an interim lease or other written agreement. See Section "Interim Leases" for further discussion.

Purchaser's Remedies

In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the apartments in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform his obligations under the Plan) the sole remedy of the purchaser shall be to rescind the Purchase Agreement and be refunded the entire down payment with interest plus the cost of title searches, if any.

Except as set forth above, all other risk of loss or damage prior to Closing is assumed by Sponsor, but Sponsor shall not be obligated or liable to repair the damage. The Sponsor will make a determination whether or not to repair damages within fifteen (15) days. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect. Thereafter, the purchaser will be refunded all purchase monies paid to Sponsor with any interest earned thereon. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect; Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price; Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement; and purchaser shall not be required to pay the balance of the purchase price unless and until (i) the Unit has been repaired in compliance with the Plan and the repairs done with Equal Quality or in Better condition than immediately prior to the casualty, (ii) its essential services (such as, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored and (iii) any condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligations of the tenant to cure or that are caused by the act or omission of the tenant. Sponsor will remove subsequent to closing all violations of record it is obligated to correct.

The Purchase Agreement is not assignable without the consent of the Sponsor.

If there is any conflict between the Plan and the Purchase Agreement, it will be resolved in favor of the Plan. The Purchase Agreement does not contain, nor will it be modified to contain a provision waiving a purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law. Additionally, the Purchase Agreement to be used by tenant-purchasers who purchase during any exclusive period may not be modified except by a duly filed amendment to the Plan.

Q. ASSIGNMENT OF PURCHASE AGREEMENTS

Purchase Agreements are not assignable or transferable by any purchaser without the prior written consent of the Sponsor, which is under no obligation to grant such consent. However, such consent, if given, shall be based on specific and reasonable conditions and will be applied on an objective and non-discriminatory basis. In the event that the Sponsor consents to an assignment, the following conditions must be complied with:

1. The Purchase Agreement must have been signed and the down payment tendered by the tenant.

2. The Assignee shall tender the balance of the down payment at the time of the assignment.

3. The Assignee must execute and deliver to the Selling Agent at least thirty (30) days prior to the Closing Date a notarized affidavit stating that the assignee was not procured by the Sponsor or the Selling Agent, and that the Assignee intends that he or she or a specified member of his or her immediate family will personally occupy the Unit. The form of such affidavit is set forth as Exhibit 6 in Part II of the Plan.

4. The Assignor must deliver to the Selling Agent at least thirty (30) days prior to the Closing Date a properly executed Assignment and Assumption of Purchase Agreement.

5. Assignee shall deliver to the Selling Agent, together with the Assignment and Assumption Agreement, a $750.00 check made payable to Fink & Zelmanovitz P.C. for their fee for services in connection with the assignment.

6. The Purchase Agreement may not be transferred or assigned by the purchasers without Sponsor's prior written consent.

In order for assigned or transferred purchase agreement to be counted towards effectiveness:

(i) a Purchase Agreement shall be signed by the Tenant and the full downpayment paid by the tenant to the Sponsor; and

(ii) the assignee shall provide an affidavit stating that the assignee was not procured by Sponsor, the selling agent, or the managing agent, and that the assignee intends that he or she or a specified member of his or her immediate family will personally occupy the dwelling Unit. The form assignee affidavit shall appear in Part II of the plan.

R. EFFECTIVE DATE

The offer to sell the Units under this Plan is contingent upon the Plan's being declared effective in accordance with the provisions set forth below.

1. The Plan may be declared effective if, within fifteen (15) months from the date of its acceptance for filing, at least 15% of the residential Units in the building (which in this condominium is three [3] Units) have been purchased for by bona fide tenants in occupancy or bona fide purchasers who represent that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant. Such Purchasers will be required to execute the Form Affidavit of Bona Fide Tenant Purchaser for Purposes of Declaring Plan Effective which is found in Part II of the Plan as Document 12. As to tenants who were in occupancy on the date the Plan was accepted for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements. The Plan may be declared effective by (i) by amendment to the Plan or (ii) by personal service of the notice of effectiveness on every purchaser and tenant or by commencement of service by mail addressed to the offeree at the last known residence of such offeree as required by the Regulations and submitting an amendment to the Department of Law within five (5) days confirming that the plan was declared effective on a specified date. No closing shall occur until the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law. After the Plan has been declared effective, Purchasers will be given at least thirty (30) days' written notice of the initial Closing Date. Thereafter, on the Closing Date, a condominium deed will be issued to each purchaser who has paid the entire Total Cash Payment and otherwise complied with his obligations under the Purchase Agreement. Each such purchaser will be responsible for the payment of Common Charges under the Declaration of Condominium and the Condominium By-Laws commencing on the Closing Date, whether or not he has 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 him.

   The Plan will be deemed abandoned, void and of no effect if it does not become effective within fifteen (15) months from the date of acceptance for filing and, in the event of such abandonment, no new plan for the conversion of the building shall be submitted to the Attorney General for at least twelve (12) months after such abandonment. Additionally, Unit upgrade funds must be returned to Purchasers within five (5) days after the Amendment abandoning the Plan is accepted for filing.

2. The Attorney General's Regulations provide that the Plan may not be declared effective unless bona fide purchasers, including investors, have signed purchase agreements for at least fifteen percent (15%) of the residential Units offered under the Plan.

3. The Plan will not be declared effective based on Purchase Agreements:

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

(ii) conditioned upon an amendment to the Plan which purchasers have not been afforded either if the purchaser did not have three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or seven (7) days to rescind the purchase agreement whichever is applicable; or

(iii) with any purchaser who is the Sponsor, the Selling Agent, or the managing agent, or is a principal of the Sponsor, the Selling Agent, or the managing agent, or is related to the Sponsor, the Selling Agent or the managing agent or any principal of the Sponsor, the Selling Agent or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser, other than a Sponsor or a principal of the Sponsor, may be included in the count if the Sponsor has submitted proof satisfactory to the Department of Law establishing that such purchaser is a bona fide tenant; or

(iv) assigned or transferred unless such assignment or transfer is in accordance with both the Plan and the appropriate regulations; or

(v) for auxiliary Units such as commercial Units, the roof Unit or storage Units, if any.

4. The Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for 80% of the residential Units under the Plan.

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

6. When calculating the percentage for effectiveness, no more than one Purchase Agreement by an outside Purchaser or the tenant or tenants of a particular Unit shall be counted and only one Purchase Agreement from any tenant who leases or occupies more than one Unit shall be counted.

7. The Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever before it is declared effective by filing an amendment to abandon the Plan with the New York State Attorney General's office. All monies paid by subscribers shall be refunded to them in full with interest earned, if any, within five (5) days after the Amendment abandoning the Plan is accepted for filing. Sponsor shall promptly file said amendment together with a notice of abandonment on Form RS-3. If the Plan has not been declared effective within fifteen (15) months from the date of its acceptance for filing, it will be deemed abandoned, void and of no effect, all monies will be returned to purchasers, with the interest earned thereon, if any, and no new Plan for the conversion of the Property to cooperative or condominium ownership shall be submitted to the Attorney General for at least twelve (12) months after such abandonment.

8. Sponsor may not abandon the plan after effectiveness for any reason other than (a) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half (½) of one (1) percent (0.5%) of the total offering amount (said amount of money excludes any such title defects which exist on the Presentation Date of the Plan and either are known to Sponsor or are a matter of public record); or (b) work orders of a mortgagee or violations that cannot be cured for less than one half (½) of one (1) percent (0.5%) of the offering price (said amount

excludes any such violations, work orders or determinations of any authority or Regulatory associations which exist on the Presentation Date of the Plan and either are known to Sponsor or are a matter of public record); or (c) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half (½) of one (1) percent (0.5%) of the total offering amount; or (d) the taking of any material portion of the Property in condemnation proceedings or by eminent domain. Any amount relied upon as a basis for abandonment after effectiveness excludes attorney fees or any such title defects violations, work orders, or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

9. Subsequent to the First Closing, this Plan may not be withdrawn or abandoned unless at least eighty percent (80%) of the Unit Owners vote to terminate the Condominium. (See Section "Rights and Obligations of Unit Owners" for further discussion.)

10. If this Plan is withdrawn or abandoned, all purchasers will be so notified in writing. Within five (5) days thereafter, all down payments paid pursuant to Purchase Agreements (together with any interest earned thereon) will be returned to purchasers. Within fifteen (15) days of abandonment of the Plan, the Sponsor will promptly submit an amendment to the Department of Law reflecting such abandonment and file a notice of abandonment on form RS-3 and such other form as the Department of Law may require and shall refund all moneys received from purchasers within five (5) days after the acceptance of said amendment.

11. After the Plan has been accepted for filing, the Sponsor shall, on the thirtieth (30th), sixtieth (60th), eighty-eighth (88th) and ninetieth (90th) day after such date and at least once every thirty (30) 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

    (i) file with the Attorney General a written statement, under oath, setting forth the percentage of the Units in the building or group of buildings purchased by bona fide tenants in occupancy or bona fide purchasers who represent that they or one or more members of their immediate families intend to occupy the Unit when it becomes vacant as of the date of such statement, and

    (ii) before noon on the day such statement is filed, post a copy of it in a prominent place accessible to all tenants in each building covered by the Plan. Copies of this statement will also be available at the office of the Selling Agent, during business hours.

12. The foregoing provisions of this Section are based upon the laws in effect on the date of presentation of the Plan. The Sponsor reserves the right to amend this Section if such laws, or any of them, expire or are modified or repealed during this offering. A copy of each amendment to this Plan reflecting a change in the law will be furnished to all tenants after acceptance for filing.

13. After this Plan has been declared effective, Sponsor will, from time to time, fix one or more

dates for closing title to Units for which Purchase Agreements are in effect. The First Closing will be held no sooner than thirty (30) days after the date upon which notice is given that the Plan is declared effective.

S. TERMS OF SALE

1. Deed and State of Title. Upon delivery to Sponsor of: (i) the balance of the Purchase Price, (ii) a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor and (iii) a transferee affidavit or a transfer tax return in the form required to be filed with The City of New York, each of which must be executed and acknowledged by the Purchaser, the Sponsor will execute, acknowledge and deliver to the Purchaser a Bargain and Sale Deed with covenant against grantor's acts, conveying title to such Unit to Purchaser subject only to the title conditions set forth in Exhibit A to the Purchase Agreement. The Unit Owner's Power of Attorney and Deed will be substantially in the forms set forth in Exhibits 4 and 5 in Part II of the Plan.

2. At any time after the execution of a purchase agreement, the Sponsor may give the Purchaser thirty (30) days' Notice of Closing. However, the actual closing of title to each Unit shall take place only after, or concurrently with, the latest of the following events to occur:

(i) the Plan has been declared effective;

(ii) the recording or filing, as required by law, of the Declaration, the By-Laws and the Floor Plans and such other documents as may be required by law;

(iii) the existing mortgagee at the time of the conveyance of the first Unit and at the time of the conveyance of each Unit will release its lien on the condominium Unit being conveyed and its interest in the common elements;

(iv) if the purchaser of such Unit so requests, the issuance of a title insurance binder insuring fee title to such Unit in the purchaser, at purchaser's expense, subject only to the encumbrances set forth in such purchaser's Purchase Agreement (all other liens will be removed or insured against enforcement or collection out of the Unit by Purchaser's title company prior to or at closing), which binder will also insure that a valid condominium has been created pursuant to the terms of the Condominium Act. (See Section "Unit Closing Costs and Adjustments" for an estimate of the cost to the purchaser to obtain such title insurance);

(v) purchaser being given the opportunity to inspect such Unit and other portions of the Property subject to the Declaration;

3. Damage to Units. If the Purchaser is or becomes the tenant or the 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 losses not covered by insurance. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. The Sponsor will make a determination whether or not to repair damages within fifteen (15) days. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor with interest

earned thereon, if any, unless Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies (but in no event to exceed the Liquidated Sum) will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacements.

4. Title to each Unit and its appurtenant interest in the common elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the plan and the proposed Unit deed. Title exceptions 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 unmarketable. Purchasers are referred to the list of Permitted Encumbrances attached as Exhibit A to the form Purchase Agreement which is found in Part II of this Plan.

5. If existing mortgages will not be satisfied at or prior to the closing of the first Unit, at the time of conveyance of the first Unit, each mortgagee will either:

   (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium Units;

   (ii) subordinate the lien of its mortgage to the declaration of condominium; or

   (iii)release its lien on the condominium Unit being conveyed.

6. The Declaration of Condominium, By-Laws and floor plans for the condominium and such other documents as required by law, will be recorded or filed prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act or applicable state and local law in the Office of the City Register of the County in which the Condominium is located.

T. UNIT CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, at the Closing to each Unit the Purchaser thereof shall pay the following closing costs, taxes, and expenses (regardless of whether same are by law the primary obligation of the seller or purchaser):

1. Title Insurance: If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which premium will vary depending upon the amount of insurance purchased. Purchasers may obtain title insurance from the Title Company or, without incurring additional fees from Sponsor, from any other title company of Purchaser's choosing. As of the filing of this Plan, the rates for fee title insurance which are set by the Title Insurance Rate Service Association (TIRSA) are $382.00 for the first $35,000.00 of fee insurance plus $6.34 for each additional $1,000.00 of fee insurance up to $50,000.00. For additional rates, please refer to the schedule below:

FEE AMOUNT	PREMIUM
$ 35,001.00	$382.00 + $6.34 per thousand up to $ 50,000.00
$ 50,001.00	$382.00 + $5.16 per thousand up to $ 100,000.00
$ 100,001.00	$382.00 + $4.14 per thousand up to $ 500,000.00
$ 500,001.00	$382.00 + $3.78 per thousand up to $ 1,000,000.00
$ 1,000,001.00	$382.00 + $3.48 per thousand up to $ 5,000,000.00
$ 5,000,001.00	$382.00 + $3.09 per thousand up to $ 10,000,000.00
$ 10,000,001.00	$382.00 + $2.92 per thousand up to $ 15,000,000.00
$ 15,000,001.00+	$382.00 + $2.62 per thousand

If a Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance will typically be at a simultaneous rate. The premium for mortgage title insurance will be computed using a "Basic Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the owner's policy shall be calculated at 30% of the regular scheduled rate for loan policies. As of the filing of this Plan, the standard mortgage policy rates are as set forth below:

LOAN AMOUNT	PREMIUM
$ 35,000.00	$327 + $5.27 per thousand up to $ 50,000.00
$ 50,001.00	$327 + $4.31 per thousand up to $ 100,000.00
$ 100,001.00	$327 + $3.46 per thousand up to $ 500,000.00
$ 500,001.00	$327 + $3.14 per thousand up to $ 1,000,000.00
$ 1,000,001.00	$327 + $2.90 per thousand up to $ 5,000,000.00
$ 5,000,001.00	$327 + $2.57 per thousand up to $ 10,000,000.00
$ 10,000,001.00	$327 + $2.42 per thousand up to $ 15,000,000.00
$ 15,000,001.00+	$327 + $2.19 per thousand

The foregoing fee and mortgage title insurance rates are subject to change without notice and Sponsor makes no representation or warranty regarding the terms of any such insurance.

2. Working Capital Fund: Purchaser will pay a contribution to the Working Capital Fund in an amount equal to two (2) months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

3. Common Charges: Purchaser will pay to the Condominium Board Common Charges for the Unit for the first full month following the month in which title closes.

4. Recording Charges: Purchaser will pay the fees then charged by the Registrar's Office for recording and filing all documents in connection with the Closing, including, without limitation, the Unit Deed, Power of Attorney Mortgage (if any), state and city transfer tax forms, together with any additional per page amount for each document, as collected by the title company. In addition, a Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, which shall be payable by Purchaser.

5. Transfer Taxes: Purchaser will pay at Closing all New York City real property transfer tax (the "**NYC Transfer Tax**") and New York State real estate transfer tax (the "**NYS Transfer Tax**") in connection with the sale of the Unit, including without limitation, all "additional tax" and/or "supplemental tax" pursuant to Article 31 of the New York State Tax Law (the "**Mansion Tax**"; and referred to collectively with the NYC Transfer Tax and the NYS Transfer Tax as the "**Transfer Taxes**"), regardless of whether such taxes are by law the primary obligation of the seller or purchaser. For purposes of calculating the Transfer Taxes payable, the amounts of such taxes that are by law the primary obligation of the seller will be included in the consideration subject to tax (i.e. "grossed up" by the amounts of such taxes).

(1) New York City Real Property Transfer Tax: The NYC Transfer Tax is currently, for the purchase of a single Unit, imposed at the tax rate of (a) 1% of the total consideration paid when the consideration is $500,000 or less, and (b) 1.425% of the total consideration paid when the consideration is more than $500,000.

(2) New Transfer and Mansion Taxes Rates: On April 12, 2019, New York State enacted amendments to sections of New York State's Real Estate Transfer Tax Law that established a new *supplemental tax* and provided for an *additional base tax* on certain conveyances within New York City. The supplemental tax is imposed on conveyances of residential real property when the entire consideration is $2 million or more. The additional base tax is imposed (i) when the consideration for the entire conveyance of residential real property is $3 million or more, and (ii) when the consideration for the entire conveyance of any other property is $2 million or more. These new tax changes effectively apply to all such conveyances within New York City occurring on or after July 1, 2019 (subject to special provision for conveyances made pursuant to a binding agreement entered into on or before April 1, 2019). Sponsor does not warrant or guarantee that the New York State Real Estate Transfer Tax (base and additional), Mansion Tax, supplemental tax or any other tax will not be subject to further change by the applicable governmental authorities. Purchasers are advised to consult with their attorney and/or a tax expert to determine the tax implications of their purchase. As of the date of the filing of this Plan, New York State real estate transfer tax and Mansion Taxes for the purchase of a single residential Unit are as follows:

Mansion Tax and Supplemental Tax. In New York State, for conveyances of residential real property when the consideration for the entire conveyance is $1,000,000 or more, the Mansion Tax is imposed at a rate of 1%. In New York City, in addition to the Mansion Tax, for conveyances of residential real property when the entire consideration is $2 million or more, the new supplemental tax is imposed at the starting tax rate of .25% and then increases on a sliding scale up to the highest tax rate of 2.9%. The applicable rate of the new supplemental tax differs depending on the amount of the entire consideration. For both the Mansion Tax and supplemental tax, tax is computed only on the consideration attributed to the residential portion of the property. The following chart shows the rates of Mansion Tax and new supplemental tax for all applicable conveyances (i.e. conveyances of residential real property or interest therein within New York City occurring on or after July 1, 2019):

Entire Conveyance Amount	NYS Mansion Tax Rate plus the Supplemental Tax Rate
Under $1 million	Not subject to such taxes.
At least $1 million, but less than $2 million	1%
At least $2 million, but less than $3 million	1.25%
At least $3 million, but less than $5 million	1.5%
At least $5 million, but less than $10 million	2.25%
At least $10 million, but less than $15 million	3.25%
At least $15 million, but less than $20 million	3.5%
At least $20 million, but less than $25 million	3.75%
$25 million or more	3.9%

NYS Real Estate Transfer Tax (Base and Additional). In New York State, for conveyances of real property when the consideration exceeds $500,000, the NYS Real Estate Transfer Tax is imposed at the base tax in the amount of $2 for each $500 (or fractional part thereof) of consideration. In New York City, in addition to the NYS base tax, (i) when the consideration for the entire conveyance of residential real property is $3 million or more, and (ii) when the consideration for the entire conveyance of any other property is $2 million or more, an additional base tax is imposed in the amount of $1.25 for each $500 (or fractional part thereof) of the entire consideration. The following chart shows the rates of NYS Real Estate Transfer Tax (base and additional base) for all applicable conveyances (i.e. conveyances of real property or interest therein within New York City occurring on or after July 1, 2019 (i) when the consideration for the entire conveyance of residential real property is $3 million or more, and (ii) when the consideration for the entire conveyance of any other property is $2 million or more):

Entire Conveyance Amount	NYS Transfer Tax: Base Rate plus	NYS Transfer Tax: Base Rate plus

	Additional Base Rate (Residential)	Additional Base Rate (Commercial)
$500,000 up to $2 million	.4%	.4%
$2 million up to $3 million	.4%	.65%
$3 million or more	.65%	.65%

6. Gross-up: The purchase price and any other amounts payable by Purchasers which are generally an obligation borne by a seller, will be treated as additional consideration of the transaction for transfer tax purposes and will be subject to tax. For example, the Purchaser of a residential Unit with a purchase price of $990,000.00, with respect to which Purchaser pays transfer taxes and other consideration, would be liable for the Mansion Tax because the aggregate consideration would be $1,000,000.00 or more. However, Sponsor makes no representation regarding the calculation of the Mansion Tax or the "consideration" upon which the New York State Department of Taxation and Finance and the New York City Department of Finance (collectively, the "**taxing authorities**") may base the Mansion Tax, supplemental tax, or other transfer taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

7. Bulk Sale. Under the current policies of the New York City Department of Finance (the "**Department of Finance**"), where a Purchaser purchases two (2) or more residential Units that have not been physically combined into a single residence before the transfer (a "**bulk sale**"), the NYC Transfer Tax will be imposed at higher non-residential rates. This may be the case even if the residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. The Department of Finance has taken the position that the consideration for the transfer of each residential Unit under a deed in a bulk sale is not aggregated with the consideration for the other such deeded transfers in the same bulk sale for purposes of determining the rate to be applied to each residential Unit transfer. The Department of Finance has stated that application of the bulk sale rules is made on a case-by-case basis depending on the particular facts and circumstances and there is no guarantee that the Department of Finance will not change its position with respect to the foregoing. Purchasers of residential Units should consult their own tax advisors regarding recent New York City Tax Appeals Tribunal determinations rejecting the application of the higher commercial rates of the New York City Real Property Transfer Tax to sales of multiple residential condominium units.

8. Future changes to existing taxes: In addition to the New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax and Mansion Tax, Purchasers shall also be obligated to pay at closing any tax on the transfer of a Unit enacted after the date of this Plan (any such tax, a "**Further Tax**"), regardless of whether such Further Tax is by law the primary obligation of the seller or purchaser. Sponsor will amend the Plan to disclose the enactment of any Further Tax; provided, however, that Purchasers shall be required to pay such Further Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of a Further Tax and any amendment of the Plan to

provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Also, Purchasers who acquire two or more Units that have not been legally combined into a single residence prior to the transfer (commonly referred to as a "bulk sale") are advised that current Law and the taxing authorities may require that a Purchaser pay the Transfer Tax at higher non-residential rates and also still be obligated to pay the Mansion Tax. Sponsor makes no representations regarding the calculation of Transfer Taxes, which transfer tax rates will apply at Closing, or of the "consideration" upon which the taxing authorities may base such taxes, and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors regarding Transfer Taxes.

9. Mortgage and Related Costs:

(A) Although Purchase Agreements are not contingent upon a Purchaser obtaining financing for the Purchase of the residential Unit, if Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the New York State and New York City mortgage recording tax levied on individual residential condominium Units located in New York City is $2.05 for each $100 (and each remaining major fraction thereof) with respect to mortgages of less than $500,000, and $2.175 for each $100 (and each remaining major fraction thereof) with respect to mortgages in the amount of $500,000 or more (less, in each case, a $30.00 credit). The two mortgage recording tax rates described in the previous sentence are comprised of the New York City mortgage recording tax ($1.00, or $1.125 in the case of individual residential condominium Unit mortgages in the amount of $500,000 or more); and the New York State Basic ($.50), Additional ($.30); and Special Additional ($.25) mortgage recording taxes. Mortgage lenders may require borrowers to pay mortgage recording taxes. However, with respect to individual residential condominium Units, mortgage lenders may not require borrowers to pay, subject to certain statutory exceptions, the special additional mortgage recording tax, which accounts for $.25 of the New York State rate (as previously described in this paragraph. In addition, there is a $30 exemption for residential property. 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.

(B) In addition to the costs and expenses specified in the previous paragraph, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender 1/12 of the estimated annual real estate taxes and tax assessments which are assessed or will 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 the 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 the lender to pay the same when due.

(C) Purchaser shall pay all governmental fees and title company service charges associated with discharging and recording a mortgage lien release and UCC-3 termination statement or other appropriate instruments discharging the unit and its contents from any mortgage lien and security interest other than the lien of any mortgage loan Purchaser obtains.

(D) Mortgage Recording Tax Credit: To reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if Purchaser obtains a loan secured by a mortgage for the purchase of a Unit (a "**Purchaser Mortgage**"), Purchaser shall pay to Sponsor at the Closing an amount equal to the partial mortgage tax credit which may be available pursuant to N.Y. Real Prop. Tax Law § 339-ee(2). Alternatively, Sponsor may require, in its sole discretion, that Purchaser must request from its mortgage lender and must exercise best efforts to cause such lender to accept an assignment from Sponsor of a portion of any mortgage securing the Property in an amount up to the Purchaser Mortgage as determined by Sponsor. Purchaser shall be obligated to pay any costs or fees in connection with such assignment, including but not limited to fees charged to Sponsor. Upon such assignment, that portion of the mortgage loan assigned by Sponsor will be exempt from mortgage recording tax under New York Real Prop. Tax Law § 255 and Sponsor shall be solely entitled to the benefits of the exemption. Accordingly, Purchaser shall pay to Sponsor at the Closing an amount equal to the mortgage recording tax savings resulting from such exemption.

10. Closing Fees: Each purchaser will be required to pay an additional $3,500.00 at closing to defray Sponsor's costs, e.g., architectural costs, filing fees, legal fees and other costs incurred in creating the condominium.

11. If Purchaser has dealt with any broker other than Selling Agent or any other broker engaged in writing by Sponsor in connection with the purchase, then Purchaser will be required to pay any commission due to such broker.

All legal costs, fees and expenses of Sponsor's counsel, other than those specifically set in this Plan, will be the sole responsibility of Sponsor.

Example of Estimated Closing Costs for a Typical Residential Unit

A numerical example of estimated closing costs and expenses for a single residential Unit with a Purchase Price of $2,000,000.00 and a mortgage of $1,600,0000.00 are set forth below by way of illustration only. All tax rates, title insurance premiums, and recording rates are subject to change.

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium (if purchased simultaneously with mortgage title insurance)	For $2,000,000.00 owner's insurance.	$7,761.00
Mortgage Insurance Premium (if purchased simultaneously with fee title insurance)	For $1,600,000.00 of lender's insurance.	$1,595.0

NYC Real Property Transfer Tax	At the rate of 1.425% based upon the bulked-up consideration of $2,036,500.00.	$29,020.13
NYS Real Property Transfer Tax	At the rate of $2 for every $500 of consideration or fraction thereof (for this purchase price) of bulked-up consideration of $2,036,500.00.	$8,146.00
NYS Mansion Tax and Supplemental Tax	At the rate of 1.25% (for this purchase price) of bulked-up consideration of $2,036,500.00.	$25,456.25
Mortgage Recording Tax	The tax rate is 2.175%. The borrower generally pays 1.925% of the mortgage amount less a $30 statutory credit. This does not include the remaining 1/4 point of mortgage tax which is generally payable by the mortgage lender.	$30,770.00
Estimated Recording Fees	One deed, one mortgage and one condominium power of attorney.	$650.00
Estimated Lender's Title Endorsements	Three endorsements at $50 each.	$150.00
Closing fees to Sponsor's counsel	Basic closing fee (assuming closing occurs at offices of Sponsor's counsel and Purchaser has not incurred any other additional fees as set forth above).	$3,750.00
Resident Manager's Unit Fee	Purchaser's prorata share of the Purchase Price of the Resident Manager's Unit.	See Schedule A
Working Capital Contribution	Equal to two (2) months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto	See Schedule A
Total Estimated Closing Costs	**(excluding Working Capital Contribution and Resident Manager's Unit Fee)**	**$107,298.38**

12. The projected closing costs referred to above are approximate and are not guaranteed. Purchasers are advised that they are responsible for all mortgage loan closing costs which vary widely among different lenders (who may include "points") and also will vary depending on the loan program chosen. This example does not include the following costs or fees, to the extent applicable: Purchaser's financing costs, legal fees of Purchaser's counsel, other closing fees payable to Sponsor's counsel as set forth in this section of the Plan, recording additional documents, penalty for late closing or adjustments with Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and Common Charges and insurance with respect to the Unit as required by the By-Laws.

13. The foregoing projections assume that title insurance is purchased from the Title Company and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth above, plus the fee of Purchaser's attorney. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs. Furthermore, the above example does not take into account possible new taxes, increases in tax rates or recording fees or increases in the cost of title insurance. Purchasers are advised that personal property cannot be mortgaged or insured for title insurance purposes, or otherwise subject to the imposition of transfer taxes detailed in this Section. Recording charges, fees, title costs and taxes set forth in this Section pertain to residential Units only and are based on rates in effect on the date of the submission of this Plan and are subject to change without notice.

14. **CLOSING ADJUSTMENTS**

(i) Adjustments. 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 any interim lease or occupancy or other rental agreement affecting the Unit, if the Purchaser had been allowed to lease, occupy or rent such Unit prior to the closing.

(ii) Failure to Pay Common Charges. Sponsor may also collect, on behalf of the Condominium Board, Common Charges for the month following the month in which the Closing occurs. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Board will have the right to place a lien on such Unit for non-payment of Common Charges. (*See* the section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" in Part I for further discussion.)

(iii) Penalties. If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date, (a) the Closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to .04% of the Purchase

Price for each day starting from (and including) the 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 any new Scheduled Closing Date.

(iv) Real Estate Taxes. Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the applicable Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period calculated on the basis of the Common Interest.

15. Except as specifically set forth in this Plan, Sponsor will be responsible to pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan and the sale of Units by Sponsor, including, but not limited to, the creation of the Condominium and the initial sale of Units, all selling expenses and commissions payable to Selling Agent, 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 of the Plan entitled "Rights and Obligations of Sponsor" for details.)

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U. RIGHTS AND OBLIGATIONS OF THE SPONSOR

1. The Sponsor is reserving the unconditional right to rent Units rather than sell Units. The Sponsors construction lender does not place any restrictions on the Sponsor with regard to renting Units. Accordingly, there is no commitment by Sponsor to sell more than 15% or three (3) Units, which are necessary to declare the plan effective. In addition, the By-laws do not contain a provision that, after an initial Sponsor voting control period a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principal(s). Purchasers should note that owner-occupants may never gain effective control of the condominium.

2. In the event of a bulk sale by the Sponsor of all or some of its unsold Units, the transferee successor sponsor will be bound by the Sponsor's representations regarding its commitment to sell Units.

3. Sponsor shall be obligated to defend any suits or proceedings arising out of sponsor's acts or omissions and to indemnify the board of managers and the Unit owners against any claim arising out of such act or omissions.

4. All representations under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

5. Sponsor and its Principals do not disclaimer or limit their liability, including any financial limitation for failure to perform any obligation imposed by applicable statute or regulation.

6. Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold Units. Sponsor represents that it has the financial resources other than income from projected sales (i.e.: from other holdings) to meet its obligations with respect to unsold Units. No bond or other security has been furnished to secure sponsor's obligations.

7. Sponsor will cause the board of managers to maintain the property in substantially the same condition and manner as on the date of presentation until the sponsor no longer controls the board of managers.

8. If the Purchaser is or becomes the tenant or the 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 losses not covered by insurance. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. The Sponsor will make a determination whether or not to repair such damage within fifteen (15) days. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor with interest earned thereon, if any, unless Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies (but in no event to exceed the Liquidated Sum)

will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacements.

9. Sponsor shall procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in schedule B.

10. In the event of the dissolution or liquidation of the sponsor or the transfer of ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the condominium, whichever is less, the principals of the sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those Units under the Plan, applicable laws or regulations and in the event of dissolution or liquidation, the principals of the sponsor shall guarantee the performance of such obligations.

11. The Sponsor reserves the right to make changes or substitutions of materials or construction for items as set forth in the Plan or Building Plan, provided any such changes are of Equal or Better Value and Quality, however, the Sponsor may not substitute equipment or materials of lesser quality or design.

12.

(a) Subsequent to the date a Unit Owner is given possession of, or closing of title to, his Unit, Sponsor shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches, marks, breaks, or other blemishes in the following: windows, sliding glass doors, screens, electric fixtures, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, saddles, wood flooring, appliances, woodwork and doors, all of which are deemed immaterial. The Purchaser will have the right to inspect the Unit prior to taking possession, but the Sponsor takes the position that such conditions are immaterial, and therefore are not the responsibility of the Sponsor to correct. In the event any incomplete work or deficient conditions are found during the inspection, the purchaser will be able to close subject to a post-closing agreement executed with the Sponsor. See the Purchase Agreement annexed as Exhibit 2 in Part II of the Plan.

(b) Except as set forth in this paragraph 12, the Sponsor makes no undertaking or warranty and shall not be obligated to correct or repair any other immaterial conditions in the Building, including (without limitation) the Units, the Common Elements and the Building systems, appliances and all other installations, apparatus, fixtures and appurtenances. The Sponsor takes the position that such conditions are immaterial, and therefore are not the responsibility of the Sponsor to correct.

(c) Nothing contained in this paragraph 12 or elsewhere in the Plan shall be construed to render Sponsor liable for consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligation hereunder shall be to repair or replace (at Sponsor's option) any immaterial condition 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 12 and elsewhere herein.

(d) In the event a material and/or adverse condition exists at the time of Purchaser's inspection, Purchaser may:

a. choose to proceed to closing; or
b. at Sponsor's option, receive a credit against the Purchase Price at closing to cover the cost for the repairing of the material adverse conditions; or
c. rescind on Purchaser's Purchase Agreement and receive a refund of the down payment.

13. No bond or other security has been furnished to secure sponsor's obligations including sponsor obligations to complete construction of the condominium.

14. Sponsor and its contractors, subcontractors, agents and employees will have a right of reasonable access to each Unit and its appurtenant Limited Common Elements and to all of the Common Elements and to all of the Common Elements for purposes of completing construction of the Building or performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided (i) Sponsor repairs any resulting damage to the Unit and restores it to the condition it was in prior to Sponsor's entry and (ii) Sponsor provides reasonable prior notice to the Owner of the Unit to which access is required.

Mortgage Encumbering the Premises

Purchasers should note the building has an outstanding lien encumbering the property as follows:

The Sponsor has secured financing for the purchase and conversion of the Premises through New York Community Bank, 102 Duffy Avenue, 3rd Floor, Hicksville, NY 11801 (hereinafter "Lender"), in the amount of $2,495,000.00.

The Lender shall allow for the conversion of the Premises to condominium ownership, subject to receipt and review to the satisfaction of the Lender and its counsel, of this Plan. In order to release a Unit, the Sponsor must make a principal reduction equal to or greater of (i) 125% of the Unit's pro rata share of the mortgage (as determined by the Lender at the time of Closing based upon the original principal loan balance) or (ii) 85% of the Unit's net sales price as determined by the Lender. The Lender requires thirty (30) days' written notice of Sponsor's intention to release a Unit. As a fee, the Lender will charge 1% of the principal reduction amount to release each Unit. In the event of a bulk sale (3 or more Units), or a sale to a purchaser owning three (3) or more Units, the fill prepayment penalty will apply, but in no event will that premium be less than 1% of the principal reduction. Sponsor must pay all costs and fees associated with these transactions, including but not limited to the Lender's attorney fees.

At or before the closing of a Unit, Sponsor shall provide to Purchaser, either a partial release of lien with regard to the Unit in order to deliver title to the purchaser free of all encumbrances or satisfaction of all liens against the building. IF THE SPONSOR DOES NOT REMOVE ALL LIENS ENCUMBERING THE UNIT AT OR BEFORE CLOSING PURCHASER WILL BE UNABLE TO CLOSE AND SHALL BE AFFORDED A RIGHT OF RESCISSION. UPON THE PURCHASERS RESCISSION SPONSOR SHALL RETURN TO PURCHASER ANY AND ALL FUNDS SENT FOR UPGRADES, DEPOSITS, AND ANY OTHER FUNDS DELIVERED TO THE SPONSOR BY THE PURCHASER WITH REGARD TO THE UNIT. See Section "Rights and Obligations of Sponsor."

General

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), the foregoing sets forth the entire extent of the obligations of Sponsor under this Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of purchasers relative to their Units under their respective Purchase Agreements. Sponsor makes no warranties other than as set forth in this section. The obligations of Sponsor under this section 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 General Common Elements or Limited 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 or omissions of Sponsor or the representations made by Sponsor in this Plan or any obligations imposed by statutes and/or regulations.

With respect to 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, Sponsor represents that it has the financial resources to meet its obligations. The source of Sponsor's funds will be the sale of Units, and other holdings of the Sponsor.

Sponsor agrees to indemnify the Condominium Board and Unit Owners and hold them harmless from, and defend on their behalf, any suits or claims arising out of acts or omissions of Sponsor or the representations made by Sponsor in this Plan (i) with respect to the General Common Elements or Limited Common Elements (prior to the First Closing) and (ii) with respect to any Unit (prior to the Closing Date for such Unit).

Obligations of Sponsor under this section with respect to the Condominium, the General Common Elements or the Limited Common Elements shall be enforceable only by the Condominium Board on behalf of all Unit Owners. In no event shall any obligations of Sponsor to the Condominium be enforceable by individual Unit Owners unless the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Condominium Board.

NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE THE PERFORMANCE OF THE SPONSOR'S OBLIGATIONS SET FORTH HEREIN. THE

ABILITY OF SPONSOR TO PERFORM ITS OBLIGATIONS WILL DEPEND UPON ITS FINANCIAL CONDITION, WHEN AND IF IT IS CALLED UPON TO PERFORM.

V. CONTROL BY THE SPONSOR

As provided in the Bylaws, the Sponsor will control the board of managers for five (5) years after the closing of the first Unit or until the unsold Units constitute less than fifty percent (50%) of the common interests, whichever is sooner (provided however, that the Sponsor may relinquish control at any time by calling a special meeting of the Unit Owners to elect a new Board of Managers). After the initial period of Sponsor control, a majority of the board of managers need not be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. During the period of Initial Control, the Sponsor shall designate a majority of the Board Members which would be three (3) Members and the remaining two (2) Board Members shall be elected by all Unit Owners, including the Sponsor. After the initial period of Sponsor control, the Sponsor shall have the same right to vote as all other Unit Owners and no additional voting rights. Within thirty (30) days of the expiration of the initial period of control, the Sponsor will call a special meeting of the Unit Owners to elect a new Board of Managers who will be elected based on the plurality of the votes. Each and every Unit Owner, including the Sponsor shall have a right to cast one (1) vote for each Unit owned.

The Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations, or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

Additionally, Sponsor may exercise veto power over expenses other than those described in the previous sentence for a period of not more than five (5) years after the first closing or whenever unsold Units constitute less than fifty percent (50%) of the common interest, whichever is sooner.

The following is a detailed discussion of the implementation of the above paragraphs.

Under the Condominium By-Laws, set forth in Part II of the Plan, until the first sale of a Unit, the initial three (3) member Board of Managers shall be designated by the Sponsor. Within four (4) months of the first closing, a meeting will be held to elect a new Condominium Board consisting of five (5) Board Members. At such time, the Sponsor shall designate three (3) of the five (5) Board Members, who shall serve for the remainder of the sponsor control period. The remaining two (2) Board Members will be elected by all Unit Owners, including the Sponsor as owner of unsold Units, for a term of one (1) year. Elections for these seats on the Condominium Board shall be held annually. After the initial period of Sponsor control, the Condominium Board shall consist of five (5) members, each of whom will have one (1) vote. The term of office of each member of the Condominium Board (other than the Sponsor's appointed members) shall continue for one (1) year. Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such. Notwithstanding anything to the contrary, however, each Condominium Board shall serve until a successor Board is elected and qualified.

At any regular or special meeting of Unit Owners after the initial control period of the Sponsor, any one or more of the members of the Board of Managers may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, provided notice of such proposed removal was given to

the Board member and was specified in the notice of the meeting. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting. Officers may be removed at any meeting of the Board.

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

W. BOARD OF MANAGERS

1. The affairs of the Condominium shall be governed by the Condominium Board, which shall consist initially of three (3) members designated by the Sponsor. Each member of the Board shall have one (1) vote. As provided in the By-Laws, the Condominium Board shall thereafter consist of five (5) members, each of whom will have one (1) vote. The first meeting to elect the five (5) member board will be held within four (4) months after the first closing and thereafter, board elections shall take place annually. At such time, the Sponsor shall designate three (3) of the five (5) Board Members, who shall serve for the remainder of the sponsor control period. The remaining two (2) Board Members will be elected by all Unit Owners, including the Sponsor as owner of unsold Units, for a term of one (1) year. The term of office of each member of the Condominium Board shall continue for one (1) year. After the initial period of sponsor control, board members may be a Unit Owner or a person designated by a Unit Owner. Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such. Notwithstanding anything to the contrary, however, each Condominium Board shall serve until a successor Board is elected and qualified.

2. The bylaws do not include a provision that after the end of an initial sponsor control period, a majority of the board of managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the sponsor and its principals.

3. Except for the first meeting, the Unit Owners shall hold annual meetings on or about the anniversary of the first meeting and every anniversary thereafter, unless such date shall occur on a legal holiday, in which event the meeting shall be held on the succeeding business day. At each annual meeting, the Unit Owners shall conduct such business as may properly be conducted. In addition, special meetings of Unit Owners may be held from time to time, pursuant to Article 2 of the By-Laws, whenever necessary for the affairs of the Condominium.

4. The initial three (3) member Board will be comprised of Jonathan Weinberger, the Principal of the Sponsor, and Steven Neuman and William Neuman, business associates of the Principal.

5. The Condominium Board may contract or effect other transactions with any member thereof, with any Unit Owner, with Sponsor, or with any affiliate of any of them at competitive rates without incurring any liability for self- dealing.

6. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building, shall state (if obtainable) that (a) it is made only as agent for all Unit Owners, and the members of the Condominium Board or such officer, superintendent, or Managing Agent 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 thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) such Unit Owner's interest in his or her Unit and its appurtenant Common Interest, unless otherwise provided by law.

7. All Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith or willful misconduct of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of the indemnification of the Board of Managers will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bear to the aggregate Common Interests of all Unit Owners.

8. Officers and members of the board of managers including those appointed by the sponsor or sponsor's designees serve without compensation.

9. Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting called for such purpose. The Board may not be prohibited from removing members for cause. After the initial period of Sponsor control, a Board member may be removed by a majority of the Unit Owners with or without cause.

10. The presence, in person or by proxy, of a 51% majority of all Unit Owners shall constitute a quorum at all meetings of Unit Owners, and unless otherwise provided, the decision of a majority of the Unit Owners at a meeting at which a quorum shall be present shall be binding upon all of the Unit Owners.

11. In votes of the Unit Owners, each residential Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote for each Unit owned. Unless otherwise provided, the affirmative 2/3 majority vote of the Unit Owners at which a quorum (51% of all Unit owners) is present shall be binding upon all of the Unit Owners. In the case of a deadlock, the issue will be resolved by arbitration as provided in Article 10, Section 10.1 of the Bylaws, which provides that the arbitration board may cast a deciding vote to break the deadlock.

12. Generally, subject to certain exceptions and provided that any required consent of the Mortgage Representatives is obtained, any provision of the Declaration, the By-Laws, or the Rules and Regulations may be amended, modified, added to or deleted by the affirmative vote of seventy-five percent (75%) of the Unit Owners, taken in accordance with the By-Laws. However, for so long as Sponsor or its designee is the owner of one (1) or more Units in the entire Condominium, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or such designee without the prior written consent of every Unit Owner affected by such amendment.

13. Powers and Duties of the Condominium Board: The Condominium Board shall have the powers and duties necessary for administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws), including, without limitation, the following:

    (i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a residential condominium;

(iii) to maintain records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) with respect to the borrowing of any sum in excess of $500,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) in addition to the affirmative consent of a majority of the members of the Condominium Board, the affirmative consent of a majority of all Unit Owners shall be required; (b) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (c) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of

restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 of the By-Laws;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 of the By-Laws, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiii) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to exercise the votes appurtenant to any such Unit;

(xvi) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xvii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xviii) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xix) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a residential condominium;

(xx) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, renovation, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxi) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or the By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same; and

(xxii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and the By-Laws.

(xxiii) to execute, acknowledge and deliver any documents necessary for filing an appeal for reduction of assessment of real estate taxes on behalf of all the Units in the Condominium, unless written notice is received by the Condominium Board from any Unit Owner not to do so on behalf of his or her condominium Unit.

(xxiv) unless and until real estate taxes, water charges and sewer rents are billed directly to the Unit Owners by the New York City Department of Finance and/or the Department of Environmental Protection, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense.

(xxv) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and the By-Laws.

The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Repairs, Alterations and Improvements to Common Elements

All painting, decorating, maintenance, repairs and replacements to the Common Elements, whether located inside or outside of Units, shall be made by the Condominium Board, which need not obtain the approval of the Unit Owners or of mortgagees of Units (regardless of the cost thereof), and the cost of the same shall be a Common Expense (unless necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such Unit Owner will bear the entire cost thereof).

The cost of snow removal from Common Elements shall be a Common Expense. All maintenance and repairs to the Common Elements shall be performed by employees of the Condominium or by independent contractors.

Whenever, in the judgment of the Condominium Board, or the Sponsor the Common Elements shall require additions, alterations, or improvements costing more than $500,000.00, in the aggregate, in any calendar year, such additions, alterations, or improvements shall not be made unless the same have been approved by a majority vote of all the Unit Owners (including Sponsor, if it then owns any Unit) at a duly constituted Unit Owner's meeting and by the representatives of mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgage Representatives"). If approved, the Condominium Board may, in its discretion, assess each Unit Owner his or her pro rata share of the cost of such additions, alterations, or improvements according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $500,000.00 or less, in the aggregate, in any calendar year may be made by the Condominium Board without the approval of the Unit Owners or the Mortgage Representatives, if any, and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing, for a period of five (5) years after the closing of the first Unit, or as long as Sponsor or its designee or both shall collectively own Units representing at least fifty percent (50%) or more in number or in common interests, no additions, alterations, or improvements shall be made to the Common Elements, regardless of the cost thereof, unless the consent of the Sponsor or its designees is first obtained (so long as Sponsor or its designee or both shall collectively own Units representing at least fifty (50%) percent or more in number or in Common Interests), unless same is required by law or is necessary for the health or safety (but not the general comfort or welfare) of the residents of the Building.

Insurance

The Condominium Board shall maintain fire insurance policies insuring the Building (not including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and not including appliances or any furniture, furnishings, or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners) and all service machinery contained therein), and covering the interests of the Condominium, the Condominium Board, the Unit Owners and the holders of all Permitted Mortgages (the "Permitted Mortgagee"), as their replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss proceeds, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear; subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee (hereinafter defined) as set forth below. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by the Unit Owners as part of the Common Charges.

The proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board. Such proceeds shall be applied for the purpose of repairing, restoring or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his or her Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination

not to rebuild the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' written notice to all of the insured, including Unit Owners, the Board of Managers and Permitted Mortgagees. Each Unit Owner shall be named as an additional insured on all such policies. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Permitted Mortgagees ten (10) days prior to expiration of the then current policies, and Unit Owner shall receive a certificate of such insurance. The insurance policies will provide that each Unit Owner is an additional insured party.

The Condominium Board shall also maintain, to the extent obtainable: (a) public liability insurance as to personal injury and property damage in such limits and amounts as the Condominium Board may from time to time determine, covering each member of the Condominium Board, and the Managing Agent or manager (if any) and each of the Unit Owners; (b) rent insurance in an amount equal to the Common Charges for one (1) year; (c) workers' compensation and New York State disability benefits insurance; (d) elevator liability and collision insurance (if an elevator is present); (e) hazard insurance; and (f) such other insurance as the Condominium Board may from time to time determine. Such public liability insurance will also cover cross-liability claims of one insurer against another. However, such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his or her own Unit.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by all Unit Owners as part of the Common Charges.

Until the first meeting of the Condominium Board elected by the Unit Owners, the public liability insurance will be in an amount of $1,000,000.00 per occurrence or 2,000,000.00 aggregate covering all claims for personal injury or property damage in respect of any one occurrence, and the fire insurance will be at least in the amount set forth in Schedule B, the "Budget for the First Year of Condominium Operation." The Condominium Board shall review such limits annually.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and provided, further, that the liability of the carriers issuing insurance procured by the Condominium Board shall not be affected or diminished by reason of any Unit Owner's other insurance. A Unit Owner should consider maintaining, at his or her own expense: (a) separate insurance on the contents (i.e., furniture and other personal property and belongings) in his or her Unit, in such amount as will be adequate to insure against loss by reason of fire or other casualty; and (b) liability insurance against claims for personal injury or property damage resulting from occurrences in his or her Unit.

Repair or Restoration after Fire or Other Casualty

Except as set forth in the next paragraph, in the event that the Building or any of the

Common Elements thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof.

If the insurance proceeds are insufficient to cover the cost of repairs or restorations of the building or any Common Elements thereof, the Condominium Board may assess all Unit Owners for such deficit as a Common Expense. Any surplus insurance proceeds shall 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 has first been paid, out of his or her share of such funds, such amounts as may be necessary to reduce unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

If a Unit is damaged by casualty and the proceeds of insurance obtained by the Condominium Board are not sufficient to cover the repair of the Unit, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Building will be an expense of the individual Unit Owner. In order to protect himself against the possibility of such an expense, the Unit Owner should obtain additional fire insurance coverage above and beyond that coverage maintained by the Condominium Board.

If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and if all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in accordance with the factors set out in the New York State Condominium Act Section 339-i(1)(iv), which is based on 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 of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. If Sponsor or its designee is then a Unit owner, it will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building.

Units Acquired by the Condominium Board

All Units acquired or leased by the Condominium Board or its designee shall be held by the Condominium Board or its designee on behalf of all Unit Owners. Any rent, purchase price, closing costs and closing adjustments payable in connection therewith shall be assessed against all Unit Owners as a Common Expense. No Units held by the Condominium Board or its designee shall carry voting rights. See Section “Rights and Obligations of Unit Owners and Board of Managers”, subsection “Right of First Refusal” for further details.

Termination of Condominium; Partition of Common Elements

The Condominium shall continue (unless terminated by casualty loss, condemnation, or eminent domain as provided by the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so by at least eighty percent (80%) of the vote, taken in accordance with the By-Laws. In addition, the written consent of the Mortgage Representatives, if any, shall be required before such vote is effective. 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 resulting therefrom shall be divided among all Unit Owners in accordance with factors set out in the New York State Condominium Act Section 339-i(l)(iv), which is based on 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 of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. Before paying any of the proceeds to a Unit owner, the shares of such proceeds payable to such Unit owner shall first be applied to the payment of any liens on his or her Unit, in the order of priority of such liens.

Reports to Unit Owners

All Unit Owners will receive annually copies of an annual report of the Condominium including a balance sheet and profit and loss statement certified by a certified public accountant (as long as the Sponsor is in control of the Condominium Board), a statement regarding any taxable income attributable to the Unit Owners and a notice of the holding of the Annual Unit Owners' meeting. In addition, it is the obligation of the Board of Managers to give all Unit Owners annually a copy of the proposed annual budget of the condominium ten (10) days prior to the date set for the adoption of such budget.

Review of Real Estate Assessments

The Board of Managers will be responsible for reviewing, appealing and filing any documents necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the owners. Such owners shall execute any documents required for such filing.

After the Units have been separately assessed, tax review for each Unit will be the responsibility of the Unit Owner.

Covenant against Partition of Common Elements

The Common Elements are not subject to partition nor are they severable from the Units except in accordance with the Real Property Law.

Capital Reserves

The Condominium Board has the power to accumulate reserve funds for capital replacements or other purposes in accordance with the Declaration and By-Laws, as set forth in Exhibit 5 and Exhibit 6 in Part II of the Plan.

Compliance with Rent Laws

The Condominium 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 Law except for those services that, under the Declaration or the By-Laws, are the obligation of Sponsor to provide to its Units. The Condominium Board shall not impose any charge or fee against the tenants and occupants of the Unsold Units owned by Sponsor or its designee for using the Common Elements or on account of any services provide to such tenants and occupants unless permitted by the rent laws. Such permitted charge or fee may be increased by the Condominium Board, but only to the extent allowed by the Rent Laws. Except for those services and obligations to be provided or performed by the Condominium Board as set forth in the Declaration and the By-Laws, Sponsor shall provide and perform all other services and obligations required by law to be furnished to tenants and occupants of the Unsold Units (including, but not limited to, painting the interior of such Units).

Arbitration

Any matter or issue that may be resolved by arbitration pursuant to New York State law, or if there is a deadlock in any matter, must be submitted to arbitration. No party may commence a proceeding in any other forum other than to enforce this arbitration provision. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. In the event there is a deadlock in voting between the Units, such deadlock shall be submitted to an arbitration board. The arbitration board is hereby given the power to cast a deciding vote in order to break any deadlock and shall render an arbitration decision in accordance with the best interests of the Condominium. The Condominium Board shall follow the directions of the Arbitrators.

Voting by Sponsor

Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. In addition, if the matter of whether to sue Sponsor is put to a vote by the Board of Managers, Sponsor Controlled Board Members cannot lawfully submit a vote on the issue.

X. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

Each owner of a Unit may sell or lease his or her Unit; provided, however, that such owner first gives the Condominium Board written notice of his or her intention to do so, which notice shall be accompanied by a fully executed copy of the contract of sale or lease, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or lessee.

Right of First Refusal

The Condominium Board, on behalf of the remaining Unit Owners, shall have the exclusive right to purchase the Unit within fifteen (15) business days after receipt of such notice of sale, or to lease the Unit within ten (10) business days after receipt of such notice of lease, on the same terms set forth in said contract or lease, all as more specifically set forth in Article 7 of the By-Laws. If the Condominium Board does not notify the Unit Owners of its election to purchase or lease the Unit, such Unit Owner will have sixty (60) days thereafter to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to such notice, failing which the Unit Owner will again be required to offer the same right of first refusal to the Condominium Board as provided above.

The Condominium Board may not exercise its option to purchase or lease any Unit unless those Unit Owners owning a majority of the aggregate Common Interests of all Units affirmatively vote in favor thereof, in person or by proxy, at a meeting of Unit Owners at which a quorum is present. If approval is given, the Condominium Board may assess each Unit Owner (other than the selling Unit Owner), in proportion to his or her Common Interests, an amount necessary to effectuate the purchase or lease. The Unit will be used for its legal use and the rent will be used to defray the operating expenses of the building. Each one of the Unit Owners may request that the Board of Managers offer the Unit for sale through a broker. In the event that such Unit is sold, the proceeds will be distributed to the Unit Owners in proportion to the amount of funds each Unit Owner provided for the purchase of the Unit. In the alternative, the majority of the Unit Owners present at a Special Meeting may designate one of the Unit Owners to purchase the Unit being offered for sale and it will be the responsibility of such Unit Owner to raise the funds to purchase the Unit. The Unit will be used in such manner as any other Unit may be used.

Notwithstanding the foregoing, any Unit Owner may sell or lease his or her Unit to his or her spouse, adult child, parent, grandparent, parent-in-law, or adult sibling, or may convey his or her Unit by gift, devise it by will, or have it pass by intestacy to the aforementioned persons, without complying with the restrictions described above; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, such restrictions.

Notwithstanding the foregoing, the Sponsor and/or its designee shall not be subject to a right of first refusal in favor of the Board of Managers with respect to Unsold Units.

The Board of Managers may not discriminate against any person on the basis of race, creed,

color, national origin, sex, age, disability, marital status or any other grounds prohibited by law.

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) an undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, in the form set forth as Exhibit 3 in Part II of the Plan, in accordance with Article 14 of the Declaration.

Mortgages of Units

Each Unit owner has the right to mortgage his or her Unit, provided that, with respect to Units other than the Unsold Units, the conditions with respect thereto set forth in Article 8 of the By-Laws are first complied with. As more fully set forth in said Article 8, these conditions include the requirements that:

(a) no Unit Owner shall be permitted to mortgage, pledge or hypothecate his or her Unit unless and until he or she shall have paid in full to the Condominium Board all unpaid Common Charges and special assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit;

(b) no Unit Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein so that at all times, all of the Units interests in the Condominium shall remain and shall not be severed;

(c) any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan;

(d) Sponsor or its designee, as the owner of Unsold Units, shall have the right to mortgage the Unsold Units without any restriction or limitation

Capital Reserves

The Condominium Board has the power to accumulate reserve funds for capital replacements or other purposes to meet the needs of the Condominium in accordance with the Declaration and By-Laws, as set forth in Documents 6 and 7 in Part II of the Plan. There are no restrictions on these powers.

Common Charges: Assessment, Collection and Lien for Non-Payment

The Condominium Board will commence to collect the Common Charges upon the closing of title to the first Unit. Furthermore, the Condominium Board will prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the coming fiscal year of the Condominium. Such Common Expenses will include, among other things:

(a) all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements;

(b) water charges and sewer rents in connection with the Building (unless the same are separately assessed to individual Units);

(c) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and

(d) amounts for such other items as the Condominium Board may deem proper (such as amounts for reserves, to make up deficits for prior years, to prepay indebtedness of the Condominium, or to purchase or lease Units).

Based upon such budget, the Condominium Board will promptly determine and advise each Unit Owner of the Common Charges payable by such Unit Owner during the ensuing fiscal year, which Common Charges shall represent a portion of the projected Common Expenses of the Condominium assessed to such Unit Owner pro-rated according to the Common Interest of his or her Unit.

Pursuant to the terms of Article 6 of the By-Laws, the Condominium Board has the right to revise its projection of the Common Expenses at any time and from time to time during any fiscal year of the Condominium. Any such revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during such fiscal year. However, no such revision shall have a retroactive effect on the amount Common Charges payable by Unit Owners prior to the date of such new determination.

Unless otherwise determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month. Any common charges not received by the 15th of the month will incur a $50 a month late fee. No Unit Owner will be relieved from liability for the payment of his or her Common Charges by waiving the use of any of the Common Elements or by mere abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale and transfer, or other conveyance by him or her of such Unit.

Any Unit Owner may, by conveying his or her Unit, without consideration, to the Condominium Board and complying with certain conditions set forth in the By-Laws in connection therewith, exempt himself or herself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect

to his or her Unit and such Unit being free and clear of all liens and encumbrances other than any statutory lien for unpaid Common Charges. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless:

(a) the aggregate Common Interests appertaining to the Unsold Units constitutes fifteen (15%) percent or less of the total Common Interests appertaining to all Units;

(b) at least five (5) years have elapsed since the First Closing; and

(c) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by twenty-four (24).

On a resale of any Unit, the purchaser of such Unit shall be required to pay unpaid Common Charges assessed against such Unit prior to his or her acquisition, except that a mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale shall not be liable, and such mortgaged Unit shall not be subject to, a lien for the payment of any Common Charges assessed subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by the mortgagee or a purchaser at a mortgage foreclosure sale and such assessments shall be the liability of the owner of the Unit at the time of the assessments. In the event that the Condominium Board forecloses its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale shall not be sufficient to pay such unpaid Common Charges, or if such Unit is acquired by a mortgagee or purchaser at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner shall remain personally liable for the balance of such unpaid Common Charges. The Condominium Board shall have the right to assess such unpaid balance amongst all those who are Unit Owners at the time that the same is levied.

Under the provision of Section 339-z of the Real Property Law and Article 6 of the By-Laws, the Condominium Board will have a lien, on behalf of all Unit Owners, on each Unit for unpaid Common Charges and expenses assessed against such Unit together with interest and costs thereon. All such liens, however, will be subordinate, to the extent required by applicable law, to any liens for real estate taxes and assessments on such Unit.

Any lien for unpaid Common Charges and expenses against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office and until all sums secured thereby, with interest and costs accrued thereon, shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing the lien.

In accordance with Section 339-aa of the Real Property Law, while the Sponsor is in control of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien on Units in which Sponsor is more than thirty (30) days in arrears of common charges.

Failure by Non-Occupying Owner to Make Payments on its Unit

Section 339-kk of the Real Property Law of the State of New York (the "Condominium Act") applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its Units. The terms of Section 339-kk are as follows:

> For purposes of this section, "non-occupying owner" means a condominium Unit owner who does not occupy the dwelling Unit.
>
> 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 60 days of the expiration of any grace period after they are due, the Condominium Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium Board.
>
> Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board of Managers has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Board.
>
> When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent.
>
> A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next scheduled meeting of the Board of Managers, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.
>
> Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other law or agreement.
>
> Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk 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.

Repair and Maintenance of Units and Common Elements

Each Unit and all portions of the Common Elements shall be kept in first-class (same as new, excepting normal wear and tear) condition, order and repair (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof or other part of the Property exposes to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work that is necessary in connection therewith. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter his or her Unit to perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of Access" for a further discussion).

Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, the Managing Agent and/or any other person authorized by any of the foregoing a right of access (to be exercised in a reasonable manner) to his or her Unit for the purposes of: making inspections, removing violations against the Common Elements or any part of the Property, making general repairs, curing defaults by the Unit Owner and for other purposes permitted by the By-Laws.

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary: (a) in or to any Unit (other than the Common Elements contained therein) shall be performed by the Owner of such Unit at his or her sole cost and expense; and (b) in or to the Common Elements shall be performed by the Condominium Board as a Common Expense.

In connection with the foregoing, it should be noted that the exterior glass surfaces of all windows located in any Unit are to be washed and cleaned by the owner of such Unit, at such Unit Owner's sole cost and expense.

Notwithstanding the foregoing, however, all maintenance, repairs and replacements to the Common Elements, whether structural or non-structural, ordinary or non-extraordinary, that are necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by such Unit Owner at his or her sole cost and expense.

Alterations and Improvements of Units and Common Elements

Each Unit Owner shall have the right to:

(i) make alterations, additions, or improvements in the interior of his Unit;

(ii) make alterations, additions, or improvements in the interior of to any part of the property allocated to his Unit;

(iii) change the layout of his Unit;

provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit:

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In the event that any Unit is subdivided, the subdivided Units shall jointly exercise and share the vote allocated to the original Unit.

In connection therewith, the Condominium Board, on behalf of the Unit Owner, shall execute any applications to any departments or to any governmental agencies having jurisdiction thereof, for any and all permits required in connection the making of alterations, additions, improvements, or repairs in or to a Unit, provided however that Condominium Board approval shall be required prior to any work of a structural nature.

Alterations and Improvements of Common Elements:

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

Except as otherwise provided in the By-Laws, no Unit Owner may make any alteration, addition, improvement, or repair in or to the Common Elements.

Sponsor or its designee or the owners of the Units shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to:

(a) make alterations, additions, improvements, or repairs in or to any Unsold Unit or Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary; and

(b) subdivide, combine and change the boundary walls of Unsold Unit or Units. (See Section "Changes in Prices and Units" for further discussion.)

However, no change will be made in the size or number of Units and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements, except by amendment to the Plan and, when applicable, the declaration.

In addition, the sponsor may not substitute equipment or materials of lesser quality and design, nor may the Sponsor change the size, layout, location of building or Units, other improvements, or to the common elements or quality of the common elements, if such changes affect the

percentage of common interests or adversely affect the value of any Unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. In the case of a Purchaser in contract, such Purchaser shall receive a right to rescind his or her Purchase Agreement, and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right.

At the request of the Sponsor or its designee or the Unit Owner, the Condominium Board will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by the Sponsor or Unit Owner, at which time Sponsor or the Unit Owner shall execute an agreement to indemnify and hold harmless the Condominium Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents.

Insurance Coverage

The following insurance is available for the Property for the first year of condominium operations as set forth in a letter dated May 8, 2020 from Fairmont Insurance Brokers, LTD of New York, Insurance Specialists, and a licensed insurance broker with an address 1600 60th Street, Brooklyn Y, 11204:

Building, All risk: $2,137,000
Maintenance Fees: Actual Loss Sustained
Boiler & Machinery: Included
Deductible: $5,000

Building Ordinance A, B, C: $1,000,000
Flood: $1,000,000
Quake: $1,000,000
Deductible: $5,000

Crime & Fidelity: $50,000
Deductible $5,000

Liability:
$1,000,000 per Occurrence /$2,000,000 Aggregate
$1,000,000 Directors & Officers Liability

Umbrella: $5,000,000 per Occurrence / $5,000,000 Aggregate

PROJECTED ANNUAL PREMIUM APPROXIMATELY $10,000.00

The coverage limits for the building are based upon the current replacement cost for the Building (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 ensure 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 proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board. Such proceeds shall be applied for the purpose of repairing, restoring or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his or her Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination not to rebuild the Building.

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.

Purchasers are also referred to the "Schedule B" and the "Notes to Schedule B" sections of the Plan for details of insurance coverage.

Restrictions on the Use of Units

As more fully set forth in the Declaration and in the By-Laws, each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy.

No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in the Building unless, in each instance, the same shall have been expressly consented to in writing by the Condominium Board or the Managing Agent, which consent shall not be unreasonably withheld. There are no aesthetic controls in the building. The Units and common elements are limited to residential use and no business or professional use may be carried on in the Units. Such limitations

are more restrictive than those applicable to the Sponsor. The Sponsor may, without obtaining the consent of the Condominium Board or the other Unit Owners, use any one or more of such Units as model Units and sales and/or promotion offices in connection with the sale of the Unsold Units or for any other purpose, subject only to compliance with current laws, statutes or regulations.

A Unit owned or leased by an individual, corporation, partnership, fiduciary, or other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including officers, directors, stockholders, or employees or corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such entity, respectively, or by members of the immediate family or guests of any of the foregoing. However, the foregoing restriction shall not apply to Unsold Units.

No nuisance, or immoral, improper, offensive, or unlawful use, as determined by the Condominium Board, shall be allowed in the Building or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whomever shall have the obligation to maintain or repair such portion of the Property. The Rules and Regulations of the Condominium, which govern the use of all of the Units, may be amended from time to time by the Condominium Board, provided that copies of such amendments are furnished to each Unit Owner prior to the time that they become effective. For further discussion, see the "Addendum to the Bylaws - Rules and Regulations" attached as part of Exhibit 6 in Part II of the Plan.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board, and the Managing Agent, superintendent and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes, among others, of making inspection of, or removing violations of governmental laws or regulations against any part of the Property, curing defaults committed by the owner of such Unit under the Condominium Documents, or correcting conditions originating in any Unit and threatening another Unit or any Common Element. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan.

Self-Help

In the event that any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by such Unit Owner, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

Mechanic's Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the several Units and their respective Common Interests. A lien for labor performed in, or materials supplied to, a Unit may be filed against the Unit of an owner who has expressly requested or consented to the performance of such work or the supplying of such materials, but may not be filed against the Unit of any other owner who has not expressly requested or consented to the same, except in the case of emergency repairs. No labor performed in, or materials furnished to, the Common Elements shall be the basis for a lien thereon, but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request, or with the consent of, the Condominium Board or the Managing Agent.

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

Each Unit Owner must strictly comply with the provisions of the Condominium Documents, including, but not limited to: the Declaration, By-Laws, or any other rules, regulations or requirements promulgated by the Condominium Board, and as the same may be amended, modified, deleted, or added to from time to time pursuant to the terms thereof. Failure to strictly comply is grounds for an action for damages, including but not limited to attorney's fees, late charges and interest at the highest legal rate allowable, or injunctive relief, or both.

Y. REAL ESTATE TAXES

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and that the Unit owner will not be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the nonpayment of taxes on other Units.

In the event that the Units are not separately assessed at the time of the closing, the following procedure will be applicable:

The sponsor shall place in escrow in the name of the Board of Managers an amount equal to the real estate taxes which will be levied against the property for the six (6) month period following the first closing and will collect at each Unit closing the estimated amount of taxes attributable to such Unit. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from Unit owners to the extent of the actual assessment.

To the extent that the taxes have been paid by the condominium for the initial period, there will be an adjustment made at the time of the closing in the amount of the prepaid taxes with respect to this Unit. The adjustment will be based on the percentage common interest allocated to the Unit.

The Unit owner will be required to pay the entire amount of tax allocated to his Unit at the time that the Board of Managers is required to make its real estate tax payment to the City of New York. The allocation for taxes will be based on the Unit's percentage of common interest allocated to the Unit.

Taxes are assessed by the Real Property Assessment Bureau of the Department of Finance of the City of New York. The tax assessments of condominium apartment buildings are governed by Section 581 of the Real Property Tax Law. This law requires the tax assessor to disregard the condominium form of ownership in valuing such properties and to value the building in the same manner as similar but non-condominium owned rental buildings.

Based on the current real estate taxes for the building, the real estate taxes for the condominium for the first year of operations are projected to be $59,895.35. The projected assessed valuation for the first year of operations is projected to be $480,200.00.

The estimated date of completion and reassessment is July 1, 2021. The projections of taxes due for the first year of condominium operation are based on the new real estate tax rate of 12.473%. However, it is not possible to accurately determine what the increase in actual assessed valuation will be and it is equally impossible to predict any future increases in real estate tax rates which may affect the amount of tax due on the property.

Estimated real estate tax assessments are determined using various factors including sales price, square footage, location of the Unit, availability of Limited Common Elements and/or access to common elements. No assurances can be given that the taxing authorities will assess the building and allocate the assessments in the same manner and the actual assessments may not be in the same

proportion as the common interests set forth in the Schedule A in Part I of this Plan.

See Schedule A for the estimated real estate taxes for the Units for the first year of condominium operation. Since actual figures are not currently available, the figures set forth in Schedule A are based on estimated data.

As of May 2020, no tax certiorari proceedings are pending on the premises.

Review of Real Estate Assessments

The Board of Managers will be responsible for reviewing, appealing and filing any documents necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the owners. Such owners shall execute any documents required for such filing.

After the Units have been separately assessed, tax review for each Unit will be the responsibility of the Unit Owner.

THERE IS NO ASSURANCE THAT THE TAXING AUTHORITY WILL ASSESS THE MINIMUM TAX PAYABLE WITH RESPECT TO THE UNITS, IF ANY, IN PROPORTION TO EACH UNIT'S COMMON INTEREST (AND IF NOT SO ASSESSED, UNITS HAVING THE SAME COMMON INTEREST MAY PAY DIFFERENT REAL ESTATE TAXES).

Real Property Tax Benefits

The building does not currently receive tax benefits under section J-51 of the New York City Administrative Code or section 421-a of the Real Property Tax Law. Additionally, Purchasers should note that Sponsor is not applying for Real Property Tax Benefits.

Miscellaneous

Tenant Purchasers currently residing in Units subject to rent stabilization are referred to the section of this Plan entitled "Rights of Existing Tenants."

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

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

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will ascertain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal Income Tax purposes, Sponsor's Counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation, due to the fact that it will qualify as an exempt homeowner's association under section 528 of the IRS code. As a result, the condominium may not be subject to Federal corporate income tax on its taxable income, if any.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial or administrative changes may be made which would require modification of such statements, or that, the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the Counsel's Tax Opinion Letter; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.

AA. OPINION OF COUNSEL

The Law Office of Jay Lichtman P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

May 21, 2020

The 66 West 138th Street Condominium
66 West 138th Street, New York, New York

Re: Plan ("Plan") for the Condominium Ownership of the Premises known as 66 West 138th Street, New York, New York (the "Property")

Gentlemen:

You have requested our opinion with regard to certain Federal, New York State and New York City income tax matters relating to a person ("Unit Owner") who purchases a condominium Unit ("Unit") under the Plan.

In connection with this opinion, we have reviewed the Plan including the exhibits thereto and such other documents as we considered necessary for the purposes of this opinion.

The opinion expressed herein is based upon the assumptions that the Plan becomes effective and is consummated in accordance with its terms and condominium ownership of the Property is validly established. All terms not otherwise defined herein shall have the same meanings ascribed to them in the Plan.

I. Tax Deductions for Unit Owners

Under the Plan:

(1) a Unit Owner will receive legal title in fee simple to the Unit coupled with ownership of an individual interest in the land and appurtenances and all other parts of the Building held in common with other Units Owners in its building (the "Common Elements");

(2) each Unit will be a separate tax lot for the purposes of New York City real estate taxes, and the Unit Owner will be directly liable to the City for the real estate tax assessment with respect to his Unit, but not with respect to any other Unit;

(3) subject to certain restrictions as to form, a Unit Owner may mortgage his Unit as he wishes, and will be individually liable for payment of principal and interest (and/or finance charges) on such mortgage, but the Unit will not be subject to the lien of any mortgage placed on other Units; and

(4) a Unit Owner may separately transfer his Unit subject to, with certain exceptions, certain rights of the Condominium Board of his building.

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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, it is our opinion that a Unit Owner who itemizes deductions will be entitled to deduct, for federal income tax purposes, real estate taxes in the amount of up to $10,000.00 a year assessed against his Unit. Purchasers should note, that the $10,000.00 tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000.00 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000.00 threshold. In addition, a Unit Owner who itemizes deductions will be entitled to deduct, for federal income tax purposes, interest on any acquisition indebtedness up to $750,000.00. See Sections 163 (interest) and 164 (taxes) of the Internal Revenue Code of 1986, as amended (the "Code"). These expenses will be deductible when paid or accrued in accordance with the Unit Owner's method of accounting.

In addition to the interest and real estate tax deductions discussed above, a Unit Owner who uses all or part of his Unit in the conduct of his trade or business, or for the production of income, may deduct a portion of common charges allocable to such use. Each such Unit Owner who uses all or part of his Unit in the conduct of his trade or business will be entitled to deduct cost recovery on his Unit (similar to depreciation), computed separately and based upon the cost of his Unit (see Code Section 1012). Such deduction may be determined under Code Section 168 by using the straight-line method or under ACRS tables which approximate the use of 175% declining balance method, switching to straight-line recovery in later years. The excess of accelerated cost recover deductions over deductions computed using the straight-line method is an item of tax preference and may result in Unit Owners incurring alternative minimum tax. The amount of permitted deductions has been modified by the Internal Revenue Code 1986. The deduction of Common Charges for a Unit Owner who uses all or part of his Unit in the conduct of his trade or business is limited to that portion which does not exceed the Unit Owners' share of expenses paid or incurred through the Condominium and which would constitute trade or business expenses under Code Section 162, or would constitute expenses for the production of income under Code Section 212, if they were paid directly by the Unit Owner. Common Charges may exceed the deductible amount to the extent that Common Charges are used by the Condominium Board to finance capital expenditures or reserves. The amount used to fund capital expenditures or reserves are not deductible and must be capitalized by Unit Owners, increasing the basis in the Unit and thus the cost recovery deduction available for that Unit.

II. Tax Treatment of Condominium and Board of Managers

Under the Plan, each Condominium, via the Board of Managers, will determine, assess to, and collect from, its Unit Owners, in proportion to their respective Common Interests, the Common Charges to pay the costs and expenses of operating, repairing and maintaining the Common Elements of that Building.

The tax status of the Condominium Board of a Condominium (an "Association") is uncertain and turns upon whether the Association is treated as a mere conduit for Unit Owners or as an association taxable as a corporation.

If the Association is deemed to be the conduit for the Unit Owners, all income of the Condominium, such as investment income earned on interim investments or rent on any Unit it acquires, less the applicable expenses of earning such income, will be deemed income to the Unit Owners and taxable to them. However, Common Charges will not be considered income to the Association.

The Internal Revenue Service, however, may take the position that the Unit Owners, acting through the Condominium Board, constitute an association taxable as a corporation and that some or all of its income (including the Common Charges, and income described above, less expenses related to such income) which is deemed to constitute gross 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.

In an effort to resolve the above uncertainty, Section 528 was added to the Code, pursuant to which the Condominium Board may, if qualified, elect to exclude from income the Common Charges payable by Unit Owners. (New York State and New York City have not adopted a similar statute.) In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

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

(2) 60% or more of the gross income for the taxable year is received as fees or assessments from owners of Units ("Exempt Function Income");

(3) 90% or more of the expenditures for the taxable year are for management, acquisition, maintenance and care of the Common Elements;

(4) 85% or more of the total square footage of the Condominium must be used for residential purposes, including areas with auxiliary purposes within the Condominium such as laundry areas, recreational rooms, swimming pools, storage rooms, and areas used by maintenance personnel;

(5) No part of the net earnings may inure to the benefit of any private individual except through the rebate of excess assessments or indirectly through the acquisition, management and maintenance of association property;

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

An Association meeting the requirements of Section 528 of the Code and electing to be exempt from federal income tax on Exempt Function Income would be taxable at a flat corporate rate, with some minor modifications, on the amount by which its non-exempt function income exceeds the amount of allowable deductions which are directly connected with the production of such income.

It is our opinion that the Association will meet the requirements for election of Section 528 during its first year of operation pursuant to the requirements as set forth herein above. Thus, the Association may make such election during the first year if it is advantageous. However, since the requirements for election under Section 528 are applied annually it cannot now be determined whether the Association may elect Section 528 treatment in any subsequent tax year.

We express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those explicitly discussed in this opinion. Nor do we express any view as to the tax status and tax consequences of the Plan under the laws of any other U.S. or foreign jurisdictions. This opinion does not deal with tax consequences which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Condominium Board or with respect to whether a Unit Owner may be deemed a resident of New York City due to ownership of a Unit. We therefore strongly advise each person contemplating the purchase of a Unit to consult his own tax advisor as to all such tax matters (including the tax matters discussed in this opinion).

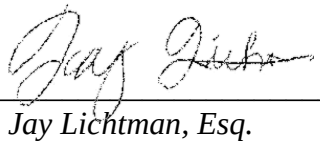
We make no warranty that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of The City of New York will accept any or all of the views stated above. Moreover, the Federal, State and City tax laws and regulations (and the rulings and decisions thereunder) may change and thereby affect, in whole or in part, the views stated above.

THIS OPINION IS NOT A GUARANTEE IT IS BASED UPON EXISTING RULES OF LAW APPLIED TO THE FACTS AND DOCUMENTS REFERRED TO ABOVE. NO ASSURANCES CAN BE GIVEN THAT THE TAX LAWS UPON WHICH COUNSEL BASE THIS OPINION WILL NOT CHANGE. IN NO EVENT WILL THE SPONSOR, THE SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD, THE SELLING AGENT OR ANY OTHER PERSON BE LIABLE IF THERE ARE CHANGES IN THE FACTS ON WHICH COUNSEL RELIED IN ISSUING THIS OPINION, OR IF THERE ARE CHANGES IN THE APPLICABLE STATUTES, REGULATIONS, DECISIONAL LAW OR INTERNAL REVENUE SERVICE RULINGS ON WHICH COUNSEL RELIED WHICH CAUSE THE CONDOMINIUM TO CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR THE NEW YORK STATE TAX LAW, AS AMENDED. ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAXES AND 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.

We consent to the incorporation of this opinion in the Plan.

Very truly yours,

The Law Office of Jay Lichtman P.C.

By: 

Jay Lichtman, Esq.

Phone: (347) 504-1724 **EFax: (917) 688-2553** **E-mail: Jay@Jaylichtmanlaw.com**

The Law Office of Jay Lichtman P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

May 21, 2020

Re: The 66 West 138th Street Condominium
66 West 138th Street, New York, New York
Condominium Plan
Compliance with Real Property Law § 339-i

To Whom It May Concern;

Pursuant to your request, I have received the allocation of Percent Common Interests (PCI) as set forth on the Schedule A to the Plan.

Based solely on my review of the Schedule A of the Plan, the New York State Condominium Act and the Rules and Regulations, as well as the validity and correctness, without further independent investigation, of an opinion letter set forth in the Plan as required by NYCRR section 20.3(i), from The Corcoran Group, I have determined that the method selected for calculating the percentage of common interests in the condominium is in accordance with the Real Property Law section 339-i(1) is subparagraph (iv), which provides:

> "The common interest of each of the Units have been allocated 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."

Very truly yours,
The Law Office of Jay Lichtman P.C.

By: _____
Jay Lichtman

Phone: (347) 504-1724 **EFax: (917) 688-2553** **E-mail: Jay@Jaylichtmanlaw.com**

BB. RESERVE FUND

Within thirty (30) days after the first closing, Sponsor shall establish and transfer to the condominium board of managers, a reserve fund in the approximate amount of $221,744.00[1] and subject to change, to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of the building. 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. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

Current New York City law, N.Y. ADC. LAW § 26-703 (the "Reserve Fund Law") requires the reserve fund to be either:

1. three percent (3%) of the total offering price for the Units; or

2.

   a. three per cent of the actual sales price of all condominium Units sold by the Sponsor at the time the plan is declared effective, provided, however, that if such amount is less than one percent (1%) of the total price, then the fund shall be established as a minimum of one percent (1%) of the total price; plus

   b. supplemental contributions to be made by the Sponsor at a rate of three per cent of the actual sales price of condominium Units for each Unit held by the Sponsor and sold to bona fide purchasers subsequent to the effective date of the plan and within five (5) years of the closing of the conversion pursuant to this Plan notwithstanding that the total amount contributed may exceed three percent (3%) of the total price; and provided, further, that if five (5) years from thirty (30) days after the closing of the first Unit pursuant to this Plan the total contributions by the Sponsor to the fund are less than three percent (3%) of the total price, the Sponsor shall pay the difference between the amount contributed and three percent (3%) of the total price. Supplemental contributions shall be made within thirty (30) days of each sale.

The above contributions required may be made earlier or in an amount greater than so provided. Reserve funds pursuant to the Reserve Fund Law shall never be used to reduce common charges but may be used for the intended purpose of making capital repairs, replacements and improvements necessary for the health and safety of the residents of the building while Sponsor controls the Board or after relinquishing control to the Unit Owners. The Reserve Fund Law requires that Condominium Board shall provide a semi-annual report with respect to all deposits into and withdrawals from the reserve fund. Sponsor 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

[1] The actual amount of the Reserve Fund will be not less than 3% of the last discount price offered to Tenants when the Plan is declared effective, minus a credit, if any, for eligible capital replacement work undertaken by Sponsor, pursuant to the Reserve Fund law.

not exceed the lesser of the actual cost of the capital replacements or one per cent of the total price. Sponsor may make such improvements. If Sponsor does indeed undertake such improvements and elects to take such credit, the Reserve Fund will consequently be diminished by the cost of the improvements. Whether or not Sponsor does undertake said improvements, and their costs if Sponsor does so, will be set forth in a subsequent amendment to the Plan.

In Sponsor's opinion, the amount allocated to the reserve fund is sufficient for major capital improvements and replacements which are reasonably foreseeable within five (5) from the date of this offering. In the event that the reserve fund is inadequate to finance needed capital expenditures, such as renewal or replacement of building components or systems or to remedy major condition, then the Condominium Board may be required to make a special assessment in accordance with the By-Laws or raise common charges. There are no warranties for capital replacements, both for materials and labor.

NEITHER THE DEPARTMENT OF LAW, NOR ANY OTHER GOVERNMENTAL AGENCY, HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL OR RESERVE FUNDS. NO REPRESENTATION IS MADE THAT SUCH FUNDS, EITHER AS PRESENTLY CONSTITUTED OR AS THEY MAY BE INCREASED BY SUBSEQUENT AMENDMENTS, ARE ADEQUATE OR SUFFICIENT TO PAY FOR NEEDED CAPITAL EXPENDITURES, EITHER AS MAY BE DISCLOSED IN THE "DESCRIPTION OF PROPERTY AND BUILDING CONDITION", OR AS MAY BE SUBSEQUENTLY DISCOVERED.

A copy of the full text of the Reserve Fund Law can be found at Exhibit 22 in Part II of the Plan.

CC. WORKING CAPITAL FUND

At closing of title to each Unit, the Unit Owner for such Unit will contribute to the working capital fund of the Condominium an amount equal to two (2) months common charges (see section "Closing Costs and Adjustments"). The Sponsor will not be responsible for this contribution, however, on unsold Units. This Working Capital Fund will be used to make repairs and improvements, and for other appropriate purposes as determined by the Board of Managers, particularly to meet emergencies not budgeted for in Schedule A. While the Sponsor controls the Board of Managers (see section "Control by the Sponsor"), the Working Capital Fund may be used to reduce estimated Common Charges.

The Working Capital Fund may be used to reduce any closing adjustments to the Sponsor. Otherwise, all closing adjustments to the Sponsor will be paid at closing or in equal monthly installments over the twelve (12) month period following closing. All adjustments represent reimbursement for prepayment of expenses already included in the budget set forth herein as Exhibit B, and therefore do not represent an additional expense to Condominium Purchasers.

No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

DD. IDENTITY OF PARTIES

Sponsor/Selling Agent and Managing Agent

The Sponsors and Selling Agent is 66 West 138 LLC, a New York limited liability company with an address at 85 Delancey Street, New York, New York 10002.

The principal and managing member of 66 West 138 LLC is Jonathan Weinberger with a business address of 85 Delancey Street, New York, New York 10002. Mr. Weinberger is an owner and investor in real estate and have experience in being a Sponsor and Selling Agent in occupied conversions (see below).

Neither the Sponsor nor its principals have any felony convictions, injunctions or judgments which are material to the Plan.

Sponsor will also be the Managing Agent for the first year of condominium operations.

Prior Offerings for the Sponsor and Principal

The Sponsor has not previously been the Sponsor of any prior offerings. The Principals of the Sponsor have previously been the principals of the sponsor on the following offerings:

PLAN	ADDRESS	FILE NUMBER	FILED
151-153 West 133rd Street Condominium	151-153 West 133rd Street New York, New York 10030	CD08-0182	8/4/2008
The 1912 Avenue H Condominium	1912 Avenue H/ 839 East 19th Street Brooklyn, New York 11230	CD10-0207	9/6/2011
48-54 West 138th Street Condominium	48-54 West 138th Street New York, NY 10037	CD11-0222	10/15/2012
The 35 & 41 Clarkson Avenue Condominium	35 & 41 Clarkson Avenue Brooklyn, New York 11226	CD12-0061	3/13/2013
The 2107 Bedford Avenue Condominium	2107 Bedford Avenue Brooklyn, New York 11226	CD15-0058	12/16/2015
Presidio Condominium	17 East 17th Street Brooklyn, New York 11226	CD16-0120	4/26/2017

Plans for the above properties are on file with the Department of Law and are available for public inspection or will be available upon acceptance for filing. The Principals of Sponsor own an interest of greater than 10% in the above properties, are current in their obligations to the same and do not own an interest of 10% or greater in any other condominiums or cooperatives.

Attorneys

The Sponsor is represented by The Law Office of Jay Lichtman P.C., 68 Jay Street, Suite 420, Brooklyn, New York 11201 in connection with this Plan and the recording of the Declaration

of Condominium. The Plan was prepared by Jay Lichtman, Esq. The Sponsor also retained the law firm of Nixon Peabody LLP to prepare the relocation agreement and other ancillary documents. The Sponsor will be represented by Fink & Zelmanovitz, P.C., with an address at 3839 Flatlands Avenue Ste 206, Brooklyn, NY 11234 in connection with the sales and closings of the Units.

The Condominium does not have independent legal counsel. IT IS SUGGESTED AND EXPECTED THAT EACH PURCHASER WILL CONSULT WITH AND BE REPRESENTED BY HIS/HER OWN COUNSEL IN CONNECTION WITH THIS OFFERING.

Selling Agent

Sponsor will also be the Selling Agent for this Plan. Selling Agent has experience in selling condominiums. Selling Agent does not have any felony convictions, injunctions or judgments which are material to the Plan.

Engineer/Architect

Nouredine Benabdelhak, P.E., of Alnour Consulting Engineering, P.C., located at 124 Senator Street, Brooklyn, New York 11200, has rendered the Floor Plans of the Property and has rendered the Description of Property report thereof as set forth in Part II. The Sponsor also retained John D. Nakrosis, Jr., RA, located at 33 Flatbush Avenue #6, Brooklyn, New York 11217 to provide special guidance on complying with various questions on building code presented by the Department of Law to the Sponsor and its engineer. Mr. Benabdelhak has been involved in the planning and development of condominiums and the drafting of architectural drawings and reports for such condominiums in New York City and particularly in the Borough of Brooklyn, for over five (5) years. Neither the engineer nor the architect has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such report.

Preferred Mortgagee

The Sponsor's Preferred Mortgagee is Sponsor's Preferred Mortgagee is Citizens Bank N.A., NMLS#490562, Att: Ami Rosen, Office: (212) 857-6682, Cell: (917) 705-1900, Fax: (877) 556-0567, Email: ami.rosen@citizensbank.com. Neither the Sponsor nor the principal of the Sponsor has a prior relationship with Sponsor's Preferred.

EE. SPONSOR'S PROFIT

Sponsor acquired the Property in October of 2015. It is anticipated that if all Units are sold at the offering price set forth in the Schedule A, Sponsor will make a profit on the conversion. However, the extent of the profit cannot currently be projected, since the amount of the profit can be significantly affected by factors involved in the sales process.

FF.REPORTS TO UNIT OWNERS

It is the obligation of the board of managers of the condominium to give all Unit owners annually:

1. A financial statement of the condominium prepared by a certified public accountant or public accountant by June 30 covering the previous year ending December 31. Such statement shall be certified while Sponsor is in control of the board of managers; and

2. Prior notice of the annual Unit owner's meeting; and

3. A copy of the proposed annual budget of the condominium by ten (10) days prior to the date set for adoption thereof by the board of managers. Such budget shall be certified while the sponsor is in control of the board of managers.

GG. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-eeee of the New York General Business Law, copies of the Plan and all exhibits and documents referred to herein shall be available for inspection by prospective purchasers and by any person who shall have purchased a Unit offered under the Plan or shall have participated in the offering of such Unit, at The Law Office of Jay Lichtman P.C., attorney for the Sponsor, 68 Jay Street, Suite 420, Brooklyn, New York 11201, during convenient weekday hours and shall remain available for such inspection for a period of six (6) years from the First Closing. There will be a charge of forty cents ($0.40) per page for copying any documents. The Plan and all other exhibits and documents referred to herein shall also be available for inspection without charge and copying by appointment (at a current charge of $0.25 per page) at the Department of Law, 28 Liberty Street, New York, New York 10005. 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 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 Register's Office prior to or concurrently with the first closing and a copy of same will be provided to the Board of Managers. All deeds conveying, and all mortgages covering, individual Units will also be recorded in such office.

HH. GENERAL

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect the offering, the property, the rights of existing tenants, Sponsor's capacity to perform all of its obligations under the plan, the condominium or the operation of the condominium.

This property has not been the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered into and no money has been collected from prospective purchasers.

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

Purchasers have a right to rescind purchase agreements following material adverse amendments. Affected Purchasers shall have a right for fifteen (15) days following the presentation of a copy of the amendment to rescind by sending written notice to the Sponsor. Sponsor will return any deposit or down payment to purchasers who rescind, within ten (10) days of the receipt of written notice of rescission. No deposit or down payment shall be returned to interim lessees prior to their vacating of the apartment. See Section "Interim Leases."

There are no circumstances known to the Sponsor which may affect use or enjoyment of the property and appurtenances, such as reciprocal covenants or easements, impending adjacent high-rise construction, any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation, unless disclosed elsewhere in the plan.

The Sponsor reserves the right to revise, from time to time, the terms and conditions upon which the Units are to be sold and to otherwise revise the Plan, including revisions affecting the rights, obligations, and liabilities of Sponsor, purchasers, or prospective purchasers, without obtaining the consent of purchasers or others. However, the Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in the case of an uncured default), nor unilaterally change the purchase price, the payment terms or change the material terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. In the case of a material revision adversely affecting the rights, obligations or liabilities of then existing purchasers or reducing the undertakings or obligations of Sponsor, such purchasers will be given the right to rescind their Purchase Agreements and be refunded all monies paid thereunder, with interest earned thereon, if any. Unless an affected purchaser consents, no material change will be made in Unit size, layout or percentage of common interest if a purchase agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. No material change will be made in the size and no material adverse change will be made in the quality of common elements unless purchasers not in default receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. In addition, the Sponsor

reserves the right without approval of the Board of Managers or any one Unit owner to make changes to any unsold Unit, and to the common areas of the building. Specifically, the Sponsor retains the right to annex part of the hallway as part of one or more of the first floor Units. The result of said change would be a smaller hallway, with larger Units, and said change may affect the percent common interest of the non-enlarged Units, by reducing the Units Percent Common Interest, and increasing the Percent Common Interest of the enlarged Units. Said change will be documented in an amendment to the Plan and the Declaration if already recorded. Additionally, Sponsor will grant a right of rescission, for fifteen (15) days, to any purchaser not in default on their purchase agreement. In addition of any area of the building affects only two (2) Units, the two Unit owners may agree between each other how to allocate said area between their Units without the permission of the Board of Managers

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. The Plan sets forth all the material terms of the offer, however, the Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

The Plan is offered only to persons eighteen (18) years of age or over and entities. Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine, or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon.

There are outstanding violations regarding the condition of the Building. Please see Schedule A to the Description of Property, attached herein as Doc. 1 of Part II of the Plan, for a list of all outstanding violations. All open violations against the building will be cured at the expense of the Sponsor. Any outstanding violations within any of the Units will be cured by the Sponsor if Sponsor is given access to the Units. There are no current Con Edison safety alerts issued against the building. Any prior alerts have been lifted at the expense of the Sponsor. There are outstanding lead-based paint violations open against the building. All lead-based paint violations were corrected at the expense of the Sponsor. Sponsor is waiting on paperwork from HPD acknowledging that the violations were cured. See Section "Description of Property and Improvements.

On [redacted], the Division of Housing and Community Renewal issued an order that the legal regulated rent shall be reduced for certain occupied Units (the **"DHCR Order"**). The DHCR Order reduced the rent of rent controlled tenants by [redacted] per month, and for rent stabilized tenants, the rents were reduced to the level in effect prior to the most recent guideline's increase for each tenant's lease, with certain exceptions. The reductions were due to findings of certain conditions not being maintained in the Building, such as peeling paint, water stains on hallway ceilings, and inadequate janitorial services provided in the backyard and courtyard. In

addition, DHCR ordered a rent reduction for one apartment in [redacted] and for another apartment in [redacted] due to a finding that services had not been maintained. Purchasers should note that the DHCR Order does not impact vacant Units offered for sale under the Plan. A redacted copy of each DHCR Order is attached hereto as Exhibit 16 in Part II of the Plan.

On [redacted], five tenants at the Building commenced an action against Sponsor in the Civil Court of the City of New York ([redacted] (the "**Tenants Action**") relating to certain violations and conditions at the Building. On [redacted], in connection with the Tenants Action, the Court ordered Sponsor to correct certain violations occurring in the Building and in certain occupied Units. Sponsor is and has been cooperating with the foregoing court orders and will continue to endeavor in good faith to address required repairs in occupied Units, contingent upon tenants providing the required access thereto. Purchasers can review and check the current status of the Tenants Action online at the following webpage: https://iapps.courts.state.ny.us/nyscef/CaseSearch?TAB=caseIdentifier. Updates will be disclosed in subsequently-filed amendments.

Purchasers are further advised that as of the date of acceptance of this Plan, there are outstanding violations of record of the Housing Maintenance Code, Multiple Dwelling Law, Building Code, and other laws and regulations that exist regarding the condition of the Building and the Units. These violations have been issued by the New York City Department of Buildings (the "DOB") and the New York City Department of Housing Preservation and Development ("HPD"). Please see "Schedule B to the Description of Property" attached herein as Doc. 1 in Part II of the Plan for a list of all outstanding violations as of the date of acceptance for filing of this Plan. To the extent Sponsor continues to own any impacted occupied Unit, and to the extent the tenant provides access to Sponsor to make the required repairs, Sponsor will endeavor to address all violations that impact occupied Units. Sponsor will further continue to endeavor to correct additional violations at the Building that are not within occupied Units. Purchasers can check the status of DOB violations online at: https://www1.nyc.gov/nyc-resources/service/1279/building-violation-status and the status of HPD violations online at: https://www1.nyc.gov/site/hpd/about/hpdonline.page. Updates will be disclosed in subsequently-filed amendments.

Each purchaser will be required to pay an additional $3,500.00 at closing to defray Sponsor's costs, e.g., architectural costs, filing fees, legal fees and other costs incurred in creating the condominium. See Sections "Schedule A" and "Unit Closing Costs and Adjustments."

This Plan may not be changed or modified orally.

II. SPONSOR'S STATEMENT OF BUILDING CONDITION

The offer is subject to the disclosure in the Description of Property and Building Condition set forth in Part II of the Plan, subject to ordinary wear and tear. The Sponsor adopts the "Description of Property and Building Condition" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Building Condition.

In New York City, any Plan that involves construction where tenants live in the building, regardless of whether construction is taking place in an individual unit or units or building-wide, or whether the construction is taking place on an unoccupied floor, requires the filing of a Tenant Protection Plan. See New York City Administrative Code § 28-104.8.4 (the "Tenant Protection Law"). The Sponsor has filed a Tenant Protection Plan with the DOB with the intention of renovating Units 1C, 4A and 5A, and Sponsor intends to repair and renovate any Units as they become vacant. Any other changes in plans for any work will be disclosed in duly-filed amendments. The Tenant Protection Plan is included in Part II of the Plan as Exhibit 14.

The Building is estimated to have been constructed in approximately 1900. Buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as an exhibit to this plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for lead paint.

Local Law 7 of the City of New York for the Year 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with Local Law 7 of the City of New York for the Year 2004. 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 have been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. For further details, see Part I of the Plan under the Section "Rights and Obligations of Sponsor."

There are outstanding violations regarding the condition of the Building. Please see Schedule A to the Description of Property, attached herein as Exhibit 1 of Part II of the Plan, for a list of all outstanding violations. All open violations against the building will be cured at the expense of the Sponsor. Any outstanding violations within any of the Units will be cured by the Sponsor if Sponsor is given access to the Units. There are no current Con Edison safety alerts issued against the building. Any prior alerts have been lifted at the expense of the Sponsor. There are outstanding lead-based paint violations open against the building. All lead-based paint violations were corrected at the expense of the Sponsor. Sponsor is waiting on paperwork from HPD acknowledging that the violations were cured. [redacted]

[redacted]. Any repairs to fix the DHCR violations will be the responsibility of the Sponsor.

Sponsor is not undertaking any repairs or other work apart from work expressly provide in the Description of the Property section in part II of this Plan, or work expressly provided otherwise in this Plan, if any.

SPONSOR IS OFFERING THE UNITS IN "AS IS" CONDITION AT CLOSING OF TITLE. However, nothing contained herein will excuse Sponsor from its representations or obligations in this Plan.

The number of Units offered is identical to the number of Units stated in the certificate of occupancy, whether the proposed use of the Units is the same as the use indicated in the certificate of occupancy and whether property interests that are offered, such as basement facilities, are provided for in the certificate of occupancy.

Date:

SPONSOR:
66 West 138 LLC
85 Delancey Street
New York, New York 10002

PART II

DOCUMENT NUMBER 1

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

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33 Flatbush Avenue # 6, Brooklyn, New York 11217
646 526 4569

13 May 2020

Architect's Description of Property

Premises known as 66 West 138th Street
Manhattan, New York 10037

John D Nakrosis Jr
Building Design

The subject matter of this report was based on:

1. Visual inspection of the building, including entire cellar, lobby, public halls and common areas, roof, all exterior walls, yard, some but not all apartments, and related equipment contained therein.
2. Existing records and applications on file with the Department of Building of the City of New York;
3. Information provided by the Sponsor and/or his representatives.

(a) Location and use of property:

(1) Address:
66 West 138th Street Manhattan, NY 10037.

(2) Block and lot number:
Tax Block: 1735
Tax Lot: 67
BIN: 1053926

(3) Zoning:
The site is located in a R7-2 Zone which is a General Residence District.

There are no easements in the Building.

(4) Permissible use:
The current use is a multiple-family dwelling, a Use Group 2 Residential Use. All uses in Zoning Use Groups 1, 2, 3 and 4 are permissible uses as a matter or right.

(b) Status of construction:

(1) Year built:
This is an existing building which was built between 1871 and 1901.

(2) Class of construction:
This building generally complies with the requirements of Construction Class IIB, as defined by the 2014 New York City Building Code, aka Old Code 3 of the 1938 Code. Construction Class IIB includes buildings 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 no Certificate of Occupancy and one will be required since this building was constructed prior to year 1938. No Alteration application have been filed since 1938 for a change to egress, occupancy, use, number of dwelling units and/or number of stories. Sponsor's representative search in HPD's office revealed that there is no I-Card available for this building.

(4) Alteration permit numbers and description of work done:

- An Alteration Type 2 Permit # 122963935 has been filed on 12/06/2016; two (2) Post Approval Amendment had been filed, one on 03/23/2018 and one on 04/18/2018, for an interior renovation of Unit 4A and 5A as follows:
    - Proposed interior renovation in Unit 4A and 5A to include the removal of "non-load bearing partitions", removal of kitchen cabinets, counter & installation of new counter and cabinets, sink, dishwasher, & appliances. No change is use, occupancy or egress.
    - Said alterations have been completed pending construction sign off.
- An Alteration Type 2 Permit # 123139772 has been filed on 09/15/2017; two (2) Post Approval Amendment has been filed, one on 03/23/2018 and one on 04/18/2018, for an interior renovation in Unit 1C as follows:
    - Propose interior renovation in Unit 1C to include the installation of non-load bearing partition, removal of kitchen cabinets and counters and the installation of new counters, renovation of bathroom. No change in use, occupancy or egress.
    - Said renovation was scheduled to be completed within approximately 2 months.
- An Alteration Type 2 Permit # 123567746 has been filed on 05/23/2018 for façade roof and structural work as per plans to cure the violation conditions. It is anticipated that the structural work under job # 123567746 will be completed by the end of September weather permitted.
- An Alteration Type 2 Permit # 140820949 has been filed on 12/04/18 for the installation of chimney liner as per plans. The work was signed off on 03/22/19.
- An Alteration Type 2 Permit # 122167118 has been filed on 10/15/14 for the installation of new boiler, burner and one hot water heater. The work was not performed.

  An Alteration Type 3 Permit # 140262294 has been filed on 10/01/14 for the replacement of face brick masonry, pointing & Stucco replacement, prime and paint fire escape & waterproofing at front and side as indicated in plans. this application was substituted with the current application # 123567746.

(c) Site:

(1) Size:
The site is 27’ x 99’-11”, and rectangular.

(2) Number of buildings and use:
There is 1 building on the site. There are 20 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 NYC.

(4) Drives, sidewalks and ramps:

(i) Paving:
Paving of the roads are asphalt.

(ii) Curbing:
The sidewalks are concrete with steel curbs.

(iii) Catch basins, drainage:
There are no catch basins located inside the property.

(iv) Street lighting:
Street lighting is provided by the City of New York, with light poles close by on both sides of sidewalk.

(v) The aforementioned items are in conformity with NYC DOT standards, and municipal codes.

(d) Utilities:

Water and Sewer:
Water supply and combined sewer servicing the building are provided by the City of New York. Costs for these utilities shall be paid by the condominium unit owners as part of the common charges. There is one water meter serving the entire building.

Gas:
Gas service is provided by Con Edison Company of New York, Inc. 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.

There is a common gas meter for the building boiler, to provide heat and hot water. The charges for the common meter shall be paid by the condominium unit owners as part of the common charges.

Electricity:
Electricity is provided by Con Edison Company of New York, Inc. 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.

Oil:
The oil boiler was recently converted to gas per BIS Filing No. 122167118, by George Langer, PE. There is no longer any oil use in the building.

The existing oil tank is located in the cellar, northeast side, surrounded by cmu fire-rated construction and is scheduled to remain. The oil tank has been cleaned out and temporarily abandoned.

Telephone, TV and Internet Service-
Telephone, TV and internet service are provided on an individual basis to each unit by local providers. Each condominium unit owner will be billed directly by provider for any services they require.

(e) Sub-soil conditions:
No subsurface investigation of soil borings and/or tests pits were done. The building foundations are existing, and none of the filings since 1992 indicate any change to the existing foundations. Subgrade portions of foundation are not visible and could not be inspected. No signs of movement or settling are visible. There is no evidence of seepage or ground water infiltration, the building is located in area of minimal flooding, the likelihood of flooding from the water table or from overflow from bodies of water in the area and or mudslide or other form of erosion is very low.

(f) Landscaping and enclosures:

(1) Grass cover:
There are no grass covers at the premises, except for overgrown vegetation at the rear yard.

(2) Plantings:
There are no plantings at the premises.

(3) Trees:
There are no trees at the premises.

(4) Fencing:
There is a 6’ high galvanized chain link fence enclosing adjoining property from the rear yard.

(5) Gates:
There is a gate at the chain link fence separating 66 from the premises to the south.

(6) Garden walls:
There are no garden walls at the premises.

(7) Retaining walls:
There is a rubble stone retaining wall at the premises located along the east side of the rear yard adjoining to the neighboring parking lot. The wall was recently repaired and found in fair condition.

(8) Display pools and fountains:
There are no display pools or fountains at the premises.

(g) Building size:

(1) Total height:
The building has an approximate height of 62'- measured from the adjoining sidewalk to the top of parapet. The building is five stories above grade.

(2) Crawl spaces:
There are no crawl spaces.

(3) Number of sub-cellars and cellars:
There is one cellar in the building.

(4) Number of floors:
The building is 5 stories above grade and a cellar, for a total of six stories.

(5) Equipment rooms:
All equipment rooms are located in the cellar.

(6) Parapet: The front and rear parapet walls are approximately 2'-6" height. The side parapet walls are approximately 3'-10" in height.

(h) Structural system:

Foundation type and size:

- ➢ Existing foundation walls were made with dressed sandstone, typical for a building constructed in the 1800s.

Structural systems of the floors:

- ➢ Floors at the apartments are comprised of wood joists spanning between the east and west brick bearing walls. There are supplemental girders and posts at the cellar, supporting the first floor framing. The hallways and stair are of noncombustible framing, as required for Old Law Tenements.

Sub-grade drainage system:

- ➢ There is no evidence of an existing drainage system for the foundation walls. The cellar appears dry with no evidence of water intrusion.

(1) Exterior of buildings:

(i) Walls:

- ➢ All exterior walls, including all facades and courts, are constructed with solid 12" thick brick masonry, of which East and West walls are bearing walls. The East and are covered with cement stucco. . The North and West facades consist of exposed brick, which were recently repointed.
- ➢ Exterior walls are 12" thick (3 wythes) and have a fire rating of 4 hours (IBC Table 720). The interior is finished with wood or metal furring and interior 1/2" gypsum board or the earlier wood lath and plaster.
- ➢ There is no evidence of insulation at the exterior wall assemblies. (R value of 12" exterior brick wall is 2.4 (F° · sf · hr./Btu)
- ➢ New York City Local Law 10 does not apply since the building is less than 6 stories.

Work is underway or close to completion under permit number# 123567746 to complete exterior façade work throughout the building, the remaining items to be completed consists of :

- Pointing spalling mortar joints is underway at the front façade.
- Routine maintenance work on the east Facade adjoining to neighboring parking lot was not included in the scope of work under permit number# 123567746, the repair work should be addressed in the future, which includes:
- Hairline cracks on existing stone lintels and sills
-

(ii) Windows:

- Existing windows are aluminum double-hung windows, with a thermal break in the frame and sash . Frames and hardware are aluminum. Windows in the apartments have various types of child guards. The window manufacturer is unknown, and the windows appear to be from several manufacturers. No warrantees exist for the windows.

➢ Window openings at the center of the west façade (at the original water closet location in the hall) have been sealed with cmu. The cmu is covered with wood, which is in poor condition. The cmu and plywood will be removed and new windows will be installed by the Sponsor. These windows do not require a fire-rating, since they are 3'-0" from the lot line.

➢

On the South Façade, (2) Double hung windows have broken balance springs in Apt.5D

On the East Façade, steel lintel above window was observed rusted in Apt.5A

On the west façade, windows issues observed include:

- Cracked window sill at the first floor Unit 1D.
- Missing window at cellar boiler room; plywood panel is placed to cover the window opening.

At the north wall the windows at the first floor are smaller than the original masonry infills. The remaining windows fill the original openings.

Habitable and occupiable (kitchen and bathrooms) room windows at the east and west court yards are located at 2'-6" least distance from the lot line, and provide both legal light and air per the Old Law Tenement Law.

All inoperable windows and broken panes will be repaired by the sponsor during the sponsor control period as follows: if access is given to an occupied unit, Sponsor will replace broken panes. For vacant apartments, Sponsor will replace as required prior to re-renting or selling.

(iii) Landmark status:
None

(2) Parapets and copings:

- ➢ Existing parapet at the bearing and south walls is brick with terra cotta saddleback copings. Over 80% of the copings are new, unglazed terra cotta.

- ➢ Parapet repair and coping replacement was completed under application BIS No. 123567746.

- ➢ The front parapet was rebuilt of cmu, with a stucco coating at both faces. The roof flashing is protected by a thru wall metal counterflashing.

- ➢ The application will be signed off by the applicant, Nouredine Benabdelhak, PE.

(3) Chimneys and caps:
There is a chimney for the boiler. The chimney extends approximately 10 feet above the roof. The chimney is brick parged with cement stucco on the exterior face and with a recently installed liner. This work was done under BIS application # 140820949 filed and signed off by Neal M Rudikoff, PE.

(4) Balconies:
None

(5) Exterior entrances:
(i)Exterior doors and frames:

- ➢ There is one main exterior entrance along W138th Street. Entry door is an aluminum and glass storefront style door, swinging type, with thermal break. Entry door has keyed lockset. Manufacturer is unknown. Entry door is in good condition.

- ➢ There is one door to enter the rear yard in the cellar. Entry door to the rear yard is a 1-1/2-hour fire-rated hollow metal door, with hollow metal door frame set in a masonry opening. Manufacturer is Metalline Fire Door Co., Inc. Entry door is in good condition.
- ➢ There is one door located at the bulkhead to access the roof. Entry door to the roof is a 1-1/2-hour fire-rated hollow metal door, with hollow metal frame. Manufacturer is Metalline Fire Door Co., Inc. Entry door is in good condition.

(ii) Vestibule doors and frames:
The vestibule door is an aluminum door with a glass vision panel and keyed lockset. Vestibule door is in good condition.

(iii) Exterior stairs:

- There is a single concrete step in front of the building entry, comprised of 1 riser and 1 tread.

There are masonry stairs at the front of the building from the cellar up to grade level. The stairs are under the sidewalk access hatch.

(iv) Access Hatch:
There is one access hatch at the West 138 Street sidewalk. This hatch leads to the cellar via a staircase. The hatch consists of diamond plate metal doors in a steel frame; they are n good condition with no sign of damage.

(v) Railings:
None

(vi) Mail boxes:
Mailboxes are located in the ground floor lobby; they are recessed vertical door mailbox with Anodized Aluminum.

(vii) Lighting:

- There are two wall mounted functional fixtures, one on each side of the entrance.
- There is one wall mounted fixture at the exit door to the rear yard. The light was not working; most likely due to a defective light bulb which need to be replaced.
- Sponsor to replace the bulb or repair the rear fixture.

(6) Service entrances:
None

(7) Roof and roof appurtenances:
The existing roof is of indeterminate age, does not have a warranty of any kind, and was installed over previous roofing materials. Sponsor has applied a fibrated aluminum roof coating over the existing top membrane of the roof in order to provide protection from ultraviolet light; however, such coating does not improve the waterproofing properties of the existing roofing, and does not constitute a new layer of the roof. Prior to the installation of the coating, the roofing was observed to have

cracks, rips and holes. It is anticipated that the remaining useful life is no more than 4 years without repairs.It is anticipated that the sheathing may have damage due to water infiltration but the full scope of damage can only be assessed at the time of roof removal and replacement.

Section 28-101.4.3 of the 2014 New York City Administrative Code allows the use of a prior Code, however, reroofing is specifically excluded and any re-roofing will need to conform to Code Sections 1510.1 to 1510.6 (relating to reroofing for prior Code buildings). Code Section 1510.3.3 requires that all existing layers of roofing be removed prior to the installation of a new roof, where two or more applications of any roof covering are present. As described above, the existing roof has two layers; therefore, any reroofing of the Building will require removal of the existing membranes down to the roof deck.:

The roof was coated recently with a single coat of “Roof X Tender” RXT 700 acrylic roof coating over the existing bitumen roof membrane. The material acts as a UV barrier and, because of its high albedo, reduces the solar gain and temperature of the existing roof membrane. There is no warranty for the existing roofing or the .

The roof structure is comprised of wood joists with board or plywood decking. The condition of the roof decking is not visible for inspection, but no areas of weakness were noted. The assessment of the roof deck condition, and any necessary repairs to the roof deck will need to be made when the current roof membrane is replaced,

Roof membrane replacement must conform to 2014 NYC Building Code 1510.1 thru 1510.6. If roof deck replacement is required the work must conform to 2014 NYC Building Code 1511 and Local Law 94 of 2019.

(i) Type of roofs for all areas:
The roof is a flat roof, with a slope less than 3:12.. The roof slopes toward the center of the East façade, where an area of flat roof interferes with complete drainage and allows ponding. There is no secondary drainage system, and no parapet scuppers at the roof.

(a) Material:
The roof material is a bitumen roofing roofing.

(b) Insulation:
The roof insulation cannot be verified without probes in the ceiling. There is no evidence of board insulation above the roof deck. No drafts were reported by tenants of top floor apartments.

(c) Surface finish:
The roof was recently coated over existing roof membrane. The coating is acrylic.

(d) Bond or guarantee:
Not applicable. There is no warranty, guarantee or bond on the existing roof membrane or assembly.

(e) Flashing materials including counter flashing:
The roof membrane extends vertically up the parapet walls, except for the north parapet were a termination bar was installed. There is no metal counterflashing. The existing parapet walls are less than 42” in height, and will need to be re-built to 42” above finish roof when replaced in the future. The new parapets installed under BIS No. 123567746 should have been rebuilt to 42” above the finish roof to comply with Local Law 40 of 1960.

(ii) Drains:
(a) Location, material and type:
There are no roof drains. Storm water follows the slopes to a through-wall scupper located near the center east wall. The middle portion of the roof has less slope, poor drainage and ponds. The scupper discharge through the parapet into a downspout which leads to the storm drain. The downspout appeared to be in good condition and properly secured to the east wall of the courtyard.

Good practice recommends at least one additional overflow scupper be installed. The roof pitch should also be improved when the roof membrane is replaced.

(b) Gutters and leaders:
There are no gutters. There is one vertical leader on the east façade. The leader is in fair condition.

(iii) Skylights:
There is one skylight on the stair bulkhead. The skylight has a single glass pane with galvanized steel sheet metal frame supported on the roof. The skylight is in very good condition, and appears new. The staircase receives natural light through a window on each floor, in addition to the light provided by the skylight.

(iv) Bulkheads:
(a) Stairs:
The stair bulkhead is constructed of wood frame with gypsum board and/or plaster.

The exterior of the bulkhead is covered with bitumen roofing membrane and stucco. The bulkhead is in fair condition except for blistering of the bitumen membrane and for cracks in the stucco finish along the east façade. The membrane covering the stair bulkhead is sagging, with some blisters under the membrane and a lack of mechanical fasteners at the vertical surface.. the bulkhead door to the roof is a new metal door which has push bar from the inside.

(b) Elevator:
None

(c) Other:
None. There are no railings at the roof.

(v) Metal work at roof levels:

There is a vertical ladder at the rear (south) façade leading to the existing fire-escape at the south wall. There is no other metal work at the roof level.

(vi) Rooftop facilities:
The rooftop is a common element. The roof does not have an adequate live load capacity for use by the occupants as a roof deck. Use of the roof shall be limited to maintenance activities, only.

(8) Fire escapes:
Fire escapes are in fair condition. No welding or bolting repair is anticipated. Fire Escape on both rear and front facades are newly primed and painted. The front fire escape does not extend to the roof, but is not required to by Code. The rear fire escape has access to the roof via a metal ladder. There are drop ladders at both fire escapes, at the second floor to allow access to the ground.

(i) Location:
There are two sets of fire escapes, one in the front (West 138 Street façade) and one in the rear (south) of the building.
(ii) Floors covered:
The fire escapes serve the 2nd floor through 5th floors.
(iii) Drop ladder:
There is a standard vertical drop ladder, conforming to the MDL, to extend to the street level and to the rear yard. Both drop ladders appear to be in operational condition.

(iv) Type:
The fire escapes are cantilever type with slat landings and treads, open riser stairs, and bar stock handrails. The fire escapes are anchored to the exterior walls with metal hardware and bolts.

(v) Materials:
The fire escapes are made of iron.

(9) Yard and courts:
There are two narrow side courtyards and one rear yard. Access to the west courtyards is through a window at the cellar level, and to the east courtyard through a first floor window.

The side courts appear to be unpaved, through the bottom surface is not visible..

There is no landscaping at the rear yard; there is overgrown vegetation through the dirt. The rear yard is not accessible to tenants.

The sponsor may designate the rear yard to be accessible only to apartments 1C and 1D.

The east and west walls at the courtyards (those walls not abutting a property line) will be painted “White” or “Buff” per MDL §29.

(i) Paving:
The condition of paving at the west yard is unknown, due to debris in the yard. A section of the east court yard is backfilled to the height of the adjacent parking lot.

(ii) Drainage:
Courts yards and rear yard absorb storm water. There are no known functioning drains in the courtyards. Upon investigation, if the yard is unpaved storm water will be absorbed by the earth. If paving is discovered, existing drains will need to be repaired to be workable. Should a new drain be required the increased impervious surface on the site will require DEP approval relating to the availability of a public combined or storm sewer per 2014 NYC Plumbing Code 106.6.2.

(iii) Exterior Stairs:
There is a one riser/tread at the front entrance, without a railing. The tread is in good condition.

(iv) Railings:
None

(v) Fencing:
There is a 6' high galvanized chain link fence enclosing the rear of the rear yard.

(vi) Retaining Walls:
There is a 6'-0"± retaining wall along the south property line at the rear yard. The wall is located on the adjoining premises, which is the high side of the wall. There is an 8'-0" chain link fence on top of the retaining wall, separating the yard from the adjacent parking lot. The wall is made with rubble stone and the stucco coating was recently repaired.

(10) Interior stair:
(i) Number of stairs of each type:
There is one open stairwell serving all the floors, from first floor to roof. Stairs are made with metal stringers and metal pan risers, supporting a finished marble tread. The platforms are either mosaic tile or marble slabs. The staircase is not fire rated.

The cellar is accessible through the access hatch in the sidewalk at the front of the building.

(ii) Enclosure:
The stairwell and hall are enclosed in fire-rated construction. The east side is the 12" brick exterior wall, the north and south sides of the stair are masonry walls. The remainder of the walls, separating the egress from the apartments is a rated demising partition covered with textured stucco. Penetrations through the wall have rated protections.

Hairline cracks were observed in the textured stucco finish.

(iii) Stair construction:

The stairs are a metal kit stair kit, with iron stringers, tread pans, riser covers and rails, with marble treads.

(iv) Stringers:
The stringers are made with iron.

(v) Treads:
The treads are marble, secured to metal pans underneath. Some marble treads have hairline cracks.

(vi) Risers:
The risers are sheet iron.

(vii) Guard rails:
The guard rails are iron with a wood rail on top. The balusters are ½" square spaced at 5" o.c. The spacing does not conform to current Codes.

(viii) Balustrade:
The balustrades are wood.

(11) Interior doors and frames:
(i) Unit entrance and interior doors and frames:
Unit entry doors and frames are fireproof, self-closing, hollow metal doors with rated kalemein frames with keyed locks. Unit entry doors are in good condition. There is a marble sill at each apartment door. The marble is cracked in most cases, and there is a ½" to ¾" step at each sill. New doors have been replaced in the existing frames at units 2B, 2C and 3B.

Interior doors and frames inside the apartments are wood, all doors and associated frames are not new but appeared to be in fair condition.

(ii) Corridor doors and frames:
None

(iii) Stair hall doors and frames:
None

(iv) Cellar and roof doors and frames:
Cellar and roof doors are fire-rated, self-closing metal doors. Cellar is not accessible to residential units' tenants, the cellar door to rear yard is a hollow metal door in good condition. Bulkhead door is metal door in good condition, it is locked from inside and cannot be opened from outside without key.

(12) Elevators:
None

(13) Cellar:

- Exterior foundation walls were made of sandstone, dressed and coursed, covered with stucco in places. There is some water damage at the stucco beneath the water meter. The meter does not appear to be leaking – typically this damage is caused by condensation.
-
- The interior partitions are made of brick, cement block and, at the Boiler Room, terra-cotta.
-
- Cellar windows are aluminum double hung, they are either missing, broken or non-operable. Window openings at the boiler room, which provide combustion air, are missing mechanized damper.
-
- Cellar ceiling at boiler room consists of metal sheeting over one layer of sheetrock. The exposed, heavy-timber wood girders in the boiler room ceiling are checked within allowable limits. Work to repair the beam and restore fire rating of the ceiling is underway.
-
- Issues observed in the cellar include:
  - Temporary steel shoring should be made permanent by providing adequate concrete footings and replacing the telescoping jack posts with new steel pipe columns to support the steel beams.
  - Deflected ceiling joists have been shored with new structural steel.
  - Defective center wood girder has been improved by cutting the span with new structural steel supports.
  - Broken terra-cotta blocks at the boiler room walls to be repaired to maintain fire rated enclosure.
  - Holes in the ceiling will be repaired in kind or sealed with fire stopping material.

The work at the cellar is underway, and has been filed by Nouredine Benabdelhak, PE (Alnour Consulting Engineering PC) as BIS No. 123567746. The repairs to the conditions noted above will be corrected by this filing.

(i) Auxiliary facilities:

There is no residential storage in the cellar.

(1) Laundry rooms:
There are no laundry facilities.

(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:
Trash is stored on the street fronting the building, in movable trash cans See site plan for details.

(v) Pick-up schedule, and whether public or private provider:
Refuse is collected on Tuesdays, Thursdays and Saturdays by the NYC Sanitation.
Recycling is collected on Tuesdays only.

(j) Plumbing and drainage:

(1) Water supply:
The building is provided with 1 metered domestic water service. Main shut-off valve is in the cellar next to the meter for domestic water. The majority of the service plumbing pipes in the cellar are insulated with R5 insulation.

(2) Fire protection system:

(i) Standpipes:
None

(ii) Hose racks, hoses and nozzles:
None

(iii) Sprinkler heads:
None

(iv) Siamese connection:
None

(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.

(5) Sanitary sewage system:
There is a combined sanitary and storm drainage system. The sanitary and storm drainage are collected from the building and discharged by gravity to the public combined sanitary and storm drainage system.

(i) Sewage piping:
Sewage piping may be original cast-iron piping. Corrosion has developed in the soil and waste stacks in the cellar; scale is visible on the surface of some of the piping.

(ii) Sewage pumps:
There are no pumps.

(iii) Sewage disposal:
The sewage system carries both waste and sanitary sewage from each apartment.

(6) Permit(s) required:

The following permit(s) have been obtained for plumbing.

- Permit No. 122963935-01-PL issued 03/02/2017
- Permit No. 123139772-01-PL issued 04/10/2018

(7) Storm drainage system:
There is a combined sanitary and storm drainage system. The sanitary and storm drainage are collected from the building and discharged by gravity to the public combined sanitary and storm drainage system.

(i) Catch basins:
None

(ii) Yard and roof drains:
There are no yard drains. Only one scupper was found on roof

(iii) Piping:
Piping is cast iron.

(iv) Sump pumps:
There is a sump pump in the Boiler Room, located at the south side of the boiler pit. The condition of the sump could not be ascertained, though no water was visible in the pit at the time of inspection.

(k) Heating and hot water:
(1) Heating and distribution of domestic hot water and whether capable of providing peak required services:
Boiler provides all the hot water directly, the boiler is adequate for domestic hot water and heating usage. The heating system's adequacy is to maintain a temperature of approximately 74 degrees from 6 a.m. to 10 p.m. and approximately 72 degrees from 10 p.m. to 6 a.m. as per heat watch controls in the boiler room. It will be set as required by Law.

(2) Number of boilers and description:

There is one boiler for both hot water and heating. The boiler is an old gas boiler provided with a new gas burner.
No anticipated new heating system/ units will be installed in the newly renovated apartments.

(3) Manufacturer and age of boiler(s):
The boiler is manufactured by A.L. Eastmond & Sons Inc., model # FST32, with an input of 1,344 MBH and output of 1,072 MBH. It appears by the manufacturing tag on the existing boiler that the age or anticipated useful life of the boiler is 26 years old. Boiler was found operational and in fair condition.

(4) Manufacturer and age of burners:
Burner was recently (2015) replaced under application number# 122167118 to convert from oil to gas. The burner is a Beckett cg25-2S (MEA No. 371-00-E) with a gross firing rate of 1,100 mbtu/hr.

(5) Type of controls:
There is one digital timer serving the entire building located in the boiler room.

(6) Radiators, piping, insulation, valves, pumps:
The heat is distributed as hot water via cast iron radiators in every dwelling unit. There is no insulation on the hot water pipes connected to the radiators. All disconnected and inoperable radiators will be replaced or reconnected by the sponsor if access is given to an occupied unit.

For vacant units, all disconnected and inoperable radiators will be replaced or reconnected by the sponsor if access is given to an occupied unit.

(7) Fuel:
The boiler utilizes natural gas, provided by Con Edison.

(8) Location of oil tank, materials, enclosure:
There is an oil tank in the cellar. The tank is steel enclosed in cement blocks. The tank will be left in place. The conversion did not require removal of existing oil tank.

(9) Capacity of oil tank:
The tank has a capacity of approximately 1,000 gallons. It will be cleaned, abandoned and left in place.

(l) Gas supply:

(l) Type:
Gas is natural gas, supplied by Con Edison.

(2) Meters:

There is a separate meter for each unit. The meters are located in the cellar, in two banks of 10 each, for the front and rear apartments.

There is a separate meter, billed to the Condominium Association, for the boiler gas. This provides heat and hot water.

(3) Piping:
Piping is black iron piping.

(m) Air conditioning:
Air conditioning for the apartments is accomplished by through window air conditioning units which are provided and installed individually by dwelling unit owners/tenants.

No ac units will be provided for newly renovated units.

(n) Ventilation:
There are no mechanical ventilation systems in the units. All areas requiring ventilation are directly vented through windows. Boiler room ventilation is achieved through window opening on the west courtyard. Missing mechanized damper should be installed.

(o) Electrical System:
Number of circuit breakers and number and location of convenience and appliance outlets in the renovated units, only, is adequate and per applicable code.
No generators are provided.

(l) Service from main service switchgear:
400 Amps electrical service is provided by Con Edison Company of New York, Inc. The electrical service was renovated.

(2) Service to individual units:
Renovated units are provided with 40 Amps 12x24 circuit breaker panel fed by a single phase, 220 Volts. The panel is installed over the corridor wall next to the bathroom door.

Existing units were not accessible for inspection.

(3) Compartment switchgear:
The compartment main switchgear is located in the cellar. It has 3 lines 250 Amps each, the fourth line neutral.

(4) Unit service:
The electrical services in the renovated units, only, are adequate for a full complement of modern appliances.

(5) Adequacy:

(i) Service:

In the renovated units there is an average of 8 circuits in the existing units. The worst case is 11 circuit breakers with 13 spares in a 125A panel box.

(ii) Lighting and fixtures:
Lighting appears to be adequate throughout the building.

(iii) Convenience outlets, appliance outlets:
There is adequate number of outlets throughout the renovated units. GFI outlets have been installed, to the extent that could be inspected, at kitchens and bathrooms.

(p) Intercommunication and/or door signal systems, security closed circuit TV.
Each apartment is equipped with an intercom system. There are two intercom systems in use. One is a new wireless system, connected to the intercom directory at the building entry. The system enables communication between the apartment and intercom directory.

The other system relies on hard-wired telephones in the units. This second system serves a limited number of tenants, who requested that the old system be maintained in lieu of the new installation.

(q) Public area lighting:
Lighting appears to be adequate for all safety public needs.

(r) Garages and parking areas:
None

(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.

(u) Permits and Certificates:
All required permits shall be/have been obtained.
Permits have been pulled for the renovation of few units and to cure certain violation conditions. See (b)-(4)

The boiler is inspected periodically by NYC DOB or by a registered certified plumber as required by law. The last boiler inspection was filed 29 August 2019 by John Kearns (NYC Certificate BB-003012).

(v) Violations:

All open violations being addressed under application #**123567746**:

- 34611269R issued by ECB on 05/31/18 for FAILURE TO MAINTAIN BLDG NOTED AT APTS 1A-1D APT 1D THE BATHROOM FL HAS PARTIALLY

COLLAPSED APT 1A 1B 1C IS BATHROOM FLRS ARE IN DANGER OF COLLAPSING THE FRONT FACADE HAS STRUCTURAL CRACKS IN VARIOUS LOCATIONS. This violation is being addressed under application #123567746:

- 34477104Y issued by ECB on 10/05/05 for FAILURE TO MAINTAIN EXTERIOR BLDG WALL. DEFECT IS BRICK PARAPET WALL IS DEFECTIVE AND LEANING OUT OF PLUMB, WITH LOOSE BRICK IN DANGER OF FALLING DOWN TO ADJACENT BLDG AT NORTH WEST SIDE AT ROOF LEVEL. This violation is being addressed under application #123567746:

- 34490192J issued by ECB on 09/26/05 for FAILURE TO MAINTAIN EXTERIOR BLDG WALL HAZARDOUS. NOTED: 1)N/W PARAPET WALL LEANING/OUT OF PLUMB APPROX. 6". 2)WEST PARAPET WALL MISSING COPING SLOPES. REMEDY: PROVIDE PROTECTION/SUBMIT STRUCTURAL ELIMINATING REP. This violation is being addressed under application #123567746:

- 35352364H issued by ECB on 12/05/18 FOR WORK W/O A PERMIT. I OBSERVED ON 4TH FLOOR AREA IN APT 4D NEWLY INSTALLED 3PC BATHROOM (TUB, LAVATORY AND TOILET) NEW KITCHEN SINK...ALL THE NEW PLUMBING WORK AND INSTALLATION WAS DONE W/O A PERMIT RMDY: OBTAIN ALL. This violation was dismissed and was addressed under application #123659077

- 35359182Z ISSUED BY ECB on 12/05/18 FAILURE TO SECURE SUPPORT RACEWAYS CABLE ASSEMBLIES BOXES CABINET FITTINGS. BOILER DISCONNECT SWITCH NOT SECURED OUTSIDE OF BOILER ROOM REMEDY: SECURE SUPPORT PER EC. This violation was resolved by the sponsor.

(w) Unit Information:

Unit No.	Unit's Visited	Location	Square Feet	Bedroom/ Bathroom	Dining Areas/ Kitchen	Living Room
1A		1st floor	421	1/1	1/1	1
1B		1st floor	426	1/1	1/1	1
1C	VISITED	1st floor	408	1/1	1/1	1
1D	VISITED	1st floor	417	1/1	1/1	1

2A	VISITED	2nd floor	514	1/1	1/1	1
2B		2nd floor	518	1/1	1/1	1
2C		2nd floor	407	1/1	1/1	1
2D		2nd floor	418	1/1	1/1	1
3A	VISITED	3rd floor	514	1/1	1/1	1
3B	VISITED	3rd floor	518	1/1	1/1	1
3C		3rd floor	407	1/1	1/1	1
3D	VISITED	3rd floor	418	1/1	1/1	1
4A	VISITED	4th floor	514	1/1	1/1	1
4B		4th floor	518	1/1	1/1	1
4C		4th floor	407	1/1	1/1	1
4D		4th floor	418	1/1	1/1	1
5A	VISITED	5th floor	514	1/1	1/1	1
5B	VISITED	5th floor	518	1/1	1/1	1
5C	VISITED	5th floor	407	1/1	1/1	1
5D	VISITED	5th floor	418	1/1	1/1	1

Not all dwelling units were visited due to tenants not allowing us access. The square foot area and dimensions of the units listed in the table or in the Declaration are approximate and may vary and were obtained by using the methods described in the Declaration and customarily used in New York City to measure condominium apartments. The exterior walls were included in the sizing of each dwelling units. Please refer to Appendix (A).

- Sponsor will undertake to renovate two units as they became vacant. Unit 4A and 5A have been renovated. Unit 1C is currently vacant and under renovation. The finishes for the renovated apartments shall be as follows:

Finishes

The finishes in the following units, where access was obtained, are:

(a) Living/dining rooms have the following finishes:

- Floors:
  Apt 5D: ¾" thick select white oak finished with polyurethane, over ¾" thick plywood underlayment.
- Typical: Walls, ceilings: Gypsum board primed and painted with 2 layers of quality paint.

(b) Bedrooms have the following finishes:

- Floors: ¾" thick select white oak finished with polyurethane, over ¾" thick plywood underlayment.
- Typical: Walls, ceilings: Gypsum board primed and painted with 2 layers of quality paint.
- Closets: Closets are finished with a rod and/or shelf. Closets were not located in Apartments 4D.

(c) Kitchens have the following finishes:

- Floors:
  Apt. 2A: linoleum flooring, wood pattern, in fair condition.
  Apt 3A, 4A, 5A, 5D: ¾" thick select white oak finished with polyurethane, over ¾" thick plywood underlayment.
- Walls, ceilings: Gypsum board primed and painted with 2 layers of quality paint.
- Cabinets: Formica.
- Countertops: Quartz or Formica. Apt. 4A has a ceramic tile backsplash.
- Sink: Stainless Steel.
- Appliances: Each unit shall be equipped with a refrigerator and gas range. The manufacturer and model numbers have not been chosen yet.

(d) Bathrooms are equipped as follows:

- Shower: Custom, typical, with glass enclosure and door.
- Tub: Freestanding cast iron tub is located in Apts 2A. Built in steel tubs are located at 3D, 4D and 5D.
- Sink: Manufacturer varies.
- Toilet: Manufacturer varies.
- Floors:
  Apt 2A, 3A, 4A, 4D, 5A, 5D: Porcelain tile floor.
- Walls:
  Apt 2A, 3A, 4A, 5A: Porcelain tile.
  Apt 4D, 5D: Ceramic and glass wall tile.
  Tiled with standard ceramic tiles with various design.
- Typical Ceilings: wood Lath and Plaster or Gypsum Board, primed and painted with 2 layers of quality paint.

All remaining work shall be completed in a workmanlike manner and in accordance with applicable laws, rules and regulations.

Majority of the apartments inspected are found in fair condition, however they have sloped floors typical of buildings this age and the nature of floor construction (wood joists). The apartments are finished in the manner described below:

Tub, sink and toilet are in fair condition. The manufacturer and model numbers vary in each unit.

(x) Finish schedule of spaces other than units:

Location	Floor	Wall and Ceilings	Quantity
Lobby/Foyer	Concrete & Tiled	Brick and block w/ soft textured plaster cladding at parts	1
Hallways & Common Areas	Concrete & Tiled	Brick and block w/ textured soft plaster cladding	1 per floor
Staircase	Steel & Marble	Brick and block w/ soft textured plaster cladding	1 per floor
Cellar	Concrete	Rubble Stone and block	1

(y) Safety and warning devices:
Smoke and carbon monoxide detectors are provided for each unit.

(z) Additional information required:
(1) A site 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) The cellar has an approximate floor to ceiling height of 7'-6". The 1st floor has an approximate floor to ceiling height of 10'-3". The 2nd and 3rd floors have an approximate floor to ceiling height of 9'-7". The 4th floor has an approximate floor to ceiling height of 9'-9". The 5th floor has an approximate floor to ceiling height of 9'-6".

(4) A Tenant Protection Plan is in effect.

Further Development:
No further development is anticipated at this time.

Asbestos:
In accordance with the provisions of 13 NYCRR 23.7(cc), Sponsor has engaged a qualified firm to determine whether there is asbestos containing material ("ACM") in any fireproofing or insulating materials in the Building. A copy of the Asbestos Report is set forth in Part II of the Plan. The Asbestos Report discloses certain areas of the Building have tested positive for ACM. This testing was based upon a visual inspection, and cannot be relied upon for any purposes other than the disclosure requirements of the Attorney General regulations. It is possible that other areas of the Building may also contain ACM, and therefore additional testing must be performed prior to disturbing any presumed ACM. Given the foregoing, the Asbestos Report also includes an operations and maintenance plan.

Lead Based Paint:
Given the date of construction of the building, it is presumed that it may contain lead. The ingestion of lead poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with the NYC Local Law 1 of 2004, a copy of which is included as an Exhibit to the Plan. Purchasers for investment are advised that there are certain testing requirements at the time of occupancy and unit turnover. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with an environmental professional to determine the existence of, and any appropriate remediation of lead paint.

THIS REPORT MAY NOT BE CONSTRUED AS A GUARANTEE OR WARRANTY. THE PROPERTY IS OFFERED IN ITS CURRENT EXISTING CONDITION "AS-IS, WHERE-IS, AND WITH ALL FAULTS," WITHOUT ANY OBLIGATION ON THE PART OF SPONSOR/SELLING AGENT OR ANY OTHER PERSON TO MAKE ANY REPAIRS OR IMPROVEMENTS, EXCEPT AS PROVIDED IN THIS PLAN.

Submitted by



John D Nakrosis Jr, RA
13 May 2020

APPENDIX A:

Method for Measuring Units

Floor Plans depicting the 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 are approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and, to varying degrees, will 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. See the actual measurements on "Schedule A" of the Plan and the "Floor Plans" in Part II for more information.

a. Each Unit is measured horizontally from the exterior side of the exterior walls or exterior glass to the centerline of the partitions separating Units or to common side of Common Elements not within a Unit or to the exterior side of the opposite exterior walls or glass, provided, however, (i) columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits in all Units; and (ii) in the event of the sale of a Unit that comprises a full floor, elevator shafts, elevator lobbies, and stairwells on the floors containing full floor (floor through) Units are not deducted from the measurement of each Unit.

b. The ceiling heights are measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling above. Ceiling heights are estimates only and may vary within any given room or Unit. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The cellar has an approximate floor to ceiling height of 7'-6". The 1st floor has an approximate floor to ceiling height of 10'-3". The 2nd and 3rd floors have an approximate floor to ceiling height of 9'-7". The 4th floor has an approximate floor to ceiling height of 9'-9". The 5th floor has an approximate floor to ceiling height of 9'-6". The clearance between the top of the finished floor and the bottom of the finished ceiling in the Units will typically be approximately 8' 7" in major areas including living/dining rooms and master bedrooms. Ceiling heights in kitchens and bathrooms will be approximately 7'-6". Purchasers will not be able to determine actual floor to ceiling heights until their respective Units are completed and no right of rescission will arise as a result of variances in floor to ceiling dimensions, which are 5% or less. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in Schedule A and on the Floor Plans, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the "Notes to Schedule A" in the Description of Property in Part II of the Plan for further details.)

c. It is anticipated that the square foot area of each Unit set forth in Schedule A of this Plan shall be approximately the same square foot area of each Unit set forth in the Declaration.

d. The room count and square footage for each Unit is based upon the current conditions of the Unit and were confirmed by Sponsor's architect in accordance with industry practice and does not necessarily conform to the zoning room count or square footage method utilized by the Real Estate Board of New York. As is customary in New York, the square footage areas of the Units provided herein exceed the usable floor area of each Unit, and may include, among other things, shaft ways, chases, walls and mechanical spaces. The method of measurement is applicable to all Units. Since all Units are built, the burden lies solely on Purchaser to verify the actual usable square footage and room count prior to closing. Under no circumstances shall Purchaser have any claim against Sponsor involving square footage or room count, it being fully understood that Purchaser has a full and fair opportunity to both inspect and measure the Unit prior to entering into a Purchase Agreement.

e. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan is approximate, within reasonable tolerances, of the square footage and layout of the Unit in question. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Purchasers are advised that the actual layout of a Unit may have been altered by the tenants thereof or others, and any nonmaterial variations will not affect a Purchaser's obligations under his or her Purchase Agreement or the Plan. Sponsor will have no liability to any Purchaser of a Unit, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of an immaterial inaccuracy or error in the Floor Plans. Each Unit shall be inspected by the Purchaser thereof prior to purchase to determine its actual dimensions, layout and physical condition. Each Purchaser will be given a reasonable opportunity to examine the Unit prior to Closing, subject to the rights of any tenant in occupancy, and is urged to make careful inspection thereof.

f. The square foot areas determined using the methodology set forth above would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces may yield significantly lesser actual useable floor area for each Unit. See the actual measurements on "Schedule A" of the Plan and the "Floor Plans" in Part II for more information.

Approved plans and property drawings:
All approved plans for work performed in the building will be submitted by the sponsor.

DOCUMENT NUMBER 2

PURCHASE AGREEMENT

The Law Office of Jay Lichtman, P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

PURCHASE AGREEMENT

between

66 West 138 LLC

And

_____

For Unit Number ____ in
The 66 West 138th Street Condominium
66 West 138th Street
New York, New York

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PURCHASE AGREEMENT

For Unit Number ____ in
The 66 West 138th Street Condominium
66 West 138th Street
New York, New York

(Please execute in quadruplicate)

THIS AGREEMENT is made as of _____, 20_____ between 66 West 138 LLC (hereinafter collectively referred to as the "Sponsor"), having an address at 85 Delancey Street, New York, New York 10002, _____ (hereinafter called the "Purchaser"), having an address at _____, and Fink & Zelmanovitz, P.C. (hereinafter "Escrow Agent"), having an address at 3839 Flatlands Avenue Ste 206, Brooklyn, NY 11234.

1. Definitions

The following terms shall have the meanings ascribed to them:

(i) "Agreement": This Purchase Agreement.

(ii) "Amendment": An amendment to the offering Plan accepted for filing by the Attorney General, or if applicable an amendment to the recorded condominium Declaration.

(iii) "Attorney General": The Attorney General of the State of New York.

(iv) "Balance": the amount set forth in paragraph 4.

(v) "Building": shall mean the structure known as 66 West 138th Street, New York, New York.

(vi) "Business day": Any day that is not a Saturday or Sunday or legal holiday of the State of New York or U.S. Government.

(vii) "Claim": any kind of claim, right or cause for Lawsuit or Lawsuit.

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

(ix) "Commitment": A written offer to make a loan to Purchaser, with or without recourse, whether or not conditional upon any factor, secured by a first mortgage on

the Unit.

(x) "Condominium": shall mean The 66 West 138th Street Condominium.

(xi) "Declaration": shall mean the Declaration of The 66 West 138th Street Condominium Establishing ownership of the Property.

(xii) "Deed": The deed described in paragraph 8 conveying the Unit to the Purchaser.

(xiii) "Department of Law": The Department of Law of the State of New York, which is administered by the Attorney General.

(xiv) "Include", "includes", "including", "such as", "for example" and similar words: Whenever these words precede a list of one or more items, the list is not to be limited to the item(s) mentioned and shall always be construed as though followed by the words "but not limited to".

(xv) "Indemnify": or a derivation thereof: this includes to defend and hold harmless.

(xvi) "Institutional Lender": A bank, saving bank, savings and loan association, trust company, credit union of which Purchaser is a member, licensed mortgage banker, insurance or governmental entity duly authorized to make a loan secured by a first mortgage on the unit.

(xvii) "Plan": shall mean the Offering Plan to convert the Property to condominium ownership and any Amendments thereto filed prior to the date upon which Purchaser signs this Agreement.

(xviii) "Property": shall mean the Building and the land on which it is erected, which are to be submitted to condominium ownership pursuant to Article 9-b of the Real Property Law.

(xix) "Purchase Price": The Purchase Price of the Unit set forth in paragraph 4.

(xx) "Notice": to Purchaser shall include facsimile transmission to Purchaser or Purchaser's attorney. Seller's attorney may send all notices to Purchaser's attorney and/or Purchaser via facsimile. A facsimile confirmation printout by Seller's attorney showing transmission was complete is sufficient evidence that the facsimile has been transmitted and the notice has been served.

All other terms not defined elsewhere herein shall have the meanings ascribed to them in the Plan.

2. Plan

Purchaser acknowledges having received and read the Plan at least three (3) full business

days prior to Purchaser's signing this Purchase Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof, as well as all Amendments to the Plan duly filed by Sponsor (including, without limitation, amendments involving any changes, modifications, or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser, or the "Schedule B--Budget for First Year of Condominium Operation" of The 66 West 138th Street Condominium. Any such amendments shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset or credit against the Purchase Price and may be made by Sponsor without Purchaser's consent or approval. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. Purchaser acknowledges having had full opportunity to examine all documents, and investigate all statements, made herein and in the Plan.

3. Agreement to Purchase and Sell

Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, for the Purchase Price Stated in paragraph 4, the unit designated as Unit Number _____ (hereinafter called the "Unit") in the Declaration, together with its appurtenant interest (hereinafter called the "Common Interest") in the Common Elements, on and subject to, the terms and conditions set forth herein.

4. Purchase Price

A. The purchase price for the Unit (exclusive of closing adjustments and costs referred to in Paragraphs 13 and 14 below) is $ _____ (hereinafter called the "Purchase Price"), which Purchaser agrees to pay to the Sponsor, as follows:

(i) $ _____ (hereinafter called the "Down Payment") is due on Purchaser's signing and submitting of this Agreement and is to be paid by Purchaser's personal check, receipt of which (subject to collection) is hereby acknowledged by Sponsor; (NOTE: A purchase agreement from a tenant in occupancy for his or her own unit executed during any exclusive purchase period shall have priority over and preempt any purchase agreement from non-tenants.)

(ii) $ _____ (hereinafter called the "Balance"), constituting the balance of the Purchase Price, is due on the delivery to Purchaser of the deed to the Unit and must be paid by Purchaser's personal certified check or official cashier's check, in either event drawn on a bank that is a member of the New York Clearing House Association.

B. The payment of the Balance and acceptance of deed to the Unit by Purchaser shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to

closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing.

C. Purchaser is not required to pay the Balance or accept title to the Unit unless concurrently with, or prior to, closing all the prerequisites set forth under "Closing and Terms of Sale" in Part I of the Plan are met.

THIS PURCHASE AGREEMENT IS NOT CONDITIONED UPON A PURCHASER SECURING SATISFACTORY FINANCING. THE SPONSOR MAY, AT ITS OPTION, CONDITION THE CONTRACT UPON FINANCING, PROVIDED THAT PURCHASER AND SPONSOR BOTH PROPERLY COMPLETE AND INITIAL A FINANCING CONTINGENCY RIDER, THE FORM OF WHICH IS ANNEXED HERETO AS EXHIBIT "B".

SPONSOR IS NOT OBLIGATED TO EXTEND OR ARRANGE FINANCING. NO REPRESENTATION IS MADE THAT BANK FINANCING WILL BE AVAILABLE TO PURCHASER OR AS TO THE AMOUNT, TERMS AND CONDITIONS UPON WHICH SUCH FINANCING MAY BE GRANTED OR THE COST TO OBTAIN SAME.

5. Procedure to Purchase

(i) The law firm of Fink & Zelmanovitz, P.C., with an address at 3839 Flatlands Avenue Ste 206, Brooklyn, NY 11234, telephone number (718)-377-7600, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Neil Fink and Judah Zelmanovitz, Esqs. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(ii) 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 the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

(iii) The Escrow Agent has established the escrow account at Signature Bank located at 6321 New Utrecht Avenue, Brooklyn NY 11219 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Fink & Zelmanovitz, P.C. Attorney Escrow Account" ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

(iv) All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the

Purchaser to the order of "Fink & Zelmanovitz, P.C., as Attorney."

(v) The Escrow Account is an IOLA account with no interest accrued to the benefit of the either the Sponsor or the purchaser. An IOLA account is a special segregated escrow account maintained by an attorney in which the interest earned is paid to the State of New York. It is not anticipated that any interest will be earned thereon. If at some future point, the Offering Plan is amended to provide that the account will be a non-IOLA account, then the interest rate for all deposits made into the Escrow Account shall be the prevailing rate for such accounts. Interest shall begin to accrue upon placing the deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

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

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

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

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

(x) The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

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

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

(xiii) 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).

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

(xv) 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.

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

(xvii) 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.

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

6. Closing Contingent on Plan Being Declared Effective

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 the 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. The Sponsor shall notify Purchaser, in writing or by a duly filed Amendment to the Plan, when the Plan becomes effective or is abandoned. If the Plan is abandoned, unit upgrade funds will be returned to Purchasers.

7. Closing Date and Place

The closing of title shall occur on the date and at the time and place in the State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Sponsor shall have the right, from time to time, to adjourn such date and time for closing written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business days' prior written notice of the new scheduled date and time for closing. Purchaser may waive this thirty (30) day provision by initialing below.

I hereby waive the provision requiring thirty (30) days' notice of closing _______.

8. The Deed

At closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenant against grantor's acts transferring to Purchaser full ownership (fee simple title) to the Unit. The deed shall be substantially in the form reproduced as Document Number 5 in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, to Purchaser or Purchaser's attorney).

9. State of Title

Legal ownership to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions (hereinafter called the "Permitted Encumbrances") enumerated in Exhibit A to this Agreement.

A. Any encumbrance to which title is not to be subject shall not be an objection to title if (i) 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 (ii) Riverside Abstract, (or such other title insurance company 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. The parties agree that the Sponsor may pay and discharge any liens and encumbrances upon the Property, not provided for in the Plan or this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

B. Notwithstanding anything else to the contrary in this Purchase Agreement or the Plan, if Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Purchase Agreement and the Plan, Sponsor shall not be obligated to bring any action, suit or other 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 and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be either (i) to take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) to terminate this Purchase Agreement. If Purchaser so elects

to terminate this Purchase Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder (except for funds released to Sponsor to be used for special work, upgrades or extras), together with interest earned thereon, if any, and, upon the making of such payment, this Purchase Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Purchase Agreement or the Plan except for provisions hereof that by their terms survive the termination hereof. 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 shall be conclusively deemed that Purchaser elected the remedy described in clause (i) above (i.e., to acquire title subject to such inability).

10. Title Company Approval

Sponsor shall give, and Purchaser shall accept such title as any member of the New York Board of Title Underwriters will approve and insure, provided only the liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances. Sponsor shall not be obligated to satisfy any exceptions to title raised by any other title insurance company.

11. Sponsor's Inability to Convey Title

Sponsor may not abandon the plan after effectiveness for any reason other than a defect in title which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount.

12. Purchaser's Remedies

In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the apartments in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan) the sole remedy of the purchaser shall be to rescind the Purchase Agreement and be refunded the entire down payment with interest plus the cost of title searches, if any.

Any conflict between the Plan and the Purchase Agreement shall be resolved according to the terms of the Plan.

Nothing contained in the Purchase Agreement or in the Plan shall be construed to waive a purchaser's rights or abrogate Sponsor's obligations under Article 23-A of the GBL.

13. Closing Adjustments

A. At closing, Sponsor and Purchaser shall apportion, as of midnight of the day preceding the closing:

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

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

(iii) rent and other charges, if any, pursuant to a lease for, or tenancy of, the Unit.

(iv) insurance apportioned to unit until the policy expiration date

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.

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

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

D. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser without abatement, set off or credit against the Purchase Price, without recourse of any kind against the Seller and shall not be considered a defect in title.

14. Purchaser's Closing Costs

At the time of title closing, each Purchaser of a Unit will pay the balance of the Purchase price along with certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notice or amendment:

(i) If such Purchaser elects to obtain fee title insurance, he or she will pay a premium therefor to his or her title insurance company which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered through a title insurance company (the Purchaser is free to choose any title company), should be $773.00 for the first $100,000.00 of fee insurance plus $4.36 for each $1,000.00 or fraction thereof of additional fee insurance up to $500,000.00. The premium for mortgage title insurance should be $654.00 for the first $100,000.00 of insurance plus $3.64 for each $1,000.00 or fraction thereof of additional insurance up to $500,000.00. Riverside Abstract: a) has updated the title

search; and b) has been retained by the Sponsor to clear any title issues affecting the premises, and c) has been retained by the Sponsor to record any documents requiring recording with respect to this offering plan. A copy of the title report will be furnished to the purchaser. In the event that Purchaser's title company refuses to accept Sponsor's undertaking in lieu of an escrow, the Purchaser shall be required to accept title insurance from the title company procured by Sponsor provided that such title company will accept such undertaking.

(ii) A fee for recording the deed and Unit Owner's Power of Attorney of $32.00 for each instrument plus $5.00 per page, together with a service charge to the title company for such recording of approximately $185.00;

(iii) If Purchaser obtains a mortgage loan, Purchaser will pay:

(a) a fee and service charge for recording the mortgage of approximately $200.00;

(b) mortgage recording tax in the amount provided for by law, currently 2.05% (1.8% paid by the purchaser, 0.25% paid by the Lending Bank) of the face amount of the mortgage for mortgages under $500,000.00 and 2.175% (1.925% paid by the purchaser, 0.25% paid by the Lending Bank) for mortgages over $500,000.00);

(c) Purchasers shall pay Seller an equal to all of Purchaser's savings in the mortgage recording tax to which Purchaser is entitled, whether such savings result from an assignment of an existing mortgage on the unit or is pursuant to Real Property Law 339-ee or otherwise. (Note: The Lending Bank pays an additional 0.25%);

(d) Purchasers will pay a premium through the title insurance company for the mortgage title insurance policy. In addition, such Purchaser shall pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the Condominium Act. All such payments shall be made upon execution of the loan documents.

(e) all costs and expenses in connection with such loan in amounts determined by the lender, i.e., application, points, credit report, survey, appraisal, bank's attorney's fees, Residential and Condominium Endorsements (title insurance forms required by banks) escrows (such as for common charges and real estate taxes) private mortgage insurance if any, and any other fees required by lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.

(f) Purchaser shall pay all governmental fees and title company service charges associated with discharging and recording a mortgage lien release and UCC-3 termination statement or other appropriate instruments discharging the unit and its contents from any mortgage lien and security interest other than the lien of any mortgage loan Purchaser obtains.

(iv) Although usually Seller's expense, Purchaser shall pay the Real Property Transfer Tax due to The City of New York. This tax is in the amount of 1% of the total purchase price of the Unit if the purchase price is $500,000.00 or less and 1.425% of the total purchase price if the purchase price is more than $500,000.00. The Purchaser shall also pay for the New York State deed documentary stamps (currently $2.00 per $500.00, or fractional portion thereof of the purchase price) imposed by statute on transferors of property. For purposes of calculating the transfer taxes to be paid, consideration includes the transfer taxes paid by Purchaser. The sample calculation of taxes in the Plan includes tax on the consideration.

(v) Purchaser will be required to deposit with the Board of Managers two (2) months' estimated monthly common charges for his unit to be used as working capital.

(vi) Purchasers shall be obligated to pay the following fees to Sponsor's attorney: (a) $2,000.000 for services rendered in connection with the preparation of documents; (b) $350.00 if the closing is held at any location other than Sponsor's attorney's offices by the request of Purchaser, Purchaser's counsel or Purchaser's lender; (c) $150.00 if E-forms for New York City Real Property Transfer Tax are prepared by Sponsor's Attorney; and (d) $250.00 for each time the closing is rescheduled through no fault of Sponsor or Sponsor's attorney (for the costs to fix a new Closing Date and time, to coordinate the attendance of all persons, to re-date the closing documents and to recalculate the closing apportionments).

(vii) At closing, each purchaser shall pay to the Sponsor the sum of $3,500.00 to defray the Sponsor's costs of creating the condominium, e.g., architectural costs, filing fees, legal fees and other costs incurred in creating the condominium.

15. 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 thirty (30) 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, Purchaser shall be liable to the tenant in occupancy for any sum of money deposited as security, and such liability shall attach whether or not the Purchaser has, upon the conveyance of such Unit, received the sum as deposited. Sponsor may not assign its debtor tenant accounts to a Purchaser.

The Purchaser may not occupy the Unit or perform any work in the Unit prior to closing without the prior consent of the Sponsor. In the event the Purchaser occupies the Unit or performs any work in the Unit prior to closing without the prior consent of the Sponsor, such event shall constitute a default under Section 18 of this Agreement.

It is expressly understood and agreed that the Purchaser shall in no event take possession of the Unit prior to the time of the delivery of the deed (unless Seller agrees to give Purchaser an interim lease, which Seller is not obligated to give), and full compliance by the Purchaser with the terms of this Purchase Agreement, and should the Purchaser violate this provision, the

Purchaser consents that the Sponsor shall have the right to remove him or her from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Sponsor, and if the Sponsor so elects, the Sponsor may cancel this Purchase Agreement and the amount deposited hereunder shall belong to the Sponsor as liquidated damages deemed earned hereunder, but not more than ten percent (10%) of the purchase price, together with amounts (if any) released to Sponsor to be used for special work, upgrades or extras, shall be paid over to the Sponsor as liquidated damages. Notwithstanding the above, the Sponsor may receive the actual costs incurred for any special work, upgrades or extras ordered by Purchaser as a part of its liquidated damages even though the total amount of liquidated damages thereby exceeds ten percent (10%) of the purchase price plus interest. It is further understood and agreed that the Sponsor will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the Property before, on or after the closing of title herein. Sponsor may, in its discretion, grant Purchaser possession of the Unit prior to Closing under an Interim Use and Occupancy Agreement, if the Unit is currently or hereafter becomes vacant.

16. Power of Attorney to Board of Managers and Sponsor

At closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or if no representative is present, then to Sponsor's attorney) for recording in the New York County Clerk's Office, a power of attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the power of attorney. The power of attorney shall be substantially in the form set forth in Document Number 4 in Part II of the Plan. After being recorded, the power of attorney shall be sent to the Condominium Board.

17. Transfer Tax Return

At closing, Sponsor and Purchaser shall each duly complete and sign before a Notary Public the transfer tax return required to be filed with The State of New York. The transfer tax return shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer.

18. Events of Default

A. The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor pursuant to paragraph 8 herein;

(ii) Purchaser's failure to duly sign, notarize and deliver at closing the power of attorney pursuant to paragraph 16 above or the New York State transfer tax return pursuant to Paragraph 17 above;

(iii) If Purchaser is or becomes a tenant of the Building, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, which

results in Purchaser's eviction from Purchaser's Unit (either by voluntary removal or by court order); or

(iv) If Purchaser occupies the unit or performs any work in the unit prior to closing without the prior consent of the Sponsor;

(v) The failure to pay, perform or observe any of the Purchaser's other obligations hereunder, which is not cured within thirty (30) days after the mailing of written notice specifying the nature of such default.

B. Upon the occurrence of an Event of Default, the Sponsor's sole remedy shall be to cancel the Purchase Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which time Purchaser must cure the specified default. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Down Payment (but in no event to exceed ten percent (10%) of the Purchase Price of the unit) plus the cost of any special work in the Unit ordered by Purchaser and expended by the sponsor from the amount Purchaser delivered therefore, (hereinafter called the "Liquidated Sum") and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

C. In the event a purchaser does not close on the Closing Date set forth in the Notice of Closing and the Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his apartment, interest shall accrue on the unpaid amount of the purchase price from the Closing Date or adjourned closing date until such amount is paid. The interest rate shall be sixteen percent (16%) per annum calculated at a daily rate of 0.04383561%. This rate shall be in effect for as long as there are any unpaid amounts owing towards the full purchase price.

D. Notwithstanding the occurrence of an Event of Default Sponsor may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing Sponsor's right to recover from Purchaser's damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, legal fees and costs of collection).

E. If Purchaser is or becomes a tenant of the Building and Purchaser fails to pay rent or otherwise comply with Purchaser's lease or tenancy obligations, or Purchaser vacates or abandons the leased premises, then such failure, vacating or abandonment (as the case may be) shall constitute a default hereunder entitling Sponsor, at its sole option, to cancel this Agreement, even though Purchaser is not evicted from the leased premises as a result thereof. However, in the event Sponsor elects to so cancel, unless Purchaser is evicted, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee and shall refund to Purchaser all monies deposited hereunder together with any interest earned thereon. Upon such refund being made, Sponsor and Purchaser will be released and discharged of all further liability and obligations under this Agreement and the Plan. However, in no event shall Purchaser be released or excused from paying and performing Purchaser's lease or tenancy obligations.

19. Appliances and Equipment

A. The Unit is being sold unfurnished, without window blinds or shades and will contain only the appliances and equipment described above and in the Plan, if any. Furniture, wall coverings, furnishings, decorations, and the like in or about any model Unit are for display purposes only and are not included in this sale. Any floor plans or sketches shown to Purchaser (including those contained in the Plan) are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon. Sponsor shall not be liable for minor variations from any floor plans or sketches.

B. There will be no modifications or extras unless agreed to in writing by the parties. All modifications and alterations must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expenses (payable in the manner to be set forth in an addendum to this Agreement or separate agreement). If the Plan is abandoned, unit upgrade funds furnished to Sponsor will be returned to Purchasers.

20. Construction

A. The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the architectural "plans and specifications" (defined in the Plan), subject to the right reserved by Sponsor to modify and amend the Plan and the "plans and specifications" in order to substitute materials, equipment or fixtures of equal or better quality and design, provided only that the approval of any governmental authorities having jurisdiction thereover and the construction lender are first obtained (if required). The issuance of a Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the "plans and specifications". However, nothing herein contained shall excuse Sponsor from its obligations to correct any defects in construction in accordance with the conditions set forth in the Plan in the section entitled "Rights and Obligations of the Sponsor."
B. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of the

Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and "plans and specifications" as indicated in the Plan in subparagraph 2(b) of "Rights and Obligations of Sponsor--Construction Obligations" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in subparagraph 5 of "Rights and Obligations of Sponsor: Construction Obligations.

C. Notwithstanding anything in the Plan, Parts I and II, to the contrary, all Units in the building are being offering in "AS IS" condition. Purchaser agrees to purchase the Unit and acquire all personal property included in this sale in their "AS IS" condition at closing of title, except the Unit's kitchen appliances, bathroom fixtures and heating and air conditioning equipment, if and to the extent included in this sale, will be in working order at closing. Purchaser further agrees that Sponsor is not required to perform any special work (including any repairs apart from said "working order" requirement, alterations, upgrades, extras or other changes to the Unit or the personal property), unless otherwise agreed to in a separate rider or modification to this Purchase Agreement signed by Sponsor and Purchaser.

21. Inspection of Unit

At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit C to this Agreement) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "Rights and Obligations of Sponsor -- Construction Obligations" as set forth in the offering plan.

22. Possession; Risk of Loss

A. Unless Purchaser now resides in the Unit, Purchaser shall not be entitled to occupy the Unit until the deed is delivered to Purchaser at closing. Sponsor may, in its discretion, grant Purchaser possession of the Unit prior to the closing under an interim lease, if the Unit is currently, or hereafter becomes, vacant.

B. If Purchaser is given possession of the Unit prior to Closing under an interim lease or otherwise, the 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 a landlord under any existing or interim lease and, after closing, the Condominium Board will be

responsible to make those repairs required of it under the Condominium Documents.

C. If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, the Purchaser shall assume the risk of losses not covered by insurance, 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.

D. Except as provided in the preceding subparagraph C, 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 or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, 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.

E. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, without interest (unless interest is earned), whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Liquidated Sum pursuant to Paragraph 19 above. The Sponsor will notify the Purchaser within fifteen (15) days of its decision with respect to repairing the unit.

23. No Representation

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 others, 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 or the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income

tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan; Purchaser having relied on Purchaser's own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchaser the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 24 shall survive the closing of title.

24. Notices

All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid, and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Sponsor, addressed to the Sponsor.

Notice to Purchaser shall include facsimile transmission to Purchaser or Purchaser's attorney. Seller's attorney may send all notices to Purchaser's attorney and/or Purchaser via facsimile at the following number(s):

_____

_____.

A facsimile confirmation printout by Seller's attorney showing transmission was complete is sufficient evidence that the facsimile has been transmitted and the notice has been served.

25. Broker

Purchaser represents to Sponsor that the Selling Agent is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 25 shall survive the closing.

26. No Lien; Agreement Subject to Mortgage

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

any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance and not in limitation of the provisions of the preceding subparagraph A, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

27. Entire Agreement

This Purchase Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understandings and agreements.

28. 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.

29. Liability of Sponsor

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

B. Disclaimers or limitations of liability on the part of the Sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation may not be included. The plan may not include any financial limitation on Sponsor's liability for failure to perform its obligations under the offering plan.

30. 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.

31. Severability

If any provision of this Agreement or the Plan is invalid or unenforceable as against 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.

32. Strict Compliance

Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

33. Governing Law

The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the Laws of the State of New York.

34. Gender

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.

35. Certain References

The term “herein”, “hereof” or “hereunder” or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Paragraphs, subparagraphs or other provisions are references to Paragraph, subparagraphs or other provisions of this Agreement.

36. Captions

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

37. 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.

38. No Oral Changes

This Agreement cannot be changed nor any provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

39. Acceptance of Purchase Agreement

A. On or prior to Purchaser's signing and delivering this Purchase Agreement, Purchaser agrees (if requested) to complete, sign and deliver to the Selling Agent an application form furnished by Sponsor. Such application shall be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor.

B. The submission of such application or this Purchase Agreement to Purchaser does not constitute a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Purchase Agreement are executed by, and delivered to, both Purchaser and Sponsor (or Sponsor's duly authorized agent). If, within twenty (20) days after the Selling Agent receives this Purchase Agreement signed by Purchaser, a duplicate of this Agreement signed by Sponsor or its authorized agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect, and all monies paid by Purchaser shall be promptly refunded, without interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status or other ground proscribed by law.

40. Purchase Agreement Not Conditioned on Financing.

Purchaser may partially finance the purchase of this unit by obtaining a mortgage loan for the purchase price. However, the obligations of purchaser under this Purchase Agreement are not conditional on the purchaser's obtaining financing.

41. Dwelling Units Occupied by Non-Purchasing Tenants

If this Purchase Agreement is for a Unit occupied by non-purchasing tenants, other than the Sponsor, Purchaser agrees to:

A. Irrevocably appoint the managing agent or the Board of Managers as his agent to perform for the account and at the expense of the Purchaser all services required to be furnished or performed by a landlord under the non-purchasing tenant's lease, the applicable New York City Law and any other applicable laws and regulations that are not to be provided by the Board of Managers under the Declaration of Condominium, including, but not limited to, interior repairs and Unit painting; and

B. Deposit with the Managing Agent at the Closing for such Unit a sum not less than an amount equal to the greater of two (2) months Common Charges or two (2) month's rent to be used as working capital to furnish services required under the non-purchasing tenant's lease, the applicable New York City Rent Laws and any other applicable laws and regulations. Upon notice by the managing agent that the said deposit has been diminished, such fund shall be replenished by the Unit Owners within thirty (30) days of such notice. The failure of the Unit Owner to replenish this fund within said thirty (30) day period shall result in the Board of Managers having a lien against the Unit. Interest, if any, earned on this fund shall be the property of the Unit owner. The monies deposited are in addition to any other closing costs listed in this Plan. This paragraph, however, shall not apply to the Sponsor.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

42. Agreement Not Assignable; Binding Effect

This Purchase Agreement is not assignable without the consent of the Sponsor.

This Purchase Agreement shall bind and apply to Purchaser and Purchaser's executors, administrators, legal representatives, heirs, successors and permitted assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Purchaser:

_____L.S.

_____L.S.

Purchaser's Address:

_____

Accepted and Agreed to:

By: _____

By: _____

Date Accepted: _____

Receipt of the Down payment is acknowledged and the undersigned agrees to act in accordance with the provisions of paragraph 5 above.

_____

Fink & Zelmanovitz, P.C., Escrow Agent

EXHIBIT A
PERMITTED ENCUMBRANCES

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

1. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.

2. 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 unmarketable.

3. Zoning regulations, ordinances, building restrictions and regulations;

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

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

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

7. The lien of any mortgage, lien or other encumbrance granted, created, or obtained by the Purchaser;

8. Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities. Any easement or right of use in favor of handicapped persons or any easement or right of use in favor of any utility company for electricity, steam, gas, telephone, water, or other service, and the right to construct, use, maintain, repair, and replace all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.

9. Any Party walls and party wall agreements;

10. Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and use of such

Residential Unit;

11. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Condominium Board);

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

13. Eases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements. Service, labor, concessionaire and maintenance agreements contemplated under the Plan;

14. Any Interim Lease with the Purchaser for such Residential Unit and any other leases, tenancies and occupancies permitted by the Purchase Option Agreement for such Residential Unit;

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

16. The lien of any assessment or assessments that are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided in the Section of the Plan entitled "Unit Closing Costs and Adjustments";

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

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

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

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

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

22. Any encumbrance as to which the title insurance company which insures Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

23. Any lease covering the Unit.

24. Certificate of Occupancy to be issued covering the unit if required.

25. Any violations against the Property (other than the Unit) which are the obligation of the Condominium Board or another Unit Owner to correct.

26. Encroachments of shrubbery, stoops, areas, steps, doors, ledges, window sills, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, sewerage pipes, air-conditioning units, canopies, ramps, and similar projections, if any, on, over, or under the Property or the streets or sidewalks or property abutting the Property and the rights of governmental authorities and adjoining property owners to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Residential Unit in accordance with the Plan and the terms of the Purchase Option Agreement for such Residential Unit. If Sponsor notifies a Purchaser of its refusal to cure any such inability, then such Purchaser's sole remedy will be either (a) to take such title as Sponsor is able to deliver without abatement in or credit against the Purchase Price for the Residential Unit and without any claim or right of action against Sponsor for damages or otherwise or (b) to terminate his Purchase Option Agreement and receive a refund of his Down Payment and any interest earned thereon. A Purchaser must notify Sponsor in writing as to which option such Purchaser elects within ten (10) days after the giving of Sponsor's notice of refusal to cure such inability, with TIME BEING OF THE ESSENCE. If a Purchaser fails to timely deliver such notice, it will be conclusively deemed that such Purchaser has elected to acquire title to the Unit subject to such inability as set forth in clause (a).

EXHIBIT B
TERMS OF FINANCING CONTINGENCY RIDER

THE TERMS SET FORTH IN THIS FINANCING CONTINGENCY RIDER SHALL APPLY, AT SELLER'S SOLE OPTION, ONLY IF AGREED TO BY THE SPONSOR IN THE SPACE PROVIDED BELOW. PURCHASER'S SIGNATURE ALONE DOES NOT EFFECTUATE THIS FINANCING CONTINGENCY RIDER.

THIS RIDER IS ANNEXED TO AND FORMS A PART OF THE PURCHASE AGREEMENT, DATED _____, BETWEEN 66 West 138 LLC, SELLER(S), AND, _____ AS PURCHASER, RELATIVE TO THE SALE OF UNIT _____ AT THE 66 WEST 138TH STREET CONDOMINIUM, 66 WEST 138TH STREET, NEW YORK, NEW YORK.

1. Purchaser shall submit a loan application to Sponsor's Preferred Mortgagee, Citizens Bank N.A., NMLS#490562, Att: Ami Rosen, Office: (212) 857-6682, Cell: (917) 705-1900, Fax: (877) 556-0567, Email: ami.rosen@citizensbank.com. Purchaser may also apply to a lender (and close with said lender) at Purchaser's cost. If Purchaser chooses to apply to a lender other than Sponsor's Preferred Mortgagee, and shall not apply with Sponsor's Preferred Mortgagee, this mortgage Financing Contingency Rider shall be of no force and effect and be deemed extinguished. If Purchaser's are denied by the lender of their choice but are approved by Sponsor's Preferred Mortgagee at prevailing rates for a thirty (30) year fixed mortgage, Purchaser may close with Sponsor's Preferred Mortgagee or be deemed in default of the Purchase Agreement. If Purchaser is approved by both Sponsor's Preferred Mortgagee and the lender of Purchaser's choice, Purchaser may choice with either lender. The name of the proposed lending institution or mortgage broker shall be disclosed in the space provided on the Rider.

2. Within two (2) weeks of Purchaser's Attorney receiving a fully executed purchase Agreement from Sponsor, Purchaser must make a mortgage application. Within seven (7) days thereafter, the Purchaser must provide the Seller and/or Seller's attorney with the name and address of the bank or mortgage broker to which application has been made. Seller and/or Seller's attorney shall be permitted to deal directly with Purchaser's bank or mortgage broker. Failure to send such notice will be considered to be a waiver of the mortgage contingency.

3. The obligations of Purchaser hereunder are conditioned upon issuance on a date which is on or before forty-five (45) days from Purchaser's attorney receiving a fully executed Purchase Agreement ("Mortgage Contingency Expiration Date"), of a written commitment from any Institutional Lender (which shall include a mortgage banker and broker) pursuant to which such Institutional Lender agrees to make a first mortgage loan to Purchaser, at Purchaser's sole cost and expense, of an amount equal to 75% of the purchase price or such lesser sum as Purchaser shall be willing to accept, at prevailing interest rates for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender.

4. Purchaser shall (a) make an application within two (2) weeks after Purchaser's attorney receiving a fully executed Purchase Agreement, (b) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (c) pay all fees, points and charges required in connection with such application and loan, (d) pursue such application with diligence, (e) cooperate in good faith with such Institutional Lender to obtain such commitment and (f) give notice to Seller within three (3) weeks of Purchaser's attorney receiving a fully executed Purchase Agreement, of the name and address of each Institutional Lender to which Purchaser has made such application. Purchaser shall comply with all requirements of such commitment (or of any other commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt thereof.

5. If such commitment is not issued on or before the Mortgage Contingency Expiration Date, or a rejection is received, Purchaser shall within five (5) days of the Mortgage Contingency Expiration Date or rejection date, notify the Seller of the failure to receive a commitment or of the rejection and at such time, Purchaser in the event he was approved by the Preferred Mortgagee, may close with Preferred Mortgagee or be deemed in default, or in the event he was denied by both lenders, may cancel this contract by giving notice to Seller, in which case this contract shall be deemed cancelled and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract and the down payment shall be promptly refunded to Purchaser.

6. If Purchaser fails to give notice of cancellation, then Purchaser shall be deemed to have waived Purchaser's right to cancel this contract and to receive a refund of the Down payment by reason of the contingency contained in this Rider and the mortgage contingency will no longer apply. In addition, if Purchaser fails to notify Seller within fifty (50) days of Purchaser's attorney receiving a fully executed Purchase Agreement that he has received a commitment, Seller may at its option cancel the contract and thereafter neither party shall have any further rights against or obligations or liabilities to, the other by reason of this contract, and upon cancellation the down payment shall be promptly refunded to Purchaser.

Provided that the purchaser complies with all of the above terms, if the financing commitment lapses or expires prior to closing and the purchaser has made a good faith effort to extend the commitment, the Sponsor will grant to purchaser a right of rescission and a reasonable period of time to exercise such right.

A purchaser seeking financing will be responsible for all fees and costs imposed by the lender, including (but not limited to) appraisal and origination fees (if any).

In accordance with the Financing Contingency, the purchaser will have the right to terminate the Purchase Agreement and be refunded all monies deposited thereunder, without interest, in the event:

A. an institutional lender fails, through no fault of the purchaser, to issue its commitment on the terms described above within forty-five (45) days from Purchaser's attorney receiving a fully executed Purchase Agreement (or such greater period as the Sponsor may permit, in Sponsor's sole discretion), provided the purchaser gives notice of termination not later

than five (5) days after the expiration of the aforementioned period; or

B. the commitment issued by the lender is not funded by the closing through no fault of the purchaser, provided the purchaser gives notice of termination no later than ten (10) days before the closing.

In the event purchaser fails to exercise the right of termination within time periods set forth above or has failed to satisfy the conditions set forth in the Financing Contingency Rider, then, in either case, the Purchase Agreement shall remain in full force and effect.

SELLER:	PURCHASER:
By: _____	By: _____
SELLER:	PURCHASER:
By: _____	By: _____

EXHIBIT C
INSPECTION STATEMENT

_____, 20___

66 West 138 LLC

Re: The 66 West 138th Street Condominium
66 West 138th Street, New York, New York
Unit No. _____

Ladies and Gentlemen,

As a result of my/our final inspection on this date, please be advised that, except as otherwise noted on the attached sheet, I/we found the Unit in good condition:

I/we understand that to avoid the risk of pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs, mechanical chimes, plumbing fittings, light fixtures, electrical receptacles, toilet room accessories, door hardware and _____, may be installed just prior to my/our date of moving. I/we agree and I/we will sign off on each item requiring adjustment or repairs, if any, as it is completed.

I/We agree that I/we will promptly initial each item set forth on the attached inspection sheet as it is completed to acknowledge completion. My/Our failure to respond to you within five (5) business days of your written request for such acknowledgment shall be deemed to mean that I/we have accepted and acknowledged the work as complete. I/We understand that work indicated on the inspection sheet shall be performed in accordance with the practice of the industry. In the event of a dispute, Sponsor's contractor, architect or engineer shall determine whether or not such work was performed according to such standard and his or her decision shall be binding on the parties hereto.

You agree to complete all items listed on this inspection statement within a reasonable period of time following closing to my/our Unit, subject to delays for work or materials beyond your control.

This Inspection Statement shall survive closing of title to my/our Unit.

By: _____ _____
Sponsor's Representative Purchaser's Signature[1]

By: _____ _____
Sponsor's Representative Purchaser's Signature[1]

[1] If one purporting to be the Purchaser's agent signs to acknowledge completion, the Sponsor shall be entitled to rely on such signature as acknowledgment of completion and Purchaser shall be bound thereby.

EXCEPTION SHEET AND
CERTIFICATE OF COMPLETION, ADJUSTMENT AND/OR REPAIRS

Re: 66 West 138th Street, New York, New York
Purchaser: _____
Unit No.: _____
Date: _____
Time: _____

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_____ _____
Sponsor's Representative Purchaser's Representative

100% Sign off on All Items: _____ Date: _____

_____ _____
Sponsor's Representative Purchaser's Representative

ADJUSTMENTS AND/OR REPAIRS

Signature	Item Number	Dates Completed

DOCUMENT NUMBER 3

UNIT OWNER'S POWER OF ATTORNEY

UNIT OWNER'S POWER OF ATTORNEY

The undersigned, _____, residing at 66 West 138th Street, Unit _____, New York, New York _____, the owner of Condominium Unit No. _____ in the Condominium known as The 66 West 138th Street Condominium, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York, pursuant to Declaration recorded the _____ day of _____, _____, in the New York County Office of the Register, under CFRN # _____ in the floor plan of file as Condo Plan No. _____, do hereby nominate, constitute and appoint persons who may from time to time constitute the Board of Managers of The 66 West 138th Street Condominium jointly true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with powers of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units whose Owner in said Property, in accordance with their Common Interests, any Unit whose owner desired to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale of such Unit Owner in any other Units theretofore acquired by the Board of Managers or its designee on behalf of all Unit Owners in all other assets of the Condominium as defined in the aforementioned Declaration, or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do, if the undersigned were personally present. In more particular delineation of, but not in derogation or limitation of, the power set forth above, the Board of Managers, notwithstanding bankruptcy of any Unit Owner, specifically has the power to do any act or thing, and execute any document necessary to effectuate the purposes set forth in the Declaration referenced above including but not limited to, Amendment of said Declaration, execution of the Deed conveying condominium property, filing for a severance of tax lots, and any other document or thing reasonable or necessary to effectuate the aforementioned purposes.

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

The Power of Attorney shall be irrevocable.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the undersigned have executed this Unit Owner's Power of Attorney as of the _____ day of _____, 20_____.

By: _____ By: _____

STATE OF NEW YORK)
COUNTY OF) SS:

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

_____
Notary Public

STATE OF NEW YORK)
COUNTY OF) SS:

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

_____
Notary Public

POWER OF ATTORNEY

TO

THE BOARD OF MANAGERS
OF THE 66 WEST 138TH STREET CONDOMINIUM

Premises:

66 West 138th Street, Unit _____
New York, New York _____

County: New York

Section:

Block:

Lot:

Record and return to:

THE LAW OFFICES OF JAY LICHTMAN P.C.

68 Jay Street, Suite 420
Brooklyn, New York 11201

(347) 504-1724

DOCUMENT NUMBER 4

CONDOMINIUM UNIT DEED

The Law Office of Jay Lichtman, P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

CONDOMINIUM UNIT DEED

THIS INDENTURE, made as of the _____ day of _____, 20_____ by and between 66 West 138 LLC, a New York Limited Liability Companies and having an office at 85 Delancey Street, New York, New York 10002 (hereinafter collectively referred to as the "Grantor"); and _____, with an address at _____, Unit _____, New York, New York, _____, (hereinafter referred to as the "Grantee").

W I T N E S S E T H:

That the Grantor, in consideration of Ten Dollars ($10.00) 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 known as Unit No. _____ (hereinafter called "the Unit") in the building known as The 66 West 138th Street Condominium, and by the street number 66 West 138th Street, Borough of Manhattan, County, City and State of New York designated and described by the above Unit No. _____ in a certain declaration dated _____, made by the Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("the Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the County of Kings Office of the Register of The City of New York ("Register's Office") on _____, under CFRN #_____ ("Declaration"). The Unit is also designated as Tax lot _____ in Block _____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the Building, certified by the architect as Condominium Plan _____.

TOGETHER with an undivided _____% interest, in the Common Elements of the Property (hereinafter called "the Common Elements"), as defined in the Declaration.

The Property is described as follows:

SEE SCHEDULE "A"

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 By-Laws, all of which shall constitute covenants running with the Land, and shall bind any person having any title, interest or estate in the Unit as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions, and other matters of record as pertain to the Unit and/or to the building (which Land and Building are

collectively referred to as "the Property");

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Board of Managers (as such term is defined in the Declaration) as 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 been encumbered in any way whatsoever, 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 improvements at the Property and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other 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 Grantee has examined the Unit and is purchasing the same in its existing condition.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

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

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 66 West 138th Street CONDOMINIUM (said By-Laws, as the same may be amended from time to time, are hereinafter referred to as "the By-Laws");

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

GRANTOR:
66 West 138 LLC
A New York Limited Liability Company

By: _____

GRANTEE:

By: _____

GRANTEE:

By: _____

STATE OF NEW YORK)
COUNTY OF) SS:

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

_____
Notary Public

STATE OF NEW YORK)
COUNTY OF) SS:

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

_____
Notary Public

STATE OF NEW YORK)
COUNTY OF) SS:

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

_____
Notary Public

_____

CONDOMINIUM UNIT DEED

_____

GRANTOR:

66 WEST 138 LLC

GRANTEE:

_____

Premises:

66 West 138th Street, Unit _____
New York, New York

County: New York

Section:

Block:

Lot:

Record and return to:

_____

_____

DOCUMENT NUMBER 5

DECLARATION OF CONDOMINIUM

The Law Office of Jay Lichtman, P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as

66 West 138th Street
New York, New York 10037

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:

THE 66 WEST 138TH STREET CONDOMINIUM

Declarant(s):

66 West 138 LLC
85 Delancey Street
New York, New York 10002

Date of Declaration: _____

Record & return to:

_____

THE LAW OFFICE OF JAY LICHTMAN P.C.

68 Jay Street, Suite 420
New York, New York 11201
(347) 504-1724

_____

The land affected by the within instrument lies in
Block 5078 formerly known as Lot 63 and now known as Lots _____ - _____
on the Tax Map of the Borough of Manhattan, City and State of New York

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* Reproduced in full in as Exhibit D

DECLARATION
OF
THE 66 WEST 138TH STREET CONDOMINIUM

Pursuant to Article 9-B of the Real
Property Law of the State of New York

66 West 138 LLC, having an address at 85 Delancey Street, New York, New York 10002 (hereinafter collectively referred to as the "Declarant"), hereby declare as follows:

Article 1
Definitions

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Article 2
Submission of the Property

The Declarant hereby submits the land (the "Land") hereinafter described, together with the building and improvements thereon erected (the "Building") owned by the Declarant in fee simple absolute (the Land and Building being hereinafter referred to collectively as the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

Article 3
Description of the Land

The land is located in the Borough of Manhattan, County, City and State of New York, and is designated on the Tax Map of New York County as Block ___ formerly known as Lot __ and being designated herein as Lots _____ through _____. See Exhibit A attached hereto for a metes and bounds description of the land.

Article 4
Description of the Building

The building is an existing building and consists of five (5) stories and a cellar, and contains twenty (20) residential units. The principal materials of which it is constructed are block, brick, wood and steel.

Article 5
Name of the Condominium

The Condominium shall be known as The 66 West 138th Street Condominium.

Article 6
The Units

A. Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (v) the number of rooms contained therein; (vi) the portions of the Common Elements to which such Unit has immediate access; and (vii) the Common Interest appurtenant to such Unit. The precise location and areas of each Unit within the Building and all of the areas and installations which are included as part of the Units are shown on the Floor Plans of the Building, certified by the architect, intended to be filed in the Office of the City Register simultaneously with the recording of this Declaration and are made a part of this Declaration. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans.

B. Statement of Dimensions. The Dimensions of the Units measures approximately the square footage as the area of each unit consisting of the area measured horizontally from the outside face of the glass window and/or exterior walls to the centerline of the partitions separating one unit from another unit or to the center line of the partitions separating a unit from corridors, stairs, elevators and other mechanical equipment spaces that are not part of the unit. Each unit consists of the area measured vertically from the top of the floor to the underside of the ceiling. Dimensions shown on the floor plans reflect the approximate interior dimensions of main areas of the unit.

No Unit Owner shall be deemed to own the structural walls, supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. Any area or installation which is designated on the Floor Plans as part of a Unit shall be considered as part of said Unit. Vertically, each unit consists of the space between the upper face of the subfloor and the upper face of the dry wall ceiling.

C. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, 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 and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity of such Unit or of the Building.

Article 7
The Common Elements

A. Common Elements. The Common Elements generally consist of the Land and those rooms, areas and corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, and unless otherwise provided for in the Floor Plans, Common Elements include the following:

(i) The Land not specifically designated to any of the Condominium Units on the Floor Plans.

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, roofs and ceilings in, on or under the Building, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iii) all vestibules, stairs, elevators, mechanical and electrical equipment spaces, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iv) All central and appurtenant installations and facilities for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, ventilation, garbage disposal, and other mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof, if any.

(v) All sewer and drainage pipes.

(vi) All other parts of the Property and all apparatus and installations existing in the Buildings or Premises for common use of the Unit Owners or which are, or may be necessary or convenient for the existence, maintenance or safety of the Buildings.

B. Limited Common Elements.

(i) There are no Limited Common Elements in this Condominium allocated to the units.

(ii) The Unit Owner's or Owners' right to make alterations, additions or improvements to the Limited Common Elements, if any, shall be subject to the provisions of Article 9 of this Declaration, which shall also govern alterations, additions, or improvements allocated to the Units.

C. The Common Elements shall remain undivided and are not subject to partition nor are they severable from the Units except in accordance with The Condominium Act (Article 9-B of the Real Property Law), or as expressly permitted pursuant to the terms of Section 5.5 of the By-Laws.

Article 8
Determination of Common Interests

In accordance with Section 339-i(1)(ii) of the New York State Condominium Act, the Common Interests of each of the Units have been allocated 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 the units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all units in a part or parts of the common elements.

Article 9
Use of Units

As more particularly set forth in the By-Laws, each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy, and not more than one family may occupy a Unit at one time. A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests).

Article 10
Easements for the Enjoyment of Common Elements

Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

Article 11
Other Easements

A. Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Element and utility distribution system serves, or is necessary to the service of, his or her Unit, and each Unit and all of the Common Elements shall be subject to such easement. In

addition, each Unit Owner shall have a reasonable right of access through any other Unit for the purpose of entry to any part of his Unit where there is no other means of access to such part of his Unit or Limited Common Elements allocated to his Unit. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted only upon reasonable notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building. Each of the units may maintain or replace its porches or balconies.

B. The Condominium Board shall have, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as the Condominium Board shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units; provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agent, shall have the right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

C. Each unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

D. If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or (iii) any such encroachment shall hereafter occur as a result of (x) the settling or shifting of the Building, (y) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws, by, or with the consent of, the Condominium Board, or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Elements shall stand.

E. In addition, a right of access is hereby granted to the unit owners, their successors, heirs and

assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the building, including but not limited to the boiler room, storage room, meter room or any other facility to which each such unit owner has a right of use; or to any area of the property that such Unit Owner has a right to use as part of his Unit or as a Common Element. However, the right shall only be exercised in a reasonable manner.

F. In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

Article 12
Alterations, Addition, Improvements and Changes to Units

Each Unit Owner shall have the right to:

(i) make alterations, additions, or improvements in the interior of his unit;

(ii) make alterations, additions, or improvements in the interior of to any part of the property allocated to his unit;

(iii) change the layout of his unit;

provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit:

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In the event that any unit is subdivided, the subdivided units shall jointly exercise and share the vote and the percentage of common interest allocated to the original unit. The Declarant has accepted the present use and construction of the building “as is”.

Article 13
Acquisition of Units by the Condominium Board

If (i) any Unit Owner surrenders his or her Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or of Section 339-x of the Condominium Act or (ii) the Condominium Board, pursuant to the terms of the By-Laws or

otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, and to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

Article 14
Power of Attorney to the Condominium Board

A. Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(x) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(y) convey, sell, lease, mortgage, or otherwise deal with (but not to exercise the vote appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

B. In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Owner's Power of Attorney in the form provided.

Article 15
Termination of Condominium

The Condominium shall continue until terminated by (i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act by at least eighty percent (80%) of the vote. In the event that said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in accordance with the

factors set out in The New York State Condominium Act Section 339-i(1)(iv), which is based on 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, the overall dimensions of the particular unit and the fair market value of such unit. In the event of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens.

Article 16
Covenant of Further Assurances

A. Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person 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.

B. If any Unit Owner or any other person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

C. If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of the Managing Agent, then the Managing Agent is hereby authorized as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person, as the case may be.

Article 17
Covenants to Run with the Land

A. All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 17, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his or her 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. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease.

This Declaration of Condominium is subject also to such other liens, covenants, easements, restrictions, consents, agreements, and other matters of record and any agreements as pertain to the Units, the Land and/or the Building.

B. If any provision of this Declaration or of 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 shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is 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.

C. Subject to the terms of paragraph (b) of this Article 17, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent

permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

Article 18
Amendments to this Declaration

A. Any provision of this Declaration may be amended, modified, added to, or deleted by a 66 2/3% vote of the Unit Owners, taken in accordance with the provisions of the By-Laws, provided, however, that no amendment shall be made which limits or affects the rights of the mortgagee against the mortgagor. No such amendment, modification, addition, or deletion shall be effective until recorded in the New York County Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor or its designee or any Unsold Units, any such amendment, modification, addition, or deletion may be executed either (i) by the Condominium Board as attorney-in-fact for the Unit Owners, which power shall be deemed to be coupled with an interest as provided for in Article 12 hereof; or (ii) by the Unit Owner or Unit Owners whose Unit or Units are affected by such amendment, modification, addition or deletion.

B. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certification shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

Article 19
Consents of Sponsor

Wherever the consent, approval, satisfaction, or permission of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee no longer owns any Units.

Article 20
Person to Receive Service

The Secretary of State is designated as agent of the Condominium Board upon whom process against it may be served. The post office address within or without this state to which the secretary of state shall mail a copy of any process against the Condominium Board served upon him or her is: _____.

Article 21
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 table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; and (v) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

Article 22
Waiver

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Article 23
Severability

Subject to the provisions of paragraphs (b) and (c) of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 24
Gender

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.

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Article 25
Captions

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day and year first written above.

DECLARANT:
66 WEST 138 LLC

By: _____

State of New York)
County of) ss.:

On the _____day of _____ in the year 20 ____, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted and executed the instrument.

_____
Notary Public

EXHIBIT A
DESCRIPTION OF PROPERTY

The 66 West 138th Street Condominium
66 West 138th Street, New York, New York 10037
Tax Block ____ f/k/a Lot __ n/k/a Lots _____ -- _____

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

BEGINNING at a point on the southerly side of West 138th Street, distant 100 feet easterly from the southeasterly corner of Lenox Avenue and West 138th Street;

RUNNING THENCE easterly along said southerly side of West 138th Street, 27 feet;

THENCE southerly parallel with Lenox Avenue 99 feet 11 inches to the center line of the block between 137 and West 138th Streets, 55 feet;

THENCE westerly along said center line of the block, 27 feet;

THENCE northerly again parallel with Lenox Avenue 99 feet 11 inches to the southerly side of West 138th Street to the point or place of **BEGINNING**.

NOTE: Being District, Section, Block(s) ___, Lot(s) __, Tax Map of the Borough of Manhattan, County of New York.

NOTE: Lot and Block shown for informational purposes only.

EXHIBIT B

DESCRIPTION OF UNITS

The 66 West 138th Street Condominium
66 West 138th Street, New York, New York 10037
Tax Block ___ f/k/a Lot __ n/k/a Lots _____ -- _____

UNIT NO.	TAX LOT	USAGE	% COMMON INTEREST	BEDROOMS/ BATHROOMS
1A	--01	Residential Condominium	%	1/1
1B	--02	Residential Condominium	%	1/1
1C	--03	Residential Condominium	%	1/1
1D	--04	Residential Condominium	%	1/1
2A	--05	Residential Condominium	%	1/1
2B	--06	Residential Condominium	%	1/1
2C	--07	Residential Condominium	%	1/1
2D	--08	Residential Condominium	%	1/1
3A	--09	Residential Condominium	%	1/1
3B	--10	Residential Condominium	%	1/1
3C	--11	Residential Condominium	%	1/1
3D	--12	Residential Condominium	%	1/1
4A	--13	Residential Condominium	%	1/1
4B	--14	Residential Condominium	%	1/1
4C	--15	Residential Condominium	%	1/1
4D	--16	Residential Condominium	%	1/1
5A	--17	Residential Condominium	%	1/1
5B	--18	Residential Condominium	%	1/1
5C	--19	Residential Condominium	%	1/1
5D	--20	Residential Condominium	%	1/1

AREAS OF UNITS (sf)

UNIT	LOCATION	FLOOR AREA	*	*
1A	1st Floor			
1B	1st Floor			
1C	1st Floor			
1D	1st Floor			
2A	2nd Floor			
2B	2nd Floor			
2C	2nd Floor			
2D	2nd Floor			
3A	2nd Floor			
3B	3rd Floor			
3C	3rd Floor			
3D	3rd Floor			
4A	4th Floor			
4B	4th Floor			
4C	4th Floor			
4D	4th Floor			
5A	5th Floor			
5B	5th Floor			
5C	5th Floor			
5D	5th Floor			

*Limited Common Element

EXHIBIT C

DEFINITIONS

The 66 West 138th Street Condominium
66 West 138th Street, New York, New York 10037
Tax Block ___ f/k/a Lot __ n/k/a Lots _____ -- _____

1. "Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designees, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Unit of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

2. "Balcony", "terrace", "porch", or "patio" generally defines an area adjoining a building at various levels of the building which is generally used by the adjoining Unit. The characterization of the above for the purposes of the Zoning Resolution is based on its location and description as set forth in the Floor Plans.

3. "Building" shall mean the building situated on the Land which is described in Exhibit A hereto.

4. "By-Laws" shall mean the by-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.

5. "Common Elements" shall mean those certain portions of the Land and the Building (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in Article 7 of the Declaration.

6. "Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or the By-Laws), to meet the Common Expenses.

7. "Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale; and

(iv) generally, the conduct of the affairs of the Condominium.

8. "Common Interest" shall mean the undivided percentage interest of each Unit in the Common Elements.

9. "Condominium" shall mean The 66 West 138th Street Condominium which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

10. "Condominium Act" shall mean Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.

11. "Condominium Board" shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 4 of the By-Laws.

12. "Condominium Documents" shall mean the Declaration, the By-Laws and Rules and Regulations.

13. "Declaration" shall mean the declaration executed by Declarant for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership of the property.

14. "Family Members" shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

15. "Floor Plans" shall mean the floor plans of the Units filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans.

16. "Institutional Lender" shall mean (i) a savings bank, savings and loan associations, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

17. "Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or its designee or an Institutional Lender.

18. "Insurance Trustee" shall mean an individual who is a resident of the State of New York, or a bank or trust company having an office in The City of New York, from time to time appointed to serve as such by the Condominium Board.

19. "Land" shall mean all that certain tract, plot, piece, and parcel of land situate, lying and being in the County of New York, City and State of New York, as more particularly described in

Exhibit A to the Declaration.

20. "Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, in the particular County, and Borough governments, the 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/or the Condominium, and/or the direction of any public officer pursuant to law.

21. "Limited Common Elements": Limited Common Elements generally are those Common Elements reserved for use and enjoyment by one or more Units.

22. "Managing Agent" shall mean a Person employed by the Condominium Board pursuant to pursuant to paragraph (C) of Section 2.6 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

23. "Majority of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

24. "Permitted First Mortgage" shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

25. "Permitted First Mortgagee" shall mean any holder of a Permitted First Mortgage.

26. "Permitted Mortgage" shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

27. "Permitted Mortgagee" shall mean any holder of a Permitted Mortgage at the time in question.

28. "Person" shall mean any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

29. "Plan" shall mean that certain offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

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

31. "Register's Office" shall mean the Office of the Register of the City of New York, New York

County.

32. "Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

33. "Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

34. "Sponsor" As used in New York State regulations pertaining to newly constructed and vacant condominium, the word "sponsor" means "any person, partnership, joint venture, corporation, company, trust, association or other entity or agent thereof who makes or takes part in a public offering or sale in or from the State of New York of participation interests or investments in real estate including condominium interests in realty."

35. "Sponsor's Initial Control". The Sponsor will control the board of managers whenever the unsold units constitute less than fifty percent (50%) of the common interests.

36. "Unit" shall mean any of the "Units" as such term is defined in the Condominium Act, located in the Building, which units are more particularly described in Article 6 of, and Exhibit B to, the Declaration and in the Floor Plans.

37. "Unit Owner" shall mean any Person who holds fee title, of record, to one or more Units at the time in question.

38. "Unsold Units". This term shall only apply in the situation where there is a Sponsor that offers units for sale and shall mean any Unsold Unit owned by Sponsor or its designee at the time in question. It shall not apply to any unit occupied by the Sponsor or any member of his family.

DECLARATION OF CONDOMINIUM

Declarant(s):

66 West 138 LLC
85 Delancey Street
New York, New York 10002

Premises:

The 66 West 138th Street Condominium
66 West 138th Street
New York, New York

County: New York

Block:

F/K/A:

N/K/A: _____ - _____

Record and return to:

THE LAW OFFICE OF JAY LICHTMAN P.C.

68 Jay Street, Suite 420
New York, New York 11201

(347) 504-1724

DOCUMENT NUMBER 6

CONDOMINIUM BY-LAWS

The Law Office of Jay Lichtman, P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

EXHIBIT D

TO THE DECLARATION OF

THE 66 WEST 138TH STREET CONDOMINIUM

66 West 138th Street
New York, NY 10037

BY-LAWS

of

THE 66 WEST 138TH STREET CONDOMINIUM

66 West 138th Street
New York, New York

The Law Office of Jay Lichtman P.C.
68 Jay Street, Suite 420
New York, New York 11201

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BY-LAWS

OF

THE 66 WEST 138TH STREET CONDOMINIUM

ARTICLE 1 GENERAL

Section 1.1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is described in Exhibit A to the Declaration of Condominium of The 66 West 138th Street Condominium; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 1.2. Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4. Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of 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 the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5. Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2 BOARD OF MANAGERS

Section 2.1. General. As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium

Board shall act as, and shall be, the agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By- Laws.

Section 2.2. Status of the Condominium Board. Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3. Principal Office of the Condominium Board. The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4. Powers and Duties of the Condominium Board.

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium;

(iii) to maintain records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) To determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of all of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $25,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) the affirmative consent of all of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) To open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) To obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) [INTENTIONALLY OMITTED]

(xiii) To accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise,

and on behalf of all Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xvi) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to the vote appurtenant to any such Unit;

(xvii) To adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xviii) To enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same;

(xxiii) to execute, acknowledge and deliver any documents necessary for filing an appeal for reduction of assessment of real estate taxes on behalf of all units in the Condominium, unless written notice is received by the Condominium Board from any Unit Owner not to so on

behalf of his or her condominium unit;

(xiv) unless and until real estate taxes, water charges and sewer rents are billed directly to the Unit Owners by the New York City Department of Finance and/or the Department of Environmental Protection, the Condominium Board shall promptly pay such taxes, charges and rents as a common expense. In the event there is a closing prior to the units being separately assessed for real estate taxes the Sponsor shall place in escrow in the name of the Board of Managers an amount equal to the real estate taxes which will be levied against the property for the six (6) month period following the first closing and will collect at each unit closing the estimated amount of taxes attributable to such unit. The unit owners(s) will be required to pay the entire amount of tax allocated to his unit at the time that the Board of Managers is required to make its real estate tax payment to the City of New York. The allocation for taxes will be based on the unit's percentage of common interest allocated to the unit; and

(xxv) To carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5. INTENTIONALLY OMITTED.

Section 2.6. Exercise and Delegation of Powers and Duties.

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and such additional exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the

powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx) and (xxi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7. Number, Election and Qualification of Members

Initial Board: Until the first meeting of the Unit Owners following the First Closing of a Residential unit under the Plan is held the Condominium Board shall consist of three (3) members, all appointed and designated from time to time exclusively by Sponsor.

First Elected Board: At such first meeting of Unit Owners following the First Unit Closing under the plan and at all subsequent meetings of Unit Owners to elect the condominium Board, the Board shall be composed of five (5) Board Members. For so long as there is at least (1) Unsold Unit, the Condominium Board shall consist of a specified number of Independent Board Members and a specified number of Sponsor Board Members.

The Independent Board Members shall be elected exclusively by all Sold and Unsold Unit Owners, including Sponsor as Owner of any Unsold Units. The Sponsor Board Members shall be appointed and designated exclusively by Sponsor for so long as Sponsor owns at least one (1) Unsold Unit, or, after Sponsor no longer owns any Unsold Unit, the Owners or Owners of a majority in Common Interest of Unsold Units. The Independent Board Members shall represent the interest of the sold and Unsold Unit Owners on the Board. Both the Independent Board Member(s) and the Sponsor Board Member(s) shall make all decisions and conduct all transactions on behalf of the Board that affect the Common Elements, the Association's Properties, the Common Expenses or the Common Charges. The Sponsor board members shall represent the interests of the Unsold Unit Owners on the Board and shall make all decisions and conduct all transaction on behalf of the Board that affects only the Unsold Unit and do not affect the Common Elements, the Associations Properties, the Common Expenses or the Common Charges.

Sponsor Voting Control of Board: Sponsor shall have the exclusive right to designate and appoint a majority of the Condominium Board and thereby have "voting control" to the condominium Board for as long as the unsold units constitute 51% or more of the Common Interests of all units ("Sponsor Board Control Period"). At all elections held after the end of the Sponsor Board Period, Sponsor will no longer have the right to nominate candidates to serve as the Independent Board members (who will then constitute a majority of the Board Members) and thus Sponsor shall not thereafter exercise voting control of the Board. Sponsor, however, will continue to have the right, for as long as there is at least one (1) Unsold Unit, to vote for all Independent board Members and to exclusively designate and appoint at least one (1) Sponsor Board Member.

Sponsor will cause the Condominium Board to call a special meeting of Unit Owners to be held within approximately thirty (30) calendar days after the expiration of the Sponsor Board Control Period. At such meeting, one (1) additional Independent Board Member (i.e., individuals who are unrelated to Sponsor and Sponsors principals) will be elected to replace one (1) of the Sponsor Board Members (who will resign effective at the date of such election). At such time the Independent Board Members will constitute a majority of all members.

Composition, Nomination and Voting Rules for Condominium Board:

(i) From and after the first meeting of Unit Owners following the First Closing of a Residential unit, the condominium board shall consist of three (3) Sponsor Board Members, one two (2) Independent board member.

(ii) From after the time that the Unsold Units no longer constitute 51% of the Common Interests of all the Units, and so long as there is at least one (1) Unsold Unit, the composition of the Condominium board shall consist of two (2) Sponsor Board Members and two (3) Independent board members.

After all Unsold Units are sold and conveyed, the Condominium Board shall consist of five (5) Independent Board Members.

The following rules shall govern the nomination and voting for the election of the Independent Board Members by the Unsold Unit Owners (including Sponsor):

(A) at all elections held during only the Sponsor Board Control Period, there is no restriction or limitation on the nomination and voting rights of Sponsor and other Unsold Unit Owners, who may both nominate and vote to elect any qualified candidates to serve as the Independent Board Member; and

(B) at all elections held after the end of the Sponsor Board Control Period, Sponsor and other Owners (if any) of Unsold units shall have the following right to vote (without restriction or limitation) for any and all candidates nominated to serve as Independent Board Members; but they may NOT nominate any candidates to serve as Independent Board Members.

The foregoing restriction limiting Sponsor's nomination rights after the end of the Sponsor Board Control Period applies only to nominating candidates to serve as Independent Board Members and does not apply to the Sponsor Board member to be appointed and designated exclusively by Sponsor aforesaid.

Sponsor Veto Control Period Restrictions: Notwithstanding anything to the contrary contained in these By-Laws, during only the Sponsor Veto Control Period (i.e., as long as the Unsold Units constitute 51% or more of the Common Interests of all Units), the Condominium Board and Unit Owners shall and must obtain Sponsor's prior written Discretionary Approval or Consent to do any of the following:

(a) To raise Common Charges or levy a special Assessment for any of the following

purposes:

(i) To make an Alteration to the Common Elements or the Association's Properties (the latter includes any Unit owner, leased licensed or otherwise held or operated by the condominium Board, or its nominee or designee);

(ii) to create a fund for reserves for non-capital Repairs, Alterations, unanticipated expenses and/or contingencies (i.e., a Reserve for Contingencies), which in the aggregate exceed five percent (5%) of the projected annual General Common Expenses or five percent (5%) of the projected annual Residential Common Expenses (as applicable) for any Budget Year of the Condominium Operation or increase, decrease, or eliminate the minimum ten percent (10%) Reserve for Capital Replacement to be included in each Budget in accordance with the Declaration.

(iii) To increase, decrease, eliminate or otherwise change the number, types, and calcification or working hours of the Buildings' service staff as set forth in the First Year's Budget.

(iv) to increase, decrease or eliminate building services by (for example) entering into contracts for new or additional services or maintenance work not included in said First Year's Budget, or failing to provide any service or maintenance contract set forth in such first Year's Budget, or otherwise; or

(v) to increase, decease, eliminate or otherwise change the amounted or types of insurance coverage from those set forth in said First Year's Budget, or

(b) To borrow money on behalf of the Condominium.

Limit on Sponsor Veto Control Period Restrictions: Sponsor has the right to condition, delay, withhold or deny its approval or consent to any of the items in the preceding subsection without cause or explanation, and without liability for any Claims or Cost and Expenses or other recourse against Sponsor for conditioning delaying, withholding or denying its consent. Nevertheless, Sponsor will give its approval or consent if the Costs and Expenses (as determined by Sponsor, in its sole and absolute judgment) of the proposed action requiring Sponsor's approval or consent, when added to all other budgeted Residential Common Expenses or General Common Expenses (as applicable), will not increase the Residential Common Charges or General Common Charges (as applicable), inclusive of any Special Assessments of the Condominium Board, for the Budget year of the Condominium at issue, by more than 5% above the residential Common Charges or General common Charges (as applicable) for the immediately preceding Budget Year of the condominium. In addition, Sponsor may not exercise veto control over expenses included in the first Year's Budget or over expenses required: (a) to comply with applicable Laws; (b) to remedy a governmental notice or violation or (c) to remedy a work order of an insurer of the Building, (d) or any matter concerning the health and safety of the occupants of the building.

Veto Control of Sponsor and Unsold Unit Owners: Sponsor's veto control, as set forth herein, may be exercised during only the Sponsor Veto Control Period and solely by Sponsor while Sponsor owns any Unsold Unit. If Sponsor no longer owns and Unsold Unit, each successor Unsold Unit Owner will have the same right of veto control as Sponsor during only the Sponsor

Veto Control Period. In the event of two (2) or more unsold Unit Owners, the required discretionary Consent of only those Owners of Unsold Units constituting a majority of the Common Interests of all Unsold Units will suffice. Nothing contained herein will extend the Sponsor Veto Control Period.

Section 2.8. Term of Office of Members. The term of office of each member of the Condominium Board shall continue for one (1) year. Notwithstanding anything to the contrary, however, each Condominium Board shall serve until a successor Board is elected and qualified.

There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve. In addition, special meetings of Unit Owners may be held from time to time, pursuant to the By-Laws, whenever necessary for the affairs of the Condominium.

Section 2.9. Resignation of Members. Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board.

After the initial period of Sponsor control, a majority of the board of managers need not be owner-occupants or members of an owner- occupant's household who are unrelated to the Sponsor and its principals.

Section 2.10. Vacancies. Any vacancy on the Condominium Board shall be filled by calling a regular or special meeting to elect a new Board Member pursuant to Section 2.7 of these By-laws.

Section 2.11. Sponsor's Right to Make Changes to Unsold Units and the Common Elements.

The Sponsor reserves the right to make changes in size, layout and number of unsold units, and the common areas without the approval of the Board of Managers provided that all changes comply with the building code and all applicable laws and regulations. The Sponsor will file an amendment to the offering plan disclosing any such changes and any material changes must be with the consent of any affected purchasers. Unless an affected purchaser consents, no material change will be made in unit size, layout or percentage of common interest if a purchase agreement has been executed and delivered to the Sponsor and the purchaser is not in default. Specifically, the Sponsor retains the right to annex part of the hallway as part of one or more of the first-floor units. The result of said change would be a smaller hallway, with larger units and said change may affect the percent common interest of the non-enlarged units, by reducing the units Percent Common Interest, and increasing the Percent Common Interest of the enlarged units. In addition of any area of the building affects only two units, the two unit owners may agree between each other how to allocate said area between them without the permission of the Board of Managers. See Section "Changes in Prices and Units" for further details.

Section 2.12. Regular Meetings of the Condominium Board. Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time

by a majority of the members thereof, provided that at least one (1) such meeting shall be held during each fiscal year.

Section 2.13. Special Meetings of the Condominium Board. Any member of the Condominium Board may call a special meeting of the Condominium Board whenever he or she deems the same to be necessary or desirable.

Section 2.14. Waiver of Notice of Meetings. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him or her of notice of the time and place thereof.

Section 2.15. Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, the attendance of a majority of all Board Members thereof shall be required for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes.

Section 2.16. Conduct of Meetings. The minutes of the meetings of the Condominium Board shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order shall govern the conduct of meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws or the Condominium Act.

Section 2.17. Decision by the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the affirmative vote of a majority of the members of the Condominium Board shall constitute the decision of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Condominium in the minutes of the Condominium Board. In the event of a deadlock in voting between the two units or in the Condominium Board, such deadlock shall be submitted to an arbitration board in accordance with Article 10, "Arbitration", below.

Section 2.18. Compensation of Members. No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19. Common or Interested Members of the Condominium Board. Each member of the Condominium Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Condominium Board and either (I) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniary or otherwise, shall

be deemed either void or voidable because either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, the Condominium Board or noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by vote of the Condominium Board;

(y) the fact thereof is disclosed to, or known by the Unit Owners, and the Unit Owners authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Condominium Board may be counted in determining the requisite attendance of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction.

Section 2.20. Liability of the Condominium Board.

(A) The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his or her own bad faith or willful misconduct.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Condominium Board nor any member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his or

her acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3 OFFICERS

Section 3.1. General. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. The Condominium Board may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. Where necessary, one individual may act as or hold the office of more than one office. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by the officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2. President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL", including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he or she may decide, in his or her discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him or her from time to time by the Condominium Board or by the President.

Section 3.4. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5. Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6. Election, Term of Office and Qualifications of Officers. Each of the officers

of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. At least a majority of the officers shall be elected from amongst the members of the Condominium Board who are Unit Owners. The other officers of the Condominium, however, need not be Unit Owners or members of the Condominium Board and need not have any interest in the Condominium.

Section 3.7. Removal and Resignation of Officers. Any officer of the Condominium may be removed from office with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President or the Vice President of the Condominium shall cease to be a member of the Condominium Board during his or her term of office, such officer shall be deemed to have resigned his or her office effective upon the date upon which his or her membership shall cease.

Section 3.8. Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9. Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10. Liability of the Officers of the Condominium.

(A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his or her own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 2.20 and 4.12 hereof, respectively) that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) Any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the

Condominium harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4 UNIT OWNERS

Section 4.1. Annual Meetings of the Unit Owners. The first annual meeting of the Unit Owners shall be held approximately four (4) months after the First Closing, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held within sixty (60) days of the anniversary date of the first meeting. At each such subsequent meeting, the Unit Owners shall transact such business as may properly come before such meeting. In the event that any annual meeting of members is delayed, the existing Condominium Board shall continue to serve.

Section 4.2. Special Meetings of Unit Owners. The Condominium Board shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt of a petition calling for such a meeting signed by a Unit Owner. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place as may be designated by the Condominium Board.

Section 4.4. Notice of Meetings. The Condominium Board shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, telephone or telegram not later than five (5) business days prior to the day fixed for the meeting; however, the mailing of such notice to any Unit Owner, addressed to his or her address at the Property, at least ten (10) days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Condominium Board not less than ten (10) days prior to the giving of notice of the applicable meeting.

Section 4.5. Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of a majority of all Unit Owners shall be required at all meetings of the Unit Owners.

Section 4.6 Conduct of Meetings. The minutes of all meetings of the Unit Owners shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat.

Section 4.7. Order of Business. The order of business at all annual meetings of the Unit

Owners shall be as follows:

(a) Roll call;
(b) Proof of notice of meeting;
(c) Reading of the minutes of the preceding meeting (unless waived);
(d) Reports of officers of the Condominium;
(e) Reports of committees;
(f) Reports of inspectors of election (when so required);
(g) Election or designation of members of the Condominium Board (if there is a vacancy);
(h) Unfinished business; and
(i) New business.

Section 4.8. Voting at Meetings of Unit Owners.

(A) Subject to the terms of Sections 2.7 and 4.9 hereof, at meetings of Unit Owners, each Unit Owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote for each unit owned.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to the vote appurtenant to any Unit owned by the Condominium Board or such designee. The vote of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the results of voting.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one Person amongst them the vote appurtenant to their Unit in a writing given to the Condominium Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such unit under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if any one of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his or her behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designor and delivered to the Condominium Board at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Condominium Board; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Condominium Board.

Section 4.9. Election of Members of the Condominium Board. After the two-year period

of initial control by Sponsor, each Unit Owner shall be entitled to designate one member of the Condominium Board, who shall represent him. See Section 2.7 above.

Section 4.10. Action without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

Section 4.11. Title to Units. Title to any Unit may be taken by any Person or by any two (2) or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12. Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively), that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his or her Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5 OPERATION OF THE PROPERTY

Section 5.1. Maintenance.

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, and replacements, whether structural or non-structural, ordinary or extraordinary, (i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace or patio, if any) and their frames and saddles, exposed plumbing, gas and heating fixtures shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and (ii) in or to the Common Elements shall be performed by the Condominium Board as a Common Expense.

However, if any work is necessitated by any condition or occurrence in the individual unit such Unit Owner shall be liable for such costs which are not paid by the insurance carrier. Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect which the Condominium Board is responsible pursuant to the terms thereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition and order (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, patios, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.2. Alterations, Additions, or Improvements in and to Units.

(A) Each Unit Owner shall have the right to:

(i) make alterations, additions, or improvements in the interior of his unit;

(ii) make alterations, additions, or improvements in the interior of any part of the property allocated to his unit; or

(iii) change the layout of his unit;

provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit:

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In the event that any unit is subdivided, the subdivided units shall jointly exercise and share the vote allocated to the original unit.

Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done.

(B) All alterations, additions, and improvements by Unit Owners shall be made in compliance with laws. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(C) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s)) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, and the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(D) Sponsor shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, or other Unit Owners, to:

(a) make alterations, additions, improvements, or repairs in or to any Unsold Residential Unit or Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary; and

(b) subdivide, combine and change the boundary walls of its Unit(s), provided the same does not materially interfere or affect any other Unit,

(c) Subdivide the percent common interest of any Unit. In the event that any Unit is subdivided subject to the terms and conditions of any offering plan approved by the New York State Department of Law, in connection with a subdivision of the Residential Unit, the Individual Units shall severally exercise and share the vote and the percentage of common interest allocated to each Individual Unit.

Section 5.3. Alterations, Additions, or Improvements to the Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $5,000.00 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by all of the Unit Owners 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, additions, or improvements costing $5,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives.

Section 5.4. Insurance.

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including walls separating Units from Common elements, and from each other), and covering the interests of the Condominium board and all Unit Owners and their mortgagees, as their respective interest may appear insuring 100% of the full replacement cost of value of the Portions of the Property required to be insured against loss or damage pursuant to this clause, (exclusive of foundations and footings) and all service machinery contained therein. Said policy shall not be include the bathroom and kitchen fixtures installed therein on the date of recording the Declaration, appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners, finishes of walls floors, or ceilings, of any unit not owned by the Sponsor or the Board,). The policy shall bed covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board

and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either cancelled or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

(v) Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to all Unit Owners and Permitted Mortgagees at least ten days prior to the expiration of the then current policies.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his or her own Unit);

(ii) rent insurance (if applicable);

(iii) workmen's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance; and

(v) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than eighty percent of the full replacement cost of the Building, exclusive of excavation and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $500,000.00 in the aggregate until the first regular meeting of the first Condominium Board elected by the Unit Owners; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the

aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Condominium Board as a Common Expense.

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

Section 5.5. Casualty or Condemnation.

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable to the Condominium Board. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, or any portion thereof, is taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work" of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. If, pursuant to the immediately preceding sentence, work is to be performed in or to Units, 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. In addition, each Unit Owner whose Unit, or any portion thereof, shall be the subject of all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his or her Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, 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. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, and all proceeds of such Special Assessment shall become part of the Trust Funds. However, if the insurance proceeds are not sufficient to discharge the cost and expense of performing any work attributable to any part of the building which is not a "Common Element", such cost and expense must be paid by the owner or owners of the Units or Limited Common Element which were damaged and no special assessment may be levied against the Unit Owners. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to the Unit Owner of the damaged unit, except that no payment shall be made to a Unit Owner until there has first been paid, out of said excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

In the event that the damage is caused to both a Unit and Common Elements, the Condominium Board shall retain the services of an insurance adjuster to determine the amount of damages caused separately by the Unit and Common Element and all the underpayments and overpayments shall be subject to provisions in paragraph (C).

(D) If either 75% or more of a Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of the Unit Owners of the Building shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall 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 reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) [INTENTIONALLY OMITTED].

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(G) As used in this Section 5.5, the terms:

"prompt repair or restoration" shall mean that the Work is to be commenced not more than sixty (60) days after the date on which the Condominium Board has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

"promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date on which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharged the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6. Use of the Property.

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the

Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7. Use of the Units.

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7. Each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy. Any Unit may be partially used as a professional office by the owner of such unit only.

(B) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners and employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Unit by such Family members or guests). Notwithstanding the foregoing, the Condominium Board may, in its sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (B)) may be accommodated therein.

(C) INTENTIONALLY DELETED.

(D) INTENTIONALLY DELETED.

(E) INTENTIONALLY DELETED.

Section 5.8. Use of the Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. The lobbies, vestibules, public halls, stairways and shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

Use of the Limited Common Elements. The cost of maintenance, repair and replacement

of Limited Common Elements shall be borne by the Unit Owner having the exclusive or shared use thereto if such Unit Owner or other person for whom s/he is legally responsible for has caused damage thereto. In the event that the damage caused to a limited common element was not brought about by the Unit Owner having exclusive or shared right thereto or such other person for whom s/he is legally responsible for, than the Condominium Board shall be responsible for the cost of such maintenance, repair and replacement, if so necessary.

If any area of the building affects only two (2) Units, the two Unit owners may agree between each other how to allocate said area between their Units without the permission of the Board of Managers.

Section 5.9. Rights of Access. (A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his or her Unit for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his or her Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his or her Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) For purposes of paragraph (A), each Unit Owner shall grant to the Condominium Board a right of access to his or her Unit and the Condominium Board shall grant rights of access to the Common Elements, provided that access thereto shall not be exercised with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for its permitted

purposes.

(C) A right of access is hereby granted to the unit owners, their successors, heirs and assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the building, including but not limited to the boiler room, storage room, meter room or any other facility to which each such unit owner has a right of use; or to any area of the property that such Unit Owner has a right to use as part of his Unit or as a Common Element. However, the right shall only be exercised in a reasonable manner.

Section 5.10. Modification of the Rules and Regulations. The Condominium Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by the vote of 66 2/3% of the Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof.

Section 5.11. Real Estate Taxes, Water Charges and Sewer Rents. Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense. However, the Condominium Board shall have the right, exercisable in its sole discretion to require the installation of submeters to determine the consumption of water by each Unit. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes, water charges and sewer rents) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

Section 5.12. INTENTIONALLY OMITTED.

Section 5.13. Gas and Electricity. Gas and electricity shall he supplied to each Unit through a separate meter for such Unit, and each (Unit Owner shall be required to pay all charges for gas and electricity consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefor. However, the Condominium Board shall have the right, exercisable in its sole discretion, to require that gas and electricity be supplied to the Condominium through one or more common meters. In such an event, the cost thereof shall be borne by each Unit Owner based upon the consumption or usage of gas and electricity in his or her Unit, as determined by submetering, survey, or any other reasonable method prescribed by the Condominium Board and permitted by Law, and shall be payable either to the Condominium Board or to the utility company servicing the Building, as directed by the Condominium Board.

Section 5.14. Utilities Serving the Common Elements. The cost and expense of water, steam, electricity, oil and gas serving or benefitting any Common Element shall be (i) considered part of the expense of maintaining such Common Elements, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.15. Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line shall be paid by the Condominium Board as a Common Expense.

Section 5.16. [INTENTIONALLY OMITTED.]

Section 5.17. Records and Audits.

(A) The Condominium Board, or the Managing Agent, shall keep full, detailed and accurate records with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within (4) four months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared by an independent accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense.

ARTICLE 6 COMMON CHARGES

Section 6.1. Determination of Common Expenses and Fixing of Common Charges.

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt and budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws). The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them and, not later than ten days next preceding the date upon which the first installment of newly determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees. The Condominium Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination.

INTENTIONALLY DELETED.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests and 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 fifteen (15) days' notice 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. 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 (including, without limitation, the provisions of Section 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, 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.

(E) Assessments other than and in addition to Common Charges, including without limitation, Storage Space License Fees as described below, the working capital contribution required of all purchasers (other than the sponsor) purchasing a unit occupied by a non-purchasing tenant as described in Section 14.7 below, and any other assessments imposed upon Unit Owners for any reason, shall be levied against and paid by Unit Owners in the same manner as provided in these By-laws for Common Charges. Failure to pay any such Storage Space License Fees, working capital contributions, or any other assessments shall be treated in the same manner as failure to pay Common Charges.

Section 6.2. Payment of Common Charges.

(A) All Unit Owners shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his or her Unit subsequent to a sale, transfer, or other conveyance by him or her of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his or her acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-¬Laws, any Unit Owner may convey his or her Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof. Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any

utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Sections 5.1, 5.2 or 5.3 hereof; or (iii) any action taken by the Condominium Board to comply with Law.

Section 6.3. Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4. Default in Payment of Common Charges.

(A) In the event that any party defaults in performing any act or making any payment which is that party's responsibility hereunder and said default is not cured within fifteen (15) days of written notice of said default, then the Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remains unpaid for more than thirty days after the due date for the payment thereof. In connection therewith, the Condominium Board shall at its discretion or upon instruction by sponsor if sponsor is in control of the board, have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 399-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 399-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectable by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges. In accordance with Section 339-aa of the Real Property Law, the Sponsor while in control of the Board of Managers will cause the Board of Managers to file a lien on units in which the Sponsor is more than thirty (30) days in arrears of common charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay a penalty charge equal to 10% of the outstanding charge, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal

fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

Section 6.5. Failure by Non-Occupying Owner to Make Payments on its Unit

Section 339-kk of the Real Property Law of the State of New York (the "Condominium Act") applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its units. The terms of Section 339-kk are as follows:

> For purposes of this section, "non-occupying owner" means a condominium unit owner who does not occupy the dwelling unit.
>
> 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 60 days of the expiration of any grace period after they are due, the Condominium Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium Board.
>
> Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board of Managers has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Board.
>
> When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent.
>
> A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next scheduled meeting of the Board of Managers, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.
>
> Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other law or agreement.
>
> Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk 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.

Section 6.9 Maintenance and Repairs. The Unit Owners shall take possession of their Units and its appurtenances and fixtures in "as is" condition. Except as otherwise provided in the Declaration or these By- Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit, whether commercial or residential (excluding Common Elements included therein except as otherwise provided in these By-Laws and the entrance doors thereto) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense; and (b) in or to the General Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Residential Unit Owners as a General Common Expense.

ARTICLE 7 SELLING AND LEASING OF UNITS

Section 7.1. General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his or her Unit except in compliance with, the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board 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 leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium 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.

Section 7.2. No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.2, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests. However, in no event shall any party which has use of the driveway be allowed to lease his interest in the driveway to a non-occupant of the property.

Section 7.3. Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his or her Unit unless he or she shall have paid in full 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.

Section 7.4. Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his or her title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.5. Transfers by Sale, Gifts and Devises, Etc. Any Unit Owner shall be free to sell, convey, gift or transfer his or her Unit, together with its Appurtenant Interests, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to all the provisions of this Declaration and By-Laws.

Section 7.6 Board of Managers' Right of First Refusal.

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTION 7.6 AND 7.7 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Within fifteen (15) days after any such contract of sale or lease shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall give fifteen (15) days written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the contract of sale or the lease, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred to as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.6 shall constitute an offer by the Offeree Unit Owner to sell his or her Unit, together with its Appurtenant Interests, or to lease his or her Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.7 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than fifteen business days after receipt of written notice in the event of a proposed sale and ten business days in the event of a proposed lease after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase

such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale 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 paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option to purchase any Unit without the unanimous prior approval of the Unit Owners who are not offering their units for sale ("Remaining Unit Owners"). Accordingly, if one (1) unit owner offers his unit for sale, the Condominium Board may not exercise the option to purchase the unit unless the Remaining Unit Owners unanimously agree to purchase the unit. In the event that one of the Remaining Unit Owners does not vote in favor of purchasing the unit, the Condominium Board will not be able to exercise its right to purchase, and the Offeree Unit Owner may proceed in accordance with Section 7.8, which provides for the event that the Board fails to accept said offer.

(E) The Remaining Unit Owners may reach an agreement between themselves under which the right of first refusal shall be exercised by one (1) of the Remaining Unit Owners (the "Purchasing Unit Owner"), who will then be responsible for closing on such Unit and will be required to fulfill all the terms and conditions set forth in Section 7.7, "Acceptance of Offer". In such event, such title may be closed in the name of the Purchasing Unit Owner and the parties may agree between themselves as to the terms and conditions of the voting power, operation and maintenance of the property, repairs, and improvements, so as to take into account the voting power of each of the Unit Owners.

(F) Notwithstanding anything in these By-Laws to the contrary, the purchase of a Unit per the terms in the plan for a Unit occupied by an Eligible Senior Citizen or Eligible Disabled Person as those terms have been defined in the Plan, shall be bound by the representations in the Plan and the requirements of the New York General Business Law.

Section 7.7. Acceptance of Offer.

(A) In the event that an Optionee shall elect, within the time and in the manner provided in Section 7.6 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within forty five (45) days after the day upon which the Optionee shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit provided, however, that no such financing may be secured by

an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant 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 or Lease Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water charges and sewer rent, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

In the event the Unit is purchased by the Board of Managers or by a third party produced by the Board of Managers, the Board shall then be able to offer the Unit for resale or sublease. If offered for resale, the proceeds of said sale shall be used (i) to replenish the capital and/or expense accounts of the Condominium; (ii) pay back the Remaining Unit Owners who were levied a special assessment for the purchase of the Unit; or (iii) to pay down any existing mortgages encumbering the Unit including the Board's own lien for unpaid Common Charges. If the proceeds exceed the amounts used to purchase the Unit, the excess shall be deposited into the capital and/or expense accounts of the Condominium. Common charges and real estate taxes for the Unit owned by the Board will be paid for by income from sale or lease of the Unit.

In the resale of the Unit, the Board of Managers 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.

(C) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Sale or 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 Sale or Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord. In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit owners, or if a remaining Unit Owner exercises the right to lease the apartment, such Unit Owner shall be responsible for any damages caused to the Unit by the occupant.

Section 7.8. Failure to Accept Offer.

(A) In the event that the Sponsor of the Offering Plan and the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.6 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within sixty days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee 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 or Lease Agreement within such sixty-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.6, 7.7 and 7.8 hereof.

(B) Any deed of a Unit and its Appurtenant 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 therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

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

(ii) the tenant thereunder shall not assign his or her interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance;

(iii) 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.

Section 7.9. Termination of and Exceptions to, the Right of First Refusal.

(A) A certificate executed and acknowledged by the Sponsor and Condominium Board or the Managing Agent, stating that the provisions of Section 7.6 hereof have been met by a unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Sponsor and Condominium Board and that, as a result thereof, the rights of the Sponsor and Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with

its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.6 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact been terminated. In no event, however, shall the right of first refusal described in Section 7.6 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.6, 7.7 and 7.8 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Sections 7.6, 7.7 and 7.8 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any of his or her adult Family Members (which is limited to his spouse, children, grandchildren, parents, grandparents, brothers and sisters) to any combination of the same, or to a trust for the benefit of any of them or, in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than fifty percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty percent of the legal and beneficial interest thereof;

(ii) the Condominium Board.

(iii) the Sponsor or its designee with respect to Unsold Units;

(iv) 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

(v) any Permitted Mortgagee or his or her nominee, who has acquired title to any Unit at any foreclosure sale of his or her Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, all of the terms and conditions of this Article 7.

ARTICLE 8 MORTGAGING OF UNITS

Section 8.1. General. Each Unit Owner shall have the right to mortgage his or her Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his or her mortgagee and shall file a confirmed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled “Mortgages of Units”.

Section 8.2. Restrictions on Mortgaging.

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his or her Unit

unless and until he or she shall have paid in full to the Condominium Board all unpaid Common Charges and special assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or non- institutional lender to make the mortgage loan or take an assignment thereof.

Section 8.3. Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his or her Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium' Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4. Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his or her Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5. Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 Additional Rights of Mortgagee.

A. If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee such amendment may only be filed upon approval of 51% of all mortgagees.

B. In addition to any other notices provided for in the Declaration and By-Laws, Notices will be sent to any mortgagee, by certified or registered mail return receipt requested, upon the happening of any of the following circumstances to either the building or to a mortgaged unit:

(1) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking") in accordance with section 5.5 of the By-Laws.

In addition to notice in the event of any happening in this subsection (1), when applicable (i) no termination of condominium shall occur without 51% mortgagee approval; and (ii) no use of the insurance proceeds for any purpose other than to rebuild shall occur without 51% mortgagee approval.

(2) In the event that any party whose unit or interest is mortgaged defaults in performing any act or making any payment which is that party's responsibility hereunder, including common charges and or special assessments, for a period of sixty (60) days after the obligation to pay, and said default is not cured within fifteen (15) days of written notice of said default.

(3) If any insurance policies insuring the Building and all service machinery contained therein covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear may not be either cancelled, or be allowed to lapse, or substantially modified except upon at least ten (10) days' prior written notice to all of the insureds, including all Permitted Mortgagees.

(4) If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee.

C. Notwithstanding the foregoing provisions in the event a mortgagee fails to respond to written notice within forty-five (45) days of said written notice, provided notice was delivered by certified or registered mail return receipt requested said silence shall be construed as an implied approval by an mortgagee.

ARTICLE 9 CERTAIN REMEDIES

Section 9.1. Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his or her obligation to paint, decorate, maintain, repair, or replace his or her Unit pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not

reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2. Abatement and Enjoinment. In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, the Condominium Board shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3. Remedies Cumulative. The remedies specifically granted to the Condominium Board in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4. Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or shall be immediately payable by such Unit Owner to the Condominium Board, which amount shall be paid within ten (10) days of receiving notice. In the event it is not paid within ten (10) days of receiving notice, a penalty charge equal to 10% of the outstanding charge shall be payable. All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10 ARBITRATION

Section 10.1. Procedure. Any matter or issue that may be resolved by arbitration pursuant to New York State law, or if there is a deadlock in any matter, must be submitted to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. In the event there is a deadlock in voting between the units, such deadlock shall be submitted to an arbitration board. The number of arbitrators shall be one. The place of arbitration shall be New York, New York and New York State law shall apply. The arbitration board is hereby given the power to cast a deciding vote in order to break any deadlock; and shall render an

arbitration decision in accordance with the best interests of the Condominium. The determination of said arbitration shall be binding and legally enforceable by the parties and the Condominium Board shall follow the directions of the Arbitrators. The following language shall be signed to by the parties prior to the commencement of the arbitration proceedings (Note: capitalized terms shall have the meaning described to them in the Offering Plan for the The 66 West 138th Street Condominium [the "Plan"]):

> "We, the undersigned parties, hereby agree to submit to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules the following controversy: [Describe controversy, issue, or matter in which there is a deadlock in voting]. We have not reached an agreement as to the [determination of the controversy, issue or vote]. Therefore, we are submitting the matter to the arbitration under these terms. We further agree that the above controversy be submitted to one arbitrator and that in so doing, we are giving up the right to bring suit in court including the right to a trial by jury, concerning the [determination of the controversy, issue or vote], except as provided by the rules of the arbitration forum in which the determination is sought. The place of the arbitration shall be New York, New York, and New York State law shall apply. We further agree that we will faithfully observe this agreement and the rules, that we will abide by and perform any decision and action rendered by the arbitrator, and that the decision shall be legally enforceable in any court having jurisdiction in this matter."

Section 10.2. Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3. Binding Effect. The decision in any arbitration conducted pursuant to the terms of Sections 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 4.1 hereof shall be non-binding.

Section 10.4. Costs and Expenses.

(A) The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

(B) 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, shall constitute Common Expenses.

ARTICLE 11 NOTICES

Section 11.1. General. All notices required or desired to be given hereunder shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

A. if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address as aforesaid;

B. if to a Unit Owner, to such Unit Owner at his or her address at the Property; and

C. if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when deposited in a United States Postal Service depository located in the State of New York enclosed in a sealed, postage prepaid wrapper, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United State Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2. Waiver of Service of Notice. Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, 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 12 AMENDMENTS TO BY-LAWS

Any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of 66 2/3% of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-¬attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

ARTICLE 13 FURTHER ASSURANCES

Section 13.1. General. Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for therein, and take such other action as such other Person may reasonable request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2. Failure to Deliver or Act. If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board or its Managing Agent, is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

ARTICLE 14 MISCELLANEOUS

Section 14.1. Inspection 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.

Section 14.2. Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3. Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control. All provisions of the Declaration and By-Laws are subject to any written agreement among the owners of the Units.

Section 14.4. Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5. Gender. 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.

Section 14.6. Captions. The index hereof and the captions herein inserted are included

only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

Section 14.7. Purchase of a Unit Occupied by a Non-Purchasing Tenant. If a Purchaser wishes to Purchase a Unit that is occupied by a non-purchasing tenant, (i) the purchaser shall irrevocably appoint the condominium's managing agent and its successors (or the board of managers of the condominium if no managing agent is employed by the condominium) as his or her agent to provide to the non-purchasing tenant(s) all services and facilities required by law; (ii) the purchaser (other than the sponsor) shall deposit with the managing agent (or the board of managers of the condominium if no managing agent is to be employed) at the closing an amount not less than the greater of two months' common charges or two months' rent, to be used as working capital to furnish services required under the non-purchasing tenant's lease and the laws and regulations such as the New York City Rent Stabilization Law and Code, New York City and State Rent Control Law, the Emergency Tenant Protection Act, the Multiple Dwelling Law, and the Multiple Residence Law, that will apply to the tenancy of the dwelling unit; and (iii) upon notice by the managing agent (or the board of managers of the condominium) that the deposit referenced above has been diminished, the fund shall be replenished by the unit owner within a specified period of time. Interest, if any, earned on the fund shall be the property of the unit owner. The failure of the unit owner to replenish the fund in a timely fashion shall result in the board of managers, on behalf of the unit owners, having a lien against the dwelling unit.

ADDENDUM TO THE BY-LAWS OF

THE 66 WEST 138TH STREET CONDOMINIUM

RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used in any manner to impede the ingress and egress to the units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

3. Nothing shall be hung or shaken from any doors, window, or open terraces or patios, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

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

5. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

6. Nothing shall be done or be kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his or her Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his or her 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.

7. There shall be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board. Porches, decks and backyards, if any, are designated for barbecuing.

8. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises (except for noises made by children under the age of ten (10) years) or odors to be produced upon or to emanate from his or her Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit

between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. The manner of dress of each unit owner, his family and guests and invitees shall be modest and inoffensive to the majority of the unit owners. No construction, 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.

9. INTENTIONALLY DELETED

10. 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.

11. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown 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.

12. Each Unit Owner shall keep his or her Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

13. The agents of the Condominium Board or the Managing Agent and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior 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 reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

14. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium 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 his or her Unit at any time when an entry there is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium 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 is given to such Unit Owner's property).

15. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his or

her agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as otherwise provided herein) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

16. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever enter upon, or attempt to enter upon, the roof of the Building.

17. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

18. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

19. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

DOCUMENT NUMBER 7

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§ 352-eeee OF THE GENERAL BUSINESS LAW

CONVERSIONS TO COOPERATIVE OR CONDOMINIUM OWNERSHIP IN THE CITY OF NEW YORK

The Law Office of Jay Lichtman, P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

NEW YORK

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 352-e of this article for the conversion of a building or group of buildings or development from residential 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 2, 8, or 11 of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent 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 purchase 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 fifty-one percent 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 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.

(g) "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.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one (1) of section 352-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential 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.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all 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 to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) 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 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 seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) 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.

(iv) 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.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) 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.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section 352-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.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent 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.

(ii) 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

(1) 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 may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) 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 of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) 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.

(v) 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.

(vi) 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 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.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section 352-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.

(viii) 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 agreement to purchase under the plan.

(ix) 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 unless he has, in writing, waived his right to purchase; 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 as are 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.

(e) 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) ten percent 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.

(f) 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.

3. 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, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by law on a non-discriminatory basis.

4. 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 use or occupancy of his 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 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 own behalf for similar relief.

5. 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.

6. 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.

7. The provisions of this section shall only be applicable in the city of New York.

DOCUMENT NUMBER 8

FORM OF ESCROW AGREEMENT

The Law Office of Jay Lichtman, P.C.
68 Jay Street, Suite 420
Brooklyn, New York 11201

ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 20___, by and among _____ ("PURCHASER"), 66 West 138 LLC ("SPONSOR"), as sponsor of The 66 West 138th Street Condominium offering plan ("Plan") and Fink & Zelmanovitz, P.C. ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium ownership interests at the premises located at 66 West 138th Street, New York, New York, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1. ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of unit ____ (the "Purchase Agreement") at Signature Bank located at 6321 New Utrecht Avenue, Brooklyn, NY 11219 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Fink & Zelmanovitz, P.C. Attorney Escrow Account ("Escrow Account").

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Neil Fink and Judah Zelmanovitz, Esqs. All designated signatories are admitted to practice law in the State of New York. All of the signatories on the Escrow Account have an address of 3839 Flatlands Avenue Ste 206, Brooklyn, New York 11234, and a telephone number of (718) 377-7600.

1.3 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 of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5 The Escrow Account is an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of "Fink & Zelmanovitz, P.C., as Attorney," pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within five (5) business days after the Purchase Agreement has been tendered to ESCROW AGENT along with the DEPOSIT, ESCROW AGENT shall place the DEPOSIT into the Escrow Account. Within ten (10) business days of placing the DEPOSIT in the Escrow Account, ESCROW AGENT shall provide written notice to Purchaser and Sponsor, confirming the Deposit. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission 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 the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR 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 shall not relieve SPONSOR or

ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the unit;

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If 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 Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, 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 SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 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.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 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.

5.3 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.

6. RESPONSIBILITIES OF SPONSOR

6.1 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.

6.2 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 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;

7.1.2 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.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 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.

8. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION

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.

11. SEVERABILITY

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

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 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 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.

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13. ENTIRE AGREEMENT

This Agreement, read together with GBL §§ 352-e(2-b) and 352-h and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:
Fink & Zelmanovitz, P.C.

By: _____

Name: _____

Title: _____

SPONSOR:
66 West 138 LLC

By: _____

Name: Jonathan Weinberger,
As authorized signatory

Title: _____

DOCUMENT NUMBER 9

FORM OF LEASE AGREEMENT

INTERIM LEASE

AGREEMENT made this _____ day of _____, 20___, between, _____ (hereafter SPONSOR) and _____, (hereinafter PURCHASER);

WITNESSETH:

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at _____, _____, New York; and,

WHEREAS, PURCHASER has executed a Purchase Agreement for Unit _____ at said premises; and,

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

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

1. Commencing on the date of the execution of the Purchase Agreement, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned apartment.

2. PURCHASER shall have the right to occupy the apartment and PURCHASER shall pay a fee for use and occupancy of the apartment of $_____ per month starting _____ ____, 20___. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this agreement is not governed or subject to any rent regulatory laws. If the unit fails to close within 90 days of _____ ____, 20___, the use and occupancy charge shall be increased $_____ a month unless the unit failed to solely through the fault of the Sponsor.

3. The use and occupancy fee for the month in which closing occurs shall not be adjusted for at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment.

4. The terms of the Offering Plan and all related documents in effect as of the date hereof are incorporated in and made a part of this agreement.
5. As of the date of this Agreement, risk of loss to the apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Purchase Agreement for such apartment,

as contained in the Offering Plan for the premises in effect as of the date hereof, as if PURCHASER was the owner of such apartment.

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

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

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

   a. Closing

   b. Rescission of the Purchase Agreement by PURCHASER

   c. Default by PURCHASER

9. Upon a default by PURCHASER or Rescission of the subscription agreement by PURCHASER, which is not cured within 15 days after notice thereof, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the apartment within thirty (30) days after mailing of Notice to Vacate by the SPONSOR. Such notice must be by certified mail, return receipt requested, to the apartment. PURCHASER agrees to pay SPONSOR $500.00 per day for each day he remains in possession beyond the 30th day following mailing of the Notice to Vacate in conformity with this section. SPONSOR is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held as a security deposit hereunder, or from any sums being held in escrow pursuant to the contract of sale. Nothing contained herein shall be construed so as to limit SPONSOR's ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR; nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.

10. Any default under this agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this agreement. Any such default will terminate PURCHASER'S right to use and occupancy, and will also terminate PURCHASER'S right to purchase the apartment, and may result in loss of the down-payment.

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

12. As of the date hereof PURCHASER confirms that all work required to be done in or about the subject apartment has been completed; and that in all respects PURCHASER agrees to accept the apartment in "as is" condition; subject to the "punch list", if any, attached hereto. As of the date hereof, PURCHASER waives any right whatsoever to cancel the contract, except for material change in the Offering Plan.

13. Before the Sponsor may utilize the default under the lease to declare a default under the purchase agreement, the Sponsor must 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.

14. If any term of this agreement differs from the Offering Plan as accepted for filing by the Attorney General of the State of New York, the offering plan shall be controlling.

IN WITNESS WHEREOF, the parties hereunto set their hands this _____ day of _____, 20____.

SPONSOR: PURCHASER:

BY: _____ By: _____

SPONSOR: PURCHASER:

BY: _____ By: _____

STATE OF NEW YORK,
COUNTY OF KINGS SS:

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

_____
Notary Public

STATE OF NEW YORK,
COUNTY OF KINGS SS:

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

_____
Notary Public

STATE OF NEW YORK,
COUNTY OF KINGS SS:

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

_____
Notary Public

STATE OF NEW YORK,
COUNTY OF KINGS SS:

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

_____
Notary Public

DOCUMENT NUMBER 10

ELIGIBLE SENIOR CITIZEN AND ELIGIBILE DISABLED PERSON ELECTION FORMS

ELIGIBLE SENIOR CITIZEN ELECTION FORM

SEE INSTRUCTION SHEET ON NEXT PAGE BEFORE COMPLETING THIS FORM

For use in New York City which is subject to GBL Section 352-eeee, and municipalities in New York State which have adopted GBL Section 352-e(2-a).

NAME: _____

ADDRESS: _____

_____

DATE OF BIRTH: _____

I elect not to purchase my apartment under the offering plan for conversion of the building to a cooperative or condominium**.**

I certify that:

1. I am a tenant of the apartment listed above.
2. I am or my spouse is now 62 years of age or older.

I understand that this senior citizen election does not preclude me from purchasing my apartment at a later date.

The above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this

_____day of_____, 20_____.

_____

NOTARY PUBLIC

Receipt acknowledged and copy given to tenant.

SPONSOR/AGENT: _____ DATE: _____

INSTRUCTIONS FOR COMPLETING ELIGIBLE SENIOR CITIZEN ELECTION FORM

State law provides that tenants who are "eligible senior citizens" cannot be evicted because they did not buy their apartments.

How to Qualify as an "Eligible Senior Citizen"

To qualify as an "eligible senior citizen," you must:

1. Be a tenant, or the spouse of a tenant; and

2. Have been 62 years of age or older on the date the Department of Law "accepted the offering plan for filing," and

3. Complete this election form and return it to the sponsor within 60 days of the date you first received the offering plan.

Date Offering Plan Was Accepted For Filing

The approximate date the Department of Law "accepted the offering plan for filing" is printed on the front cover of the offering plan. You must have been 62 years of age or older on the filing date to qualify.

Who is Considered a Tenant?

A tenant for purposes of this form is a person who has signed a lease or the spouse of a person who has signed a lease.

Return This Form Within 60 Days

You must complete and return this form within 60 days of the date you first received the offering plan. Return the form either by delivering it to the sponsor or the sponsor's selling agent at the location specification in the plan, or by mailing it by certified or registered mail, return receipt requested, to the sponsor or selling agent at the address specified in the plan. **Be sure to sign the form before a Notary Public**

WARNING!

FAILURE TO RETURN THIS FORM WITHIN 60 DAYS COULD ULTIMATELY RESULT IN YOUR BEING EVICTED!

The Sponsor May Dispute Your Eligibility

The law allows the sponsor to dispute your eligibility as an "eligible senior citizen". In order to do so, the sponsor must apply to the Department of Law for an eligibility determination within 30 days after the sponsor receives your election form. In case of a dispute, the Department of Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

ELIGIBLE DISABLED PERSON ELECTION FORM

SEE INSTRUCTION SHEET ON NEXT PAGE BEFORE COMPLETING THIS FORM

For use in New York City which is subject to GBL Section 352-eeee, and for use in municipalities in Nassau, Rockland and Westchester Counties which have adopted GBL Section 352-eee, and to use in municipalities in the State of New York which have adopted GBL Section 352-e(2-a).

NAME: _____

ADDRESS: _____

_____

I elect not to purchase my apartment under the offering plan for conversion of the building to a cooperative or condominium.

I certify that:

1. I am a tenant of the apartment listed above.

2. I have an impairment which results from anatomical, physiological or psychological conditions (other than an addiction to alcohol, gambling, or any controlled substance) which (1) is demonstrable by medically acceptable clinical and laboratory diagnostic techniques, (2) is expected to be permanent, and (3) prevents me from engaging in any substantial gainful employment.

I understand that this disabled person election does not preclude me from purchasing my apartment at a later date.

The above statements are true to the best of my knowledge and understanding.

SIGNED: _____

Sworn to before me this

_____day of_____, 20____.

_____

NOTARY PUBLIC

Receipt acknowledged, and copy given to tenant.

SPONSOR/AGENT:_____ DATE: _____

INSTRUCTIONS FOR COMPLETING ELIGIBLE DISABLED PERSON ELECTION FORM

State law provides that tenants who are "eligible disabled persons" cannot be evicted because they did not purchase their apartments.

How to Qualify as an "Eligible Disabled Person"

To qualify as an "eligible disabled person," you must:

1. Be a tenant; and

2. Have a disability as defined on the reverse side of this form; and

3. Complete the form and return it to the sponsor within 60 days of first receiving the offering plan or first becoming disabled (see below for more information).

Who Is Considered a Tenant?

A tenant for purposes of this form is a person who has signed a lease or the spouse of a person who has signed a lease.

Return This Form to the Sponsor

If you were disabled when you first received the offering plan, you must complete and return this form to the sponsor not more than 60 days after first receiving the offering plan.

However, if your disability first occurred after you received the offering plan, then you may elect to become an "eligible disabled person" up to 60 days after the disability first occurred (unless after the first 60 days but before your election the sponsor has accepted a written agreement to purchase your apartment from a "bona fide" purchaser).

Return the form either by delivering it to the sponsor or the sponsor's selling agent at the location specified in the plan, or by mailing it by certified or registered mail, return receipt requested, to the sponsor or selling agent at the address specified in the plan. **Be sure to sign the form before a Notary Public.**

WARNING!

FAILURE TO RETURN THIS FORM WITHIN 60 DAYS COULD ULTIMATELY RESULT IN YOUR BEING EVICTED!

The Sponsor May Dispute Your Eligibility

The law allows the sponsor to dispute your eligibility as an "eligible disabled person." In order to do so, the sponsor must apply to the Department of Law for an eligibility determination within 30 days after the sponsor receives your election form. In case of a dispute, the Department of Law has 30 days to determine your eligibility. If your eligibility is disputed, you will be notified by the Department of Law and given the opportunity to defend your eligibility.

DOCUMENT NUMBER 11

TEMPORARY RELOCATION LICENSE AGREEMENT

TEMPORARY RELOCATION LICENSE AGREEMENT

Temporary Relocation License Agreement (the "Agreement") by and between **66 WEST 138 LLC** ("Licensor"), with an office at 85 Delancey Street, New York, New York 10002 and **[insert name of tenant of record]** ("Licensee" and together with the Licensor the "Parties"), for apartment number **[insert temporary relocation apartment number]** at 66 West 138th Street, New York, New York 10037 (the "Temporary Relocation Suite").

WHEREAS, Licensor is the owner of the land and improvements located at 66 West 138th Street, New York, New York 10037 (the "Property");

WHEREAS, to expedite certain renovations to the Property, Licensor hereby offers to Licensee, on a first-come, first-served basis, an opportunity to temporarily renovate for the sole purposes of completion of renovations to the Property; and

WHEREAS, Licensee is currently the rent-stabilized tenant of record of and residing in apartment number **[insert permanent apartment number]** which requires rehabilitation (the "Stabilized Apartment"), and Licensee has agreed to temporarily relocate to the Temporary Relocation Suite to allow Licensor to conduct the necessary renovation work on the Stabilized Apartment.

NOW THEREFORE, it is hereby agreed that:

1. Licensor hereby licenses to Licensee, for Licensee's occupancy and use, the Temporary Relocation Suite for which Licensee shall pay an amount equal to the monthly rent due and owing at the Stabilized Apartment, which shall be paid in accordance with the terms of the lease in effect at the Stabilized Apartment. Notwithstanding the foregoing, Licensee shall not be responsible for electricity charges for the Temporary Relocation Suite or the Stabilized Apartment for the term of this Agreement.

2. The term of this Agreement shall commence 15 business days from the date Licensee receives the "Temporary Relocation Apartment Move Notice" which is attached hereto as Exhibit A, and shall end 15 business days from the date Licensee returns to the Stabilized Apartment, which Licensee agrees to do within 15 business days from the date Licensee receives the "Return to Stabilized Apartment Move Notice" which is attached hereto as Exhibit B.

3. Licensor will provide, at no cost to Licensee, the Licensor's improvements, which include those listed on the specifications attached hereto as Exhibit C, (the "Renovation Work").

4. Licensor shall complete all Renovation Work within 10 weeks after the date Licensor has access to the Apartment ("Renovation Period").

5. (a) Licensor recognizes that completing the Renovation Work within the Renovation Period set forth above is a material condition of this Agreement, and that failure to achieve substantial completion of the Renovation Work within such period will delay Licensee's return to their Stabilized Apartment. Licensee and Licensor agree that Licensee shall receive an abatement worth one-thirtieth (1/30) the value of the monthly rent under Licensee's Lease at the Stabilized Apartment for each day or part thereof that the actual date of substantial completion of the Renovation Work extends beyond the Renovation Period. Licensor and Licensee have estimated reasonable daily figures for liquidated damages, not to penalize the Licensor for late completion, but to reasonably compensate Licensee for the additional inconvenience caused by the delay in returning to their Stabilized Apartment in the event of late completion. In the event Licensor does not achieve substantial completion of the Renovation Work within the Renovation Period due to delay caused by fire, storm, flood, war, rebellion, riot, strike or bad faith acts of the Licensee, the rental abatement shall not apply for the period of time during which substantial completion of the Renovation work was delayed.

(b) Licensor acknowledges that the liquidated damages amounts set forth above represent a fair and reasonable estimate of the Licensee's probable losses, damage and/or expenses, and are not a penalty, for late completion of the Renovation Work and phases thereof.

(c) Licensee shall be entitled to offset any liquidated damages owed by the Licensor against any amounts owing by Licensee to Licensor.

7. The Stabilized Apartment shall retain its rent-regulated status in all respects during the duration of this Agreement, and Licensee will remain the rent-stabilized tenant of record of the Stabilized Apartment during the Renovation Period. Similarly, none of Licensee's rights, privileges or benefits related to the Stabilized Apartment shall be diminished or adversely altered in any way as a result of Licensee signing this Agreement.

8. The Renovation Work performed on the Stabilized Apartment shall not entitle Licensor to, and Licensor will not endeavor to, increase the legal regulated rent for the Stabilized Apartment under any rule governing rent increases for rent stabilized apartments. Licensor agrees that such Renovation Work will not qualify as an "individual apartment improvement" or "major capital improvement" under rent regulation.

9. Upon receipt of the Temporary Relocation Apartment Move Notice, Licensee shall direct any persons occupying the Stabilized Apartment to quit their use of the Stabilized Apartment and Licensee shall return the exclusive use of the Stabilized Apartment to the Licensor devoid of occupants and in "broom clean" condition, and transfer Licensee's cable, telephone, and internet accounts to the Temporary Relocation Apartment, whichever shall apply; Licensee shall have 15 business days

from the date Licensee receives the Temporary Relocation Apartment Notice to accomplish the foregoing.

10. Provided that Licensee provides Licensor with evidence satisfactory to Licensor that the party hired to move Licensee's belongings from the Stabilized Apartment to the Temporary Relocation Suite is bonded and insured, Licensor will reimburse Licensee for moving expenses upon receipt of the moving reimbursement request attached hereto as Exhibit D (the "Moving Reimbursement Request"). Licensee must submit the Moving Reimbursement Request to Licensor not later than 30 days from the expiration of this Agreement, and Licensor shall reimburse Licensee within 7 business days of receipt thereof.

11. Licensee may utilize the Temporary Relocation Suite only for temporary relocation purposes.

12. Licensee agrees to occupy the Temporary Relocation Suite under the same covenants, terms and conditions as the lease for the Stabilized Apartment dated [insert date of this Tenant's Lease], including but not limited to terms concerning obligations regarding occupancy, including but not limited to defaults and remedies governing the parties to the lease for the Stabilized Apartment.

13. Upon receipt of the Return to Stabilized Apartment Move Notice, Licensee shall direct any persons occupying the Temporary Relocation Suite to quit their use of the Temporary Relocation Suite and Licensee shall return the exclusive use of the Temporary Relocation Suite to the Licensor devoid of occupants and in "broom clean" condition; Licensee shall have fifteen business days from the date Licensee receives the Return to Stabilized Apartment Move Notice to accomplish the foregoing.

14. Provided that Licensee provides Licensor with evidence satisfactory to Licensor that the party hired to move Licensee's belongings from the Temporary Relocation Suite to the Stabilized Apartment is bonded and insured, Licensor will reimburse Licensee for moving expenses upon receipt of the Moving Reimbursement Request. Licensee must submit the Moving Reimbursement Request to Licensor not later than 30 days from the expiration of this Agreement, and Licensor shall reimburse Licensee within 7 business days of receipt thereof. Licensor shall also reimburse Licensee for electricity costs for the Stabilized Apartment during the term of this Agreement upon receipt of the utility reimbursement request, which is attached hereto as Exhibit E, (the "Utility Reimbursement Request"). Licensee must submit the Utility Reimbursement Request to Licensor within 30 days of the expiration of this Agreement, and Licensor shall reimburse Licensee within 7 business days from receipt thereof.

15. Any person(s) occupying the Temporary Relocation Suite by permission of Licensee shall not be deemed to be a tenant of the Temporary Relocation Suite, but merely an occupant whose rights shall not be greater than those of Licensee herein.

16. This Agreement is personal to Licensee and may not be assigned. This Agreement is binding on Licensor's successors and assigns.

17. The Temporary Relocation Apartment shall be habitable and up to code when made available to Licensee. Licensee remains obligated to remedy any housing code violations (or like conditions) as required by law. However, Licensor otherwise makes no warranties or representations in regard to the condition of the Temporary Relocation Suite and no warranties shall be implied, except as required by law. Licensor agrees to abide by laws pertaining to smoke alarms, carbon monoxide detectors, lead paint and window guards.

18. This License Agreement shall not be amended or modified except by a written instrument signed by both Parties.

19. It is expressly understood that this is not a lease or any other instrument that creates a tenancy. Nothing in this Agreement shall be construed as affording to the Licensee anything other than the right to occupy the premises in accordance with the terms and conditions of this Agreement.

[No further text. Signature page to follow.]

IN WITNESS WHEREOF, this Agreement has been executed by Licensor and Licensee as of the date first written above.

LICENSOR

66 WEST 138 LLC, a New York limited liability company

By: _____
Name: _____
Title: _____

LICENSEE

By: _____
Name: [insert name of licensee]

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

On the ___ day of _____ 2018, 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

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

On the ___ day of _____2018, 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
TEMPORARY RELOCATION APARTMENT MOVE NOTICE

To: **[insert name of resident]**
From: 66 West 138 LLC
Re: Temporary Relocation Apartment Move Notice
Date: **[insert date of notice]**

Dear **[insert name of resident]**:

Please be advised that the time has now come for you to move from your Primary Residence, 66 West 138th Street, Apartment **[insert primary residence apartment number]** to your Temporary Relocation Suite located at 66 West 138th Street, Apartment **[insert temporary relocation apartment number]**.

As stated in Paragraph 5 of the Temporary Relocation License Agreement, you are required to move within **15 business days** of the date of this notice. A move date has been scheduled for you to take place on **[insert date of move]** starting at **[insert move start time]**. You must be ready to move on this date at this time. This shall include having all of your belongings packed before the time the movers arrive.

In addition to being ready to move on the above date, you are also responsible for making the necessary transfers of your cable, telephone and internet accounts, whichever shall apply. If you require any assistance making these changes, please advise us via the contact information below. As a courtesy, your Landlord will furnish and pay for the gas and electric servicing the Temporary Relocation Suite during the Relocation Period.

Thank you for your kind attention in this matter.

66 WEST 138 LLC CONTACT INFORMATION

Name: **[insert name of owner contact]**
Phone: **[insert phone number of owner contact]**
Email: **[insert email of owner contact]**

66 WEST 138 LLC

Exhibit B
RETURN TO RENT STABILIZED APARTMENT MOVE NOTICE

To: **[insert name of resident]**
From: 66 West 138 LLC
Re: Return to Rent Stabilized Apartment
Date: **[insert date of notice]**

Dear **[insert name of resident]**:

Please be advised that the time has now come for you to move from your Temporary Relocation Suite, 66 West 138th Street, Apartment **[insert temporary relocation apartment number]** and return home to your Rent Stabilized Apartment located at 66 West 138th Street, Apartment **[insert primary residence apartment number]**.

As stated in Paragraph 13 of the Temporary Relocation License Agreement, you are required to move within **15 business days** of the date of this notice. A move date has been scheduled for you to take place on **[insert date of move]** starting at **[insert move start time]**. You must be ready to move on this date at this time. This shall include having all of your belongings packed before the time the movers arrive.

In addition to being ready to move on the above date, you are also responsible for making the necessary transfers of your cable, telephone and internet accounts, whichever shall apply. If you require any assistance making these changes, please advise us via the contact information below.

Please be advised that you will be responsible for returning the keys to your Temporary Relocation Suite directly to 66 West 138 LLC on the day of your move. As stated in Paragraph 13 of the Temporary Relocation License Agreement you must also leave the Temporary Relocation Suite in "broom clean" condition free of any personal belongings or debris.

Thank you for your kind attention in this matter.

66 WEST 138 LLC CONTACT INFORMATION

Name: **[insert name of owner contact]**
Phone: **[insert phone number of owner contact]**
Email: **[insert email of owner contact]**

_____
66 WEST 138 LLC

kl(w) *Unit Information:*

The finishes for the Stabilized Apartments shall be as follows:

(a) Living/dining rooms have the following finishes:

Floors:	Red Oak 2/4 prefinished floor.
Walls, ceilings:	Sheetrock, primed and painted with 2 layers of paint.

(b) Bedrooms have the following finishes:

Floors:	Red Oak 2/4 prefinished floor.
Walls, ceilings:	Sheetrock, primed and painted with 2 layers of paint.
Closets:	Closets are finished with a rod and/or shelf.

(c) Kitchens have the following finishes:

Floors:	Red Oak 2/4 prefinished floor.
Walls, ceilings:	Sheetrock, primed and painted with 2 layers of paint.
Cabinets:	White Shaker.
Countertops:	Quartz.
Sink:	Stainless Steel.
Appliances:	Each unit shall be equipped with a refrigerator and gas range. The manufacturer and model numbers have not been confirmed, but will be equal or better quality to General Electric or other major manufacturer of appliances for rental apartments.

(d) Bathrooms are equipped as follows:

Tub:	Enameled steel American standard tub (if replacement required). Otherwise, existing tub will be re-glazed.
Sink:	Delta.
Toilet:	American standard.
Floors:	Tiled with standard ceramic tiles.
Walls:	Tiled with standard subway tiles.
Ceilings:	Sheetrock, primed and painted with 2 layers of paint.

All work will be completed in a workmanlike manner and in accordance with applicable laws, rules and regulations. Unless consented to by the Licensee, Licensor shall not a) change the number of bedrooms in the Stabilized Apartment, b) change the number of windows in the Stabilized Apartment, c) change the square footage of the Stabilized Apartment as a whole, or the square footage of any individual room in the Stabilized Apartment, or d) permanently remove any walls within the Stabilized Apartment.

Exhibit D
MOVING REIMBURSEMENT REQUEST

To: _____

From: **[insert name of resident]** (Tenant) located at 66 West 138thStreet, Apartment **[insert primary residence apartment number]** (Primary Residence)

Re: Moving Reimbursement Request for Move to Temporary Relocation Suite

Date: _____

Attached herein are copies of bills and proof of insurance for moving costs associated with the move:

(Check the Applicable Box)

☐ Move from my Primary Residence to the Temporary Relocation Suite

☐ Move from the Temporary Relocation Suite to my Primary Residence

Exhibit E
UTILITY REIMBURSEMENT REQUEST

To: _____

From: **[insert name of resident]** (Tenant) located at 66 West 138thStreet, Apartment **[insert primary residence apartment number]** (Primary Residence)

Re: Utility Reimbursement Request

Date: **[insert date of notice]**

Attached herein are Utility Bills for electricity during the Renovation period for my Primary Residence. A copy of the relevant bill(s) are attached to this request.

DOCUMENT NUMBER 12

RENOVATION WORK SPECIFICATION

---

kl(w) *Unit Information:*

The finishes for the Stabilized Apartments shall be as follows:

(a) Living/dining rooms have the following finishes:

Floors:	Red Oak 2/4 prefinished floor.
Walls, ceilings:	Sheetrock, primed and painted with 2 layers of paint.

(b) Bedrooms have the following finishes:

Floors:	Red Oak 2/4 prefinished floor.
Walls, ceilings:	Sheetrock, primed and painted with 2 layers of paint.
Closets:	Closets are finished with a rod and/or shelf.

(c) Kitchens have the following finishes:

Floors:	Red Oak 2/4 prefinished floor.
Walls, ceilings:	Sheetrock, primed and painted with 2 layers of paint.
Cabinets:	White Shaker.
Countertops:	Quartz.
Sink:	Stainless Steel.
Appliances:	Each unit shall be equipped with a refrigerator and gas range. The manufacturer and model numbers have not been confirmed, but will be equal or better quality to General Electric or other major manufacturer of appliances for rental apartments.

(d) Bathrooms are equipped as follows:

Tub:	Enameled steel American standard tub (if replacement required). Otherwise, existing tub will be re-glazed.
Sink:	Delta.
Toilet:	American standard.
Floors:	Tiled with standard ceramic tiles.
Walls:	Tiled with standard subway tiles.
Ceilings:	Sheetrock, primed and painted with 2 layers of paint.

All work will be completed in a workmanlike manner and in accordance with applicable laws, rules and regulations. Unless consented to by the Licensee, Licensor shall not a) change the number of bedrooms in the Stabilized Apartment, b) change the number of windows in the Stabilized Apartment, c) change the square footage of the Stabilized Apartment as a whole, or the square footage of any individual room in the Stabilized Apartment, or d) permanently remove any walls within the Stabilized Apartment.

DOCUMENT NUMBER 13

EBI ASBESTOS SCREENING REPORT

Asbestos Screening Report

(Not For Construction)

66 West 138th Street
New York, New York

EBI Project No. 1119001343

March 12, 2019



Prepared for:

Nixon Peabody, LLP
55 W. 46th Street
New York, NY 10036

Prepared by:

EBI Consulting
environmental | engineering | due diligence

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1.0 INTRODUCTION

Envirobusiness, Inc. (dba EBI Consulting hereinafter "EBI") of Burlington, Massachusetts was retained by Nixon Peabody, LLP to perform a limited asbestos screening of all common spaces and at least 2 units for building located at 66 West 138th Street in New York, New York (Subject Property).

Field reconnaissance was conducted by New York-licensed asbestos investigator / inspector Ryan Eid on March 12, 2019. Samples collected in accordance with all applicable Federal (EPA), State (NYS Code Rule 56) and local (NYC Title 15 Chapter 1) requirements and EBI's proposal dated March 5th, 2019. Please see appendix F for proposal.

2.0 BACKGROUND

The Subject Property is currently improved with a 5-story, residential building located at 66 West 138th Street in New York, New York . There is a basement present beneath the existing structure. The existing improvements were reportedly constructed in 1900.

3.0 METHODOLOGIES

3.1 INSPECTION, IDENTIFICATION OF HOMOGENEOUS AREAS AND SAMPLING

An inspector (accredited and licensed in accordance with all applicable Federal, State and local requirements) performs the inspection and sampling. Inspection to identify ACBM begins with locating and listing all "homogeneous areas" of materials that are suspected to contain asbestos. A "homogeneous area" is a material application that is uniform in color and texture. Typically, date and/or occasion of material application are also considered in determining homogeneous areas. Materials of similar color and texture, but installed in different buildings or during different construction events, are typically considered different homogeneous areas. Homogenous areas of building materials exist in the form of surfacing materials, thermal systems insulation (TSI), and miscellaneous materials.

SURFACING MATERIALS – Surfacing materials include sprayed or troweled-on applications of materials such as fireproofing, acoustical or decorative ceiling materials, or plaster.

THERMAL SYSTEM INSULATION (TSI) – TSI materials include materials applied to pipes, fittings, boilers, ducts, or other interior structural components to prevent heat loss or gain, water condensation, or other such purposes.

MISCELLANEOUS MATERIALS – Miscellaneous materials include any building material on structural components or fixtures such as floor and ceiling tiles, which do not include surfacing material or TSI.

Suspect ACBMs are sampled to obtain a representative analysis of the material type throughout each homogeneous area. Bulk samples, representing individual homogenous areas of suspect ACBM, are collected in a randomly distributed manner. Samples are collected with an χ-acto knife which was driven through the suspect material to the substrate so as to obtain a sample containing all discrete layers. The samples are then placed in sterilized zip-lock bags and assigned unique identifiers, which are recorded on the bags and the bulk sampling survey sheets.

Locations to collect bulk samples are determined based on the locations of observed suspect ACBMs identified during the assessment phase of the inspection; and samples are randomly distributed throughout the area of ACBM application. The number of samples collected is based on the material classification and quantity of each homogeneous area observed during the inspection. The following illustrates the sampling strategy employed by EBI:

- **Surfacing materials:**
  - A minimum of three (3) bulk samples are collected from each homogeneous area that is less than or equal to 1,000 ft^2.
  - A minimum of five (5) bulk samples are collected from each homogeneous area that is greater than 1,000 ft^2, but less than or equal to 5,000 ft^2.
  - A minimum of seven (7) bulk samples are collected from each homogeneous area that is greater than 5,000 ft^2.

- **Thermal systems insulation (TSI):**
  - A minimum of three (3) bulk samples are collected from each homogeneous area of TSI.
  - A minimum of one (1) bulk sample is collected from each patch of TSI, providing the section of patch is less than six (6) linear or square feet.
  - A minimum of three (3) bulk samples are collected of each insulated mechanical system including but not limited to cementitious material used on pipe fittings such as tees, elbows, or valves. A sufficient number of samples are collected to determine whether each homogenous area is ACBM or non-ACBM.
  - Bulk samples are not required to be collected from any material that the accredited asbestos inspector has determined that the TSI is a non-suspect ACBM (i.e., fiberglass, foam glass, rubber, or any other non-ACBM).

- **Miscellaneous materials:**
  - A minimum of two (2) representative bulk samples are collected of each miscellaneous material. A sufficient number of samples are collected to determine whether each homogenous area is ACBM or non-ACBM.

3.2 ACBM CONDITION ASSESSMENT

Once the inspector identifies all of the suspect ACBMs in a building(s), they perform a physical assessment of the suspect ACBMs. Please see Appendix G for NYS Code Rule 56 – List of suspect ACBMs.

The building(s) were occupied at the time of the inspection. Access to building materials and structural details was limit to surficial observations of accessible materials. EBI scope of work only include nominal surficial material disturbance was authorized so as to limit disturbance and damage to existing building finishing materials and disruption of tenant operations. EBI Scope did not include of sampling of all suspect ACBM materials. Destructive investigation was not performed, and suspect ACBMs may have been obscured from inspection due to overlying material applications and limited access. Screening Report does not include roofing and exterior materials samples – due to that sampling activities would have void warranties of these materials.

Locations screen throughout the building. Locations screen includes the following: Corridors throughout, cellar, exterior, Apartment 5A, 5D & 4A.

The physical assessment may include the following considerations:

- Location and amount of the material
- Condition of the material, specifying:
  - Type of damage or significant damage
  - Severity of damage
  - Extent or spread of damage
- Whether the material is accessible
- Materials potential for disturbance
- Known or suspected causes of damage or significant damage
- Preventive measures that might eliminate the reasonable likelihood of undamaged ACBM from becoming significantly damaged.

EBI classifies the ACBMs as being in Good, Fair or Poor condition. The following are the general definitions of each category:

- **Good Condition** - Any material which is intact with no noticeable damage.
- **Fair Condition** - Any material with a small amount of overall or localized damage (generally less than 10% of the entire area).
- **Poor Condition** - Any material with a large amount of damage (generally greater than 10% of the entire surface area).

3.3 NESHAP CATEGORIES OF ACBMS

ACBM, as defined by the U.S. EPA and OSHA, are materials with an asbestos concentration of greater than one percent (> 1%). The U.S. EPA further defines friable and non-friable ACM as follows:

- **Friable ACBM** is defined by the Asbestos NESHAP as any material containing more than one percent (1%) asbestos as determined using the method specified in Appendix A, Subpart F, 40 CFR Part 763, Section 1 (i.e., the PLM method), that, when dry, can be crumbled, pulverized or reduced to powder by hand pressure. The term includes non-friable ACM after such previously non-friable material becomes damaged to the extent that when dry it may be crumbled, pulverized, or reduced to powder by hand pressure.

- **Non-friable ACBM** is any material containing more than one percent (1%) asbestos that, when dry, cannot be crumbled, pulverized, or reduced to powder by hand pressure. The EPA further defines two categories of non-friable ACBM:
  - **Category I non-friable ACBM** is any asbestos-containing packing, gasket, resilient floor covering or asphalt roofing product, which contains more than one percent (1%) asbestos; and
  - **Category II non-friable ACBM** is any material, excluding Category I non-friable ACBM, containing more than one percent (1%) asbestos that, when dry, cannot be crumbled, pulverized, or reduced to powder by hand pressure.

Identified friable and non-friable ACBMs are categorized into the appropriate NESHAP Classification. If an ACBM is assessed as non-friable and does not meet the standards of one of the four (4) listed Regulated Asbestos-Containing Material (RACM) categories, it is considered a non-RACM.

- Regulated Asbestos-Containing Material (RACM)
  - **Friable ACM**
  - **Category I non-friable ACM** that has become friable;
  - **Category I non-friable ACM** that will be or has been subjected to sanding, grinding, cutting or abrading; or
  - **Category II non-friable ACM** that has a high probability of becoming or has become crumbled, pulverized, or reduced to powder by the forces expected to act on the material in the course of demolition or renovation operations.

3.4 ANALYTICAL PROCEDURES

EMSL Analytical, Inc. of Carle Place, New York (EMSL) is an accredited laboratory by the EPA for "Interim Asbestos Bulk Sample Analysis Quality Assurance Program". EMSL is also accredited by the U.S. Department of Commerce, National Institute of Standards and Technology through the National

Voluntary Laboratory Accreditation Program (NVLAP) for Bulk Asbestos Analysis. The polarized light microscopy with dispersion staining (PLM/DS) analytical method is modeled after 40 CFR Part 763, Subpart F, Appendix A: "Interim Method for the Determination of Asbestos in Bulk Insulation Samples". PLM/DS is an optical microscopic technique used to distinguish the different types of asbestos fibers by their shape and unique optical properties. The technique is based on the refraction of light from the various crystalline asbestos structures and observing the corresponding color changes through a microscope. By using the PLM/DS method, a trained microscopist is able to identify and distinguish between asbestos group minerals and other fibrous materials such as cellulose (paper), mineral (rock), wood, or glass fiber. The quantity of each of these substances is estimated on a weight basis and recorded as a percent. NY ELAP Method 198.1 is the New York State PLM method for the analysis of asbestos in building materials. The analysis is similar to the EPA 600 PLM method with some exceptions. For samples containing high concentrations of asbestos, a stratified point-count technique is utilized. For samples with asbestos concentrations near the 1% level, the stratified point-count method requires a full 400-point count regiment. NY ELAP Method 198.6 (PLM with Gravimetric Prep) is the New York State's PLM method for the analysis of asbestos in non-friable organically bound (NOB) building materials. NY ELAP Method 198.4 (TEM with Gravimetric Prep) is the New York State's Transmission Electron Microscopy (TEM) method for the analysis of asbestos in NOB building materials. It typically follows a 198.1 (PLM) analysis as both are required in order to classify a material as a Non-ACBM.

Collected samples of the suspect ACBM are submitted, along with a chain of custody, to EMSL Analytical, Inc. of New York City, New York (EMSL). The bulk samples of suspect materials which are classified as friable are analyzed using the approved PLM/DS method 198.1. The bulk samples of suspect non-friable materials were analyzed using the New York State PLM for NOB method 198.6 and the New York State TEM for NOB method 198.4. The laboratory utilized gravimetric reduction to remove the interfering binders in these materials.

3.5 INTERPRETATION OF ANALYTICAL RESULTS

To determine asbestos content, EBI's laboratory performs NY ELAP Method 198.1 PLM method for the analysis of asbestos in friable building materials. Friable materials with an asbestos content of >1.0% are considered ACBM, and friable materials with an asbestos content of ≤1.0% are considered non-ACBM. Non-friable organically bound (NOB) materials (as well as ceiling tiles) are first analyzed via NY ELAP Method 198.6 PLM method. NOB materials with an asbestos content of >1.0% are considered ACBM; and NOB materials with an asbestos content of ≤1.0%, all samples of the homogeneous area are upgraded to NY ELAP Method 198.4 TEM method. Based TEM analytical results, NOB materials with an asbestos content of >1.0% are considered ACBM, and NOB materials with an asbestos content of ≤1.0% are considered non-ACBM.

If Vermiculite is identified in a sample of an homogeneous area, additional analyses are performed. For Surfacing Material Containing Vermiculite (SM-V) ie. Wall Plaster, Spray-On Fireproofing. As per ELAP

Guidance Document Dated May, 6, 2016, SM-V analysis ELAP Method 198.8 is performed of the appropriate number of samples, and ACBM determination is based on the results of the SM-V analyses.

For TSI and other presumed ACBM and miscellaneous ACBM, NY ELAP Method 198.1/6 PLM method is performed. If vermiculite content based on the 198.1/6 analysis is ≤10%, 198.1 or 198.6 analysis is completed and ACBM determination is based on the results of the 198.1 or 198.6 analyses. If vermiculite content based on the 198.1 analysis is >10%, 198.6 analysis is performed and ACBM determination is based on the results of the 198.6 analyses.

Federal OSHA and National Emission Standards for Hazardous Air Pollutants (NESHAP) define an ACBM as any material containing greater than one percent (>1.0%) asbestos. Handling, disturbance, removal and disposal of ACBM is required to be performed by licensed contractors utilizing protective work practices as prescribed by these regulatory agencies. If this material is found to contain <1% asbestos by point counting, then it may be disposed of as non-hazardous waste.

If asbestos content of a material is "<1%", the material is still regulated by OSHA as the airborne asbestos concentrations may exceed the OSHA Permissible Exposure Limit (PEL) depending on the work activity. OSHA states that employers performing construction activities on materials containing any detectable asbestos must comply with all applicable provisions of OSHA Asbestos Construction Standard 29 CFR 1926.1101. OSHA requires worker training, exposure monitoring/protection, safe work practices and engineering controls. Therefore, materials which contain any detectable asbestos are still regulated, and should be handled by qualified personnel.

Materials having all laboratory results of "No Asbestos Detected" or "NAD" are not subject to asbestos regulatory requirements.

4.0 SCOPE OF WORK

An Asbestos Containing Building Material (ACBM) limited screening of the Subject Property building of all common spaces and at least 2 units. Please see Appendix G for NYS Code Rule 56 – List of suspect ACBMs.

The survey involved locating and assessing the condition of all accessible suspect ACBM using sampling and visual inspection techniques, to develop a report, which identifies the extent of the materials present within the inspected areas.

Accessible areas throughout Subject Property were inspected. No destructive or intrusive assessment methods were utilized as part of this survey. EBI Scope did not include of sampling of all suspect ACBM materials. Screening Report does not include roofing samples – due to that sampling activities would have void warranties of these materials. Reasonable efforts were made to identify any suspect materials located within wall chases, plenum chases, and plumbing chases. Locations screened included the following: Corridors throughout, cellar, exterior, Apartment 5A, 5D & 4A.

The building(s) were occupied at the time of the inspection. Access to building materials and structural details was limit to surficial observations of accessible materials. Only nominal surficial material disturbance was authorized so as to limit disturbance and damage to existing building finishing materials and disruption of tenant operations. Destructive investigation was not performed, and suspect ACBMs may have been obscured from inspection due to overlying material applications and limited access.

EBI's scope of work did not include extensive exploratory demolition of building/structural components or physical or invasive testing, or dismantling of operating equipment or appliances in order to access potential hidden ACBM.

EBI evaluated representative areas that were reasonably accessible at the time of the survey. Additional suspect ACBMs may exist in areas where access was limited during the Screening. Inaccessible areas include but are not limited to ceiling plenum spaces, enclosed mechanical chases, built-up floor systems and secured rooms / offices. EBI's Screening scope of work did not include performing exploratory demolition of multiple layers of floor tiles, roofing systems, permanent ceilings, perimeter or interior walls, boilers, hardwood floors or enclosed pipe chase walls in bathrooms or other areas to access potential hidden asbestos.

The representative areas visually inspected and assessed under the scope of work for this Screening do not constitute a full asbestos inspection, in which all areas of the building(s) would have been thoroughly inspected and sampled. The possibility exists for ACBM to be present in areas of the building(s) not accessed or sampled by EBI personnel such as roofing. Based on the limited scope of this Screening, additional suspect ACBM may also present in areas of the buildings that were accessed as part of this assessment. The sampling conducted as part of this Screening is not designed to comply with regulatory requirements for planned building material disturbances including, but not limited to, renovation or demolition; as such, results shall not be used for ACBM and non-ACBM determinations until further inspection and/or sampling is performed in full compliance with all applicable regulatory requirements.

5.0 FINDINGS

Sixty-Four (64) representative samples of suspect ACM were collected at the time of the inspection and were submitted to EMSL, a laboratory state-licensed and accredited for analysis of asbestos content, located in Carle Place, NY.

The following table lists the materials that were identified as ACBM via sample analysis as well as Non ACBM(s) including material location, asbestos content, friability, general condition

Asbestos Summary Table					
Sample No.	**Suspect Material Description**	**Sample and Material Location**	**Friable Yes/No**	**Condi-tion**	**Result (% Asbestos)**
1, 2, 3	Gypsum Ceiling Board	Cellar	Yes	Fair	NAD
4, 5, 6	Joint Compound	Cellar	Yes	Good	NAD
7, 8, 9	Skim Coat on Metal Ceiling	Cellar	Yes	Poor	NAD
10, 11, 12	Terracotta Wall Mortar	Cellar	Yes	Good	NAD
13, 14, 15	Block Around Oil Tank	Cellar	Yes	Good	NAD
16, 17, 18, 19, 20, 21, 22	**Wall Plaster – White Coat**	**Hallways Throughout**	**Yes**	**Good**	**2.70% Chrysotile**
23, 24, 25, 26, 27, 28, 29	**Wall Plaster – Brown Coat**	**Hallways Throughout**	**Yes**	**Good**	
30, 31, 32	Interior Wall Brick Mortar	Building Throughout	No	Good	NAD
33, 34, 35	Ceramic Floor Tile Grout	Hallways Throughout	Yes	Fair	NAD
36, 37, 38, 39, 40	**Ceiling Plaster – Skim Coat on Concrete**	**Hallways Throughout**	**Yes**	**Good**	**1.30% Chrysotile**
41, 42, 43	Gypsum Board	Apartment 4A	Yes	Good	NAD
44, 45, 46	Joint Compound	Apartment 4A	Yes	Good	NAD
47, 48, 49	Gypsum Board	Apartments 5A, 5D	Yes	Good	NAD
50, 51, 52	Joint Compound	Apartments 5A, 5D	Yes	Good	NAD

Asbestos Summary Table					
Sample No.	**Suspect Material Description**	**Sample and Material Location**	**Friable Yes/No**	**Condi-tion**	**Result (% Asbestos)**
53, 54, 55	Mortar Below Bathroom Door Saddle	Apartment 5A	Yes	Good	NAD
---	Fiberglass Pipe Insulation	Building Throughout	No	Good	Non Suspect Material
56, 57, 58	Exterior Brick Mortar	Exterior Façade	Yes	Good	NAD
59, 60, 61	**Pink Caulking Between Buildings**	**Exterior Façade**	**No**	**Good**	**1.4% Chrysotile**
62, 63, 64	Exterior Black Window Caulking	Exterior Façade	No	Good	NAD
---	**Roofing Materials**	**Roof**	**No**	**Good**	**Assumed ACM**

NAD- No Asbestos Detected

Laboratory analytical results indicate that four (4) homogenous areas sampled at the Subject Property contain >1% asbestos and are considered ACBMs. Photographs of the sampling locations can be found in **Appendix A**. Sampling Table, Laboratory results and Chain of Custody can be found in **Appendix B**.

6.0 RECOMMENDATIONS

The identified & assumed ACMs are in good condition and may be managed in place with an Asbestos O&M Plan. EBI recommends implementation of an Asbestos O&M Plan for the Subject Property. The O&M Plan will provide procedures and guidelines that, when used during facility cleaning, maintenance, and general operations, will minimize human exposure to asbestos fibers and minimize release of asbestos fibers to the environment. **Please see Appendix H.**

In the event that renovation/demolition procedures are likely to disturb suspect or assumed ACMs, they must be removed in advance by a licensed asbestos contractor and disposed of appropriately in accordance with Federal, State, and local regulations.

This document is not designed for bidding purposes. This report is not to be provided to potential bidders for the purpose of soliciting proposals for asbestos abatement.

EBI also recommends that consideration be given to materials identified with "trace" concentrations of asbestos. In the event that renovation/demolition procedures are likely to disturb such materials, all

work disturbing these materials must be conducted in accordance with the OSHA Asbestos Construction Standard 29 CFR 1926.1101.

Additional suspect ACBMs may be present at the Subject Property in areas that were not inspected such as roofing and inaccessible apartments or due to access limitation within inspected areas. If additional suspect or assumed ACBMs are identified in the future (that were not sampled as part of this inspection), they must be treated as ACBMs unless future laboratory analytical results in conjunction with inspection by an appropriately accredited and/or licensed inspector identify the material(s) as non-ACBM. Based on the limitations of this inspection, EBI recommends that an asbestos inspection be performed in accordance with all applicable federal, state, and local regulatory requirements prior to renovation, demolition, or other activities that could cause a material disturbance.

This report was commissioned by the Sponsor solely for purposes of complying with the Martin Act and governing regulations and should not be relied on by any third party, including Residential Resultant Unit Owners undertaking renovations which require testing for ACBM, or the Residential Resultant Condominium Board, for the purposes of undertaking to perform any renovations in the Residential Section of the Condominium.

8.0 GENERAL LIMITATIONS

Report information was obtained through sources deemed reliable (i.e. interviews with owners, agents, occupants or other appropriate persons involved with the subject property). Findings, conclusions and/or recommendations are based on our visual observations, the information provided to or obtained by EBI, or provided by the Client or property contact, and/or a review of readily available and supplied documents and drawings. EBI renders no opinion as to the property condition at un-surveyed and/or inaccessible portions of the subject property.

This Report presents the findings of a limited investigation but does not constitute a complete determination of whether past or present owners or occupants of the Subject Property have been in compliance with all applicable local, state, and federal environmental regulations. The information contained herein is based on on-site observations and on a limited investigation involving site observations. The investigative methods applied to this assessment are consistent with current industry standards for the performance of investigation within the limits of the scope of work, budget, and schedule. Survey evaluations are limited in the sense that conclusions and recommendations are developed from personal interviews and information obtained from limited research, site observations and secondary informational sources. Except as set forth in this report, EBI has made no independent investigations as to the accuracy or completeness of the information derived from the secondary sources and personal interviews and has assumed that such information was accurate and complete. It should be noted that no conclusions can be drawn regarding the existence of conditions that were not addressed by the scope of work.

This assessment and Report were prepared by EBI solely for the use of Nixon Peabody, LLP. The scope of services performed in execution of this evaluation may not be appropriate to satisfy the needs of other users, and use or re-use of this document or the findings, conclusions, or recommendations, is at risk of said user. Third party use of this Report is prohibited without the prior written consent of EBI and use thereof is at the risk of the user. The observations and results presented in this Report are believed to be representative of site conditions prevailing at the time of the assessment in the areas explored. Changes in site conditions or in the availability of information regarding past or current site conditions should be brought to EBI's attention so that they can be addressed and EBI's conclusions verified or modified as appropriate. This report does not warrant against future operations or conditions, nor does it warrant against operations or conditions present of a type or at a location not investigated. This document is not designed for bidding purposes. This report is not to be provided to potential bidders for the purpose of soliciting proposals for asbestos abatement.

It has been a pleasure to prepare this *Report.* Please contact James Wang at (917) 291-8594 if you have any questions, comments, or if I can be of further assistance in any way.

Respectfully Submitted,



James Wang
Senior Project Manager

APPENDIX A

PHOTOGRAPHS



1. Front Entrance



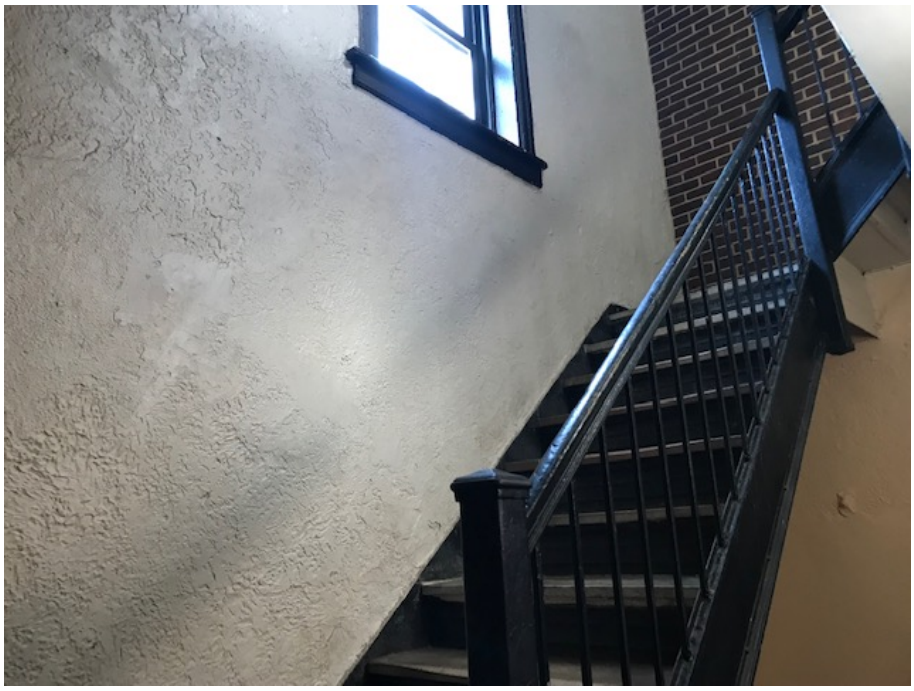
2. Non ACM Gypsum Board & Joint Compound, Non ACM Skim Coat



3. Non Suspect Fiberglass Pipe Insulation



4. Non ACM Block around Oil Tank



5. ACM Wall Plaster



6. View Apartment Bathroom



7. View of Apartment



8. View of Apartment



9. ACM Pink Caulking, Non ACM Brick Mortar



10. Non ACM Black Window Caulking



11. Non ACM Ceramic Floor Tile Grout

APPENDIX B

SAMPLING TABLE, ASBESTOS LABORATORY RESULTS AND CHAIN OF CUSTODY

Asbestos Sampling Summary Table							
HA No.	**Sample #**	**Suspect Material Description**	**Location**	**Condition**	**Result**	**Friability**	**Quantity**
1	1, 2, 3	Gypsum Ceiling Board	Cellar	Fair	Non-ACM	F	---
2	4, 5, 6	Joint Compound	Cellar	Fair	Non-ACM	F	---
3	7, 8, 9	Skim Coat on Metal Ceiling	Cellar	Poor	Non-ACM	F	---
4	10, 11, 12	Terracotta Wall Mortar	Cellar	Good	Non-ACM	F	---
5	13, 14, 15	Block Around Oil Tank	Cellar	Good	Non-ACM	F	---
6	**16, 17, 18, 19, 20, 21, 22**	**Wall Plaster – White Coat**	**Hallways Throughout**	**Good**	**ACM**	**F**	**4,500 SF**
7	**23, 24, 25, 26, 27, 28, 29**	**Wall Plaster – Brown Coat**	**Hallways Throughout**	**Good**	**ACM**	**F**	
8	30, 31, 32	Interior Wall Brick Mortar	Throughout	Good	Non-ACM	NF	---
9	33, 34, 35	Ceramic Floor Tile Grout	Hallways Throughout	Fair	Non-ACM	F	---

Asbestos Sampling Summary Table							
HA No.	**Sample #**	**Suspect Material Description**	**Location**	**Condition**	**Result**	**Friability**	**Quantity**
10	**36, 37, 38, 39, 40**	**Ceiling Plaster – Skim Coat on Concrete**	**Hallways Throughout**	**Good**	**ACM**	**F**	**800 SF**
11	41, 42, 43	Gypsum Board	Apartment 4A	Good	Non-ACM	F	---
12	44, 45, 46	Joint Compound	Apartment 4A	Good	Non-ACM	F	---
13	47, 48, 49	Gypsum Board	Apartments 5A, 5D	Good	Non-ACM	F	---
14	50, 51, 52	Joint Compound	Apartments 5A, 5D	Good	Non-ACM	F	---
15	53, 54, 55	Mortar Below Bathroom Door Saddle	Apartment 5A	Good	Non-ACM	F	---
16	56, 57, 58	Exterior Brick Mortar	Exterior Façade	Good	Non-ACM	F	---
17	**59, 60, 61**	**Pink Caulking Between Buildings**	**Exterior Façade**	**Good**	**ACM**	**NF**	**10 LF**
18	62, 63, 64	Exterior Black Window Caulking	Exterior Façade	Good	Non-ACM	NF	---

Asbestos Sampling Summary Table							
HA No.	**Sample #**	**Suspect Material Description**	**Location**	**Condition**	**Result**	**Friability**	**Quantity**
---	**---**	**Roofing Material**	**Roof**	**Good**	**Assumed ACM**	**NF**	**3,000 SF**

SF – Square feet
LF – Linear feet
F - Friable
NF – Non Friable

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EMSL Order:	061904325
CustomerID:	EBIC62
CustomerPO:	1119001343
ProjectID:	

Attn: **james wang**
EBI Consulting
21 B Street
Burlington, MA 01803-3485

Phone:	(781) 273-2500
Fax:	
Received:	03/12/19 9:39 AM
Analysis Date:	3/12/2019
Collected:	3/11/2019

Project: **1119001343 - 66 West 138th Street New York, NY**

Test Report:Asbestos Analysis of Bulk Material

Test	Analyzed Date	Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 1-1 *061904325-0001*		**Description** Gypsum Ceiling Board - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Gray	2.00% Cellulose	78.00% Gypsum 3.00% Ca Carbonate 17.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 1-2 *061904325-0002*		**Description** Gypsum Ceiling Board - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Gray	3.00% Cellulose	80.00% Gypsum 4.00% Ca Carbonate 13.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 1-3 *061904325-0003*		**Description** Gypsum Ceiling Board - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Gray	3.00% Cellulose	78.00% Gypsum 3.00% Ca Carbonate 16.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 2-4 *061904325-0004*		**Description** Joint Compound - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		5.00% Mica 82.00% Ca Carbonate 13.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

Report Amended 03/13/2019 13:39:12 Replaces the Initial Report. Reason Code: Client-Other (see report comment)

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EMSL Order:	061904325
CustomerID:	EBIC62
CustomerPO:	1119001343
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 2-5 *061904325-0005*		**Description** Joint Compound - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		5.00% Mica 85.00% Ca Carbonate 10.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 2-6 *061904325-0006*		**Description** Joint Compound - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		5.00% Mica 80.00% Ca Carbonate 15.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 3-7 *061904325-0007*		**Description** Skim Coat on metal ceiling - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		55.00% Gypsum 20.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 3-8 *061904325-0008*		**Description** Skim Coat on metal ceiling - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		55.00% Gypsum 27.00% Ca Carbonate 18.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 3-9 *061904325-0009*		**Description** Skim Coat on metal ceiling - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		55.00% Gypsum 30.00% Ca Carbonate 15.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

Report Amended 03/13/2019 13:39:12 Replaces the Initial Report. Reason Code: Client-Other (see report comment)

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CustomerID:	EBIC62
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ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 4-10 *061904325-0010*		**Description** Terracotta wall Mortar - Cella **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/White		60.00% Quartz 20.00% Ca Carbonate 20.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 4-11 *061904325-0011*		**Description** Terracotta wall Mortar - Cella **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray/White		60.00% Quartz 20.00% Ca Carbonate 20.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 4-12 *061904325-0012*		**Description** Terracotta wall Mortar - Cella **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray/White		60.00% Quartz 15.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 5-13 *061904325-0013*		**Description** Block Mortar around oil tank - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray/White		55.00% Quartz 20.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 5-14 *061904325-0014*		**Description** Block Mortar around oil tank - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray/White		55.00% Quartz 25.00% Ca Carbonate 20.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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EMSL Order:	061904325
CustomerID:	EBIC62
CustomerPO:	1119001343
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 5-15 *061904325-0015*		**Description** Block Mortar around oil tank - Cellar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray/White		55.00% Quartz 20.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 6-16 *061904325-0016*		**Description** Wall Plaster White Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		20.00% Gypsum 65.00% Ca Carbonate 12.30% Non-fibrous (other)	**2.70% Chrysotile**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 6-17 *061904325-0017*		**Description** Wall Plaster White Coat - hallways **Homogeneity**			
PLM NYS 198.1 Friable	3/12/2019				**Positive Stop (Not Analyzed)**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 6-18 *061904325-0018*		**Description** Wall Plaster White Coat - hallways **Homogeneity**			
PLM NYS 198.1 Friable	3/12/2019				**Positive Stop (Not Analyzed)**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 6-19 *061904325-0019*		**Description** Wall Plaster White Coat - hallways **Homogeneity**			
PLM NYS 198.1 Friable	3/12/2019				**Positive Stop (Not Analyzed)**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 6-20 *061904325-0020*		**Description** Wall Plaster White Coat - hallways **Homogeneity**			
PLM NYS 198.1 Friable	3/12/2019				**Positive Stop (Not Analyzed)**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 6-21 *061904325-0021*		**Description** Wall Plaster White Coat - hallways **Homogeneity**			
PLM NYS 198.1 Friable	3/12/2019				**Positive Stop (Not Analyzed)**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 6-22 *061904325-0022*		**Description** Wall Plaster White Coat - hallways **Homogeneity**			
PLM NYS 198.1 Friable	3/12/2019				**Positive Stop (Not Analyzed)**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 7-23 *061904325-0023*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		52.00% Quartz 20.00% Ca Carbonate 28.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 7-24 *061904325-0024*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		55.00% Quartz 20.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 7-25 *061904325-0025*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		55.00% Quartz 15.00% Ca Carbonate 30.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 7-26 *061904325-0026*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		55.00% Quartz 20.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 7-27 *061904325-0027*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		55.00% Quartz 5.00% Mica 15.00% Gypsum 13.00% Ca Carbonate 11.25% Non-fibrous (other)	**0.75% Chrysotile**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 7-28 *061904325-0028*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		50.00% Quartz 4.00% Mica 20.00% Gypsum 13.00% Ca Carbonate 12.50% Non-fibrous (other)	**0.50% Chrysotile**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 7-29 *061904325-0029*		**Description** Wall Plaster Brown Coat - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan		50.00% Quartz 5.00% Mica 20.00% Gypsum 11.00% Ca Carbonate 11.70% Non-fibrous (other)	**2.30% Chrysotile**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 8-30 *061904325-0030*		**Description** Interior wall Brick Mortar - throughout **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan	3.00% Cellulose	60.00% Quartz 25.00% Ca Carbonate 12.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 8-31 *061904325-0031*		**Description** Interior wall Brick Mortar - throughout **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan		62.00% Quartz 26.00% Ca Carbonate 12.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 8-32 *061904325-0032*		**Description** Interior wall Brick Mortar - throughout **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan	3.00% Cellulose	59.00% Quartz 23.00% Ca Carbonate 15.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 9-33-Gray *061904325-0033*		**Description** Ceramic Floor tile grout - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray	13.00% Cellulose 3.00% Synthetic	35.00% Quartz 23.00% Ca Carbonate 26.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 9-33-Brown *061904325-0033A*		**Description** Ceramic Floor tile grout - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown	4.00% Cellulose	55.00% Quartz 25.00% Ca Carbonate 16.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 9-34 *061904325-0034*		**Description** Ceramic Floor tile grout - hallways **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray/Tan	3.00% Cellulose	58.00% Quartz 26.00% Ca Carbonate 13.00% Non-fibrous (other)	**None Detected**
Inseparable tan color grout.					
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 9-35 *061904325-0035*		**Description** Ceramic Floor tile grout - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Gray	3.00% Synthetic	56.00% Quartz 26.00% Ca Carbonate 15.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-36-Joint Compound White *061904325-0036*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		5.00% Mica 75.00% Ca Carbonate 20.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-36-Joint Compound Tan *061904325-0036A*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan	3.00% Cellulose	6.00% Mica 73.00% Ca Carbonate 18.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-36-Skim Coat *061904325-0036B*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan		60.00% Gypsum 30.00% Ca Carbonate 10.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 10-37-Joint Compound White *061904325-0037*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		6.00% Mica 75.00% Ca Carbonate 19.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-37-Joint CompoundTan *061904325-0037A*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan	4.00% Cellulose	7.00% Mica 68.00% Ca Carbonate 21.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-38 *061904325-0038*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		6.00% Mica 68.00% Ca Carbonate 26.00% Non-fibrous (other)	**None Detected**
The sample is mostly joint compound.					
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-39-Joint Compound White *061904325-0039*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		3.00% Mica 80.00% Ca Carbonate 17.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 10-39-Joint Compound Tan *061904325-0039A*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan		6.00% Mica 68.00% Ca Carbonate 24.70% Non-fibrous (other)	**1.30% Chrysotile**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10-40 *061904325-0040*		**Description** Ceiling Plaster - skim coat on concrete - hallways **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		7.00% Mica 76.00% Ca Carbonate 17.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 11-41 *061904325-0041*		**Description** Gypsum Board - Aprtment 4A **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan	6.00% Cellulose	74.00% Gypsum 11.00% Ca Carbonate 9.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 11-42 *061904325-0042*		**Description** Gypsum Board - Aprtment 4A **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan	6.00% Cellulose	70.00% Gypsum 12.00% Ca Carbonate 12.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 11-43 *061904325-0043*		**Description** Gypsum Board - Aprtment 4A **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan	7.00% Cellulose	70.00% Gypsum 12.00% Ca Carbonate 11.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 12-44 *061904325-0044*		**Description** Joint Compound - Apartment 4A **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		6.00% Mica 77.00% Ca Carbonate 17.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 12-45 *061904325-0045*		**Description** Joint Compound - Apartment 4A **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		8.00% Mica 75.00% Ca Carbonate 17.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 12-46 *061904325-0046*		**Description** Joint Compound - Apartment 4A **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		4.00% Mica 76.00% Ca Carbonate 20.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 13-47 *061904325-0047*		**Description** Gypsum Board - Apt. 5D **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan	3.00% Cellulose	76.00% Gypsum 8.00% Ca Carbonate 13.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 13-48 *061904325-0048*		**Description** Gypsum Board - Apt. 5D **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan	5.00% Cellulose	78.00% Gypsum 7.00% Ca Carbonate 10.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 13-49 *061904325-0049*		**Description** Gypsum Board - Apt. 5A **Homogeneity** Heterogeneous			
PLM NYS 198.1 Friable	3/12/2019	Brown/Tan	3.00% Cellulose	77.00% Gypsum 8.00% Ca Carbonate 12.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 14-50 *061904325-0050*		**Description** Joint Compound - Apt 5D **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		6.00% Mica 76.00% Ca Carbonate 18.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 14-51 *061904325-0051*		**Description** Joint Compound - Apt 5D **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White		8.00% Mica 77.00% Ca Carbonate 15.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 14-52 *061904325-0052*		**Description** Joint Compound - Apt 5A **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	White	2.00% Cellulose	6.00% Mica 75.00% Ca Carbonate 17.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 15-53 *061904325-0053*		**Description** Mortar below Saddle - Apt 5A **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan/White		60.00% Quartz 30.00% Ca Carbonate 10.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

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Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 15-54 *061904325-0054*		**Description** Mortar below Saddle - Apt 5A **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan/White		65.00% Quartz 25.00% Ca Carbonate 10.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 15-55 *061904325-0055*		**Description** Mortar below Saddle - Apt 5A **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Tan/White		62.00% Quartz 27.00% Ca Carbonate 11.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 16-56 *061904325-0056*		**Description** Exterior Brick Mortar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Red	3.00% Cellulose	50.00% Quartz 22.00% Ca Carbonate 25.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 16-57 *061904325-0057*		**Description** Exterior Brick Mortar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Red		53.00% Quartz 26.00% Ca Carbonate 21.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 16-58 *061904325-0058*		**Description** Exterior Brick Mortar **Homogeneity** Homogeneous			
PLM NYS 198.1 Friable	3/12/2019	Red		53.00% Quartz 25.00% Ca Carbonate 22.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**

Report Amended 03/13/2019 13:39:12 Replaces the Initial Report. Reason Code: Client-Other (see report comment)

EMSL Analytical, Inc.
528 Mineola Avenue, Carle Place, NY 11514
Phone/Fax: (516) 997-7251 / (516) 997-7528
http://www.EMSL.com carleplacelab@emsl.com

EMSL Order:	061904325
CustomerID:	EBIC62
CustomerPO:	1119001343
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 17-59 *061904325-0059*		**Description** **Homogeneity**	Pink Caulk between buildings Homogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	3/12/2019	Gray			**Inconclusive : <1%Chrysotile** **Inconclusive - <1% Total**
TEM NYS 198.4 NOB	3/13/2019	Gray			**1.4% Chrysotile** **1.4% Total**
Sample ID 17-60 *061904325-0060*		**Description** **Homogeneity**	Pink Caulk between buildings Homogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	3/12/2019	Gray			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	3/13/2019				**Positive Stop (Not Analyzed)**
Sample ID 17-61 *061904325-0061*		**Description** **Homogeneity**	Pink Caulk between buildings Homogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	3/12/2019	Gray			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	3/13/2019				**Positive Stop (Not Analyzed)**
Sample ID 18-62 *061904325-0062*		**Description** **Homogeneity**	Exterior Black window caulking Homogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	3/12/2019	Brown			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	3/13/2019	Brown			**None Detected**
Sample ID 18-63 *061904325-0063*		**Description** **Homogeneity**	Exterior Black window caulking Homogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	3/12/2019	Brown			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	3/13/2019	Brown			**None Detected**
Sample ID 18-64 *061904325-0064*		**Description** **Homogeneity**	Exterior Black window caulking Homogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	3/12/2019	Brown			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	3/13/2019	Brown			**None Detected**

Report Amended 03/13/2019 13:39:12 Replaces the Initial Report. Reason Code: Client-Other (see report comment)

EMSL Analytical, Inc.
528 Mineola Avenue, Carle Place, NY 11514
Phone/Fax: (516) 997-7251 / (516) 997-7528
http://www.EMSL.com carleplacelab@emsl.com

EMSL Order:	061904325
CustomerID:	EBIC62
CustomerPO:	1119001343
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

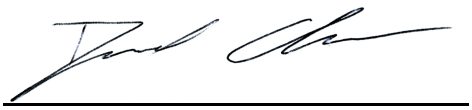
Test	Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos

Analyst(s)

Jimmy Encalada

Jennifer Lovell

Keith McWilliams



Daniel Clarke, Asbestos Laboratory Manager
or other approved signatory

NOB = Non Friable Organically Bound N/A = Not Applicable VCM = Vermiculite Containing Material

-In New York State, TEM is currently the only method that can be used to determine if NOB materials can be considered or treated as non-asbestos containing.
All samples examined for the presence of vermiculite when analyzed via NYS 198.1.
-NYS Guidelines for Vermiculite containing samples are available at http://www.wadsworth.org/labcert/elapcert/forms/VermiculiteInterimGuidance_Rev070913.pdf
EMSL maintains liability limited to cost of analysis. This report relates only to the samples reported above and may not be reproduced, except in full, without written approval by EMSL. EMSL bears no responsibility for sample collection activities or analytical method limitations. Interpretation and use of test results are the responsibility of the client. Samples were received in good condition unless otherwise noted.
This report must not be used by the client to claim product certification, approval, or endorsement by NVLAP, NIST, or any agency of the federal government. This report may contain data that is not covered by the NVLAP accreditation.

Samples analyzed by EMSL Analytical, Inc. Carle Place, NY NYS ELAP 11469

Report Amended 03/13/2019 13:39:12 Replaces the Initial Report. Reason Code: Client-Other (see report comment)

OrderID: 061904325

Asbestos Chain of Custody

EMSL Order Number *(Lab Use Only)*: **061904325**

EMSL ANALYTICAL, INC.
307 WEST 38TH STREET
NEW YORK, NY 10018
PHONE: (866) 448-3675
FAX: (212) 290-0058

Company : EBI Consulting EMSL Acct # EBIC62	**EMSL-Bill to:** ☒ Same ☐ Different If Bill to is Different note instructions in Comments**
Street: 21 B Street	*Third Party Billing requires written authorization from third party*
City: Burlington State/Province: MA	**Zip/Postal Code: 01803** Country: USA
Report To (Name): James Wang	**Fax #: 717-428-0403**
Telephone #: 917-291-8594	**Email Address: samplingdata@ebiconsulting.com**
Project Name/Number: 1119001343 - 66 West 138th Street, New York NY	
Please Provide Results: ☐ Fax ☒ Email	**Purchase Order:** **U.S. State Samples Taken:**

Turnaround Time (TAT) Options* – Please Check

☐ 3 Hours ☐ 6 Hours ☒ 24 Hrs ☐ 48 Hrs ☐ 3 Days ☐ 4 Days ☐ 5 Days ☐ 10 Days

**For TEM Air 3 hours/6 hours, please call ahead to schedule. *There is a premium charge for 3 Hour TEM AHERA or EPA Level II TAT. You will be asked to sign an authorization form for this service. Analysis completed in accordance with EMSL's Terms and Conditions located in the Analytical Price Guide*

PCM - Air
- ☐ NIOSH 7400
- ☐ w/ OSHA 8hr. TWA

PLM - Bulk (reporting limit)
- ☐ PLM EPA 600/R-93/116 (<1%)
- ☐ PLM EPA NOB (<1%)

Point Count
- ☐ 400 (<0.25%) ☐ 1000 (<0.1%)

Point Count w/Gravimetric
- ☐ 400 (<0.25%) ☐ 1000 (<0.1%)
- ☒ NYS 198.1 (friable in NY)
- ☒ NYS 198.6 NOB (non-friable-NY)
- ☐ NIOSH 9002 (<1%)

TEM - Air
- ☐ AHERA 40 CFR, Part 763
- ☐ NIOSH 7402
- ☐ EPA Level II
- ☐ ISO 10312

TEM - Bulk
- ☐ TEM EPA NOB
- ☒ NYS NOB 198.4 (non-friable-NY)
- ☐ Chatfield SOP
- ☐ TEM Mass Analysis-EPA 600 sec. 2.5

TEM – Water: EPA 100.2
- Fibers >10µm ☐ Waste ☐ Drinking
- All Fiber Sizes ☐ Waste ☐ Drinking

TEM- Dust
- ☐ Microvac - ASTM D 5755
- ☐ Wipe - ASTM D6480
- ☐ Carpet Sonication (EPA 600/J-93/167)

Soil/Rock/Vermiculite
- ☐ PLM CARB 435 - A (0.25% sensitivity)
- ☐ PLM CARB 435 - B (0.1% sensitivity)
- ☐ TEM CARB 435 - B (0.1% sensitivity)
- ☐ TEM CARB 435 - C (0.01% sensitivity)
- ☐ EPA Protocol (Semi-Quantitative)
- ☐ EPA Protocol (Quantitative)

Other:
- ☐

☒ **Check For Positive Stop – Clearly Identify Homogenous Group**

Samplers Name: Ryan Eid **Samplers Signature:** R. E. [illegible]

Sample #	Sample Description	Volume/Area (Air) HA # (Bulk)	Date/Time Sampled
1	Gypsum ceiling board - cella	1	3/11/19
2	↓		
3	↓		
4	Joint compound - cella	2	
5	↓		
6	↓		
7	Skim coat on metal ceiling - cellar	3	
8	↓		

Client Sample # (s): 1 - 64 **Total # of Samples:** 64

Relinquished (Client): R. E. [illegible] **Date:** 3/11/19 **Time:**

Received (Lab): D. [illegible] **Date:** 3/12/19 **Time:** 9:34am

Comments/Special Instructions:

PLM Jennifer Loull 3/12/19 1:13PM

[illegible] 3/12/19 7:45pm

OrderID: 061904325

EMSL ANALYTICAL, INC.
LABORATORY • PRODUCTS • TRAINING

Asbestos Chain of Custody

EMSL Order Number (*Lab Use Only*):

061904325

EMSL ANALYTICAL, INC.
200 ROUTE 130 NORTH
CINNAMINSON, NJ 08077
PHONE: (800) 220-3675
FAX: (856) 786-5974

Additional Pages of the Chain of Custody are only necessary if needed for additional sample information

Sample #	Sample Description	Volume/Area (Air) HA # (Bulk)	Date/Time Sampled
9	Skim coat on metal ceiling - cellar	3	3/11/19
10	Terracotta wall mortar - cellar	4	
11	↓		
12			
13	Block mortar around oil tank - cellar	5	
14	↓		
15			
16	wall plaster white coat - hallways	6	
17			
18			
19			
20			
21			
22			
23	wall plaster brown coat -	7	19 MAR 12 AM 9:39
24			
25			
26			
27			
28			
29			
30	Interior wall brick mortar - throughout	8	
31			
32			

*Comments/Special Instructions:

PLM Jennifer Jorell 3/12/19 1:13pm

3/12/19 7:46pm

EMSL ANALYTICAL, INC.
LABORATORY • PRODUCTS • TRAINING

Asbestos Chain of Custody

EMSL Order Number (*Lab Use Only*):

061904325

EMSL ANALYTICAL, INC.
200 ROUTE 130 NORTH
CINNAMINSON, NJ 08077
PHONE: (800) 220-3675
FAX: (856) 786-5974

Additional Pages of the Chain of Custody are only necessary if needed for additional sample information

Sample #	Sample Description	Volume/Area (Air) HA # (Bulk)	Date/Time Sampled
33	Ceramic floor tile grout - hallways	9	3/11/19
34	↓ ↓		
35	↓ ↓		
36	ceiling plaster - skim coat on concrete - hallways	10	
37	↓ ↓		
38	↓ ↓		
39	↓ ↓		
40	↓ ↓		
41	Gypsum Board - Apartment 4A	11	
42	↓ ↓		
43	↓ ↓		
44	Joint compound - ↓	12	
45	↓ ↓		
46	↓ ↓		
47	Gypsum Board - Apt. 5D	13	
48	↓ ↓		
49	↓ Apt. 5A		
50	Joint compound Apt. 5D	14	
51	↓ ↓		
52	↓ Apt. 5A		
53	Mortar below saddle - Apt. 5A	15	
54	↓ ↓		
55	↓ ↓		

RECEIVED BY EMSL ANALYTICAL, INC. CINNAMINSON, NJ
19 MAR 12 AM 9:39

***Comments/Special Instructions:**

PLM Jennifer Jorell 3/12/19 1:13pm

3/12/19 7:46pm

Controlled Document – Asbestos COC – R5 – 1/11/2012

OrderID: 061904325

EMSL ANALYTICAL, INC.
LABORATORY • PRODUCTS • TRAINING

Asbestos Chain of Custody

EMSL Order Number *(Lab Use Only)*:

061904325

EMSL ANALYTICAL, INC.
200 ROUTE 130 NORTH
CINNAMINSON, NJ 08077
PHONE: (800) 220-3675
FAX: (856) 786-5974

Additional Pages of the Chain of Custody are only necessary if needed for additional sample information

Sample #	Sample Description	Volume/Area (Air) HA # (Bulk)	Date/Time Sampled
56	Exterior Brick mortar	16	3/11/19
57	↓		↓
58	↓		
59	Pink caulk between buildings	17	
60	↓		
61	↓		
62	Exterior Black window caulking	18	
63	↓		
64	↓		↓

EMSL ANALYTICAL, INC.
MARLTON, NJ
MAR 12 AM 9:39

***Comments/Special Instructions:**

PEM Jennifer Jowell 3/12/19 2:13pm Page 4 of 4 pages 3/12/19 7:46 pm

GL 1hr 0 hr

APPENDIX C

Certifications

APPENDIX D

GLOSSARY

GLOSSARY

Air Cell: Insulation normally used on pipes and ductwork that is comprised of corrugated cardboard which is frequently comprised of asbestos combined with cellulose or refractory binders.

Air Monitoring: The process of measuring the fiber content of a specific volume of air.

Amosite - An asbestiform mineral of the amphibole group. It is the second most commonly used form of asbestos in the U.S. (brown asbestos).

Amphibole - One of the two major groups of minerals from which the asbestiform minerals are derived; distinguished by their chain-like crystal structure and chemical composition. Amosite and crocidolite are examples of amphibole minerals.

Anthophyllite - One of six naturally-occurring asbestos minerals. It is of limited commercial value.

Asbestos: The asbestiform varieties of serpentinite (chrysotile), riebeckite (crocidolite), cummingtonite-grunerite, amosite, anthophylite, and actinolite-tremolite. For purposes of determining respiratory and worker protection both the asbestiform and non-asbestiform varieties of the above minerals and any of these materials that have been chemically treated and/or altered shall be considered as asbestos.

Asbestos-Containing Material (ACM): Any material containing more than 1% of asbestos of any type or mixture of types.

Asbestos-Containing Building Material (ACBM): Surfacing ACM, thermal system insulation ACM, or miscellaneous ACM that is found in or on interior structural members or other parts of a school building (AHERA definition).

Assumed Asbestos-Containing Material: Any suspect ACM that has not been appropriately tested to confirm whether or not it contains asbestos.

Bulk Samples - Samples of bulk material, in the case of asbestos, suspect material

Certified Industrial Hygienist (C.I.H.): An industrial hygienist certified in Comprehensive Practice by the American Board of Industrial Hygiene.

Class I Work (OSHA): Work activities, performed by an outside licensed abatement contractor, that involve the removal of boiler, pipe and duct insulation, and surfacing material such as spray-applied fireproofing.

Class II Work (OSHA): Work activities, performed by an outside licensed abatement contractor, that involve the removal of asbestos-containing materials other than boiler, pipe and duct insulation, and surfacing material such as spray-applied fireproofing.

Class III Work (OSHA): Work activities that involve the repair of minor amounts of damaged asbestos-containing materials.

Class IV Work (OSHA): Work activities that involve the maintenance and custodial activities during which tenants and employees contact but do not disturb asbestos-containing materials or presumed ACM. Class IV work may involve the clean-up of dusts, wastes and debris in areas where asbestos is, was or may be located.

Crocidolite - Strongest of asbestos minerals. An asbestiform mineral of the amphibole group. It is of minor commercial value In the U.S. (blue asbestos).

Chrysotile - The only asbestiform mineral of the serpentine group, it is the most common form of asbestos used in buildings (white asbestos).

Damaged Friable Surfacing Miscellaneous) Material - Friable surfacing (miscellaneous) ACM which has deteriorated or sustained physical injury such that the internal structure (cohesion) of the material is inadequate or, if applicable, which has delaminated such that the bond to the substrate (adhesion) is inadequate or which for any other reason lacks fiber cohesion or adhesion qualities. Such damage or deterioration may be illustrated by the separation of ACM into layers; separation of ACM from the substrate; flaking, blistering, or crumbling of ACM surface; water damage; significant or repeated water stains, scrapes, gauges, mars or other signs of physical injury on the ACM. Asbestos debris originating from the ACBM in question may also indicate damage (AHERA definition)

Damaged or Significantly Damaged Thermal System Insulation - Thermal system insulation on pipes, boilers, tanks, ducts, and other thermal system insulation equipment which the insulation has lost its structural integrity, or its covering, in whole or in part, is crushed, water-stained, gouged, punctured, missing, or not intact such that it is not able to contain fibers. Damage may be further illustrated by occasional punctures, gouges, or other signs of physical injury to ACM; occasional water damage on the protective coverings/jackets; or exposed ACM ends or joints. Asbestos debris, originating from the ACBM in question may also indicate damage (AHERA definition).

Demolition: The wrecking or taking out of any building component, system, finish or assembly of a facility together with any related handling operations.

Encapsulant: A material that surrounds or embeds asbestos fibers in an adhesive matrix, to prevent release of fibers.

Bridging encapsulant: an encapsulant that forms a discrete layer on the surface of an in situ asbestos matrix.

Penetrating encapsulant: an encapsulant that is absorbed by the in situ asbestos matrix without leaving a discrete surface layer.

Removal encapsulant: a penetrating encapsulant specifically designed for removal of asbestos-containing materials rather that for in situ encapsulation.

Encapsulation - The use of an agent to seal the surface (budging encapsulant) or penetrate the bulk (penetrating encapsulant) of ACM.

Enclosure: The construction of an airtight, impermeable, permanent barrier around asbestos-containing material to control the release of asbestos fibers into the air.

Fiber Release: Any uncontrolled or unintentional disturbance of ACBM resulting in visible emission.

Fitting: Within any piping system, any valve, tee, elbow, 45°, flange, union, reducer, or other piping connector which may be insulated with asbestos.

Friable Asbestos Material: Material that contains more than 1.0% asbestos by weight, and that can be crumbled, pulverized, or reduced to powder by hand pressure when dry.

HEPA Filter: A High Efficiency Particulate Air (HEPA) filter capable of trapping and retaining 99.97% of asbestos fibers greater than 0.3 microns in length.

HEPA Filter Vacuum Collection Equipment (or vacuum cleaner): High efficiency particulate air filtered vacuum collection equipment with a filter system capable of collecting and retaining asbestos fibers. Filters should be 99.97% efficient for retaining fibers of 0.3 microns or larger.

High-Efficiency Particulate Air Filter (HEPA): A filter which removes from air 99.97% or more of monodisperse dioctyl phthalate (DOP) particles having a mean particle diameter of 0.3 micrometer.

Miscellaneous Material - Interior building material on structural components, structural members or fixtures, such as floor and ceiling tiles, and does not include surfacing material or thermal system insulation (AHERA definition).

NESHAP: National Emission Standard for Hazardous Air Pollutants, 40 CFR Part 61 Subpart M.

Operations and Maintenance (O & M) Plan - A plan for an O & M program, which is designed to clean up asbestos contamination, minimize future fiber release, and maintain ACM in good condition.

Phase Contrast Microscopy (PCM) - A method of analyzing air samples for fibers using a light microscope.

Physical Assessment - Assessing suspect material to determine the current condition of the material and the potential for future disturbance.

Polarized Light Microscopy (PLM) - A method of analyzing bulk samples for asbestos in which the sample is illuminated with polarized light (light which vibrates in only one plane) and viewed under a light microscope.

Presumed Asbestos-Containing Material (PACM): Thermal systems insulation, surfacing material or miscellaneous materials found in buildings constructed prior to 1980 that has not been appropriately tested to confirm whether or not it contains asbestos.

Repair: Returning damaged ACM to an undamaged condition to prevent fiber release.

Response Actions - Actions specified in the management plan to control ACM; includes repair, O & M, and the various methods of abatement.

Serpentine - One of the two major groups of minerals from which the asbestiform minerals are derived; distinguished by their tubular structure and chemical composition. Chrysotile is a serpentine mineral.

Significantly Damaged Friable Surfacing (Miscellaneous) Material - Friable surfacing (miscellaneous) ACM in a functional space where damage is extensive and severe (AHERA definition).

Surfacing Material - Material in a school building that is sprayed on, troweled on, or otherwise applied to surfaces, such as acoustical plaster on ceilings and fireproofing materials on structural members, or other materials on surfaces for acoustical, fireproofing, or other purposes (AHERA definition).

Suspect Asbestos-Containing Material (Suspect ACM): The term "suspect ACM" is used by the asbestos industry to refer to any building material that is suspected of being asbestos-containing (based on appearance, usage, age of building, etc.), but has not been proven conclusively to be ACM (based on sampling and analysis). Suspect material would include any material that a building owner suspects of containing asbestos and is found in a building of any age or construction date. Refer to section 2.1 for a list of typical suspect ACMs.

Thermal System Insulation (TSI) - Material applied to pipes, fittings, boilers, breeching, tanks, ducts, or other interior structural components to prevent heat loss or gain, or water condensation, or for other purposes.

Transmission Electron Microscopy - A method of analyzing air samples for asbestos fibers using a transmission electron microscope and, possibly, associated instruments for further identifying asbestos.

Tremolite - One of six naturally-occurring asbestos minerals. Tremolite has few commercial uses.

APPENDIX F

PROPOSAL

EBI Consulting
environmental | engineering | due diligence

21 B Street
Burlington, MA 01803
Tel: (781) 273-2500
Fax: (781) 273-3311
www.ebiconsulting.com

SENT VIA EMAIL TO: ebuckley@nixonpeabody.com

March 5, 2019

Ms. Erica Buckley
Nixon Peabody, LLP
55 W. 46th Street
New York, NY 10036

Re: Proposal for Asbestos Screening
66 West 138th Street , New York, New York
EBI Proposal No. TEL-ABT-2019-192

Dear Ms. Buckley:

On behalf of EnviroBusiness, Inc. (dba EBI Consulting, hereinafter "EBI"), I am pleased to submit this proposal and information defining the scope of proposed work. Thank you for the opportunity to be of continued assistance to Nixon Peabody, LLP. As EBI understands your needs, you wish to conduct Asbestos Screening to assist in your Due Diligence analysis for 66 West 138th Street in New York, New York (Subject Property).

BACKGROUND

The Subject Property is currently improved with a 5-story, residential building. The existing improvements were reportedly constructed in 1900.

PURPOSE

EBI's proposed screening is designed to obtain a general understanding of types of Asbestos-Containing Building Materials (ACBMs) that are present at the Subject Property. The information collected as part of the screening is intended to be used for compliance with disclosure requirements of New York General Business Law Section 352-e, et seq., and governing regulations at 13 NYCRR Part 23. The samples and information collected as part of this screening can be useful to reduce the cost of future asbestos inspections that are intended to meet regulatory standards for renovation and/or demolition. The screening is further designed to identify ACBMs that are present in the greatest quantity based upon an inspection of readily accessible areas without intrusive or destructive investigatory methods. The screening is not designed to identify all ACBMs that are present but to provide a general sense of the magnitude, type and condition of ACBMs that may be present, with a particular emphasis on ACBMs that are in insulating and fireproofing materials such as pipe insulation, boiler insulation and spray-applied materials used for fireproofing and soundproofing.

Since the building is presently occupied, inspection will be non-intrusive and non-destructive to minimize disturbance of occupant activities and evidence of sample collection.

SCOPE OF WORK

Asbestos Inspection Services

EBI will conduct an Asbestos-Containing Building Material (ACBM) Screening of the Subject Property. The screening will consist of an assessment of suspect ACBM, identifying types, locations, friability, condition, and estimated quantities. Representative samples will be collected of readily accessible homogenous areas of suspect ACBM. No destructive investigation or access will be performed. Only a limited number of samples will be collected of major homogeneous suspect ACBM; inspection and sampling will not meet regulatory standards for pre-demolition inspection. Homogeneous Areas of suspect ACBM that will be sampled are those most readily visible and accessible, without intrusive investigation, and present in the greatest apparent quantity throughout the Subject Property; materials of lesser quantity will not be sampled. Sampling will be performed with as little damage as possible to existing materials, and patching will be limited to asbestos safety standards. Sampling and analysis will be performed with a pre-authorization to collect up to 50 samples. This survey option is limited to one day of building inspection and sampling, associated laboratory analyses and reporting. Sampling and analysis will be performed with a pre-authorization to collect up to 50 Polarized Light Microscopy (PLM) for friable analyses, 20 PLM for Non-friable Organically Bound (NOB) analyses and 20 Transmission Electron Microscopy (TEM) analyses. If greater than these numbers of analyses are needed, EBI will contact the Client for authorization to

analyze the additional samples at a rate of $15.00 per sample for PLM analysis, $25 per PLM NOB analysis, and $50 per sample for TEM analysis. This survey option is limited to four man-days of building inspection and sampling, associated laboratory analyses and reporting.

Sampling of roofing materials and the building exterior will not be performed as part of this survey.

In an attempt to reduce the number of samples which may be analyzed, EBI will stop analyzing samples from a specific homogeneous material after analysis indicates that a sample contains greater than 1% asbestos (1st Positive) for thermal system insulation and miscellaneous materials. However, EBI will perform the analysis of all samples from surfacing materials. Analysis of asbestos bulk samples will be performed utilizing Polarized Light Microscopy with Dispersion Staining (PLM/DS). Analysis of asbestos bulk samples will be performed utilizing NYS ELAP Methods 198.1 (for friable samples), 198.6 (PLM NOB) and 198.4 (TEM NOB).

In accordance with National Emission Standard for Hazardous Air Pollutants (NESHAP), 40 CFR Part 61 Subpart M, when the asbestos content of a friable suspect ACBM is determined to be <10% (including ≤1.0%) as determined by a method other than point counting by polarized light microscopy, the owner or operator may choose to (1) assume the amount to be greater than 1% and treat the material as ACBM, or (2) require verification for asbestos content via the point count method. If the result obtained by the point count method is different from the result by non-point-count method, the point count result shall be used. EBI's proposal does not include follow-up laboratory analysis via the point count method. Friable ACBM identified with an asbestos concentration of <10% (including ≤1.0%) will be assumed to be ACBM. If the Client would like follow-up analysis via the point count method, to verify asbestos content, EBI will perform point count analyses for an added fee of $30 per sample analysis. Materials containing <1% asbestos by weight are regulated by OSHA Asbestos Construction Standard 29 CFR 1926.1101, which requires worker training, exposure monitoring/protection, safe work practices and engineering controls.

Asbestos Operations and Maintenance Plan (O&MP)

The proposed document is not to be used as an asbestos prerenovation/demolition inspection report, nor will it comply with the EPA NESHAP Regulations for building renovations and demolition, 40 CFR Part 61, amended 11/20/90

The proposed Asbestos Operations and Maintenance Plan (O&MP) will be developed for the owners, employees, and occupants of the subject building for their use in controlling the ACM in the building (herein Subject Building). This O&MP provides the procedures and guidelines that, when used during facility cleaning, maintenance, and general operations, will minimize human exposure to asbestos fibers and minimize release of asbestos fibers to the environment. This O&MP is a long term management approach and will remain in effect until all asbestos-containing materials are removed from the Subject Property. This O&MP has been developed to cover all asbestos maintenance procedures and may contain information not applicable to owners, occupants, and employees (i.e., respirator related ACM management, associated respirator plans, training, and equipment, and medical examinations, treatment, and monitoring). The primary objectives of an effective O&MP are to minimize the future release of asbestos fibers; to maintain the asbestos-containing materials in sound condition; and, to monitor the condition of the asbestos-containing materials.

The proposed O&M Plan should be addressed not to you, but to the owner or management company. The O&M will be addressed to:

_____
_____
_____
_____

REPORT

A report will be prepared for the Site with an O&MP report, which will summarize field investigations, explain the protocol used to collect the samples, and present the analytical results. The report will include description of sample locations. Identified ACBM will be listed including material descriptions, condition assessments, locations, and estimated quantities. The issues report will state that it was prepared to assist Client comply with N.Y. Gen. Bus. Law Section 352-e, et. Seq. and governing regulations at 13 NYCRR Part 23, with a particular emphasis on ACM that is in insulating and fireproofing materials such as pipe lagging (insulation), boiler insulation and spray-on material used for fireproofing and soundproofing. Client understands that we are performing only a small part of the activities required pursuant to 13 NYCRR Part 23; the Attorney General regulations require additional disclosures if ACM is discovered, which this proposal does not address. Notwithstanding, we will provide the information required under 13 NYCRR Section 23.7(ac)(1), the qualifications of the person preparing the report.

The issued report shall state that is was prepared for purposes of complying with New York General Business Law Section 352-e, et. Seq. and governing regulations at 13 NYCRR Part 23, with a particular emphasis on ACBM that is in insulating fireproofing materials such as

pipe insulation, boiler insulation and spray-applied material used for fireproofing and soundproofing (12 NYCRR 23,7(ac)). In addition, the repot shall include the following disclaimer:

"This report was commissioned by the Sponsor solely for purposes of complying with the Martin Act and governing regulations, and should not be relied on by any third party, including Residential Unit Owners undertaking renovations which require testing for ACBM, or the Condominium Board, for the purposes of undertaking to perform any renovations in the Condominium. "

The report will also include an list of areas we survey and/or areas we were deny access to.

LIMITATIONS

EBI's scope of work as outlined in this proposal does not include the following:

- Destructive investigation or access of concrete slabs, concrete walls, below grade areas, and fire doors.
- Destructive investigation within fixed wall/floor/ceiling systems; or access below/behind/above the first layer of fixed floor/wall/ ceiling finished product, unless specifically set forth in our Scope of Work. Materials not exposed to the occupied space, those covered/hidden by other building materials, will not be accessed.
- Inspection and sampling of electrical systems.
- Providing ladders/lifts or scaffolding equipment to access elevated areas for sampling and/or investigation. Areas accessible by use of an eight foot step ladder will be accessed.
- Extensive exploratory demolition of building/structural components in order to access potential hidden ACBM.
- Drawings/plans indicating sample locations and/or identified ACBMs.
- Abatement design services.
- Lead Paint Testing.
- Physical or invasive testing, nor dismantling of operating equipment or appliances.
- Restoration, repair or patching due to sampling by EBI.
- EBI renders no opinion as to the property condition at un-surveyed and/or inaccessible portions of the subject property.
- EBI bears no responsibility for investigations previously performed at the property by other consultants.
- EBI renders no opinion as to the property condition with respect to any hazardous or regulated materials or substances (other than specifically described in this proposal) including PCB containing materials, including without limitation, PCB-caulkings and sealants as well as PCB-containing roofing materials.

EBI warrants that additional suspect ACBMs may be encountered in the future, that are not identified by the scope of the presently-proposed survey. More thorough, intrusive and destructive inspection in the future may identify additional suspect ACBMs. Additional ACBMs may also be identified as building components are removed or demolished during future renovation or building demolition.

Some minor isolated damage to building materials may occur during the sampling procedures, but EBI will attempt to limit such damage to a nominal amount necessary for sample collection. EBI will not be responsible for damage to or replacement of any sampled building materials nor shall EBI be responsible for patching or repairs.

A representative sampling of accessible building interiors and 2 units will be surveyed. The actual number of areas surveyed may depend on the observed variability in construction materials and property condition, and the size of the property.

Report information will be obtained through sources deemed reliable, a visual site survey of areas readily observable, easily accessible or made accessible by the property contact, and interviews with owners, agents, occupants or other appropriate persons involved with the subject property. This may require the site contact or property owner to provide a safe ladder. Findings, conclusions or recommendations will be based on our visual observations, the information provided or obtained, or provided or obtained by the Client or property contact, and/or a review of readily available and supplied documents and drawings.

COST ESTIMATES, TERMS, AND SCHEDULE

EBI proposes to complete the scope of services presented herein on a lump sum basis for **$5,150**:

Labor	
Asbestos Screening	$1,962.00
Report Preparation	$800.00
Asbestos Operations and Maintenance Plan	$750.00
Laboratory Analytical Services	
Up to 50 Asbestos PLM bulk samples @ $10.40 per sample (3-5 day turnaround)*	$520.00
Up to 20 Asbestos NOB Bulk Samples @$16.90 per sample (3-5 day turnaround)*	$338.00
Up to 20 Asbestos TEM Bulk Samples @$39 per sample (3-5 day turnaround)*	$780.00
Asbestos Vermiculite Samples @$322 per sample (1 week turnaround) **	---
Total Fee:	**$5,150.00**

**Note: If vermiculite is detected in surfacing material samples, additional analysis will be conducted at $322/sample for a standard 1 week turnaround.
*** This Survey is limited to One-Man Day on site.

Should the project be cancelled or placed on hold, the Client shall notify EBI immediately so that we may suspend all work. Projects cancelled or placed on hold for more than thirty calendar days will be invoiced for charges incurred to date and billed on a time and materials basis. We propose to perform the work outlined in accordance with our Terms and Conditions for Engagement, a copy of which is attached for Client review and approval. No additional work or prices other than the above-mentioned scope of work will be undertaken without written approval from the Client. This proposal is based upon the knowledge we have to date of the above referenced property. If additional information becomes available, we will discuss this with you and refine our proposal accordingly.

It is our understanding that the Client is responsible to procure authorizations necessary for EBI to perform the Scope of Work and to gain access to the Subject Property where the Scope of Work is to be performed. EBI is not responsible for any delays caused by inclement weather or site access issues.

We will deliver electronic draft reports within fifteen (15) full business days from the date of receipt of authorization to proceed, and receipt of all site contact and pertinent information. Verbal results will be available within 5 days of sampling.

AUTHORIZATION TO PROCEED

EBI is prepared to commence work immediately upon receipt of this signed document, which will authorize EBI Consulting to proceed with this project. If this proposed scope of work and associated costs and schedule are acceptable, please sign and return one copy of this letter agreement to the undersigned. Issuance of a purchase order or other form of notice to proceed implicitly acknowledges acceptance of EBI's proposal, cost, schedule, and terms and conditions. By authorizing this proposal, the signatory warrants that he/she has full authority to commit to this agreement with EBI. Acceptance of this proposal and the attached Terms and Conditions will constitute the contractual agreement between EBI and Nixon Peabody, LLP. This proposal will remain firm for a period of sixty (60) days.

Thank you for the opportunity to be of service. Should you have any questions or require additional information, please do not hesitate to contact the undersigned at (917) 291-8594.

Sincerely,
EBI Consulting,



James Wang
Senior Project Manager
Asbestos and Lead Programs

Authorization and acceptance of terms:
Nixon Peabody, LLP

Signature Date

Name Title

Client's present business association with the Subject Property:

☐ **Owner** ☐ **Owner Agent** ☐ **Borrower** ☐ **Borrower Agent**
☐ **Buyer** ☐ **Buyer Agent** ☐ **Seller** ☐ **Seller Agent**
☐ **Buyer's Lender**

☐ **Other** _____

Attachments:
Standard Terms & Conditions For Special Studies

STANDARD TERMS AND CONDITIONS FOR SPECIAL STUDIES

The Client and EnviroBusiness, Inc. (dba EBI Consulting, hereinafter "EBI") hereby agree as follows:

1. CONTRACT- The Contract is the Proposal or Contract document that is signed and dated by EBI and the Client including these Standard Terms and Conditions for Special Studies which are appended and incorporated by reference. The Client is defined as the entity that signs the Proposal or Contract.

2. SPECIAL TERMS AND CONDITIONS - These "Standard Terms and Conditions for Special Studies" are an integral part of the Proposal and Contract and shall remain in effect during and after the completion or termination of EBI's services, and shall control all conflicting terms or conditions unless EBI agrees otherwise in writing. EBI retains the right to attach this Proposal and Contract to any of its service reports or assessments provided to Client, as an exhibit, and Client agrees that this Proposal and Contract is considered a part of the Draft or Final report or assessment.

3. COMPENSATION FOR SERVICES AND PAYMENT TERMS- The Client agrees to pay EBI in accordance with the payment terms provided in the Contract.

   Invoices will be submitted upon initiation of work on the project, monthly and/or upon completion of a specified scope of service.

   Invoices are due and payable upon receipt. If payments are not made as agreed, the Client agrees to pay reasonable collection costs and a handling charge of one and one-half percent (1 ½%) per month. Subconsultant's work will be invoiced at cost plus 15%.

4. RIGHT OF ENTRY- The Client agrees to furnish EBI with the right-of-entry on the land and into any structures or represents and warrants, if the site is not owned by the Client, that permission has been granted to make site reconnaissance and observations pursuant to the scope of services in the Contract. Client will make reasonable efforts to secure permission (and any permits) necessary to allow EBI free access to the Subject Property.

   EBI will take reasonable precautions to minimize damage to the land and structures from activities related to its services but has not included in the fee the cost for restoration of damage that may result from EBI's operations, unless specifically stated in the Contract.

5. UNDERGROUND STRUCTURES - Unless otherwise agreed, the Client shall provide EBI with locations of buried utilities and other underground structures in areas of subsurface exploration. EBI will take reasonable precautions to avoid damage to the buried utilities and other underground structures noted. If locations are not known or cannot be confirmed by the Client, then there will be a degree of risk to the Client associated with conducting the exploration. In the absence of confirmed underground structure locations, the Client agrees to accept the risk of any damages and losses resulting from the exploration work.

6. RECOGNITION OF RISK- EBI will endeavor to perform services under this agreement in a manner consistent with that level of care and skill ordinarily exercised by other professional consultants performing such services within the same limits prescribed by the Client or set forth in the Proposal, at the same time performed by engineers in the same locality as the Project Site, and under the same or similar circumstances and conditions (the "Required Standard of Care"). Client recognizes that environmental, geologic, and geotechnical conditions can vary from those encountered at the times when and locations where data are obtained, and that such limitation on available data results in some level of uncertainty with respect to the interpretation of these conditions, despite meeting the Required Standard of Care.

   a. CHEMICAL WASTES AND HAZARDOUS WASTES- Client recognizes that commonly used exploration methods (such as drilling borings, pushing or driving probes, or excavating trenches) involve an inherent risk. These exploration methods may penetrate through a stratigraphic unit (either naturally occurring or man-made) bearing Hazardous Materials (herein defined) and serve as a connecting passageway between such stratigraphic unit and an uncontaminated stratigraphic unit or groundwater, thus potentially inducing cross-contamination. However, Client recognizes that there is an inherent risk in drilling borings, pushing or driving probes, excavating trenches, or implementing other methods of exploration at or near a site contaminated by Hazardous Materials. Further, Client recognizes that these are not the only risks that may be encountered, but are simply examples of consequences that cannot be anticipated or avoided in many cases, even through the exercise of the Required Standard of Care. Client accepts these and all similar risks and releases EBI from any and all liability that may be incurred as a result of the services provided by EBI, provided that such services were performed in accordance with the Required Standard of Care.

b. SUBSURFACE RISKS-Client recognizes that special risks occur whenever engineering or related disciplines are applied to identify subsurface conditions. Even a comprehensive sampling and testing program, implemented with appropriate equipment and experience by personnel under the direction of a trained professional who functions in accordance with the Required Standard of Care may fail to detect certain hidden conditions. For similar reasons, actual environmental, geological, and technical conditions that EBI properly inferred to exist between sampling points may differ significantly from those that actually exist. The passage of time also must be considered, and the Client recognizes that due to natural occurrences or direct or indirect human intervention at the Site or distance from it, actual conditions may quickly change. The Client realizes that nothing can be done to eliminate these risks altogether and that the Services included in this Agreement are those which the Client agreed to or selected in light of his/her own risk preferences and other considerations.

c. STATE-OF-THE-PRACTICE-Client recognizes that the state-of-the-practice, particularly with respect to removal and remediation of Hazardous Materials from contaminated sites and the regulatory determination of and threshold limits for Hazardous Materials, is changing and evolving. While EBI must perform in accordance with the Required Standard of Care, it is recognized that standards will subsequently change because of improvements in the state-of-the-practice. Nevertheless, EBI shall not be liable based upon such changed standards, but only upon the Required Standard of Care applicable when the Services are performed.

7. DOCUMENTS - All reports, design drawings, field data and notes, laboratory test data, calculations, estimates, and other documents that EBI prepares as instruments of service as part of this Agreement shall remain EBI's property. The Client agrees that EBI's services are on behalf of and for the exclusive use of the Client and that all reports and other documents furnished to the Client or its agents shall be utilized solely for this project. Client shall indemnify and hold harmless EBI, its officers, directors, employees and subconsultant's (collectively, EBI) against any damages, liabilities, including reasonable attorneys' fees and defense costs, arising from or alleging arising from or in any way connected with the unauthorized use of EBI's documents or instruments of services by the Client or any person or entity that acquires or obtains EBI's instruments of service from or through the client without the written authorization of EBI. EBI will retain pertinent records relating to the services performed for a period of one (1) year following submission of our report or other documents.

8. DISPOSAL OF SAMPLE - Soil, rock, water, and/ or other samples obtained from the Subject Property are the property of the Client. EBI shall discard the samples 60 days after EBI's report has been submitted, unless other arrangements are provided in the Contract. Should any of these samples be found to be contaminated by hazardous substances or suspected hazardous substances, it is the Client's responsibility to arrange and pay for lawful disposal.

   a. In the event that samples collected by EBI or provided by Client or wastes generated as a result of Project site investigation activities contain or potentially contain substances or constituents which are or may be hazardous or detrimental to health, safety, or the environment as defined by federal, state, or local statutes, regulations, or ordinances, including but not limited to samples or wastes containing Hazardous Materials, said samples or wastes remain the property of the Client and the Client shall have responsibility for them as generator. If set forth in the Proposal, EBI will, after completion of testing and at Client's expense, either (1) return said samples and waste to Client, or (2) using a manifest signed by Client as generator, have said samples and/or wastes transported to a location selected by Client for disposal.

   b. Client agrees to pay directly all costs associated with the storage, transport, and disposal of said samples and/or wastes. Unless otherwise agreed upon in the applicable Proposal, EBI shall not transport, handle, store or dispose of waste or samples or arrange or subcontract for waste or sample transport, handling, storage, or disposal.

   c. Client recognizes and agrees that EBI is working as a bailee and at no time assumes title to said waste or samples or any responsibility as generator of said waste or samples.

9. RENEGOTIATION OF CONTRACT FOR PRESENCE OF HAZARDOUS MATERIALS- If the scope of services for this Contract does not include services relating to hazardous waste, oil, asbestos or other hazardous materials, as defined by federal, state and/ or local laws or regulations, and if such materials are discovered during EBI's work, the Client agrees to negotiate appropriate revisions to the scope of services, the budget estimate, and the terms and conditions of the Contract. When such hazardous materials are suspected, EBI will have the option to stop work until a new agreement is reached. If a mutually satisfactory agreement cannot be reached between both parties, the Contract shall be terminated. The Client agrees to pay EBI for all services rendered, including any costs associated with termination.

10. CONSTRUCTION SERVICES- If EBI's construction observations services are included as part of the scope of services in the Contract, EBI will provide personnel to observe construction to ascertain that it is being performed, in general, in accordance with the plans and specifications.

EBI cannot provide its opinion on the suitability of any part of the work performed unless measurements and observations of that part of the construction are made by EBI personnel.

EBI's services do not make EBI a guarantor of the contractor's work, and the contractor will continue to be responsible for the accuracy and adequacy of all construction or other activities performed by the contractor. The contractor will be solely responsible for the methods of construction; supervision of personnel and construction; control, of machinery; false work, scaffolding, or other temporary construction aids; safety in, on, or about the job site; and compliance with OSHA regulations.

In consideration of EBI's performance of its obligations to review and evaluate the various bidders and bid submissions and to make recommendations to the Client regarding the award of the construction contract, the Client agrees to hold harmless and indemnify EBI for all costs, expenses, damages, and attorneys' fees which are incurred by EBI as a result of any claims, allegations, administrative or court proceedings, arising out of or relating to any bid protest or such other action taken by any person or entity with respect to the review and evaluation of bidders and bid submissions and/ or recommendations concerning the award of the construction contract. Although this paragraph shall not apply in circumstances in which EBI is finally adjudicated by a court to have actually engaged in intentional and willful conduct without any legitimate justification, privilege or immunity, the Client shall be obligated to indemnify EBI for all such indemnification obligations incurred by EBI until any such final adjudication has been made by a court of competent jurisdiction.

11. STANDARD OF CARE - EBI's services will be performed in accordance with generally accepted practices of the members of the same profession providing similar services at the same time, in the same locale, and under like circumstances. The Consultant makes no other representations or warranties, whether express or implied, with respect to the services rendered hereunder.

12. INFORMATION - Client will use reasonable efforts to provide to EBI information in Client's possession that EBI deems necessary to EBI's completion of the services.

13. ASSESSMENT PROCESS - Client understands and agrees that the information reported will be obtained through sources deemed reliable, a visual site survey of areas readily observable, easily accessible or made accessible by the property contact and interviews with owners, agents, occupants, or other appropriate persons involved with the Subject Property. Municipal information will be obtained through file reviews of reasonably ascertainable standard government record sources, and interviews with the authorities having jurisdiction over the property. Findings, conclusions and recommendations included in the report will be based on our visual observations in the field, the municipal information reasonably obtained, information provided by the Client, by agents of the site owner, and/or a review of readily available and supplied drawings and documents. No disassembly of systems or building components or physical or invasive testing will be performed. EBI will render no opinion as to the site or property condition at un-surveyed and/or inaccessible portions of the site or property. EBI will rely completely on the information, whether written, graphic or verbal, provided by the property contact or as shown on any documents reviewed or received from the property contact, owner or agent, or municipal source, and assumes that information to be true and correct. The observations in the report will be valid on the date of the survey. The report will speak only as of its date, in the absence of a specific written update of the report, signed and delivered by EBI.

14. DISPUTE RESOLUTION - Prior to the initiation of any legal proceedings, the parties to this Agreement agree to submit all claims, disputes or controversies arising out of or in relation to the interpretation, application or enforcement of this Agreement to non-binding mediation. Such mediation shall be conducted under the auspices of the American Arbitration Association or such other mediation service or mediator upon which the parties agree. The Party seeking to initiate mediation shall do so by submitting a formal, written request to the other party to this Agreement. This section shall survive completion or termination of this Agreement, but under no circumstances shall either party call for mediation of any claim or dispute arising out of this Agreement after such period of time as would normally bar the initiation of legal proceedings to litigate such claim or dispute under the laws of the Commonwealth of Massachusetts.

15. INSURANCE - EBI is protected by Worker's Compensation Insurance and General Commercial Liability Insurance. EBI will furnish certification upon written request. The Client agrees that EBI will not be liable or responsible to the Client for any loss, damage, or liability beyond the amounts, limits, exclusions, and conditions of such insurance.

16. PROFESSIONAL LIABILITY - The Client agrees to limit liability to an amount of $50,000 or EBI's fee, whichever is less and to indemnify EBI for any claims or costs from any construction contractor or subcontractor who performs work for which EBI has provided reports, plans, and specifications. Each party agrees that to the fullest extent permitted by law, neither party shall be liable to the other party for any special, indirect or consequential damages whatsoever, whether caused by EBI's negligence, errors, omissions, strict liability, breach of contract, breach of warranty or other cause of causes whatsoever even if advised of the possibility of such damages and regardless of whether or not the damages were reasonably foreseeable. EBI assumes no liability whatsoever for deliverables or reports that are submitted in only draft form. EBI's reports, findings, recommendations and/or conclusions are valid for a period of a maximum of one (1) year,

or until such time, whichever is less, that the Subject Property or its components has been modified to a different condition than that observed and reported within the reports covered under the Proposal and Contract.

17. INDEMNIFICATION FOR HAZARDOUS MATERIALS - The Client agrees that EBI has not contributed to the presence of hazardous wastes, oils, asbestos or other hazardous materials that may exist or be discovered in the future at the site and that EBI does not assume any liability for the known or unknown presence of such materials.

    Therefore, the Client shall defend, indemnify, and hold harmless EBI, its consultants, subcontractors, agents, and employees from and against all claims, damages, losses, and expenses including defense costs and lawyer's fees including those that result from the failure to detect or from the actual, alleged, or threatened discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, asbestos in any form, or contaminants including smoke, vapor, soot, fumes, acids, alkalies, chemicals, waste, oil or other hazardous material. The Client shall be liable under this paragraph for claims, damages, losses, and expenses including defense costs and attorney's fees, unless such claims, damages and losses and expenses are caused by EBI's gross negligence.

18. PUBLIC RESPONSIBILITY - The Client acknowledges that the Client or the Site Owner, as the case may be, is now and shall remain in control of the Site for all purposes at all times. Except as required by law, EBI does not undertake to report to any federal, state, county, or local public agencies having jurisdiction over the subject matter any conditions existing at the Site from time to time that may present a potential danger to public health, safety, or the environment. The Client agrees to notify each appropriate federal, state, county, and local public agency, as they each may require, of the existence of any condition at the Site that may present a potential danger to public health, safety, or the environment.

    Notwithstanding the provisions of the foregoing, EBI will comply with subpoenas, judicial orders or government directives, and federal, state, county and local laws, regulations and ordinances, and applicable codes regarding the reporting to the appropriate public agencies of findings with respect to potential dangers to public health, safety, or the environment. EBI shall have no liability or responsibility to the Client or to any other person or entity for reports or disclosures made in accordance with such statutory or other lawful requirements. The Client shall defend, indemnify, and hold EBI harmless from and against any and all claims, demands, liabilities and expense, including reasonable attorneys' fees incurred by EBI and arising directly or indirectly out of EBI's reporting such information under a bona fide belief or upon advice of counsel that such reporting or disclosure is required by law.

19. SUSPENSION OF WORK - The Client may, at any time, by a ten (10) day written notice, suspend further work for EBI as such work is defined by this Contract. The Client shall remain fully liable for and shall promptly pay EBI the full amount for all services rendered by EBI to the date of suspension of services plus suspension charges. Suspension charges shall include the cost of putting documents and analyses in order, personnel and equipment rescheduling or reassignment adjustments, and all other related costs and charges directly attributable to suspension.

    If payment of invoices by the Client is not maintained on a thirty (30) day current basis, EBI may, by providing a ten (10) day written notice to the Client, suspend further work until payments are restored to a current basis. In the event EBI engages counsel to enforce overdue payments, the Client shall reimburse EBI for all reasonable attorney's fees and court costs related to enforcement of overdue payments. The Client shall indemnify and save harmless EBI from any claim or liability resulting from suspension of the work due to non-current payments.

20. TERMINATION - Either party may terminate this Agreement for cause upon giving the other party not less than seven (7) calendar days written notice for any of the following reasons: substantial failure by the other party to perform in accordance with the terms of this agreement and through no fault of the terminating party and/or material changes in the conditions under which this Agreement was entered into, the scope of services or the nature of the project or the failure of the parties to reach agreement on the compensation and schedule adjustments necessitated by such changes.

21. CHOICE OF LAW - This Agreement shall be deemed executed and delivered within the Commonwealth of Massachusetts, and all rights and obligations of the parties under this Agreement, and any disputes hereunder, shall be governed by the law of the Commonwealth of Massachusetts.

22. DRAFTING NOT TO BE CONSTRUED AGAINST ANY PARTY - The parties acknowledge and agree that each has had a full opportunity to review and have input into this Contract and that any ambiguity found shall not be construed against any party as drafter.

23. INDEPENDENT CONTRACTOR - EBI is being retained by Client pursuant to this Contract as an independent contractor, and nothing herein or otherwise shall be construed to make EBI an employee, agent or representative of Client. EBI shall not represent to third parties that it represents Client or is the agent of Client. EBI is responsible for and shall have complete control over all necessary labor, equipment, insurance and materials to perform the Services, and for determining the best means to perform the services subject to, and in order to satisfy, the requirements of this Contract.

24. ASSIGNMENT - This Contract may not be assigned by either party hereto without the prior written consent of the other party.

25. SURVIVAL - The provisions of this Contract shall survive the completion of the Services and the scope of work for each Project or the earlier termination of this Contract and/or the scope of work.

26. FORCE MAJEURE - A delay in or failure of performance of either party hereto shall not constitute default hereunder or give rise to any claim for damages if and to the extent such delay or failure is caused by occurrences beyond the control of the party affected, including but not limited to: acts of God or the public enemy; compliance with any order, action, or request of a governmental authority affecting to a degree, not presently existing, the supply, availability, or use of information, materials or labor; acts of war; public disorders; rebellion or sabotage; floods; riots; strikes; labor or employment difficulties whether direct or indirect; or any causes, whether or not the class or kind of those specifically named above, not within the control of the party affected and which, by the exercise of a reasonable diligence, said party is unable to prevent.

    A party which is prevented from performing, for any reason, shall immediately notify the other party in writing of the cause for such non-performance and within a reasonable time set forth the anticipated extent of the delay. Should either party's performance hereunder be delayed beyond the control of or without the fault or negligence of such party, the parties to this Contract shall confer to reach an agreement on the conditions upon which the work shall be continued, or otherwise terminated.

27. SEVERABILITY. Any article or provision of this contract which may be deemed in violation of law shall not affect in any manner the remaining provisions of this contract.

28. ENTIRE AGREEMENT - This Contract constitutes the entire agreement between Client and EBI with respect to the services and supersedes all prior negotiations, representations and agreements.

APPENDIX G

NYS Code Rule 56 – List Of Suspect ACM Materials

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

J.C. Broderick & Associates Inc.

1775 Expressway Drive No.

Hauppauge, NY 11788

FILE NUMBER: 99-0503
LICENSE NUMBER: 28731
LICENSE CLASS: RESTRICTED
DATE OF ISSUE: 04/26/2018
EXPIRATION DATE: 05/31/2019

Duly Authorized Representative – Brendan Broderick:

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)

J.C. Broderick & Associates, Inc.

Ryan Eid

NYC DEP ASBESTOS CONTROL PROGRAM
ASBESTOS CERTIFICATE



EID,
RYAN C
INVESTIGATOR
118732

EXPIRES: 10/13/2020 [redacted]

MUST BE CARRIED ON ALL ASBESTOS PROJECTS

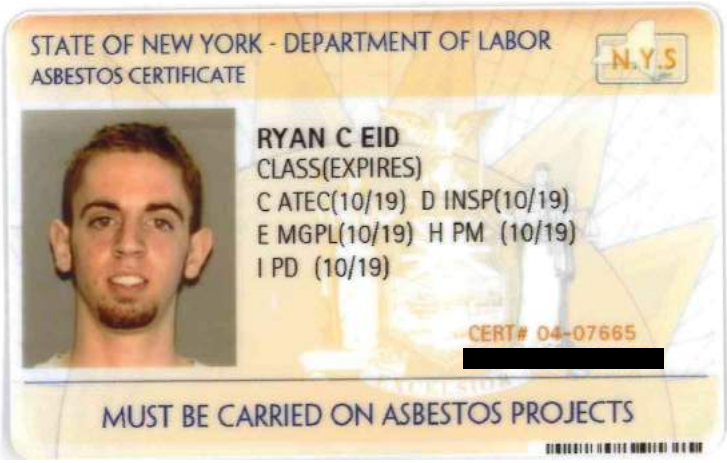
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This certificate must be shown to a NYCDEP representative upon request. Report loss immediately to NYCDEP Asbestos Control Program, 8th floor 59-17 Junction Blvd., Flushing, NY 11373

J.C. Broderick & Associates, Inc.

Ryan Eid



APPENDIX H

ASBESTOS O&M Plan

Asbestos Operations & Maintenance Plan

66 West 138th Street
New York, New York

EBI Project No. 1119001343

March 15, 2019



Prepared for:

66 West 138 LLC
85 Delancey Street
New York, NY 10002

Prepared by:

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Project No. 1119001343

Asbestos Operations & Maintenance Plan

66 West 138th Street
New York, New York 10037

PREPARED FOR:

66 WEST 138 LLC
85 DELANCEY STREET
NEW YORK, NY 10002

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1.0 INTRODUCTION

1.1 General

This Operations and Maintenance (O&M) plan was developed for the owners, employees, and occupants of the building located at 66 West 138th Street in New York, New York (herein the Subject Property) for their use in managing suspect, assumed or known asbestos-containing materials (ACMs) in the building(s) [Refer to Section 3.7 for definition of terms]. The purpose of this Plan is maintenance of suspect, assumed, or known ACMs in their existing condition.

This O&M Plan specifies procedures for suspect, assumed and known ACMs. Within this O&M Plan, procedures specified for ACMs (generally) also apply to suspect and assumed ACMs. The sole term of ACM is frequently used for simplicity and to avoid repeated use of "suspect, assumed, or known ACM".

Friable asbestos hazard conditions, if present, must be addressed by remediation procedures, which are beyond the scope of this O&M Plan. Remediation activities should be conducted by licensed asbestos contractors. Nonetheless, the Facility Asbestos Coordinator should ensure that activities of asbestos contractors follow applicable regulatory requirements and guidelines.

This Plan has been designed to minimize the risk of human exposure to asbestos fibers and asbestos fiber release during general work activities, scheduled maintenance and renovation of the building. This Plan will be in effect until all the ACMs have been removed from the facility.

This O&M has been developed to cover all asbestos maintenance procedures and may contain information not applicable to the Subject Property owners, occupants, and employees. Sections of this O&M Plan (i.e. sections 4.8-Medical Surveillance and Respiratory Protection Programs and 4.9-Personal Protective Clothing) may only be applicable if "in-house" ACM abatement work is undertaken.

1.2 Statement of Policy

Company policy dictates that personnel or tenants should not engage in the disturbance of asbestos-containing material (ACM), suspect or assumed ACM. The intent of this O&M Plan is to enable maintenance personnel to perform routine maintenance activities, housekeeping activities, and activities to clean up asbestos dust, waste, and debris without technically 'disturbing' ACM or assumed ACM. In the event that ACM is to be disturbed or removed, maintenance personnel will notify the Facility Asbestos Coordinator who will in turn notify a licensed asbestos abatement contractor.

This plan is based upon normal work activities necessary to maintain the facilities in good condition without disturbing ACM, suspect or assumed ACM.

1.3 Objectives

The primary objectives of an effective O&M are:

1) To minimize the future release of asbestos fibers.
2) To maintain the asbestos-containing materials in sound condition.
3) To monitor the condition of the asbestos-containing materials.
4) To provide for the identification and immediate remediation of asbestos hazardous conditions.

1.4 Benchmarks of an Effective Operations and Maintenance Plan

For an O&M to be effective, it must be fully implemented at all levels of management and by a single individual who manages any and all activities involving ACM.

1.5 Operations and Maintenance Plan Elements

This O&M is comprised of the following elements:

1) Building occupant, tenant and employee notification.
2) Provisions for labeling, where appropriate, the asbestos-containing materials.
3) Employee training.
4) Work permit system to ensure that employees, tradesman and contractors do not inadvertently come in contact with asbestos-containing materials.
5) Special work practices allowing trained personnel to safely perform maintenance and cleaning operations involving ACM with the potential to release asbestos fibers.
6) Procedures to effectively combat fiber release episodes.
7) Employee protection and medical surveillance programs.
8) Periodic surveillance of the asbestos-containing materials remaining in place to ensure that they are in stable condition.
9) A record-keeping system.

1.6 Facility Survey

The Subject Property is currently improved with a 5-story, residential building located at 66 West 138th Street in New York, New York. There is a basement present beneath the existing structure. The existing improvements were reportedly constructed in 1900.

EBI conducted a limited screening survey for the presence of ACM at the Subject Property. EBI identified friable suspect ACM in the form of drywall/joint compound, skim coast ceiling material, terracotta wall mortar, block around oil tank, wall and ceiling plasters, ceramic floor tile grout, door saddle mortar, and exterior brick mortar and non-friable suspect AM in the form of interior brick wall mortar, building caulking, window caulking and roofing materials. These materials observed to be undamaged and in good condition at the time of the screening, with the exception of the drywall ceiling in the cellar, the skim coat ceiling material located in the cellar and the ceramic floor tile grout. EBI collected Sixty-Four (64) representative samples of suspect ACM at the Subject Property. Please note that the scope of work for this screening was limited to sampling suspect ACMs in accessible areas. Additional suspect ACM may be present in inaccessible areas, including, but not limited to roofs, pipe chases, behind solid walls and ceilings, concealed floor coverings, the interior of machinery or equipment, or water and sewer systems. Suspect samples were submitted for analysis of asbestos content to EMSL Analytical, Inc., located in Carle Place, NY. EMSL is a state-licensed and accredited laboratory. The following table presents the sample location, asbestos content, friability, general condition, and estimated quantity of the suspect ACM samples collected at the Subject Property:

Asbestos Summary Table					
Sample No.	**Suspect Material Description**	**Sample and Material Location**	**Friable Yes/No**	**Condi-tion**	**Result (% Asbestos)**
1, 2, 3	Gypsum Ceiling Board	Cellar	Yes	Fair	NAD
4, 5, 6	Joint Compound	Cellar	Yes	Good	NAD
7, 8, 9	Skim Coat on Metal Ceiling	Cellar	Yes	Poor	NAD
10, 11, 12	Terracotta Wall Mortar	Cellar	Yes	Good	NAD
13, 14, 15	Block Around Oil Tank	Cellar	Yes	Good	NAD
16, 17, 18, 19, 20, 21, 22	**Wall Plaster – White Coat**	**Hallways Throughout**	**Yes**	**Good**	**2.70% Chrysotile**
23, 24, 25, 26, 27, 28, 29	**Wall Plaster – Brown Coat**	**Hallways Throughout**	**Yes**	**Good**	
30, 31, 32	Interior Wall Brick Mortar	Building Throughout	No	Good	NAD
33, 34, 35	Ceramic Floor Tile Grout	Hallways Throughout	Yes	Fair	NAD
36, 37, 38, 39, 40	**Ceiling Plaster – Skim Coat on Concrete**	**Hallways Throughout**	**Yes**	**Good**	**1.30% Chrysotile**
41, 42, 43	Gypsum Board	Apartment 4A	Yes	Good	NAD
44, 45, 46	Joint Compound	Apartment 4A	Yes	Good	NAD
47, 48, 49	Gypsum Board	Apartments 5A, 5D	Yes	Good	NAD
50, 51, 52	Joint Compound	Apartments 5A, 5D	Yes	Good	NAD
53, 54, 55	Mortar Below Bathroom Door Saddle	Apartment 5A	Yes	Good	NAD
---	Fiberglass Pipe Insulation	Building Throughout	No	Good	Non Suspect Material
56, 57, 58	Exterior Brick Mortar	Exterior Façade	Yes	Good	NAD
59, 60, 61	**Pink Caulking Between Buildings**	**Exterior Façade**	**No**	**Good**	**1.4% Chrysotile**
62, 63, 64	Exterior Black Window Caulking	Exterior Façade	No	Good	NAD

Asbestos Summary Table					
Sample No.	**Suspect Material Description**	**Sample and Material Location**	**Friable Yes/No**	**Condi-tion**	**Result (% Asbestos)**
---	**Roofing Materials**	**Roof**	**No**	**Good**	**Assumed ACM**

NAD- No Asbestos Detected

Laboratory analytical results indicate that four (4) homogenous areas sampled at the Subject Property contain >1% asbestos and are considered ACBMs.

It should be noted that the limited visual screening survey conducted under the scope of work for this assessment does not constitute a full asbestos inspection, in which all areas of the buildings would have been thoroughly surveyed and sampled. The possibility exists for ACM to be present in areas of the buildings not accessed or sampled by EBI personnel. Based on the limited scope of this assessment, additional suspect ACM may also present in areas of the buildings that were accessed as part of this assessment. The sampling conducted as part of this limited visual screening survey is not designed to comply with regulatory requirements for planned building material disturbances including, but not limited to, renovation or demolition. Materials found to contain ≤1% asbestos, via samples collected as part of this limited visual screening survey, have not been identified as non-ACM, and shall be considered suspect ACM with regard to future disturbance.

Due to the continued manufacture and distribution of a wide variety of asbestos-containing building materials, asbestos may be present in some of the roofing, flooring, caulking/putties, adhesives, spackling compounds, and/or non-accessible insulation materials at the Subject Property. Sampling of these types of materials require techniques that may be destructive to subject facilities, and in the case of roofing material, may void warranties. It is recommended that all such suspect asbestos-containing materials be tested prior to renovation or demolition activities that could disturb the materials. Any testing, removal, or disturbance of ACM should be handled in compliance with federal, state, and local regulations. Licensed, qualified asbestos abatement personnel should be retained prior to demolition or renovation of subject facilities.

Based on EBI's limited scope of work, sampling and assessment results shall not be used for determination of ACMs and non-ACMs per EPA, OSHA, and State and local regulatory requirements. Asbestos inspection shall be performed in full compliance with EPA, OSHA, and applicable State and local standards for determination of ACMs and non-ACM prior to any and all renovation, demolition, or other activity that will cause a material disturbance of suspect ACM. All sampled materials referenced above shall be treated as suspect or assumed ACM. Any materials similar in appearance to the suspect ACMs discussed above shall be treated as suspect or assumed ACM. Additional suspect ACMs may be present at the Subject Property that were not identified as part of EBI's limited scope of work: such as the list of building materials included in Section 2.1. All such suspect ACMs at the Subject Property shall be treated as ACM unless sampled by an Asbestos Consultant, analyzed for asbestos content, and reported by the Consultant to be non-ACM. All such materials should be managed under the O&M Plan.

For the purpose of this O&M Plan, any suspect ACMs encountered in the future will be considered ACM unless inspected and sampled by an Asbestos Consultant and reported to be non-ACM.

No suspect ACM shall be disturbed or involved in any work, in any way, unless sampled by an Asbestos Consultant, analyzed for asbestos content, and reported by the Consultant to be non-ACM.

1.7 O&M Plan Implementation Overview

This O&M Plan is established with the intent of managing ACMs as follows:

1. Abate any existing asbestos hazards utilizing a licensed asbestos removal contractor.
2. ACMs in fair to good condition will be maintained in-place in their existing condition.
3. Establish procedures to minimize and/or avoid ACM disturbance.
4. Contract asbestos removal activities prior to any maintenance/repair, renovation, or other activities that may cause an asbestos disturbance. [In-house asbestos abatement capabilities can be established. However, this is not within the scope of this O&M Plan report. Guidance for in-house asbestos work can be obtained upon O&M worker training or can be provided by EBI as a supplement to this O&M report.]

Listed below is a checklist of the programs and/or procedures that should be implemented as part of this O&M Plan. These programs/procedures include immediate and on-going activities for proper management of ACMs at the Property. Upon implementation of the O&M Plan, the Facility Asbestos Coordinator should be able to check off each of the activities listed within the **O&M Implementation Checklist**. Within the **O&M Implementation Checklist**, references are made to report section(s) which provide further description.

O&M IMPLEMENTATION CHECKLIST

The Facility Asbestos Coordinator should check that each of the activities/programs listed below has been completed or is implemented on an on-going basis.

___ **Facility Asbestos Coordinator (Coordinator) Training** – Minimum two day training or equivalent knowledge through background and experience (Section 4.4).

___ **Visual Reinspection of Property** by the Coordinator after completion of O&M training (Section 4.10).

___ **Initial Clean-Up**, **Abatement**, and/or **Testing** of known or potential friable asbestos hazards (Section 3.5).

___ **Worker Training** (Section 4.4).

- ___ **Maintenance** and **Custodial Personnel (if applicable)** – Awareness Training (2-Hour).
- ___ **Maintenance Personnel (if applicable)** – O&M Worker Training (2-day), if workers conduct work that could potentially disturb ACM.

___ **Employee**, **Tenant** (if applicable), and **Contractor Notifications** (Section 4.2).

___ **Asbestos Labeling** (Section 4.3.2), *if necessary*.

___ **Signage** (Section 4.3.2), *if necessary*.

___ **Periodic Surveillance** procedures (Section 4.10).

___ **Record Keeping** procedures (Section 4.11).

___ **Work Control/Permit System** (Section 4.5).

2.0 ASBESTOS-CONTAINING BUILDING MATERIALS

2.1 General

Asbestos is a term used to describe a group of six naturally occurring crystalline fiber minerals. Asbestos has been used extensively throughout the world in the textile, insulation and building industries. It is readily available from vast deposits in the earth; has excellent thermal stability; and has a high degree of tensile strength. Due to these excellent properties, millions of tons of asbestos have been mined since the turn of the century. Asbestos has been used as a component in fireproofing, decorative coatings, insulation materials, and as reinforcement for plasters binders in building products.

Asbestos was used extensively in the construction industry until the late 1970's. However, since the early 1970's, public awareness of the potential health hazards associated with inhalation of airborne asbestos fibers has increased. Since 1973, the U. S. Environmental Protection Agency (EPA) has limited the use of asbestos for fireproofing and insulation purposes, and in 1978, decorative uses were prohibited. Asbestos may be found in the following building materials:

Acoustical Plaster Skim Coat	Ductwork Flex Connectors	Packing Materials (at wall/
Acoustical Plaster Base Coat	Electrical Cloth	/floor penetrations)
Adhesives	Electrical Panel Board	Roofing Materials
Asphalt Floor Tile	Electric Wiring Insulation	Roofing Shingles
Blown-in Insulation	Elevator Brake Shoes	Rooftop Equipment Sealant
Boiler Insulation	Elevator Equipment Panels	Sheetrock Wallboard
Breeching Insulation	Fire Blankets	Spackling Compounds
Caulking/Putties	Fire Curtains	Spray-Applied Insulation
Ceiling Tiles	Fire Doors	Stucco
Cement Pipes	Fireproofing Materials	Textured Ceiling Surfacing
Cement Siding	Floor Backings	Textured Paints/Coatings
Cement Wallboard	Heating/Electrical Ductwork	Thermal Paper Products
Chalkboard	HVAC Duct Insulation	Thermal Taping Compounds
Construction Mastics (floor	High Temperature Gaskets	Transite Panels
tile, carpet, ceiling tile, etc.)	Joint Compound	Vinyl Floor Tile
Cooling Towers	Laboratory Hoods/Table Tops	Vinyl Sheet Flooring
Decorative Plaster	Pipe Insulation	Vinyl Wall Coverings

Asbestos-containing building materials are generally classified as friable or non-friable. Friable materials are those which can be crumbled, pulverized or reduced to powder by hand pressure or by normal use or maintenance and emits or can be expected to emit asbestos into the air. As an example, vinyl asbestos floor tile is generally considered non-friable until it is mechanically removed from the substrate. At that time, it may be considered friable.

2.2 Medical Aspects

Asbestos fibers enter the body via inhalation of airborne particles or by ingestion and can be become imbedded in the tissues of the respiratory or digestive systems. Excessive inhalation can cause a pneumoconiosis condition known as asbestosis, an emphysema-like condition. Medical research has indicated that even inhalation of asbestos fibers at the lowest detectable limits can cause other diseases such as lung cancer, pleural mesothelioma, a cancerous tumor that spreads rapidly in the cells of membranes covering lungs and body organs, and gastrointestinal cancer.

2.3 Regulatory Aspects

Occupational Safety and Health Administration (OSHA) began regulating exposure to asbestos in general industry in 1972. Housekeeping work not related to a construction activity is regulated by the "General Industry Standard (Title 29 Code of Federal Regulations (CFR) Part 1910.1001). These provisions cover routine cleaning in public and commercial buildings where construction activities are not taking place. Housekeeping work related to a construction activity is regulated by the "Construction Standard" (Title 29 CFR Part 1926.1101). For the Subject Facility, construction activities are most likely Class IV Asbestos work. Class IV is defined as maintenance and custodial activities during which employees contact, but do not disturb ACM.

Emissions of asbestos to ambient air are controlled by Section 112 of Clean Air Act which established National Emission Standards for Hazardous Air Pollutants (NESHAPS) (40 CFR 61). NESHAPS regulations require filing of notices prior to the commencement of asbestos abatement activities.

Additional information regarding Federal regulatory requirements can be obtained on the USEPA Asbestos website (http://www.epa.gov/asbestos/index.html) and the U.S. Department of Labor OSHA website (http://www.osha.gov/SLTC/asbestos/standards.html).

Additional New York State regulations can be found on the New York State Department of Health (NYSDOH) website (https://www.health.ny.gov/environmental/indoors/asbestos/laws.htm). The regulations for the training of asbestos abatement workers and training providers are established in 10 NYCRR Part 73 by the NYSDOH. The New York State Department of Labor (NYSDOL) regulates the removal, encapsulation, enclosure, repair, or the disturbance of friable and non-friable asbestos, or any handling of asbestos material that may result in the release of asbestos fiber under 12 NYCRR Part 56. The New York State Department of Environmental Conservation-Solid Waste Management Facilities regulations can be found in 6 NYCRR Part 360 regarding asbestos waste disposal and the New York State Department of Environmental Conservation-Waste Transporter Permits regulates transportation of asbestos waste under 6 NYCRR Part 364.

Additional New York City regulations can be found on the New York City Department of Environmental Protection website: (http://www.nyc.gov/html/dep/pdf/air/asbestos_rules_20110203.pdf). Title 15, Chapter 1 of the Rules of the City of New York regulates the certifications of the asbestos industry, notifications and permitting, inspection and abatement procedures for asbestos projects in New York City.

3.0 ASBESTOS MANAGEMENT PLAN

3.1 General

Upon discovery of ACM in a facility, the building owner develops an asbestos management plan to effectively control the asbestos-containing materials in order to prevent an inadvertent release and human exposure to asbestos fibers.

The asbestos management plan and consequent abatement options are developed by review of asbestos survey results as well as health and safety of the building occupants. The asbestos management plan considers the hazard assessment of the asbestos containing material, the short and long-term costs of abatement options, and the expected life of the facility.

Generally, there are four alternatives for asbestos management that can be used in conjunction.

1) Remove the asbestos-containing materials.
2) Encapsulate the asbestos-containing materials.
3) Enclose the asbestos-containing materials.
4) Implement an Operations and Maintenance Plan (O&M).

3.2 Removal

The major advantage of removing asbestos-containing materials is that potential exposure is ended and the development of future problems is prevented. Therefore, removal is the most complete solution. The main disadvantage to the removal option is the cost and time for removal of ACM and replacement of substitute material. However, if the material is friable, deteriorating, damaged or accessible by employees or tenants, removal is generally the most appropriate option. Removal must be performed by trained personnel. As such, removal should be performed by a licensed asbestos contractor.

3.3 Encapsulation

Encapsulation involves coating the ACM with a sealant to bind the asbestos fibers and other components together. Encapsulation reduces the risk of fiber release and increases ACM's resistance to damage. The initial cost of encapsulation may be lower than removal; however, an O&M must be implemented and remain in effect until the asbestos-containing materials are finally removed. With encapsulation, the source of the hazard remains in the building and must be considered when planning renovation, maintenance, or demolition activities. In addition, encapsulation can make subsequent removal more difficult and hazardous since it creates a hard-crusted surface that cannot easily be wetted to facilitate removal. The placement of a second (non-asbestos) layer of floor tile over the existing asbestos containing floor tile is a form of encapsulation. Note that encapsulation is considered an abatement activity and must be done by trained personnel (see section 4.4).

3.4 Enclosure

Enclosure involves the construction of an air-tight barrier around the asbestos-containing materials. Carefully constructed airtight enclosures can reduce and even eliminate release of airborne fibers into the building environment. This alternative does not require replacement of the asbestos-containing materials and usually exhibits a lower initial cost than removal. An O&M

must be implemented in the event that asbestos-containing materials remain in the building(s) and remain in effect until the ACM is removed.

3.5 Implementation of an Operations and Maintenance Plan

The Facility Asbestos Coordinator shall immediately address any damaged ACM conditions identified during EBI's assessment or inspections performed by or arranged by the Facility Asbestos Coordinator. Actions taken by the Coordinator may be self directed or based on consultation with EBI or other Asbestos Consultant. Appropriate response actions may be as simple as restricting access to affected areas of the Subject Property to properly trained and/or protected personnel. Response actions may also include abatement (repair, removal, enclosure, etc.) of damaged material or hazardous conditions. Sampling of damaged materials may also be necessary prior to determination of appropriate response actions.

Damaged ACM conditions or any other evidence of an asbestos fiber release will be recorded. The Coordinator will immediately arrange remediation of the condition.

An O&M is a long-term management approach to managing the asbestos-containing materials remaining in place. The program is designed to clean up asbestos fibers previously released, prevent future releases by minimizing the disturbance or damage of asbestos-containing materials, and provide for continued monitoring of the condition of asbestos-containing materials. The program remains in effect until all asbestos-containing materials are removed from the building(s).

The O&M alerts workers and building occupants to the location of asbestos-containing materials, trains custodial and maintenance personnel in proper cleaning and maintenance procedures, establishes a process that assures asbestos containing material are not disturbed during building repairs and renovations, and periodically re-inspects areas with asbestos- containing materials. The Facility Asbestos Coordinator and the supervisor of the custodial staff are key participants in the O&M.

3.6 Considerations for Contracting Asbestos Work

The asbestos Work Permit System (Section 4.5) shall include contract work. Many building owners contract for at least some custodial and maintenance services. Contracts with service trades or abatement companies should include the following provisions to ensure that the service or abatement workers can and will follow appropriate work practices:

- Proof that the contractor's workers have been properly notified about ACM and suspect/assumed ACM in the owner's building and that they are properly trained and accredited (if necessary) to work with ACM.
- Copies of documentation of use of respiratory protection, medical surveillance, and worker training as required by OSHA, EPA, and/or state and city regulatory agencies.
- Notification to building tenants and visitors that abatement activity is under way (performed by owner).
- Submission of written work practices by the vendor or contractor to the Facility Asbestos Coordinator for approval or modification. The vendor or contractor should then agree to abide by the work practices as finally accepted by the Facility Asbestos Coordinator.
- Assurance that the contractor will use proper work area isolation techniques, proper equipment, and required waste disposal practices.

- Historical air monitoring data for representative examples of the contractor's previous projects, with emphasis on projects similar to those likely to be encountered in the building.
- Provision for inspections of the area by the owner's representative to ensure that the area is acceptable for re-entry of occupants/tenants.
- Evaluation of resumes for each abatement contractor/supervisor or maintenance crew chief, known as the "competent person" in the OSHA standard and EPA Worker Protection Rule.
- Criteria for determining successful completion of the work (i.e., visual inspections and air monitoring).
- Notification to EPA (and other appropriate agencies) if the abatement project is large enough to trigger asbestos NESHAP or New York State or New York City requirements.
- Any other information deemed necessary by the owner's legal counsel.

3.7 Definitions

Aerosol: A system consisting of particles, solid or liquid, suspended in air.

Air Cell: Insulation normally used on pipes and ductwork that is comprised of corrugated cardboard which is frequently comprised of asbestos combined with cellulose or refractory binders.

Air Monitoring: The process of measuring the fiber content of a specific volume of air.

Amended Water: Water to which a surfactant has been added to increase the ability of the liquid to penetrate asbestos.

Asbestos: The asbestiform varieties of serpentinite (chrysotile), riebeckite (crocidolite), cummingtonite-grunerite, amosite, anthophylite, and actinolite-tremolite. For purposes of determining respiratory and worker protection both the asbestiform and non-asbestiform varieties of the above minerals and any of these materials that have been chemically treated and/or altered shall be considered as asbestos.

Asbestos-Containing Material (ACM): Any material containing more than 1% of asbestos of any type or mixture of types.

Asbestos-Containing Waste Material: Any material, which is or is suspected of being or any material contaminated with an asbestos-containing material that is to be removed from a work area for disposal.

Asbestos Consultant: Person and/or company currently accredited and/or licensed as an asbestos inspector in accordance with EPA and applicable State and local regulations.

Assumed Asbestos-Containing Material: Any suspect ACM that has not been appropriately tested to confirm whether or not it contains asbestos.

Authorized Visitor: The Owner's Representative or his designee, testing lab personnel, the Architect or a representative of any federal, state and local regulatory or other agency having authorizing over the project.

Barrier: Any surface that seals off the work area to inhibit the movement of fibers.

Breathing Zone: A hemisphere forward of the shoulders with a radius of approximately 6 to 9 inches.

Ceiling Concentration: The concentration of an airborne substance that shall not be exceeded.

Certified Industrial Hygienist (C.I.H.): An industrial hygienist certified in Comprehensive Practice by the American Board of Industrial Hygiene.

Class I Work (OSHA): Work activities, performed by an outside licensed abatement contractor, that involve the removal of boiler, pipe and duct insulation, and surfacing material such as spray-applied fireproofing.

Class II Work (OSHA): Work activities, performed by an outside licensed abatement contractor, that involve the removal of asbestos-containing materials other than boiler, pipe and duct insulation, and surfacing material such as spray-applied fireproofing.

Class III Work (OSHA): Work activities that involve the repair of minor amounts of damaged asbestos-containing materials.

Class IV Work (OSHA): Work activities that involve the maintenance and custodial activities during which tenants and employees contact but do not disturb asbestos-containing materials or presumed ACM. Class IV work may involve the clean-up of dusts, wastes and debris in areas where asbestos is, was or may be located.

Critical Barrier: Airtight barrier, usually of sheet plastic, which separates the contaminated work area from any other air space. Installed first, these barriers cover items such as, but not limited to: windows, doors, HVAC components, floor drains and containment walls that are not at existing building walls.

Decontamination: Wet cleaning and HEPA vacuuming of all work area surfaces to remove all visible debris prior to the final visual inspection, encapsulation and testing of the containment.

Demolition: The wrecking or taking out of any building component, system, finish or assembly of a facility together with any related handling operations.

Disposal Bag: A properly labeled 6 mil thick leak-tight plastic bag used for transporting asbestos waste from work and to disposal site.

Encapsulant: A material that surrounds or embeds asbestos fibers in an adhesive matrix, to prevent release of fibers.

Bridging encapsulant: an encapsulant that forms a discrete layer on the surface of an in situ asbestos matrix.

Penetrating encapsulant: an encapsulant that is absorbed by the in situ asbestos matrix without leaving a discrete surface layer.

Removal encapsulant: a penetrating encapsulant specifically designed for removal of asbestos-containing materials rather that for in situ encapsulation.

Encapsulation: Treatment of asbestos-containing materials, with an encapsulant.

Enclosure: The construction of an airtight, impermeable, permanent barrier around asbestos-containing material to control the release of asbestos fibers into the air.

Fiber Release: Any uncontrolled or unintentional disturbance of ACBM resulting in visible emission.

Filter: A media component used in respirators to remove solid or liquid particles from the inspired air.

Fitting: Within any piping system, any valve, tee, elbow, 45°, flange, union, reducer, or other piping connector which may be insulated with asbestos.

Friable Asbestos Material: Material that contains more than 1.0% asbestos by weight, and that can be crumbled, pulverized, or reduced to powder by hand pressure when dry.

Glovebag: A sack (typically constructed of 6 mil transparent polyethylene or polyvinyl chloride plastic) with two inward projecting long sleeve gloves, which are designed to enclose an object from which an asbestos-containing material is to be removed.

HEPA Filter: A High Efficiency Particulate Air (HEPA) filter capable of trapping and retaining 99.97% of asbestos fibers greater than 0.3 microns in length.

HEPA Filter Vacuum Collection Equipment (or vacuum cleaner): High efficiency particulate air filtered vacuum collection equipment with a filter system capable of collecting and retaining asbestos fibers. Filters should be 99.97% efficient for retaining fibers of 0.3 microns or larger.

High-Efficiency Particulate Air Filter (HEPA): A filter which removes from air 99.97% or more of monodisperse dioctyl phthalate (DOP) particles having a mean particle diameter of 0.3 micrometer.

Lock-out: Installation of a locking device to prevent activation of an electrical circuit, which has been deactivated for safety reasons. Always utilized in conjunction with tag-out procedures to advise who has deactivated the circuit and in compliance with OSHA 1910.147, "Control of Hazardous Energy Source."

NESHAP: National Emission Standard for Hazardous Air Pollutants, 40 CFR Part 61 Subpart M.

Negative Pressure Respirator: A respirator in which the air pressure inside the respiratory-inlet covering is positive during exhalation in relation to the air pressure of the outside atmosphere and negative during inhalation in relation to the air pressure of the outside atmosphere.

Negative Pressure Ventilation System: A pressure differential and ventilation system.

Personal Monitoring: Sampling of the asbestos fiber concentrations within the breathing zone of an employee.

Plastic Barrier: Sheet plastic barrier installed after critical barrier that protects building components and non-movable objects from water damage and asbestos contamination. The primary barrier is normally two independently attached plastic sheets.

Pre-Cleaning: Wet cleaning and HEPA vacuuming of work area surfaces prior to the installation of polyethylene sheeting and the construction of containment.

Presumed Asbestos-Containing Material (PACM): Thermal systems insulation, surfacing material or miscellaneous materials found in buildings constructed prior to 1980 that has not been appropriately tested to confirm whether or not it contains asbestos.

Protection Factor: The ratio of the ambient concentration of an airborne substance to the concentration of the substance inside the respirator at the breathing zone of the wearer. The protection factor is a measure of the degree of protection provided by a respirator to the wearer.

Repair: Returning damaged ACM to an undamaged condition to prevent fiber release.

Respirator: A device designed to protect the wearer from the inhalation of harmful atmospheres. Must be approved by NIOSH and used in accordance with the employer's respiratory protection program and all manufacturer's procedures.

Secondary Barrier: Sheet plastic "drop cloth" installed on floors and/or walls of containment during removal activities to protect primary layers.

Surfactant: A chemical wetting agent added to water to improve penetration, thus reducing the quantity of water required for a given operation or area.

Surgical Removal: A process by which small amounts of asbestos are removed with extreme care from substrates to which critical barriers or other seals are to be applied. This process usually involves scraping with small hand tools directly into the inlet of a HEPA vacuum.

Suspect Asbestos-Containing Material (Suspect ACM): The term "suspect ACM" is used by the asbestos industry to refer to any building material that is suspected of being asbestos-containing (based on appearance, usage, age of building, etc.), but has not been proven conclusively to be ACM (based on sampling and analysis). Suspect material would include any material that a building owner suspects of containing asbestos and is found in a building of any age or construction date. Refer to section 2.1 for a list of typical suspect ACMs.

Time Weighted Average (TWA): The average concentration of a contaminant in air during a specific time period.

Visible Emissions: Any emissions containing particulate asbestos material that are visually detectable without the aid of instruments. This does not include condensed uncombined water vapor.

Wet Cleaning: The process of eliminating asbestos contamination from building surfaces and objects by using cloths, mops, or other cleaning utensils which have been dampened with amended water or diluted removal encapsulant and afterwards thoroughly decontaminated or disposed of as asbestos contaminated waste.

Work Area: The area where asbestos related work or removal operations are performed which is defined and/or isolated to prevent the spread of asbestos dust, fibers or debris, and entry by unauthorized personnel. Work area is a Regulated Area as defined by 29 CFR 1926.

4.0 OPERATIONS AND MAINTENANCE PLAN

4.1 Program Management

4.1.1 Overview of O&M Plan

Key Personnel

Facility Asbestos Coordinator:

Company:_____
Address:_____
Name / Title:_____
Phone Number (Direct / Mobile):_____

Asbestos Response Team:

Company:_____
Address:_____
Name / Title:_____
Phone Number (Direct / Mobile):_____

Asbestos Abatement Contractor – Asbestos Removal, Disposal, or Emergency Response:

Company:_____
Address:_____
Name / Title:_____
Phone Number (Direct / Mobile):_____

Asbestos Consultant – Asbestos Sampling and Analysis:

Company: EBI Consulting
Address: 21 B Street, Burlington, MA 01803
Name / Title: Mike Walther, Program Director (Asbestos-Lead-Mold Programs)
Phone Number (Corporate / Direct / Mobile): 800-786-2346 / 410-696-2565 / 443-956-1689

4.1.2 Facility Asbestos Coordinator

The Facility Asbestos Coordinator is the individual responsible for managing the overall O&M and acts as the decision-maker on all routine, as well as emergency, asbestos-related matters. The person selected as the Facility Asbestos Coordinator should be involved with, aware of, or oversee daily operations at the Subject property. It is recommended that this person be someone who is on site during operational hours.

The Facility Asbestos Coordinator should obtain advice from relevant parties such as the company physician, attorney, consultant, and contractors when facing abatement or monitoring needs. The Facility Asbestos Coordinator is, however, ultimately responsible for overseeing all aspects of the program. These include:

1) Providing information on the asbestos-containing materials.

2) Notifying employees and occupants of the presence, and management protocol for, asbestos-containing materials remaining in place.
3) Labeling asbestos-containing materials remaining in place.
4) Training workers.
5) Implementing and managing a work permit system.
6) Supervising special work practices.
7) Controlling of fiber release episodes.
8) Managing employee protection and medical surveillance programs.
9) Conducting periodic surveillance of the asbestos-containing materials remaining in place.
10) Maintaining the record-keeping system.

4.1.3 Asbestos Response Team

When asbestos-containing materials have the potential to be disturbed because of repairs, renovation or demolition, the Facility Asbestos Coordinator will be notified. If in-house workers will perform the action, then the Facility Asbestos Coordinator will utilize the specially trained staff that makes up the Asbestos Response Team to perform the work. Their actions will be guided by the procedures provided in this document and good construction practice.

When asbestos fibers are inadvertently released, the Facility Asbestos Coordinator will be notified. The coordinator will utilize the Asbestos Response Team to contain the area, eliminate the fiber-producing source, and clean the area. The Facility Asbestos Coordinator, the Owner's Consultant, or Contractor will notify NYSDOL Asbestos Program Manager's Office, Asbestos Control Bureau (518-457-1255), in order to proceed with the emergency cleanup. The notification and filing fee must be submitted by 2 business days to the NYSDOL.

4.1.4 Maintenance/Custodial-Staff

Maintenance/Custodial employees are generally the most familiar with the facility and are therefore most likely to notice a change in material condition within the Subject Property building(s). Also, these employees are most likely to be given the direct responsibility of minimizing the potential for airborne fiber release and thus are the key individuals to implement a functional Operations and Maintenance Plan.

To ensure an adequate level of knowledge of asbestos-related procedures, a two-tiered training program for the maintenance and custodial staff will be conducted. (refer to Section 4.4)

4.2 Awareness Program

The Facility Asbestos Coordinator is responsible for fulfilling all notification requirements mandated by regulatory agencies. Written notification shall be provided within 30 days of establishing the O&M Plan and at the time of lease. Update notifications shall be provide annually if there is a change to the ACM inventory. The notification shall include instructions to report damage of ACMs to the building management. Building occupants shall also be notified of renovation and O&M activities that may impact ACMs, if such work will be conducted in areas potentially accessible to employees or commercial tenants. Consideration can be given to notification of residential tenants. Section 4 of the EPA Green Book (*Managing Asbestos In Place, A Building Owner's Guide to Operations and Maintenance Programs for Asbestos-Containing Materials*) includes information on occupant, tenant and worker notification of the presence of ACM that might be helpful to the Facility Asbestos Coordinator.

Commercial tenants shall be notified; and commercial tenants are required to notify their employees. Owners and tenants are required to notify contractors or employees. All persons who perform repair, maintenance, or other work within the building shall be informed of the presence, location, and quantity of materials that contain or are presumed to contain asbestos. Notifications concerning the locations of ACM should be given to all employees during Asbestos Awareness training.

The Hazard Communication requirements of the OSHA Asbestos in Construction Standard (29 CFR 1926.1101(k)) contain mandatory notification requirements. Prior to the performance of work, all persons that will be directly or indirectly affected by the ACM work must be notified. The Facility Asbestos Coordinator shall notify the following persons:

- Prospective employers applying or bidding for work whose employees reasonably can be expected to work in or adjacent to areas containing ACM/PACM.
- Employees of the owner who will work in or adjacent to areas containing ACM/PACM (Maintenance and Custodial personnel).
- On multi-employer worksites, all employers of employees who will be performing work within or adjacent to areas containing ACM/PACM.
- Employers of employees (commercial tenants) who will occupy areas containing ACM/PACM.

The Facility Asbestos Coordinator shall notify all personnel through written correspondence or through verbal communications. However, written documentation of all notifications shall be maintained on the O&M Plan files.

The following information should be included in the notifications:

- ACM/PACM has been identified in the building and is located in areas where the material could be disturbed.
- The type, location, condition and quantity of the ACM/PACM, and the response that is appropriate for that condition.
- Asbestos only presents a health hazard when fibers become airborne and are inhaled. The mere presence of Asbestos within a building does not represent a health hazard.
- Do not disturb the ACM/PACM.
- Report any evidence of disturbance or damage of ACM/PACM to the Facility Asbestos Coordinator.
- Report any dust or debris that might come from the ACM or PACM, any change in the condition of the ACM/PACM, or any improper action (relative to ACM/PACM) of building personnel to the Facility Asbestos Coordinator.
- Cleaning and maintenance personnel are taking special precautions during their work to properly clean up any asbestos debris and to guard against disturbing ACM/PACM.
- All ACM/PACM is inspected periodically and additional measures will be taken if needed to protect the health of building occupants.

In addition to personnel notification, there is an U.S. EPA NESHAP requirement to notify the appropriate agency when abatement activities affect large quantities of ACM. Any notification of federal, state, and city authorities will be handled by the asbestos contractor. Documentation verifying this notification must be kept in the office of the Facility Asbestos Coordinator.

Through the use of the acknowledgment forms provided in Appendix A, the owner of the Subject Property building(s) is demonstrating the intent to abide not only by EPA and OSHA regulations, but also by EPA and OSHA recommendations. When completed, these forms shall be maintained for 30 years.

4.2.1 Employee and Occupant Notification Letter (Form A-1)

This notification letter provides information regarding the presence of ACM and pertinent O&M procedures to appropriate employees.

4.2.2 Employee Notification Form (Form A-2)

Upon receipt of appropriate training, this notification form will be signed by employees who may work with ACM at the Subject Facility.

4.2.3 Contractor, Vendor, and Repairman Notification Form (Form A-3)

The Contractor, Vendor, and Repairman Notification Form is used to notify outside agents of the presence of asbestos-containing materials within the Subject Facility in conjunction with the Work Permit System described in Section 4.5. Notification Form A-3 is used to ensure outside agents are notified of the presence of asbestos-containing materials and that they have been informed, and acknowledge the potential hazards associated with working in the presence of ACM.

4.3 Identification and Labeling of Asbestos-Containing Materials

4.3.1 Identification

As referenced in Section 1.6, EBI's ESA identified ACM and suspect ACM at the Subject Property.

The above-referenced inspection is not a comprehensive asbestos survey and should not be relied upon as such. Additional ACMs and/or assumed ACMs may be located at the Subject Property in areas not accessed by the inspector or because of limited sampling and analysis conducted as part of the prior inspections. Therefore, additional inspection is recommended of any areas, which may undergo renovation or demolition. Furthermore, initial or additional sampling may be necessary prior to disturbance of specific suspect/assumed ACMs.

Prior to conducting any maintenance work, which may disturb any suspect ACMs, the Facility Asbestos Coordinator should determine whether any known or suspect ACM(s) will be potentially disturbed. The Coordinator should review O&M Plan records to determine whether all materials that may be disturbed have been adequately sampled and analyzed for asbestos content. If suspect ACM(s) will be potentially disturbed, the Coordinator should arrange for sampling and analyses of the suspect ACM(s) and determination of asbestos content prior to commencement of work. In lieu of sampling and analyses, suspect ACMs can be assumed to be and treated as asbestos-containing.

Determining whether any suspect ACMs will be disturbed by maintenance work, renovation, or demolition may be accomplished through review of previous inspection and sampling records. However, if insufficient data is available, inspection and possibly sampling must be conducted by either a properly trained and/or licensed Coordinator, properly trained/licensed O&M personnel, or a properly certified and/or licensed asbestos consultant.

Drawings depicting areas of abatement should be developed in the event that remediation activity is performed. The Facility Asbestos Coordinator shall maintain all drawings and /or plans.

4.3.2 Warning Signs and Labels

Signs and labels shall be designed, to the extent feasible, in a fashion to ensure that the desired message is communicated to the targeted audience. Signs and labels can be written in one or multiple languages to ensure comprehension. Means to ensure comprehension may include the use of foreign languages, pictographs, graphics, and awareness training.

Additional steps may be needed for illiterate or non-English speaking workers and other occupants who may encounter language difficulties. For example, owners should consider providing information sessions in languages other than English where a significant number of workers, occupants, or visitors do not speak English. Furthermore OSHA regulations require that employers ensure employees can comprehend the warning signs posted. Owners may wish to consider developing a warning label system for illiterate workers showing them pictures about potential hazards of disturbing ACM and showing them where ACM is located. Translations of the warning labels should be provided by the owner for non-English speaking personnel.

Labeling

In order to inform Maintenance, Custodial, and other personnel of potential asbestos hazards, asbestos labeling and/or signage may be necessary at the Property. If easily damaged ACMs or assumed ACMs are present in maintenance areas of the Property, labels should be affixed directly to the ACMs or warning signs should be posted (as discussed in the following section). Easily damaged ACMs include thermal system insulation (TSI) materials, surfacing material, or any other friable materials.

If ACM labeling is conducted, then labels shall be affixed to all friable ACMs within each mechanical or other building area that is not accessible to the public, but is accessible to maintenance, custodial, or contracted personnel.

Labels must also be affixed to all containers containing such products, including waste containers, regardless of signage.

Labels shall be printed in large, bold letters on a contrasting background.

Labels shall bear the following information:

DANGER
CONTAINS ASBESTOS FIBERS
MAY CAUSE CANCER
CAUSES DAMAGE TO LUNGS
DO NOT BREATHE DUST
AVOID CREATING DUST

Signage

If signage is conducted at the Subject Property in addition to or in-place of labeling, then warning signs should be posted at the entrance to mechanical rooms/areas in which employees reasonably can be expected to enter and which contain thermal system insulation material, surfacing ACM,

or other friable ACM(s). This includes each mechanical or other building area that is not accessible to the public, but is accessible to maintenance, custodial, or contracted personnel. The Facility Asbestos Coordinator shall post signs which identify the ACMs which is/are present, its/their location, and appropriate work practices which, if followed, will ensure that ACM will not be disturbed.

No example of a mechanical room/area sign is provided since they can vary greatly, depending on the types of ACMs present.

The Coordinator should also ensure that warning signs are posted by any asbestos removal contractors conducting work within their building(s). Warning signs that demarcate the regulated area during a response action shall be provided and displayed at each location where a regulated area is established. Signs shall be posted at such a distance from the regulated area that an employee may read the signs and take necessary protective steps before entering the area marked by the signs.

These warning signs shall bear the following information [An example sign is included in Appendix A, A-7]:

DANGER:
ASBESTOS
MAY CAUSE CANCER
CAUSES DAMAGE TO LUNGS
AUTHORIZED PERSONNEL ONLY
WEAR RESPIRATORY PROTECTION AND
PROTECTIVE CLOTHING IN THIS AREA

Warning signs should also be posted in building areas where construction, maintenance or remodeling work creates the potential for employees to come into contact with, release or disturb asbestos or ACM. The signs should be posted by the owner, tenant or agent responsible for the performance of or contracting for, such work.

The warning signs must read:

DANGER
ASBESTOS
MAY CAUSE CANCER
CAUSES DAMAGE TO LUNGS
AUTHORIZED PERSONNEL ONLY

The lettering must be in large print and in a bright color to maximize visibility. This signing requirement is separate from the notification requirement, and complying with one requirement will not satisfy the other.

4.4 Employee Training Programs

All designated employees will be required to attend formal asbestos-training programs to ensure an adequate level of knowledge commensurate with their job descriptions.

4.4.1 Facility Asbestos Coordinator

The Facility Asbestos Coordinator should be properly qualified, through training and experience. Formal training is not required; but, if the designated person is not already appropriately knowledgeable and experienced, formal training is recommended. The Coordinator shall be appropriately knowledgeable of regulatory requirements pertinent to this O&M Plan: such as asbestos material identification and testing, labeling, signage, notification, periodic surveillance, and emergency response actions. The Coordinator should also be appropriately knowledgeable of asbestos handling procedures, work practices, worker protection, methods of reducing asbestos exposure, and other applicable OSHA, EPA, state and local regulations. Completion of an EPA approved 16-hour Operations and Maintenance course is an option. Other training options include EPA accreditation under the Asbestos Hazard Emergency Response Act (AHERA) or state certification as a Building Inspector/Management Planner and/or Abatement Supervisor. Four-hour to eight-hour courses are also available that are specifically designed for building owners. For all training scenarios, annual refresher training is recommended in order to stay abreast of regulatory and industry changes.

4.4.2 OSHA Class IV (Awareness)

Two hours of training is required for all custodial and maintenance personnel who may work in a building that contains either friable or non-friable asbestos-containing building materials.

Training, at a minimum, shall include information regarding:

1) Characterization of asbestos.
2) Information on health effects.
3) Locations of asbestos-containing materials.
4) Recognition of damage or deterioration of asbestos-containing materials.
5) Name and phone number of Facility Asbestos Coordinator.

The curriculum for this course and a suggested course schedule are in Appendix B under Level I Training**.**

4.4.3 OSHA Class III (Minimum Skills)

Sixteen hours of training is required for custodial and maintenance staff who conduct activities that will result in the disturbance of ACM.

Topics shall include:

1) Description of proper methods for handling asbestos-containing materials.
2) Information on use of respiratory protection.
3) Applicable regulations.
4) Hands-on training in the use of respiratory protection, other personal protection measures, and good work practices.

The curriculum for this course and a suggested course schedule are in Appendix B under Level II Training.

4.5 Work Permit System

The work permit system controls the access of maintenance personnel, vendors, contractors and others to the asbestos-containing materials that will remain in place. To the greatest extent possible, the implementation of the O&M should be incorporated into the existing system for managing work at the Subject Facility. Approval and documentation forms should parallel those in use, or the existing forms can be expanded to include the content of the forms discussed here.

4.5.1 Goal of the Work Permit

The goal of the work permit system is two-fold. First, it will ensure that personnel who may disturb asbestos-containing materials while performing maintenance, cleaning or renovation are notified of the potential hazard and have been appropriately trained. Secondly, the work permit system will demonstrate the owner's commitment to appropriate management of the asbestos-containing materials.

4.5.2 Work Permit Procedures

Designated employees shall complete a work permit for all work involving contact with ACM. The work permit will be reviewed by the Facility Asbestos Coordinator once all of the following conditions are met:

The proposed work will not affect the asbestos-containing materials remaining in place.

OR

The disturbance of the asbestos-containing materials by the accomplishment of the proposed work is understood and proper personnel and environmental precautions have been established.

AND

An Employee Notification Form (Form A-2) and/or a Contractor, Vendor, and Repairman Notification Form (Form A-3) are on file for each individual taking part in the proposed work.

AND

If the proposed work disturbs ACM, only personnel who are in medical surveillance and respiratory protection programs described in Section 4.8 and who have been trained to at least the competency of Level II described in Section 4.4 will be utilized.

For all work at the facility, the Facility Asbestos Coordinator shall ensure that the following forms (included in Appendix C) are completed:

- Work Permit Form for Maintenance Work
- Evaluation of Work Affecting Asbestos-Containing Materials
- Work Permit Log

4.5.3 Sample Work Permit

A sample work permit and work permit log are provided in Appendix C.

4.6 Maintenance Procedures

This section discusses the procedures to be followed by maintenance personnel performing maintenance and cleaning in areas where asbestos-containing materials are located and the potential to disturb the material exists. These operating procedures are to be utilized for all day-to-day maintenance activities. For all maintenance areas described in this section, air monitoring should be performed during the first few times each type of activity is performed to establish the typical level of airborne fibers. The strategy for sampling and the evaluation of results should be performed by an outside consultant specializing in asbestos abatement air monitoring and who is properly trained/licensed. The Special O&M Cleaning Practices described in below (in this section) may be performed by personnel with Class IV (Level 1) training.

In Appendix D of this O&M Plan, procedures are presented associated with performance of small scale, short duration asbestos abatement work. The training that the maintenance personnel receive, as described in Section 4.4 (OSHA Class III (Level II)), is necessary for this small scale, short duration work. Additional requirements are also applicable such as Respiratory Protection Program and Medical Monitoring as outlined in Section 4.8.

Neither Class III (Level II) nor Class IV (Level I) training provide workers with requisite knowledge to perform full scale asbestos abatement operations. If the scope of work to be performed is greater than that defined in Appendix D as Class III or Class IV, or if a maintenance project involves the removal of ACM, then site personnel will not perform the work. Such work will require special expertise and preparation and will only be done by a licensed asbestos abatement contractor experienced in asbestos abatement procedures.

The following practices may be used in conjunction with daily activities with the appropriate Class IV (Level I) training.

4.6.1 Special O&M Cleaning Practices

Wet Cleaning: Proper O&M cleaning will involve the use of wet cleaning or wet-wiping practices to pick up asbestos fibers. Dry sweeping or dusting can result in asbestos fibers being re-suspended into the building's air and therefore should not be used. Once wet cloths, rags, or mops have been used to pick up asbestos fibers, they should be properly discarded as asbestos waste while still wet. They should not be allowed to dry out, because the collected fibers might be released at some later time when disturbed.

HEPA Vacuums: The use of special vacuum cleaners, commonly referred to as HEPA (high efficiency particulate air) vacuums, may be preferable to wet cleaning in certain situations. These vacuums are equipped with filters designed to remove very small particles or fibers—such as asbestos—by filtering those particles from the air passing through the vacuum. Because the exhaust air from an ordinary vacuum cleaner is not filtered sufficiently, it is possible for tiny asbestos fibers to pass through the filter and back into the building air.

It is important for O&M workers to use caution when emptying HEPA vacuums and changing the filters because exposures could result from such activities. Before emptying the HEPA vacuums, workers should move the HEPA vacuum to a physically isolated area of the facility and put on proper personal protective equipment before emptying the dust and debris into properly labeled, sealed, and leak-tight containers for disposal as asbestos-containing waste. When custodial workers are not trained to work with ACM, trained maintenance workers can be used to empty the HEPA vacuums and change their filters.

4.7 Combating Fiber Release Episodes

A Fiber Release is any uncontrolled or unintentional disturbance of ACM resulting in visible emission. As long as ACM remains at the Subject Property, a fiber release episode could occur if the ACM is inadvertently disturbed. Evidence of a fiber release includes, but is not limited to, the presence of suspect asbestos-containing debris on the floor or other surface; water or other physical damage to the ACM.

Special operating procedures are needed in the event of an emergency situation where asbestos fibers are immediately released. These operating procedures are needed to limit contamination of the building environment by reducing the potential for release airborne asbestos fibers.

4.7.1 Causes of Fiber Release Episodes

Typical situations which might cause a fiber release episode are:

1) Fire.
2) Extensive water damage via a pipe break, or other means.
3) Construction procedures causing excessive vibrations such as coring, jack-hammering, or vibration from other mechanical devices.
4) Improperly executed renovations or remodeling activities.
5) Routine maintenance activities such as:

- Carpet removal over asbestos flooring
- Duct system repair or maintenance
- Leaking pipe fitting repair
- Accessing voids above fixed or suspended ceilings, within walls and mechanical equipment; accessing pipe and mechanical runs and chases
- Light fixture repair
- Thermal pipe system maintenance
- Fluorescent bulb replacement
- Floor buffing, sanding or grinding

4.7.2 Fiber Release Episode-Initial Response

In the event of a fiber release episode, or when it is recognized that a fiber release episode may occur, the Facility Asbestos Coordinator will notify the Asbestos Response Team. The Facility Asbestos Coordinator will proceed to the scene and take charge of the asbestos related issues until duly relieved. The Asbestos Response Team will respond and assist the Facility Asbestos Coordinator in managing and controlling the fiber release episode by:

1) Evaluating the ACM damage.
2) Vacating all personnel and occupants from the immediate area.
3) Blocking the entrance to the contaminated areas to prevent entry by unauthorized personnel.
4) Turning off the air handling system in the affected area.
5) Isolating the affected area by closing all doors leading to the area.
6) Sealing openings and penetrations to the contaminated areas (i.e. doors and vents) with polyethylene sheeting and duct tape.

7) Posting warning sign at the perimeter or at entrances to the contaminated area.
8) Providing for appropriate worker personnel protection (e.g., respirators, protective clothing, etc.).
9) If feasible, stopping the cause of the contamination.
10) Contacting the Asbestos Consultant and/or Asbestos Abatement Contractor, as applicable. All asbestos material disturbances shall be performed and/or remediated by properly trained personnel or a licensed asbestos abatement contractor. Disturbances of greater than three square or three linear feet of ACM shall be performed by the licensed asbestos abatement contractor.
11) Notifying the NYSDOL Asbestos Program Manager's Office, Asbestos Control Bureau (518-457-1255), in order to proceed with the emergency cleanup. The notification and filing fee must be submitted by 2 business days to the NYSDOL.

4.7.3 Fiber Release Episode-Recovery

After the contaminated area has been isolated and source of contamination addressed, emergency abatement procedures may need to be implemented. Such abatement must be conducted by an experienced abatement contractor under the observation of an asbestos consultant.

Before conducting such abatement, the asbestos consulting firm should conduct air monitoring inside and outside the contaminated area to evaluate the airborne fiber concentration. Based upon these results, a determination will be made by the building owner as to the procedure for emergency abatement and clean up of the area.

Until the contaminated area has been cleaned and prevalent level air monitoring indicates that the airborne fiber concentration is below 0.01 fibers per cubic centimeter, no employee or occupant should enter the area. If entrance to the area is required, only personnel trained in accordance with the Level II curriculum of Section 4.4, or equivalent, and respirator qualified may enter.

Following each emergency asbestos-related activity, an Emergency Abatement Form from Appendix A (Form A-5) will be completed and filed.

4.8 Medical Surveillance and Respiratory Protection Programs

The Facility Asbestos Coordinator shall provide respirators, and ensure that they are used, where required by this Program. Respirators shall be used in the following circumstances:

- During all repair and maintenance operations where ACM is likely to be disturbed and wet methods are not being used.
- During all repair and maintenance operations where ACM is likely to be disturbed and the Coordinator does not produce a "negative exposure assessment."
- During all repair and maintenance operations where asbestos-containing thermal systems insulation or surfacing material is being disturbed.
- During all maintenance and custodial activities performed within regulated areas where employees performing other work are required to wear respirators.
- During all work covered by this Program where employees are exposed above the PELs.
- In emergencies.

If respirators are used, the Facility Asbestos Coordinator shall select and provide, at no cost to the employee, the appropriate respirator as specified in 29 CFR 1910.134. All respirators shall

be approved by the National Institute for Occupational Safety and Health (NIOSH). The Facility Asbestos Coordinator shall provide a tight-fitting powered, air-purifying respirator in lieu of any negative pressure respirator whenever an employee chooses to use this type of respirator, provided the air-purifying respirator provides adequate protection to the employee.

When respiratory protection is used, the facility must institute a respirator protection program in accordance with 29 CFR 1910.134. A respiratory protection program must be a written program that is reviewed annually by a designated Program Administrator. The program must include, but is not limited to: engineering and administrative controls to reduce employee exposure; respirator selection criteria; medical surveillance procedures; respirator assignment, training, inspection, and maintenance procedures; and fit test procedures.

The Facility Asbestos Coordinator shall institute a medical surveillance program for all employees who, for a combined total of 30 or more days are engaged in repair and maintenance operations, where asbestos-containing material is likely to be disturbed or are exposed to airborne fiber concentrations above the PELs and for employees who wear negative pressure respirators.

To comply within the OSHA Asbestos Standard for General Industry (29 CFR 1910.1001), employees required to wear respiratory protection equipment will be enrolled in a Medical Surveillance Program; and the Employer shall have a Respiratory Protection Program. An acceptable medical surveillance program must include pre-placement, annual, and termination examinations; and the medical exam generally consists of a review of the employees history to determine the presence of any respiratory diseases as well as pulmonary function testing including FVC and FEV1O, and a chest x-ray.

Subject Property owners, employees, and occupants may not currently be required to wear respirators. While the use of such respiratory protection may only be needed on an intermittent basis, a physical examination and evaluation is necessary to ensure that those designated employees are physically able to do so. Adequate medical supervision of respirator users is needed to determine the extent of individual stress tolerance and to prevent potential health problems. In the event that Subject Property owners, occupants, and employees are authorized and/or required to utilize respirators, Section 4.8 of this O&M will apply.

4.9 Personal Protective Clothing

Protective clothing for workers typically consists of disposable coveralls, gloves and boots. Coveralls should have hood and booties attached and should provide complete coverage of the body with the exception of the hands and face. Coveralls are generally made of Tyvek and are not meant to be modified.

If potential for exposure to asbestos-containing dust and debris is low and localized, workers shall use a minimum of one disposable coverall over street clothes. Where the potential for exposure to asbestos-containing dust and debris is moderate or dispersed, workers shall use a minimum of two disposable coveralls over street clothes. When possible, street clothes should be removed before protective clothing is put on. Protective clothing should be put on after donning the respirator and the coverall hood should cover the respirator straps.

Workers shall also wear protective gloves during work activities that are taped at the cuffs to the protective coveralls. Rubber slip-resistant boots are recommended for work areas where slip hazards might occur (protective booties should cover feet inside the boots). Steel toed boots, eye, hearing and head protection should also be used where needed.

Contaminated clothing shall be removed at the work site; properly wrapped and disposed. Used protective clothing shall not be taken home. Used protective clothing poses asbestos exposure risk to workers and others.

4.10 Periodic Facility Inspection

A regularly scheduled inspection plan must be implemented for all areas where asbestos-containing material(s) are located. The inspections are necessary so that prompt and appropriate action can be initiated, if necessary, before a release of asbestos fibers occurs. Inspection forms will be filled out as required after each inspection.

4.10.1 Daily

During the general activities done on a daily basis, maintenance and custodial employees should observe and become aware of the condition of the asbestos containing material in the building(s). They should document any change in the ACM such as color, separation from the applied surface, water damage, or damage due to routine maintenance procedures. When such changes are noted, the following must be implemented:

1) Notify the Facility Asbestos Coordinator that a change in conditions exists. Include information concerning date noted, location, cause of change (if known), size of area involved and any other information available.
2) The Facility Asbestos Coordinator will immediately initiate a formal inspection of the area and document the results on the Building Inspection Form found in Appendix A.

4.10.2 Semi-Annual Inspection

This inspection, conducted by the Facility Asbestos Coordinator, will be conducted of all ACM remaining in place within the facility. The goals of this semi-annual inspection are:

1) Determine if any change in material conditions has occurred.
2) Increase awareness of the program administrator.
3) Document that an on-going inspection process is in place.
4) Review of inspection record-keeping system.

The inspection should include all areas of the Subject Facility where ACM have been identified.

4.10.3 Annual Inspection

On an annual basis, the overall status of the program will be reviewed. An outside consultant, specializing in asbestos evaluation and control, should perform the inspection and audit with the assistance of the Facility Asbestos Coordinator, the Consultant will:

1) Inspect the building(s), noting condition of materials.
2) Note areas where asbestos-containing materials have been removed.
3) Re-define exposure potential, if necessary.
4) Perform prevalent area air monitoring.
5) Conduct a full review of the record keeping files, the O&M, and other administrative controls.

After the Consultant has reviewed the building(s) and the administration of the O&M, a written report of the findings of the annual inspection, with recommendations, will be provided to the Facility Asbestos Coordinator.

4.11 Record-Keeping

The following records (as applicable) of O&M work should be retained in permanent files:

- Inspection and Assessment Reports
- A copy of the O&M Plan (initial program and all updated versions)
- The Work Practices Used
- Respiratory Protection Program
- Fiber Release Reports
- Work Permit Forms
- Evaluations of Work Affecting Asbestos-Containing Materials
- Work Permit Logs
- Reinspection/Periodic Surveillance Reports
- Asbestos Waste Disposal Forms
- Air Monitoring Data
- Qualifications and Performance Records for Outside Contractors performing O&M work
- Notification forms and letters
- Emergency Abatement Forms
- Building Inspection Forms

For employers with employees engaged in asbestos-related work, federal regulations require that the employer retain:

- Personal Air Sampling/Exposure Monitoring Records
- Historical Data (used to qualify for exemptions from OSHA's initial monitoring requirements)
- Medical Records (for employees subject to a medical surveillance program)
- Employee Training Records
- Fit Test Records (for employees that use respirators)
- Data to rebut presumption that materials are asbestos-containing.
- If settled dust sampling is used it is advisable to maintain these records also.

Different types of records have different retention requirements. In general, O&M Plan records; inspection, testing, abatement, work permit, waste disposal, contractor, and notification records; and data to rebut presumption that materials are asbestos-containing should all be retained for the life of the O&M Plan and life of the facility. Retention requirements for other records are noted in the sections below.

OSHA requires that employers provide to each employee their record of exposure and medical surveillance under the Records Access Standard (29 CFR 1910.20) and the Hazard Communication Standard (29 CFR 1910.1200 & 1926.59) and the construction asbestos standard (29 CFR 1926.1101(n). Also see the OSHA Asbestos Construction Rule (29 CFR 1926.1101), the EPA Worker Protection Rule (40 CFR 763 Subpart G) and the Green Book for details on Record keeping requirements and record retention requirements. Note that state and local regulations may require that additional information be recorded and retained.

EPA recommends that building owners make available all written elements of the O&M program to the building's O&M staff as well as to tenants and building occupants, if applicable. Building owners are also encouraged to consult with their legal counsel concerning appropriate Record keeping strategies as a standard part of their O&M programs.

4.11.1 Objective Data Records

Objective data relied upon as part of an initial or negative exposure assessment must contain the following information:

- The product qualifying for exemption;
- The source of the objective data;
- The testing protocol, results of testing, and/or analysis of the material for the release of asbestos;
- A description of the operation exempted and how the data support the exemption;
- Other data relevant to the operations, materials, processing, or employee exposures covered by the exemption.

Objective data records shall be maintained for the duration of the employer's reliance upon such objective data.

4.11.2 Exposure Assessment Records

Exposure assessment records must include the following information:

- The date of measurement;
- The operation involving exposure to asbestos that is being monitored;
- Sampling and analytical methods used and evidence of their accuracy;
- Number, duration, and results of samples taken;
- Type of protective devices worn, if any;
- Name, social security number, and exposure of the employees whose exposures are represented.

Exposure assessment records shall be maintained for at least 30 years.

4.11.3 Medical Surveillance Records

Medical surveillance records must include:

- The name and social security number of the employee;
- A copy of the employee's medical examination results, including the medical history, questionnaire responses, results of any tests, and physician's recommendations;
- Physician's written opinions;
- Any employee medical complaints related to the exposure to asbestos;
- A copy of the information provided to the physician;

Medical surveillance records must be maintained for the duration of employment plus 30 years.

4.11.4 Training Records

Training records must be maintained for one year beyond the last date of employment by that employer.

4.11.5 Inspection, Hazard Assessment and Abatement Records

Asbestos inspections, hazard assessments, abatement records and any other information concerning the identification, location and quantity of ACM shall be maintained by the Facility Asbestos Coordinator for the life of the facility and must be transferred to successive owners of the facility.

4.11.6 Transfer of Records

If the employer ceases to do business and there is no successor employer to receive and retain records for the prescribed period, the employer shall notify the Department of Labor (DOL) at least 90 days prior to disposal and, upon request, transmit the records to the DOL.

4.11.7 Recordkeeping Required by This Program

All documentation required by this program shall be stored in permanent files for the life of the facility and must be transferred to successive owners of the facility. Records shall be maintained for all activities involving asbestos-containing materials (ACM) and shall include: those records listed above, contractor and other personnel notifications, and all other documentation of Plan compliance.

APPENDIX A

FORMS

APPENDIX A - Forms

Employee Notification Letter A-1

Employee Notification Form A-2

Contractor, Vendor and Repairman Notification Form A-3

Asbestos Waste Disposal Form A-4

Emergency Abatement Form A-5

Building Inspection Form A-6

Example Warning Sign at Regulated Area A-7

EMPLOYEE NOTIFICATION LETTER

Dear _____:

EBI CONSULTING (EBI) was recently retained by the building owner to prepare an Operations and Maintenance (O&M) plan for suspect asbestos-containing materials (ACM) used in the construction and building materials at the building located at 66 West 138th Street in New York, New York (herein the Subject Property). As you may already know, asbestos was used extensively in the construction industry from the mid 1930's until approximately 1989 in many different materials. In fact, surveys conducted by the Environmental Protection Agency (EPA) estimate that asbestos-containing materials can be found in over 750,000 buildings, including schools, public buildings, residential buildings and office buildings in this country.

Note that EBI's scope of work did not include a comprehensive asbestos survey of the Subject Property. There is the possibility for ACM to be present. EBI observed suspect ACM at the Subject Property in the form of drywall/joint compound, skim coast ceiling material, terracotta wall mortar, block around oil tank, wall and ceiling plasters, ceramic floor tile grout, door saddle mortar, and exterior brick mortar and non-friable suspect AM in the form of interior brick wall mortar, building caulking, window caulking and roofing materials. EBI collected sixty-four (64) bulk samples of suspect ACM in the form of drywall/joint compound, skim coast ceiling material, terracotta wall mortar, block around oil tank, wall and ceiling plasters, ceramic floor tile grout, door saddle mortar, and exterior brick mortar and non-friable suspect AM in the form of interior brick wall mortar, building caulking, and window caulking. Laboratory analysis determined that the white and brown wall plasters, the skim coat ceiling materials on concrete, and the pink building caulking sampled by EBI contain asbestos.

Based on the limited sampling conducted at the Subject Property, all suspect ACMs will be considered assumed ACM. This Asbestos O&M Plan has been prepared based on this presumption. Please note that inaccessible areas and 90% of the units were not visited by EBI during the assessment. Building tenants as well as other non-resident personnel working in the building will be informed in writing of the presence and location of ACMs. Building tenants will be informed of the hazards associated with the ACMs.

EBI CONSULTING has prepared an O&M Plan that will enable us to manage the asbestos-containing materials without adversely affecting the operation of our facility and, more importantly, the health and safety of our employees and occupants. This O&M defines specific operating and maintenance procedures to be followed at all times. For the O&M Program, I have been designated as the Facility Asbestos Coordinator. All work shall be coordinated through me. Together, we will ensure that the requirements of the O&M Plan are understood, identify the locations of the asbestos-containing materials and provide the procedures that must be followed so that asbestos fibers are not released into the air.

Please be assured that the implementation of the O&M Plan will play a major role in the continued safe operations in the building(s). If you have any questions concerning this matter, please contact me.

Sincerely,

Facility Asbestos Coordinator

EMPLOYEE NOTIFICATION FORM	
DATE:	
LOCATION:	
RE:	*Notification of Presence of Asbestos*

I have received Asbestos Awareness Training. I have been advised of the presence of ACM and suspect ACM (Asbestos-Containing Materials) at the building located at 66 West 138th Street in New York, New York. I am aware that ACM is present at the Subject Property in the form of white and brown wall plasters, the skim coat ceiling materials on concrete, and the pink building caulking and other suspect ACM is present at the Subject Property in the form of drywall/joint compound, skim coast ceiling material on metal ceilings, terracotta wall mortar, block around oil tank, brick wall mortar, ceramic floor tile grout, door saddle mortar, exterior brick mortar and exterior window caulking. ACM and suspect ACM in good condition should not produce airborne fibers unless subjected to damage or improper maintenance action. Additional suspect ACM such as pipe insulation, floor tile, floor tile mastic, and carpet mastic may be present below flooring, behind walls or above ceilings throughout Subject Property. I have been advised that, if it remains intact, there is minimal health risk but, if made friable or disturbed by processes such as, but not limited to, grinding, scraping, or drilling, asbestos-containing materials will produce airborne asbestos fibers.

Building tenants as well as other non-resident personnel working in the buildings will be informed in writing of the presence and location of ACMs. I have been advised of the dangers inherent in handling asbestos and breathing asbestos dust, including, but not limited to, the fact that asbestos can cause asbestosis and is a known carcinogen and can, therefore, cause various types of cancer. I acknowledge and understand that any contact with airborne asbestos fibers whether visible or not, may cause asbestosis and other types of cancer, which may not be detectable for many years.

I have been advised of the following:

- Do not disturb the ACM or suspect/assumed ACM (e.g., do not push furniture against the ACM, do not damage thermal system insulation (TSI)).
- Report any evidence of disturbance or damage of ACM or suspect/assumed ACM to the Facility Asbestos Coordinator.
- Report any dust or debris that might come from the ACM or suspect/assumed ACM, any change in the condition of these materials, or any improper action (relative to ACM or suspect/assumed ACM) of building personnel to the Facility Asbestos Coordinator.
- Cleaning and maintenance personnel are taking special precautions during their work to properly clean up any asbestos debris and to avoid disturbing ACM and suspect/assumed ACM.
- All ACM and suspect/assumed ACM is inspected periodically and additional measures will be taken if needed to protect the health of building occupants.

SIGNATURE:	
SOCIAL SECURITY NO.:	(Last Four Digits):
WITNESS:	

CONTRACTOR, VENDOR AND REPAIRMAN NOTIFICATION FORM	
DATE:	
LOCATION:	
RE:	*Notification of Presence of Asbestos*

I have received Asbestos Awareness Training. I have been advised of the presence of ACM and suspect ACM (Asbestos-Containing Materials) at the building located at 66 West 138th Street in New York, New York. I am aware that ACM is present at the Subject Property in the form of white and brown wall plasters, the skim coat ceiling materials on concrete, and the pink building caulking and other suspect ACM is present at the Subject Property in the form of drywall/joint compound, skim coast ceiling material on metal ceilings, terracotta wall mortar, block around oil tank, brick wall mortar, ceramic floor tile grout, door saddle mortar, exterior brick mortar and exterior window caulking. ACM and suspect ACM in good condition should not produce airborne fibers unless subjected to damage or improper maintenance action. I have been advised that, if it remains intact, there is minimal health risk but, if made friable or disturbed by processes such as, but not limited to, grinding, scraping, or drilling, asbestos-containing materials will produce airborne asbestos fibers.

Building tenants as well as other non-resident personnel working in the buildings will be informed in writing of the presence and location of ACMs. I have been advised of the dangers inherent in handling asbestos and breathing asbestos dust, including, but not limited to, the fact that asbestos can cause asbestosis and is a known carcinogen and can, therefore, cause various types of cancer. I understand that, at a minimum, completion of a formal asbestos awareness training program is required prior to my participation in any asbestos disturbance, abatement or removal activities.

I acknowledge and understand that any contact with airborne asbestos fibers whether visible or not, may cause asbestosis and other types of cancer, which may not be detectable for many years.

I have been advised of the following:

- Do not disturb the ACM or suspect/assumed ACM (e.g., do not push furniture against the ACM, do not damage thermal system insulation (TSI)).
- Report any evidence of disturbance or damage of ACM or suspect/assumed ACM to the Facility Asbestos Coordinator.
- Report any dust or debris that might come from the ACM or suspect/assumed ACM, any change in the condition of these materials, or any improper action (relative to ACM or suspect/assumed ACM) of building personnel to the Facility Asbestos Coordinator.
- Cleaning and maintenance personnel are taking special precautions during their work to properly clean up any asbestos debris and to avoid disturbing ACM and suspect/assumed ACM.
- All ACM and suspect/assumed ACM is inspected periodically and additional measures will be taken if needed to protect the health of building occupants.

SIGNATURE:	
SOCIAL SECURITY NO.:	(Last Four Digits):
WITNESS:	

ASBESTOS WASTE DISPOSAL FORM				
NAME OF BUILDING:				
DATE:				
OWNER OR OPERATOR OF LANDFILL:				
NAME:				
ADDRESS:				
CITY, STATE, ZIP:				
PHONE:				
NAME OF LANDFILL:				
NAME:				
ADDRESS:				
CITY, STATE, ZIP:				
PHONE:				
LICENSED HAZARDOUS WASTE TRANSPORTER:				
APPROXIMATE VOLUME OF ASBESTOS RECEIVED:				
TYPE OF CONTAINER ASBESTOS IS IN:				
ASBESTOS CONTAINERS LABELED?	YES		NO	
LANDFILL OWNER/OPERATOR SIGNATURE:				
DATE:				

EMERGENCY ABATEMENT FORM
DATE:
BUILDING:
LOCATION:
CAUSE OF EMERGENCY ABATEMENT
OPERATION AND MAINTENANCE PROCEDURES FOLLOWED:
DESCRIPTION OF ACTIONS TAKEN:
SIGNATURE:
TITLE:

BUILDING INSPECTION FORM				
DATE:	BUILDING:		FLOOR:	
INSPECTION LOCATIONS:				
REASON FOR INSPECTION:	DAMAGED MATERIAL:		PERIODIC SURVEY:	
IF DAMAGED MATERIAL IS REASON FOR INSPECTION, PLEASE COMPLETE 1 THROUGH 5				
1 TYPE OF MATERIAL DAMAGED:				
2. CAUSE OF DAMAGE:				
3. APPROXIMATE SIZE OF DAMAGED AREA:				
4. IS THERE MATERIAL DEBRIS ON FLOOR OR OTHER LOCATIONS?				
5. ARE EMPLOYEES/TENANTS/SUBCONTRACTORS IN IMMEDIATE AREA?				
6. HAS MATERIAL CONDITION CHANGED SINCE LAST INSPECTION?				
IF CHANGE HAS OCCURRED, PLEASE DESCRIBE THE CHANGE.				
COMMENTS:				
NEXT SCHEDULED INSPECTION DATE:				
INSPECTOR'S SIGNATURE(S):				

EXAMPLE WARNING SIGN AT REGULATED AREA

DANGER

ASBESTOS

CANCER AND LUNG DISEASE

HAZARD

AUTHORIZED PERSONNEL ONLY

WEAR RESPIRATORY PROTECTION AND

PROTECTIVE CLOTHING

IN THIS AREA

Required by 29 CFR 1926.1101 Paragraph (k)(7)(ii)(A)"...at each regulated area. In addition, warning signs shall be posted at all approaches to regulated areas...".

APPENDIX B

TRAINING PROGRAMS

LEVEL I (OSHA Class IV)

AWARENESS TRAINING FOR CUSTODIAL AND MAINTENANCE PERSONNEL

Purpose: To provide participants with a basic understanding of the characteristics of asbestos, why and where it is used, health-related concerns, and how to avoid inadvertent exposure.

Learning Objectives: After completing this session participants should be able to:

1) Provide a general definition of asbestos.
2) Define friability.
3) Describe the unique properties of asbestos.
4) Describe the common uses of asbestos.
5) Describe the health effects associated with asbestos exposure.
6) Know the primary uses and locations of asbestos in the buildings where they work.
7) Recognize a potential health hazard (damage, deterioration or delamination of asbestos.
8) Understand the general in-house procedures for handling asbestos materials.
9) Know the name and telephone number of the Facility Asbestos Coordinator.

Topic Outline

1) Characterization of Asbestos and Its Uses
   a) Definition of asbestos, examples of various types in naturally occurring rock form
   b) Description of unique properties
   c) EPA definition of friability, examples of friable and non-friable materials
   d) Common uses of asbestos (fireproofing, pipe lagging, brake linings, gaskets, etc.)
2) Health-Related Concerns
   a) Diseases associated with asbestos exposure
   b) Dose-response relationship
   c) Latency period
   d) Routes of entry into the body
   e) Defense mechanisms of the body
3) Recognition of Potential Hazards
   a) Damage
   b) Deterioration
   c) Other
4) Site-Specific Information
   a) Primary locations and uses of asbestos at the Subject Property
   b) How to avoid inadvertent exposures
5) Overview of the Subject Property's Operations and Maintenance Plan and Asbestos Control Program
   a) Description of asbestos-related work procedures
   b) Plans for future
   c) Where to go for more information
6) Questions and answers

TRAINING PROGRAM FOR
OPERATIONS AND MAINTENANCE STAFF

EXAMPLE AGENDA

DAY 1

LEVEL I (Awareness Training)

8:30-8:45	Characterization of Asbestos and Its Uses	15 Minutes
8:45-9:15	Health Effects of Asbestos Exposures	30 Minutes
9:15-9:45	Location & Condition of Asbestos-Containing Materials/ Recognition of Damage, Deterioration and Delamination	30 Minutes
9:45 - 10:00	How to Avoid Disturbance	15 Minutes
10:00-10:15	Break	15 Minutes
10:15-10:30	Overview of Facility's Operations & Maintenance Plan/ Asbestos Control Plan	15 Minutes
10:30-10:45	Questions and Answers	5 Minutes

LEVEL II (OSHA Class III)

CUSTODIAL AND MAINTENANCE PROCEDURES FOR HANDLING ASBESTOS-CONTAINING MATERIALS (SMALL SCALE, SHORT DURATION PROJECTS)

Purpose: To provide participants with necessary information to properly protect themselves from exposure to asbestos and to minimize asbestos contamination of the building during performance of maintenance and custodial activities.

Learning Objectives: After completing this session participants should be able to:

1. Understand the primary aspects of regulations that protect them and the public from exposure to asbestos.
2) Understand the meaning and importance of a medical surveillance program.
3) Understand the proper use, maintenance and limitations of respirators and protective clothing (see Section 4.8.2).
4) Know how to perform cleaning using wet wiping techniques and HEPA filter vacuuming.
5) Know proper work practices and equipment for conducting small scale short duration projects including use of mini-enclosures.
6) Understand proper decontamination techniques.
7) Know how to respond to a fiber release episode.
8) Know how to properly dispose of asbestos-containing materials and associated wastes.
9) Understand how the work permit system operates to avoid inadvertent disturbances of asbestos-containing materials.

Topic Outline

1) Regulations
   a) Occupational Safety and Health Administration (OSHA) Standard
   b) Environmental Protection Agency (EPA) Regulations
   c) State Regulations
   d) City or Local Regulations
2) Medical Surveillance Program
   a) Importance
   b) Who needs an examination
   c) What is needed on an examination
   d) Reasons for specific procedures
   e) When is an examination needed
   f) Where are records kept for review
3) Respirators and Protective Clothing
   a) Why they are needed
   b) Types of respirators
   c) Method of protection
   d) Respirator program
   e) Protective clothing
   f) Fit testing
   g) Respirator maintenance

LEVEL II TRAINING (continued)

4) Proper Cleaning Techniques
    a) Understanding potential for resuspension of fibers into the air
    b) Wet wiping techniques
    c) Use and maintenance of a HEPA filter vacuum
    d) Identifying proper techniques for type of material (fabric, hard surfaces, etc.)
    e) Appropriate personal protection
5) Work Practices for Routine Maintenance Activities
    a) Routine maintenance involving surfacing materials
    b) Maintenance activities in confined or restricted spaces
    c) Maintenance work related to renovation
    d) Routine maintenance involving miscellaneous asbestos-containing materials (floor tiles, etc.)
6) Procedures for Fiber Release Episodes
    a) Equipment contained in an emergency response kit
    b) Location of emergency response kit
    c) Appropriate personal protection
    d) Procedures for clean-up of asbestos-containing materials
    e) Repair of in-place asbestos-containing materials
7) Proper Disposal Procedures
    a) Wetting techniques
    b) Use of 6-mil impermeable bags
    c) Use of rigid containers for transport
    d) Proper labeling
    e) Use of approved landfill
8) Work Management System
    a) Purpose of a work permit system
    b) Proper procedure to follow before beginning maintenance activity

ASBESTOS _____TRAINING SESSION ***ATTENDANCE ROSTER***			
Name (Print)	Signature	Job Title	Employee Number

The program addressed the potential adverse health effects due to asbestos exposure. Relevant OSHA and EPA regulations plus applicable state and local rules were reviewed. The locations of asbestos-containing materials within the facility were identified.

Instructor: _____

Date: _____ Time: _____

APPENDIX C

WORK PERMIT SYSTEM FORMS

APPENDIX C - Work Permit System Forms

Work Permit Form for Maintenance Work C-1

Evaluation of Work Affecting Asbestos-Containing Materials C-2

Work Permit Log C-3

WORK PERMIT FORM FOR MAINTENANCE WORK	
NAME:	
DATE:	
TELEPHONE NUMBER:	
1. Address, building, and room number(s) (or description of area) where work is to be performed:	
2. Requested starting date: Anticipated finish date:	
3. Description of work:	
4. Description of any asbestos-containing materials that might be affected, if known (include location and type):	
5. Name and telephone number of requester:	
6. Name and telephone number of supervisor:	
Submit this application to: (the Facility Asbestos Coordinator)	
NOTE: An application must be submitted for all maintenance work regardless of whether asbestos-containing materials might be affected. An authorization must then be received before any work can proceed.	
REQUESTER SIGNATURE:	DATE:
SUPERVISOR'S SIGNATURE:	DATE
GRANTED: (JOB REQUEST NO._____)	
DENIED:	
FACILITY ASBESTOS COORDINATOR SIGNATURE:	DATE

Evaluation of Work Affecting Asbestos-Containing Materials

This evaluation covers the following maintenance work:

Location of work (address, building, room number(s), or general description):_____

_____

_____

_____

Date(s) of work: _____

Description of work: _____

Work approval form number: _____

Evaluation of work practices employed to minimize disturbance of asbestos: _____

_____

_____

_____

_____

Evaluation of work practices employed to contain released fibers and to clean up the work area: _____

_____

_____

_____

Evaluation of equipment and procedures used to protect workers: _____

_____

_____

_____

Personal air monitoring results: (in-house worker or contract?)

Worker name _____ Results: _____

Worker name _____ Results: _____

Handling or storage of ACM waste: _____

Signed:_____ Date:_____

(Facility Asbestos Coordinator)

WORK PERMIT LOG					
WORK PERMIT NO.	REQUESTED BY	ROOM	START DATE	COMPLETION DATE	APPROVED

APPENDIX D

WORK PRACTICES

Work Practice Levels

Three work practice levels are judged to sufficient to encompass a broad range of situations which are likely to be encountered. The levels are simply a means of structuring the guidance, which the Program provides. Up to three levels are included for each work practice to address different degrees of potential asbestos fiber release. A different number of levels might be selected by a Facility Asbestos Coordinator or designed into a specific asbestos O&M program.

A change of level does not imply a different task to be accomplished. It implies a changed potential for asbestos fiber release, typically related to either the condition of asbestos, nature of the work practice, skill of the workers or the building context in which the task will be performed.

The levels for each work practice included in this Program are defined principally in relation to the OSHA asbestos standards. There are three standards that may apply. The OSHA construction standard, 29 CFR 1926.1101, applies to most O&M activities, including cleaning that is associated with construction. Normal cleaning, that is not associated with construction or other O&M work, including cleaning and buffing of resilient flooring, is covered by the OSHA general industry standard, 29 CFR 1910.1001.

The OSHA construction standard sets forth four classes of construction-related work. Operations and maintenance and cleaning activities connected with construction work are defined as Class III and IV work. The principal difference for O&M activities is that Class III work disturbs the ACM and Class IV only contacts, but does not disturb the ACM. This Program also contains some work practices that can involve housekeeping operations, which are subject to either the OSHA construction or the general industry standard.

Activities that are not intended to contact ACM and are not likely to disturb ACM are not given a level designation, but require control to insure that a disturbance does not occur. Areas where ACM is located and where access can be controlled should be designated as "Controlled Areas." ACM systems in the vicinity of work but which do not need to be contacted should be designated as "Controlled Systems." Exposure monitoring is not required for these activities as ACM is not being contacted. Awareness training is needed to inform workers about the location of the ACM, and to advise them to avoid contacting it, and to report any damaged ACM they observe.

In general, an O&M program is easier to implement and is more cost effective if maintenance work can be performed without the need for enclosures. Maintenance work that contacts or disturbs ACM is governed by OSHA. To be able to perform maintenance work governed by the Construction Standard (1926.1101) without an enclosure and still comply with OSHA, it is necessary to make a negative exposure assessment (NEA). This effectively makes the OSHA PEL a limit on the level of airborne asbestos that can be generated by a work practice before enclosure is required. In general, Level A and B maintenance activities related to construction are un-enclosed and as such require a negative exposure assessment. Level C work practices are enclosed and as such may generate airborne fiber levels above the OSHA PEL. Note that a negative exposure assessment alone does not eliminate the requirement for respiratory protection. Respiratory protection is required, even with an NEA, if ACM is removed in a non-intact state, if wet methods are not used, or for removal of TSI or surfacing material. Intact is defined by OSHA as ACM that has not crumbled, been pulverized, or otherwise deteriorated so that the asbestos is no longer bound with its matrix.

Cleaning work not related to construction or dust and debris generated by such activity is governed by the OSHA General Industry Standard (1910.1001). This standard does not contain provisions for a negative exposure assessment. Routine cleaning activities are performed as Level A based on a determination having been made that cleaning activities using the work practices in this Program (which are based on those contained in the OSHA regulation) are not reasonably expected to result in exposures exceeding the PEL.

The three work practice levels are defined as follows:

- **Level A:** Level A is work that may contact ACM, but which will not disturb it. Level A is defined in terms of Class IV work in the construction standard (29 CFR 1926.1101). It is Class IV work (except for cleanup work) with a negative exposure assessment, which involves maintenance, and custodial activities during which employees contact ACM, but do not disturb it. Note that clean up of asbestos-containing debris and waste is not Level A work (Refer to Level B for this type of clean up work). It is also Class II work (involving non-friable materials such as gaskets, roofing, and cement asbestos board) with a negative exposure assessment.

  Work practices required for Level A are those set forth in paragraph (g) (10) of the OSHA asbestos construction standard for Class IV work and (g)(8) and (g)(11) for Class II work. See Figure 1 for checklist of requirements

- **Level B:** Level B is work that may disturb ACM, but where the OSHA PEL is not exceeded and release of ACM, dust and debris is confined to the immediate location of the disturbance. In the construction standard, it is Class III work on TSI or Surfacing ACM with a negative exposure assessment, Class IV work activities to cleanup waste and debris containing ACM with an NEA. Class III asbestos work includes repair and maintenance operations, where ACM, including thermal system insulation and surfacing material, is likely to be disturbed. Operations where TSI or surfacing are worked on using "aggressive" methods, such as drilling, cutting, abrading, etc. are Level C work, as OSHA requires area isolation for these procedures whether or not a negative exposure assessment is made. In the general industry standard, clean up of ACM waste, debris and accompanying dust that are not from construction activities, and where the PEL is not exceeded is Level B work. If the quantity of material disturbed during Class III work exceeds one 60 inch x 60 inch glovebag or waste bag, then the activity becomes Class I or II and exceeds the limitation of the work practices in this manual.

  Work practices required for Level B are those set forth in paragraph (g)(9) of the OSHA construction standard for Class III work and (g)(7, 8 and 11) for Class II work. These include O&M training, respirators, engineering controls and work practices, wet methods, local exhaust ventilation (Note: A respirator is not required if work is on non-TSI or non-surfacing material, there is a negative exposure assessment, wet methods are used, and the material remains intact.). In the construction standard, asbestos-containing debris and waste from construction activities (including O&M) are to be promptly cleaned up and disposed of in leak-tight containers. The general industry standard covers clean up of non-construction waste, debris and accompanying dust. These must be cleaned up with wet methods and HEPA vacuums. The construction standard requires that in areas with accessible, friable TSI and surfacing material, waste or debris must be presumed to contain asbestos. See Figure 2 for checklist of requirements.

- **Level C:** Level C is work where ACM is disturbed and the PEL may be exceeded or ACM, dust, and/or debris may be scattered beyond the immediate location of the disturbance. It is Class III work described in the OSHA construction standard: paragraph (g)(9)(iii) where the disturbance involves drilling, cutting, abrading, sanding, chipping, breaking, or sawing of thermal system insulation or surfacing material; or (g)(9)(iv) where there is no negative exposure assessment or where the PEL is exceeded. It is also Class II work without an NEA.

Work practices required for Level C are mini-enclosures, glovebags and other enclosure devices set forth in paragraph (g)(5) of the construction standard as well as work practices set forth in paragraph (g)(9) of the OSHA construction standard for Class III work. These include O&M training, respirators, engineering controls and work practices, wet methods, and local exhaust ventilation. Debris and waste are to be promptly cleaned up and disposed of in leak-tight containers. See Figure 3 for checklist of requirements.

A "disturbance" of ACM, as used in the level definitions, refers to any activity that disrupts the matrix of ACM, crumbles or pulverizes ACM, or generates visible debris or dust from ACM.

Figures 1 through 3 which follow, summarize the engineering controls and practices recommended for each level. The Facility Asbestos Coordinator should determine the appropriate level, based on the O&M program objectives, the O&M program elements, and level of training needed for each level of work practices used in a facility.

Figure 1: Level A Worker Checklist for Operations and Maintenance Work Practices

Level A *work may contact ACM but not disturb it. If you encounter damaged ACM, or if the work could damage the ACM, stop work and notify your supervisor.*

Level B *is work that may disturb ACM, but where the OSHA PEL is not exceeded and release of ACM, dust and debris is confined to the immediate location of the disturbance.*

Level C *is work where ACM is disturbed and the PEL may be exceeded or ACM, dust, and/or debris may be scattered beyond the immediate location of the disturbance. Level C work must take place in an enclosure (glovebag or mini-enclosure).*

Pre-Work Activities

___ Obtain and review copies from Supervisor or Facility Asbestos Coordinator of:

- ___ Completed Work Permit Form
- ___ Work practice(s) to be used including personal protective equipment options
- ___ Work Notification(s) (as applicable)
- ___ Schedule for work

___ Review work practices and ***General Procedure W1*** and any other general procedures used in work practice.

___ Inspect work area for visible dust or debris. If present, stop work and notify Facility Asbestos Coordinator.

___ Obtain recommended tools, equipment and materials as described in ***General Procedure W1, work practice(s) item 2,*** and Work Permit Form.

- ___ Move tools, equipment and materials to work area.

___ Shut off and lock out any HVAC or electrical systems to be worked on.

___ If required on Work Permit Form, put on respirators and perform fit checks - ***See General Procedure W6.***

Work Practices

Always use wet methods, HEPA vacuums, prompt clean-up and disposal of waste. Do not dry clean-up dust and debris, or use compressed air or high-speed abrasive saws.

___ Perform work per steps in work practice(s).

Clean-Up and Tear Down

___ Remove lockout tags (if used) & restart any HVAC/electrical system(s) that were shut off.

___ Return tools, equipment and remaining materials to storage area.

___ Notify Facility Asbestos Coordinator or supervisor that work is completed & return documents to Facility Asbestos Coordinator.

Figure 2: Level B Worker Checklist for Operations and Maintenance Work Practices

Pre-Work Activities

___ Obtain and review copies from Supervisor or Facility Asbestos Coordinator of:
- ___ Completed Work Permit Form
- ___ Work practice(s) to be used including personal protective equipment options
- ___ Work Notification(s) (as applicable)
- ___ Schedule for work

___ Review work practices and referenced general procedures used in work practice(s).

___ Obtain recommended tools, equipment and materials - ***See General Procedure W1 and work practice(s) item 2.***

___ Obtain required respirators as listed on Work Permit Form.

___ Move tools, equipment and materials to work area.

___ Shut off and lock out HVAC and electrical systems serving work area - ***See General Procedure W3.***

___ Vacate and secure work area, such as by locking doors and/or setting up temporary barriers - ***See General Procedure W4.***

___ Put on respirators and perform fit checks - ***See General Procedure W6.***

___ Put on protective clothing - ***See General Procedure W7.***

___ Air monitoring personnel begins air monitoring work (if required) - ***See General Procedure W8.***

___ Preclean work area if visible dust or debris is present - ***See General Procedure W9.***

Work Area

___ Set up work area as required by work practice - ***See General Procedure W10.***

Work Practices

___ Perform work per steps in work practice(s).

Clean-Up and Tear Down

___ Package and label asbestos waste for disposal - ***See General Procedure W11.***

___ Apply lockdown encapsulant, where required, using garden sprayer, to surfaces where ACM was removed or disturbed - ***See General Procedure W12.***

___ Perform ceiling panel replacement work or ceiling repair work if needed.

___ Clean tools, equipment and work area using wet wiping and HEPA vacuuming as appropriate and return tools and equipment to outside work area - ***See General Procedure W13.***

___ Decontaminate packaged waste & move waste to outside work area - ***See General Procedure W14.***

___ Workers decontaminate and remove protective clothing and respirators. If contaminated, dispose of protective clothing as ACM - ***See General Procedure W15.***

___ Complete visual inspection. Complete air monitoring work - ***See General Procedure W16.***

___ If feasible, get Facility Asbestos Coordinator or designee to complete Evaluation of Work Form.

___ Transport waste to designated asbestos waste storage area - ***See General Procedure W17.***

___ Remove drop cloth, clean with HEPA/wet methods or properly dispose of as contaminated.

___ Return decontaminated tools, equipment and remaining materials to storage area.

___ Remove lockout tags and restart HVAC/electrical system(s).

___ Restore normal accessibility to work area.

___ Notify Facility Asbestos Coordinator or Supervisor that work is completed & return documents to Facility Asbestos Coordinator.

Figure 3: Level C Worker Checklist for Operations and Maintenance Work Practices

Pre-Work Activities

___ Obtain and review copies from Supervisor or Facility Asbestos Coordinator of:
- ___ Completed Work Permit Form
- ___ Work practice(s) to be used including personal protective equipment options
- ___ Work Notification(s) (as applicable)
- ___ Schedule for work

___ Review work practices and referenced general procedures used in work practice(s).

___ Obtain recommended tools, equipment and materials - ***See General Procedure W1 and work practice(s) item 2.***

___ Obtain required respirators as listed on Work Permit Form.

___ Move tools, equipment and materials to work area.

___ Shut off and lock out HVAC and electrical systems serving work area - ***See General Procedure W3.***

___ Vacate and secure work area, such as by locking doors and/or setting up temporary barriers - ***See General Procedure W4.***

___ Put on respirators and perform fit checks - See General Procedure W6.

___ Put on protective clothing - ***See General Procedure W7.***

___ Air monitoring personnel begins air monitoring work (if required) - ***See General Procedure W8.***

___ Preclean work area if visible dust or debris is present - ***See General Procedure W9.***

Work Area

___ Perform all Level C work inside an enclosure (glovebag or mini-enclosure) Set up work area and decontamination facilities as required by work practices - ***See General Procedures W5, W10, W18, and W20.***

Work Practices

___ Perform work per steps in work practice(s).

Clean-Up and Tear Down

___ Package and label asbestos waste for disposal - ***See General Procedure W11.***

___ Apply lockdown encapsulant, where required, using garden sprayer, to surfaces where ACM was removed or disturbed - ***See General Procedure W12.***

___ Perform ceiling panel replacement work or ceiling repair work if needed.

___ Clean tools, equipment and work area using wet wiping and HEPA vacuuming as appropriate and return tools and equipment to outside work area - ***See General Procedure W13.***

___ Decontaminate packaged waste & move waste to outside work area - ***See General Procedure W14.***

___ Workers decontaminate and remove protective clothing and respirators. If contaminated, dispose of protective clothing as ACM - ***See General Procedure W15.***

___ Complete visual inspection. Complete air monitoring work - ***See General Procedure W16.***

___ If feasible, get Facility Asbestos Coordinator or designee to complete Evaluation of Work Form.

___ Transport waste to designated asbestos waste storage area - ***See General Procedure W17.***

___ Remove drop cloth and/or mini-enclosure, clean with HEPA/wet methods or properly dispose of as contaminated.

___ Return decontaminated tools, equipment and remaining materials to storage area.

___ Remove lockout tags and restart HVAC/electrical system(s).

___ Restore normal accessibility to work area.

___ Notify Facility Asbestos Coordinator or Supervisor that work is completed & return documents to Facility Asbestos Coordinator.

W-1 Tools, Equipment and Materials

The following is a list of tools, equipment and materials that are referenced in the work practices and are recommended to perform the work practices. Tools, equipment or materials that are unique to a certain work practice are listed under item 2 in each work practice. For frequent O&M work, it might be helpful to maintain an "O&M cart" containing the necessary tools, equipment and materials.

Tools and Equipment

* Utility knife
* Ground fault circuit interrupters (GFCIs), Extension cords and adapters - GFCIs should be used on any electrical equipment or tools used in O&M work where water might be in use or present in the work area.
* Lockout tags
* Temporary work lights
* Ladder or scaffold for elevated work
* Wet wipes or bucket with clean water for wet wiping
* Smoke test bulb and tubes
* Bone saw
* Wire cutters
* Tin snips
* Safety glasses

Abatement Equipment and Materials

* Polyethylene sheet
* Duct tape
* Disposal bags with labels
* High efficiency particulate air (HEPA) vacuum with hose, attachments and proper HEPA filter (wet/dry type needed for some work practices)
* Respirators (if required)
* Disposable coveralls (if required)
* Disposable towels or wet wipes
* Asbestos barrier tape
* Warning signs
* Garden sprayer with amended water or removal encapsulant (Level B and C practices). See general procedure W2.
* Aerosol cans or garden sprayer with lockdown encapsulant (Level B and C practices)
* Air monitoring pumps, cassettes and calibration equipment (if required)
* Frame for mini-enclosure or prefabricated mini-enclosure (Level C practices)
* Negative pressure machine (HEPA filtered exhaust fan) as required for size of enclosure (level C practices - could be negative pressure machine or additional HEPA vacuum)
* Manometer (if pressure differential measurements are desired)
* Glovebags (if required)

W-2 Preparing Amended Water or Removal Encapsulant

Amended water or removal encapsulant solutions are prepared by mixing a measured amount of surfactant or encapsulant with clean water in accordance with the manufacturer's instructions. Surfactants and encapsulants materials might be considered hazardous substances. Containers of amended water or removal encapsulant should be labeled to identify the contents in accordance with the OSHA Hazard Communication Standard (29 CFR 1910.1200). Review and comply with Material Safety Data Sheet (MSDS) before mixing and using these materials. Amended water or removal encapsulant should be mixed in a labeled garden sprayer unit prior to the start of an O&M activity. Liquid dishwashing detergent might be used as a surfactant for O&M work. They have used a mix of 8 parts water to one part detergent.

W-3 Shut-off and Lockout of HVAC and Electrical Systems

Any electrical systems that might be worked on or affected by O&M activities should be shut off, locked and tagged with electrical lockout tags at the circuit breaker panel or disconnect switch. Affected systems include systems that could create electrical hazards during O&M activities that involve wetting.

HVAC systems in a work area, systems that serve a work area, or systems that will be worked on should be shut down during O&M activities. Level A activities usually do not require HVAC shut down unless a work will occur on a system or a disturbance of asbestos will occur. Any air-handling systems (supply, return and exhaust) required to be shut down should be shut off, locked, and tagged with electrical lockout tags at the circuit breaker panel or disconnect switch.

Lockout tags should note when and why power is shut down and the personnel performing the lockout. There should only be one key for each lock used on lockout tags to prevent accidental reactivation of equipment.

W-4 Securing Work Area

When asbestos fibers might be released, work areas should be vacated and secured (where feasible) by scheduling, locking doors (from inside the area if possible) or other means. If this is not feasible, access to the work area should be restricted, such as by asbestos barrier tape around the perimeter of the work area. If barrier tape is used to denote a work area, it should be placed 5 to 10 feet (1.5 to 3 meters) outside of any polyethylene protection used in the work area. Install barrier tape by taping or tying it to fixed objects.

Do not block access to any emergency exits, and when asbestos fibers might be released, post OSHA required "danger" signs at all entrances to the work area. For such projects, it might be desirable to have a visual barrier installed several feet in front of warning signs to avoid having warning signs readily visible to occupants. A "keep out of construction area" sign should be posted on visual barriers. A visual barrier would be arranged so that a person who goes past the visual barrier will then see required warning signs.

W-5 Critical Barriers

Completely Separate the Work Area from other portions of the building, and the outside by closing all openings with sheet plastic barriers at least 6 mil (0.15 mm) in thickness, or by sealing cracks leading out of Work Area with duct tape.

Individually seal all ventilation openings (supply and exhaust), lighting fixtures, clocks, doorways, windows, convectors and speakers, and other openings into the Work Area with duct tape alone or with polyethylene sheeting at least 6 mil (0.15 mm) in thickness, taped securely in place with duct tape. Maintain seal until all work including Project Decontamination is completed. Take care in sealing of lighting fixtures to avoid melting or burning of sheeting.

Provide Sheet Plastic barriers at least 6 mil (0.15 mm) in thickness as required to seal openings completely from the Work Area into adjacent areas. Seal the perimeter of all sheet plastic barriers with duct tape or spray cement.

W-6 Putting on Respirators and Performing Fit Checks

The procedures described below are based on the assumption that workers wearing respirators have been trained in the use of respirators and, for negative pressure respirators, fit tested, and enrolled in a medical surveillance program as part of a Respiratory Protection Program. Respirators used should be approved by NIOSH. These procedures are not a substitute for a Respiratory Protection Program in accordance with OSHA standard 29 CFR 1910.134 or regulatory requirements regarding respirators.

Putting on Respirators

Wearers should inspect their respirators before each use of the respirator.

Respirators must not be damaged, have missing parts or be deformed in any way. The straps must be intact and well attached. Proper filter cartridges for the hazards to be encountered must be installed. Verify that filters have been replaced in accordance with the Respiratory Protection Program. Batteries for powered respirators should be fully charged. The respirator should also be cleaned if it was not cleaned after the last use. If any problems exist, the respirator should be repaired or replaced in accordance with the Respiratory Protection Program.

When putting on a respirator, the straps should be loosened before it is put on. Filter caps (such as those used on some Powered Air Purifying Respirators) should be taped to the filter body or stored where it will not be lost. Powered respirators should be turned on and flow checked before the facepiece is put on. The respirator should be put on and then the straps tightened as recommended in the manufacturer's information provided with the respirator. Fit checks should then be performed.

Fit Checks

Fit checks should be performed in accordance with the Respiratory Protection Program by each worker each time they put on a respirator. Both positive and negative pressure fit checks should be performed. When feasible, powered respirators should be checked with the motor unit turned off. A negative pressure fit check is done by donning the respirator and pulling the respirator straps so the unit fits snugly. Inhale gently while placing hands over filters to block off inhalation side. Respirator should pull to face and no air should leak in around face seal.

A positive pressure fit check is done by exhaling gently (without breaking respirator seal to face) breathing normally while blocking off the exhalation valve. The face piece should then expand away from face while exhaling.

Adjust respirator straps as needed to obtain a good seal of the facepiece to the face. If a good seal cannot be obtained, obtain a new respirator and perform fit tests again.

W-7 Putting on Protective Clothing

Protective clothing for workers typically consists of disposable coveralls, gloves and boots. Coveralls should have hoods and booties attached. They should provide complete coverage of the body with the exception of hands and face. Cloth coveralls that are cleaned by a facility equipped to launder asbestos contaminated clothing might also be used. Do not modify coveralls.

Protective clothing options available for O&M work include the following:

* **Level A & B:** If level A or B work is to be performed and the potential for exposure to asbestos-containing dust and debris is low and localized, use one disposable coverall with no street clothes, or one disposable coverall over street clothes.
* **Level C:** Level C work is to be performed inside of a mini-enclosure and if potential for exposure to asbestos-containing dust and debris is moderate or dispersed, use two disposable coveralls with no street clothes; or if street clothes are required, two coveralls should be worn over the street clothes. Preferably the street clothes should be removed before the start of work.

When possible, street clothes should be removed in a changing area before protective clothing is put on. Protective clothing should be put on after respirators. The coverall hood should cover respirator straps.

Workers are encouraged to wear protective gloves that are duct taped at the cuffs to the protective coveralls. Eye, hearing, and head protection should also be used where needed. Rubber slip-resistant boots or other non-slip footwear is to be worn for all activities. (protective booties should cover feet inside the boots). Steel-toed boots should be used in areas where foot hazards exist. Do not use coveralls with loose foot coverings for activities that involve climbing ladders or working on scaffold.

W-8 Beginning & Conducting Air Monitoring During Work Practices

Note: *This section is not intended as a substitute for a complete Air Monitoring Program and specific protocols needed for O&M work. This section notes air monitoring issues that need to be addressed by the air monitoring person.*

Air monitoring during O&M activities can consist of personal monitoring, area monitoring and clearance monitoring. Air monitoring required for the work practice being performed should be listed on the Work Permit Form and be conducted in accordance with applicable regulations (such as 29 CFR 1926.1101 Appendix A), the O&M Plan and Air Monitoring Program. All air monitoring work should be conducted by a trained person assigned by the Facility Asbestos Coordinator.

The air monitor person should calibrate, adjust, and record the flow rate of all air monitoring pumps to be used before air monitoring is started for an O&M activity. General procedure W16 covers visual inspections and the completion of air monitoring at the end of the work.

Personal Monitoring

To perform personal monitoring, attach a personal air monitoring pump to a belt worn by the worker. Attach an air sampling cassette to the hose from the pump. Route the hose up the worker's back and tape the hose to the worker's protective coveralls using duct tape. The cassette should be located with the open end facing downwards at approximately a forty-five degree angle in the worker's "breathing zone" at about collar level. Turn the pump on and record start time. The air monitoring person will retrieve or change the cassette when necessary, or when work is completed.

Area Monitoring

Area monitoring is usually performed using high volume air sampling pumps. Place pumps inside the work area and outside the work area in occupied areas or areas where occupants could be exposed if fibers are released from the work area. Pumps should be located where they obtain meaningful measurements of potential worker exposure during monitoring as well as measure any area contamination. Attach sampling cassettes to the hoses from the pumps and attach the cassettes to the top of tripod stands or other stable structures (do not use the pump as a stand due to its vibrations) to locate the sample at four to five feet (1.2 to 1.5 meters) above the floor. These cassettes should be located with the open end facing downwards at approximately a forty-five degree angle. The air monitoring person will retrieve or change cassettes as needed or when the work is completed.

If any samples analyzed during the work exceed predetermined "stop work levels" specified in the O&M program, productive work shall be stopped, the area cleaned and additional engineering controls implemented, as necessary.

W-9 Wet Wiping, HEPA Vacuuming, and Steam Cleaning

These work practices are used either to pre-clean the work area prior to start of work, or for cleaning surfaces as part of a work procedure.

Precleaning of work areas prior to the start of work is done to remove accumulated debris and dust that could be disturbed during the work. Precleaning might include picking up dust and debris with a HEPA vacuum, wet wiping non-porous surfaces, HEPA vacuuming surfaces that cannot be wet wiped, and cleaning any carpeted surfaces using steam extraction equipment. (Note: EPA has determined in a research study that HEPA vacuuming and steam cleaning of carpets does not completely remove asbestos contamination.) Precleaning might reduce the extent of cleaning required after the work and for clearances (if required).

The following work procedures are be used for cleaning when required in a Work Practice.

Wet Wiping

1. Immerse disposable towel in bucket containing amended water.
2. Wring out towel and fold into quarters.
3. Wipe surface and refold to have a clean face exposed. Do not place towel back into bucket or water will become contaminated and will need to be replaced.
4. Repeat step 3 until all faces of towel have been used. Obtain a clean towel if more wiping is needed.
5. Dispose of used towels in disposal bags.
6. Dispose of contaminated water as required by applicable regulations -See general procedure W19.

HEPA Vacuuming

1. For floors, use a floor attachment with rubber floor seals and adjustable floor-to-attachment height. For furniture, fabrics or other surfaces use an upholstery attachment or brush attachment.
2. Vacuum hard or smooth surfaces with attachment about 1/16" (2 mm) above the surface.
3. Vacuum carpet or fabrics with attachment just touching the surface.
4. Vacuum all surfaces in parallel passes with each pass overlapping the previous one by one-half the width of the attachment.
5. Once surfaces are cleaned in one direction, clean a second time at right angles to the first cleaning.
6. Use crevice brush or other tools to clean irregularly shaped surfaces.

Steam Cleaning Carpet

1. Steam clean carpet using carpet tool.
2. Steam clean all surfaces in parallel passes with each pass overlapping the previous one by one-half the width of the attachment.
3. Once surfaces are cleaned in one direction, clean a second time at right angles to the first cleaning.
4. Water from cleaning process should be treated in accordance with applicable regulations - See W19.

Note: *EPA has determined in a research study that HEPA vacuuming and steam cleaning of carpets does not completely remove asbestos contamination.*

W-10 Polyethylene Drop Cloth

Preparation of work areas for O&M activities typically involves demarcation of the work area, restricting access to the work area and the use of a polyethylene drop cloth.

Preparing a work area with a drop cloth requires that a single layer of polyethylene be spread on the floor of the work area and taped or weighted in place. Do not use more than one layer if ladders (or similar equipment) will be used, unless a hard surface, such as plywood is laid over the drop cloth. If floor is a soft material, such as carpet, use caution to prevent tearing of polyethylene under equipment. The drop cloth should cover an area large enough to catch falling debris. If work is to be performed at an elevated level, the drop cloth should be placed on the work platform, or extended at ground level beyond the immediate work location to catch any debris that might be generated. Note that the use of a drop cloth introduces potential slip hazards in the work area. Non-slip foot coverings are recommended where drop cloths are used. Drop cloths should be thoroughly cleaned if they are moved from one spot to another or reused.

W-11 Packaging and Labeling Waste

Asbestos-containing waste material from O&M activities should be adequately wet in accordance with the NESHAP requirements (40 CFR 61.150). Verify waste packaging and other waste disposal requirements with the landfill that will receive the asbestos waste. Pre-labeled asbestos disposal bags should be used for asbestos waste disposal where possible, appropriate and permissible. Disposal bags should be collapsed by evacuating the air from the bag with a HEPA vacuum in the work area or enclosure. Once collapsed, twist the bag to form a neck and wrap it tight with duct tape. Fold neck of bag over to form a loop, then again wrap duct tape around neck and loop.

Although not a federal regulatory requirement, asbestos waste is often placed into second disposal bag and sealed as described above. Label disposal bags as required by applicable NESHAP, OSHA and DOT regulations.

Asbestos waste that does not fit into disposal bags should be wrapped leak-tight in one or two layers of 6 mil (0.15 mm) polyethylene sheet. Each layer should be sealed tightly with duct tape. Label outer layer as required by regulations.

Sharp objects that might puncture polyethylene (such as floor tile) should be placed into cardboard boxes before wrapping in one or two layers of 6 mil (0.15 mm) polyethylene.

All waste should be labeled as required by federal, state and local regulations. Federal regulations requiring labeling of waste include OSHA regulations 29 CFR 1910.1200, 1910.1001 and 1926.1101, EPA's NESHAP regulation 40 CFR 61.150, and the Department of Transportation's Hazardous Materials Regulations 49 CFR 171 and 180. ACM packaging, with some exceptions, must meet general DOT and EPA requirements and be protective, marked and labeled. Review current labeling requirements with Facility Asbestos Coordinator and disposal site. The OSHA requirements apply regardless of the amount of waste or measured exposure levels (see 29 CFR 1926.1101(k).

Labeling Requirements

* **OSHA 29 CFR 1926. 1101(k)(8)**

DANGER
CONTAINS ASBESTOS FIBERS
AVOID CREATING DUST
CANCER AND LUNG DISEASE HAZARD

* **Department of Transportation (DOT)**

DOT's shipping paper and marking format, used with some exceptions is as follows:

RQ	Reportable Quantity, if 1 lb. (.4 kg) or more friable asbestos
WASTE	For waste material, if applicable
ASBESTOS	Shipping name; for domestic transportation only.
MIXTURE	For asbestos mixed with a binder or filler, etc.
9	Class 9, Miscellaneous Hazardous Materials, includes asbestos
NA2212	North American identification number; for domestic transportation only.
PGIII	Packing Group; for domestic transportation only
LTD QTY	Limited quantity, if applicable.
20 OZ.	Total quantity of material describe; may abbreviate unit.

* **NESHAP**

NESHAP requires that readily visible and legible warning labels as specified by OSHA be used on waste containers or wrapped materials (this is the same as the OSHA 29 CFR 1926.1101 label listed above). Waste material to be transported off the facility site must also be labeled with the name of the waste generator and the location at which the waste was generated.

OSHA requires leak-tight containers and labeling for Class II materials (Note that under the EPA NESHAP regulation these are Category I and II materials, which are not regulated as long as the materials remain non-friable). For purposes of this O&M program, treat OSHA Class II materials as EPA regulated waste. Maintain OSHA required labels in place and dispose of as asbestos-containing waste in accordance with the NESHAP regulation.

W-12 Applying Lockdown Encapsulant

A lockdown encapsulant should be applied to areas where ACM is removed. Lockdown encapsulants used should be tested per 1978 Battelle/EPA report "Tests for the Evaluation of Encapsulants for Friable Asbestos-Containing Materials". Encapsulants should be water resistant after curing and be Class "A" fire rated per ASTM 84-81A "Standard Method for Surface Burning Characteristics of Building Materials.

Lockdowns need to be compatible with any materials that will be installed over the encapsulant. Note that many lockdown encapsulants will act as an adhesive and could be objectionable on some surfaces when dry. Care should be taken to avoid getting encapsulant on or in HVAC units, HEPA vacuums, and negative pressure machines.

Lockdown is typically applied for O&M work using a garden sprayer. It should be applied in accordance with the manufacturers' recommendations in two light coats sprayed from opposite directions to seal all portions of surfaces including any exposed edges of remaining ACM.

DO NOT APPLY LOCKDOWN ENCAPSULANT ON FIREPROOFING OR TO STEEL THAT IS GOING TO BE FIREPROOFED, WITHOUT PRIOR APPROVAL FROM THE Facility Asbestos Coordinator. The use of spray fireproofing is based on full-scale fire endurance tests of fireproofed steel. Anything that differs from the tested assembly voids the test, and could result in a fireproofing failure. Fireproofing is a non-combustible insulator of steel. Coating it or saturating it with an encapsulant could render it combustible and could reduce it insulating properties. This could cause the fireproofing to fail and as such voids the fire rating. The introduction of an encapsulant between the fireproofing and the steel could cause the fireproofing to fail. The bond of the fireproofing to the steel could be weakened causing the fireproofing to fall off, or the encapsulant could soften and allow the fireproofing to fall off during a fire. Unless the encapsulant has been tested and approved for use by the manufacturer of the fireproofing used, its use will void the fire rating of the fireproofing material.

W-13 Cleaning Tools, Equipment, and Work Area

Clean tools and equipment using HEPA vacuuming and/or wet wiping procedures. Special attention should be given to cleaning extension cords, equipment wheels, vacuum hoses and other items that could pick up debris during the work. Tools and equipment should be placed outside of the work area as soon as cleaning is completed. Drop cloths and mini-enclosures can be cleaned or disposed of as ACM.

Any items that cannot be fully cleaned (such as boots or tools) that might be used in another O&M activity should be placed into disposal bags, sealed and labeled as ACM. These bags should be wet wiped and then placed outside of the work area with the other tools and equipment. Do not open bags containing contaminated tools, or open equipment such as a HEPA vacuum, except during another O&M activity or in a designated work area. HEPA vacuum hoses can be sealed with tape over both ends if the outside of the hose is clean.

Cleaning of the work area where an O&M activity is conducted consists of HEPA vacuuming and/or wet wiping (as appropriate) all surfaces in the area. HEPA vacuuming and wet wiping shall be performed as described in general procedure *W9* above.

W-14 Decontaminating Waste

Packaged waste should be HEPA vacuumed and wet wiped before it is moved out of the work area. Use the wet wiping and HEPA vacuuming procedures in general procedure *W9*. Packaged waste should be placed on a sheet of polyethylene when it is moved outside of the work area. This polyethylene can be the outer portion of a drop cloth, if a drop cloth is being used.

W-15 Worker Decontamination and Removal of Protective Clothing and Respirators

Removal of Protective Clothing

* **Level B Requirements** (Removal of Protective Clothing When Drop Cloth Work Area Protection, or no Work Area Protection, is Used):

  HEPA vacuum all parts of protective clothing while standing at perimeter of drop cloth. Leaving respirator in place, remove protective clothing and fold inside out as it is removed. Place clothing, if contaminated, into a disposal bag and label as ACM waste.

* **Level C Requirements Where Work Is Performed Inside A Mine-Enclosure Or Other Physical Barrier** (Removal of Protective Clothing If A Mini-Enclosure and Change Room is Provided):

  HEPA vacuum all parts of protective clothing while inside work area enclosure.

  If two disposable coveralls are used, remove outer coveralls in work area while leaving respirator in place. Fold coveralls inside out as they are removed. Move to change room, HEPA vacuum protective clothing, and remove second set of coveralls in the same manner.

  If only one set of disposable coveralls is worn, remove in change room while leaving respirator in place. Fold coveralls inside out as they are removed.

  Place protective clothing, if contaminated, into a disposal bag and label as ACM waste. Wash hands, face and surface of respirator with clean water and disposable towels. Use caution to avoid breaking seal between respirator facepiece and face. Place disposable towels into a disposal bag. Remove respirator and follow procedures specified in Respiratory Protection Program for cleaning and storing respirator. Change respirator filters if needed or required and dispose of used filters as ACM. Put street clothes on and exit change room.

* **Level C Requirements** (Removal of Protective Clothing if an enclosure or mini-enclosure is used and a Shower is Available):

  HEPA vacuum all parts of protective clothing while inside work area enclosure. Remove outer coveralls in work area while leaving respirator in place. Fold coveralls inside out as they are removed. Move to change room. Wash hands and wet wipe face and respirator, HEPA vacuum protective clothing. Put on a clean set of protective coveralls over the coveralls already being worn to prevent any ACM debris or dust that may be on the coverall from falling off on the way to the shower. Proceed to shower with respirator still in place. At shower facility, remove protective coveralls, folding inside out during removal. Place clothing, if contaminated, into a disposal bag and label as ACM waste. Shower completely, and remove and clean respirator while showering as described below.

Street Clothing

If street clothes are worn under protective clothing and are contaminated during the work, the street clothes should be HEPA vacuumed, removed during decontamination and placed into a labeled disposal bag. These street clothes should then be disposed of as ACM or taken to a facility that has equipment designed for cleaning asbestos-contaminated clothing.

Removal of Respirator

The procedures described below are based on the assumption that workers wearing respirators have been trained in the use of respirators and, for negative pressure respirators, fit tested, and enrolled in a medical surveillance program as part of a Respiratory Protection Program.

Remove respirator after removing protective clothing (if used). Before removing respirator, wash hands, face and surface of respirator with clean water and disposable towels. Use caution to avoid breaking seal between respirator facepiece and face. Avoid getting water into filter cartridges of respirator. Place disposable towels into a disposal bag. Remove respirator and follow procedures specified in Respiratory Protection Program for cleaning and storing respirator.

W-16 Visual Inspection and Completing Air Monitoring

Visual Inspection

Conduct a visual inspection prior to the start of clearance air sampling. The person performing the inspection can be a worker if authorized by the Facility Asbestos Coordinator. Verify that there is no debris or residue from removed ACM and that all visible dust or debris in the work area has been cleaned up. If visible residue, dust or debris remains, it must be cleaned up using wet wiping and/or HEPA vacuuming before clearance sampling is started.

Perform the visual inspection using procedures approved for use in the facility by the Facility Asbestos Coordinator. If you have not been trained in visual inspection procedures notify the Facility Asbestos Coordinator. The EPA's Purple Book and the American Society for Testing and Materials (ASTM) "Standard Practice for Visual Inspection of Asbestos Abatement Projects" (Document E1368-90) provide visual inspection procedures that might be helpful in developing O&M inspection procedures.

Air Samples

Complete air monitoring work in accordance with Air Monitoring Program and requirements noted on a Work Authorization Form. Verify that removal areas have been encapsulated ("locked down"), that the work area, tools, and equipment have been cleaned, and that the area has passed a visual inspection. When air sampling cassettes are retrieved, the air monitoring person should record the stop time for the samples and check and record the flow rate of the air monitoring pumps. Samples should be analyzed on-site (for PCM analysis) if possible, or sent to a laboratory for analysis. When sample results are received, compare results to Air Monitoring Program criteria for work release or clearance. If sample results exceed criteria, the work area should be recleaned, reinspected, and then additional air samples should be obtained. If samples are equal to or below release criteria, tear down work can proceed. Collect air sampling pumps and equipment from work area and other locations when air sampling work is completed.

W-17 Waste Transportation, Storage and Disposal

Transport asbestos waste from O&M activities to a designated storage area or an approved landfill after the work is completed. Workers transporting waste should follow Respiratory Protection Program recommendations concerning respirator requirements for transporting asbestos waste. Do not drag packaged waste. All waste should be lifted and carried, or transported in wheeled carts, when moved from one area to another. Packaged waste should be placed, not thrown or dropped, into vehicles, storage areas and the landfill.

Any asbestos waste that is not taken to a landfill should be stored in a secure, lockable area. Signage in accordance with NESHAP should be posted at the storage area and on vehicles used to transport asbestos-containing waste material during loading and unloading. When asbestos waste in the storage area is taken to a landfill, it should be transported in accordance with all applicable federal, state and local regulations. Asbestos waste shipment records should be completed in accordance with the requirements in NESHAP Section 61.150.

The workers conducting the O&M activity should fill out part 1 of the waste tracking form included in Appendix D or an equivalent form. Once part 1 is completed and the waste is stored or taken to a landfill, the form should be turned over to the Facility Asbestos Coordinator to complete part 2 and file with O&M records. NESHAP waste shipment records must also be completed (where applicable) and filed with waste disposal records.

W-18 Glovebag Removal (Also includes other types of prefabricated removal enclosures)

Remove asbestos-containing material inside a glove bag according to the following procedures. Glovebags should be used only once and should not be moved to another location to perform additional removal work, or reused in any way. Use only 60" X 60" standard glovebags. Do not use glovebags on surfaces or equipment that is over 150□F. If you encounter a situation that requires a special type or size of glovebag, or if hot surfaces are involved, notify Facility Asbestos Coordinator.

Other types of prefabricated removal enclosures include "glovebox" type enclosures, glovebags with self-supporting frames, and glovebags that funnel waste into standard disposal bags. Check with equipment suppliers for information on these enclosures.

Glovebags might be used with a framework for O&M work on flat areas such as surfacing materials. Note that significant asbestos exposures to workers can result from the improper use of glovebags. Workers should obtain information on current regulatory requirements on glovebag use from the Facility Asbestos Coordinator.

Glovebag Removal Procedures

Check area where the work will be performed. If damaged ACM is present (broken lagging, hanging, etc.), wrap in polyethylene and cover polyethylene with strips of duct tape for reinforcement. Place one layer of duct tape around the removal area where the glove bag will be attached. Also protect any damaged ACM outside the glovebag area that could be disturbed during the work.

Slit top of the glove bag open (if necessary) and cut down the sides to accommodate the removal area.

Place necessary tools into pouch located inside glove bag (or into a sleeve turned inside out). Tools needed typically include: scraper, bone saw, utility knife, disposable towels, nylon brush, abrasive pads, wire cutters, tin snips and pre-wetted lag cloth. Cut lag cloth to sizes needed to cover any ACM that will remain after glovebag work is completed.

Place one strip of duct tape along the edge of the open top slit of glove bag for reinforcement.

Place the glove bag around area to be worked on and staple top together through reinforcing duct tape. Provide 8-12" (200-300 mm) of space inside glovebag between removal surface and glovebag for working room. Secure glovebag to duct tape previously installed around removal area.

Use smoke tube and aspirator bulb to test seal. Place tube into water sleeve (two-inch [50 mm] opening to glove bag) squeezing bulb and filling bag with visible smoke. Remove smoke tube and twist water sleeve closed. While holding the water sleeve tightly, gently squeeze glove bag and look for smoke leaking out, (especially at the top and ends of the glove bag). If leaks are found, tape closed using duct tape and re-test.

If a negative pressure glovebag with a supporting framework and HEPA filtered makeup air port is being used, attach hose from an operating HEPA vacuum to glovebag to provide negative pressure in glovebag. Follow equipment manufacturer's instructions on use of negative pressure equipment.

Insert wand from garden sprayer with amended water through water sleeve. Duct tape water sleeve tightly around the wand to prevent leakage.

Insert arms into glovebag sleeves.

Remove any metal jacketing or covering over the area where removal is required using tin snips and/or wire cutters. Fold in any sharp edges to avoid cutting the bag. Pierce any painted coverings to permit water to soak into the ACM.

Adequately wet material to be worked on with amended water and allow to soak in. Wet adequately to penetrate and soak material through to substrate.

Cut insulation section to be removed using bone saw or utility knife. Use caution to avoid cutting glovebag. Lift glovebag away from cutting area if necessary.

Throughout this process, spray amended water or removal encapsulant on the cutting area to keep dust to a minimum.

Remove insulation using scraper or other tools. Place pieces in bottom of bag without dropping. Rinse all tools with amended water inside the bag and place back into pouch or a sleeve of the glovebag turned inside out.

Using nylon brush, scrub pads, disposable towels and amended water, scrub and wipe down the removal area.

Seal exposed ACM around removal area using pre-wetted lag cloth or encapsulate with a bridging encapsulant. Encapsulate removal area with an appropriate lockdown encapsulant. Use suitable high temperature encapsulants for hot piping.

Wash down inside of glovebag with amended water and wipe as necessary to move all debris and residue to lower part of glovebag (below where bag will be twisted and cut).

Remove water wand from water sleeve, twist water sleeve closed and seal with duct tape.

From outside the bag, pull the tool pouch or sleeve away from the bag and twist pouch to seal it from rest of bag. Place duct tape over twisted portion and then cut the tool bag from the glove bag, cutting through the twisted/taped section.

Contaminated tools might then be placed directly into another glove bag without cleaning. Alternatively, tool pouch with the tools can be placed in a bucket of water, opened underwater, and tools cleaned and dried. Discard disposable towels and nylon brush with asbestos waste. Dispose of contaminated water as set forth in general procedure *W19* below.

Evacuate air from glovebag using HEPA vacuum. With HEPA vacuum operating and removed insulation in the bottom of the bag, twist the bag several times and tape it to keep the material in the bottom during removal of the glove bag from the removal area.

Slip a 6 mil (0.15 mm) disposal bag over the glove bag (still attached to removal area). With the hose of an operating HEPA vacuum inserted in the upper part of glovebag, remove tape or cut bag and open the top of the glove bag and fold it down into disposal bag.

Use of a Glovebag with Self-Supporting Frame

Glovebags on self-supporting frames can be used for some O&M activities on surfacing materials, and might be able to be adapted for other types of ACM. The general procedures for using these units are as follows:

Construct a rectangular or square frame of 1 ½" (38mm) diameter PVC or ABS pipe. Supporting legs can be made of lengths of pipe and fittings as needed to achieve the required height. Proprietary frames with telescoping legs are available.

To install glovebag on the frame, fold top edge of bag over the frame sides and extend the open edge of the bag at least 10" (25 cm) beyond the frame. Secure the open edges to the rest of the bag using duct tape. Place tools and supplies needed procedure above) in tool pouch inside glovebag.

Place frame and glovebag assembly below work location so that frame is close to, but not touching, ACM. Location and proximity of frame to ACM should allow for some movement without disturbing ACM during the work.

Insert wand of garden sprayer with amended water into bag and seal in place.

Cut hole in glovebag for negative pressure equipment hose. Negative pressure equipment could be a HEPA vacuum or small negative pressure machine. Install hose and seal in place. A prefilter might be needed to prevent any gross ACM debris from being drawn into the negative pressure device.

Install a hose from an operating HEPA vacuum into the bag in a position where it can be used during the work. Turn on negative pressure device and smoke test all sides of glovebag frame unit to verify that negative pressure is present. If sufficient negative pressure is not present, reduce clearance between ACM and frame (if possible), or add additional negative pressure device(s).

Insert hands into glove arms and wet ACM where work is required. Perform work as needed. Caution: If bag is overloaded with tools or other materials, bag might break or release from frame.

HEPA vacuum and wet wipe tools and inside of bag. Adequately wet any ACM debris in glovebag.

Slowly lower frame to allow tools to be removed from bag.

Gently remove glovebag from frame and twist to form a neck. Evacuate air from bag using HEPA vacuum and tape bag closed.

Remove garden sprayer wand, negative pressure device hose, and HEPA vacuum hose and seal holes with duct tape.

Place glovebag into a labeled 6 mil (0.15 mm) asbestos disposal bag and seal bag.

W-19 Disposal of contaminated water

Contaminated water from O&M activities should be disposed of in accordance with all applicable federal, state and local regulations. Filtering might be required. If filtering is required, water should typically be filtered through a maximum 5 micron (5 µm) water filter before discharging water into a sanitary sewer system, if permitted. If a filter unit is not available at the work location, contaminated water can be put into leaktight drums and transported to a location with filtering equipment. If a portable shower unit with filtering equipment is available, contaminated water can be emptied into the shower and filtered through the shower filter system.

W-20 Mini-Enclosures

Note: *Polyethylene work area protection is not to be used in place of other engineering controls and good work practices. Work practices such as wetting ACM, careful handling, local collection by HEPA vacuum and local exhaust ventilation should be the primary means of fiber control during O&M work. Mini-enclosures are intended to protect the environment, workers are protected by work procedures and engineering controls that prevent elevated airborne fiber levels, and by respiratory protection, protective clothing, decontamination procedures and other worker protection methods. State or local codes might require that fire retardant polyethylene be used for asbestos related work.*

Preparation of work areas for O&M activities sometimes involve the use of a mini-enclosure. Other techniques, such as the use of a glovebag taped over a self-supporting framework might be used as a substitute for a mini-enclosure where appropriate. For small amounts of removal work (such as removing a small amount of fireproofing, or cutting a hole in asbestos-containing plaster) where an enclosure is desired or needed, a glovebag can be used in lieu of a full mini-enclosure.

Mini-Enclosure

A mini-enclosure is usually a polyethylene enclosure around a work area. Mini-enclosures are sealed enclosures used to protect the facility environment as a secondary means to help, or attempt to, contain fibers or debris generated during the work.

Mini-enclosures also serve to provide a visual barrier between the workers and any other personnel around the work area. As noted above, careful work practices should be the primary means of fiber control during the work in order to prevent gross contamination of the mini-enclosure.

It is sometimes appropriate to extend mini-enclosures above ceilings, such as by using polyethylene sheet and framing taped together to provide enclosure around the work area. The mini-enclosure should not contact ACM covered surfaces. The construction will vary depending on whether the enclosure will be attached to pipes, conduit, metal hangers, or some other form of existing construction.

There are a variety of commercially available types of mini-enclosures, including prefabricated pop-up boxes and adjustable framework assemblies to permit different sizes of enclosures to be constructed. Disposable liners for mini-enclosures (to facilitate set up and dismantling of the enclosure) are available from some manufacturers. It might be beneficial to construct or purchase a portable mini-enclosure unit that works for the typical conditions found in a given facility.

It is recommended that two workers be used to set up and operate mini-enclosures. To construct a mini-enclosure, erect a framework of wood, PVC piping or metal framing that will enclose the work area and be large enough for one person to work inside. The minimum width and depth of the enclosure should be at least 3 feet (1 meter). The height of the enclosure will vary depending upon the work to be performed and the height of the work area. A larger enclosure is preferable where space permits. However, if the enclosure is too large, the final cleaning process will require more time. A mini-enclosure can include a separate 3 foot by 3 foot by 7 foot (1 x 1 x 2.1 meters) change room, with curtain doorways, attached to the mini-enclosure for changing and removing protective clothing.

If an entire room will be enclosed for performing work, the framework is usually not necessary, unless wall surfaces will be damaged by tape used to support polyethylene. A room can be enclosed for O&M work by installing one layer of polyethylene sheet on the walls and floor of the room.

If the work to be performed is in an elevated location, the enclosure (and change room, if used) should be erected on a scaffold platform large enough to support the enclosure, change room (if used), and a step off area outside the enclosure.

Refer to OSHA regulations 29 CFR 1910.28 and 29 CFR 1926.451 concerning scaffold requirements. Any ladders and/or scaffolds used must be built and used in conformance with the OSHA construction standards, and applicable state and local standards.

Cover the floor and the framework for the enclosure and change room with one layer of polyethylene attached using duct tape. A second layer of polyethylene laid on the floor might facilitate clean up work, or reduce the possibility of tearing the polyethylene if equipment is used (do not use two layers under the legs of ladders). Construct curtain doorways between the change room and the enclosure and between the change room and the area outside the change room. A curtain doorway is made of three overlapping sheets of polyethylene. Attach sheets to framework at top and one side. The middle sheet should be attached on one side, and the inner and outer sheets attached on the other side. A sheet of polyethylene approximately 5 feet by 5 feet (1.5 meters by 1.5 meters) or larger should be installed outside the change room for use as a step off area and as a place to put decontaminated materials removed from the work area.

Mini-enclosures should be constructed with a ceiling of polyethylene if work will not be performed above the enclosure. If work is to be performed above the enclosure and the ceiling is not ACM, the enclosure should extend to and be sealed to the ceiling or grid system. If the enclosure is below an ACM finished surface, use one of the following methods:

* If ACM cannot be contacted, the enclosure should be separated from the ceiling by a narrow space.
* If ACM will withstand contact without damage and is in good condition, foam tape (1" (25mm) or thicker) can be placed on the top edge of the enclosure. Gently lift enclosure into place until sufficient contact is made to provide a seal to the surface.

After enclosure is in place, check for, and clean up any debris generated by enclosure installation.

Mini-enclosures should be set up with a negative pressure system as described below to reduce the possibility of fibers being released from the enclosure and to filter the air inside the enclosure.

Negative Pressure System and HEPA Filtered Local Exhaust Ventilation

Mini-enclosures should be provided with a negative pressure system to reduce the possibility of fibers being released from the enclosure during the work, and to filter inside air discharged from the enclosure. Negative pressure inside mini-enclosures is commonly provided by a High Efficiency Particulate Air (HEPA) filtered vacuum or by negative pressure machines, depending upon the size of the enclosure.

A HEPA vacuum will usually provide sufficient negative pressure for a small enclosure. Larger enclosures might require a small negative pressure machine (HEPA filtered fan unit) to achieve a negative pressure inside the enclosure.

A negative pressure system for a mini-enclosure most commonly locates the HEPA vacuum or negative pressure machine outside the enclosure. The intake side of the unit is ducted to the enclosure through the vacuum hose or flexible duct material taped to a hole in the enclosure on the side opposite from the change room or as close as possible to where the work will be performed. The filtered exhaust side of the unit should be ducted to the outside if possible. However, most vacuum units do not provide a connection for an exhaust duct, and are commonly exhausted to the inside. Additional protection might be desirable for an area where air is exhausted inside a building. A work practice is provided for changing filters in HEPA vacuums and negative pressure machines (HEPA filtered exhaust fans) when needed. Filters should not be changed without following these work practices.

When HEPA filtered local exhaust ventilation is used in a work practice, this can be in addition to, or in place of, a negative pressure system. A HEPA filtered local exhaust ventilation system might replace a negative pressure system if the ventilation system provides adequate negative pressure in the work area. Some work practices use HEPA filtered local exhaust ventilation for fiber control where an enclosure is not used. A HEPA ventilation system can use a HEPA vacuum or negative pressure machine. The hose attached to the HEPA unit should be kept as close as possible to the location where ACM might be, or is, disturbed.

DOCUMENT NUMBER 14

TENANT PROTECTION PLAN

NYC Buildings

TPP1: Tenant Protection Plan

Must be completed as fill in PDF

DEPT. BLDGS 123139772 Job Number

SC170425024 Scan Code

1 Location Information *Required for **all** applications*

House No(s) 66 Street Name West 138th Street Number of apartments to remain occupied 019

Borough Manhattan Block 01735 Lot 0067 BIN 1053926 CB No. 110

2 Tenant Protection Plan *Required for **all** applications with occupied dwelling units (2014 AC 28-104 8.4)*

1. Egress - *Clarify how adequate egress will be maintained during construction*
2. Fire Safety - *Identify safety measures to maintain fire safety of occupied dwelling during construction*
3. Health requirements - *Specify methods to be used for control of dust, disposal of construction debris, noise control, and maintenance of sanitary facilities during construction*
4. Compliance with housing standards - *Demonstrate compliance with NYC housing maintenance code and NYS multiple dwelling law during construction.*
5. Structural safety - *Identify specific measures to maintain structural stability during construction*
6. Noise restrictions - *Identify measures to comply with NYC Noise control code during construction*
7. Other requirements - *Any additional requirements to assure tenant safety during construction.*

Complete all sections that apply below

1. Egress: The work area is directly attached to a communicating corridor to the lobby. There is no egress thru the area under construction. Egress will not be blocked for tenants at any time.

2. Fire Safety: All construction material will be secured in the work area. Fire extinguishers will be hung at visible locations in the work space.

3. Health Requirements : Debris, dust and dirt will be kept to a minimum in the work area. The work area will utilize dust partitions. Specifications are given to the contractor as per dust, disposal of debris, pest control and sanitary facilities. Noise will be kept to acceptable levels. There is no lead or asbestos present.

4. Compliance with Housing Standards: The requirements of the NYC Housing Maintenance Code and where applicable the NYS Multiple Dwelling Law stall be strictly observed.

5. Structural Safety: No structural work is taking place in this application .

6. Noise Restrictions: Noise will be kept to a minimum. NYC Noise Control Code limitations will be strictly adhered to. Work hours are Monday thru Friday from 9 to 4 exclusive of holidays.

7. Other Requirements: At no point during construction will the work interfere safe egress or quality of life tenants in the dwelling units.

End of TPP1

Continue on next page, if necessary

2 Tenant Protection Plan *(Continued)*

Should you require additional space, please complete and submit an AI1 form

3 Tenant Protection Plan Attachments/Drawings *Required for **all** applications where separate Tenant Protection Plan attachments/ drawings are included Please append legible 11 x 17 attachments/drawings to this document*

1. Do attachments/drawings accompany this TPP? ☒ Yes ☐ No

2. If yes, how many pages? 03

4 Applicant's Statements and Signatures *Required for **all** applications*

Falsification of any statement is a misdemeanor and is punishable by a fine or imprisonment, or both. It is unlawful to give to a city employee, or for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration Violation is punishable by imprisonment or fine or both I understand that if I am found after hearing to have knowingly or negligently made a false statement or to have knowingly or negligently falsified or allowed to be falsified any certificate, form, signed statement, application, report or certification of the correction of a violation required under the provisions of this code or of a rule of any agency, I may be barred from filing further applications or documents with the Department

Name (please print)

EDWARD GIANNASCA, RA

Signature

Date

08.29.17

P E. / R.A. Seal *(apply seal, then sign and date over seal)*

DOCUMENT NUMBER 15

NEW YORK CITY LOCAL 1 OF 2004

The City of New York – Local Law No. 1

Local Law 1 of 2004 ("Local Law 1") is a comprehensive law concerning the prevention of childhood lead poisoning through the remediation of lead paint hazards in housing, which became effective on August 2, 2004. This Bill replaced Local Law 1 of 1982 and Local Law 38 of 1999 – both of which provided inadequate protection to children and was ultimately struck down by New York's high court.

The Council declared that the city government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of children. Therefore, the Council declared that resources must be directed to primary prevention, including identifying children who are most at risk.

The Council recognized that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned.

When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often also incurring the expense of medical treatment and remedial education, if necessary. Additionally, the Department of Health and Mental Hygiene reported for the year 2001 that only 20 percent of children in New York City were tested both at ages one and two for disease of lead poisoning, even though the testing of all children at ages one and two is mandatory under state law.

The Council wanted improved screening among these children since they are at greatest risk for lead poisoning. Finding it is reasonable and necessary to increase the rate of blood-lead testing, the Department of Health and Mental Hygiene is required to report to the Council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

Target Housing. The law covers all pre-1960 buildings with three or more residential units. The law also places certain responsibilities on owners in post-1960 to pre-1978 buildings with three or more residential units where the owner knows there is lead-based paint. The provisions of Local Law 1 do not apply to owner-occupied units in a cooperative or condominium. The law does however apply to cooperative or condominium units occupied by a tenant or subtenant.

Definitions.

Chewable Surface – a protruding interior window sill in a dwelling unit in a multiple dwelling where a child under age six resides and which is readily accessible to such child. "Chewable surface" shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

Deteriorated Subsurface – an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including rotted or decayed wood, or wood or plaster that has be subject to moisture or disturbance.

Friction Surface – any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surface shall include window frames and jambs, doors, and hinges.

Impact Surface – any interior painted surface that shows evidence, such as marking, denting, or chipping, that is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

Remediation or Remediate – the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

Turnover – the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacating by a prior tenant of such a dwelling unit.

Owner Responsibility to Remediate.
Owners must prevent the reasonably foreseeable occurrence of lead hazards and remediate them, and the underlying defects that may cause lead hazards, using safe work practices.

Owner's Responsibility to Notify Occupants and to Investigate.

- Owners of pre-1960 multiple dwellings, and owners of post-1960 to pre-1978 buildings where the owner knows that there is lead-based paint, have the responsibility to investigate dwelling units where children under age six reside, and common areas, to find peeling paint, chewable surfaces, deteriorated subsurfaces, and friction and impact surfaces. The investigation must be conducted annually and more often if the owner knows of a condition that may cause a lead hazard, or the occupant complains about such a condition.
- Occupants must inform the owner about the presence of a child and provide access.
- Leases must contain a notice setting forth the owner's responsibilities, and owners must provide a pamphlet informing occupants about lead paint hazards.
- Upon lease-up, lease renewal, agreement to lease, or commencement of occupancy, the owner must provide a notice to the occupant inquiring if a child under age six will reside in the unit.
    - If the occupant states that there is no child and the occupant subsequently, during that one-year period, fails to inform the owner that a child has come to live in the unit, the presumption of lead paint does not apply in any personal injury action brought for lead exposure.
    - This notice must be provided annually to each dwelling unit no later than January 16th. Occupants must respond by February 15th. If the owner does not receive a response, and does not otherwise actually know if a child resides in the unit, he must physically inspect to ascertain if a child lives there, between February 16th and March 1st. If, in that period, he is unable to access the unit, the owner must notify the Department of Health and Mental Hygiene (DOHMH) that he was unable to determine if a child lives in the unit. The same limitation on liability, where occupant has responded that no child lives in the unit, also applies here.
- Owners must inform the occupant of the results of the investigation and provide copies of any reports received. Copies must be retained for 10 years.

- Failure to comply is a misdemeanor punishable by a $500 fine and/or six months in prison. Civil penalty is not more than $1,500 per violation.
- Department of Housing Preservation and Development (DHPD) is authorized to perform sample audits to determine compliance.

Presumption.

- Paint is presumed to contain lead in any pre-1960 multiple dwelling where a child under age six resides, and in common areas. This presumption may be rebutted by the owner submitting a sworn written statement supported by lead-based paint testing or sampling results to the DHPD.
- Testing performed to rebut the presumption may only be done by a certified inspector or risk assessor. The final determination as to whether adequate proof was submitted to rebut the presumption is made by the DHPD.
- Owners may apply for an exemption from the presumption for the entire dwelling or for a dwelling unit in one of two ways:
    1. An inspection for lead-based paint has determined that there is no lead-based paint present.
    2. Substantial alterations have been made resulting in the removal or permanent covering of all lead-based paint in that dwelling.

Violation in a Dwelling Unit.

Peeling lead paint or lead paint on deteriorated subsurface in a multiple dwelling unit with a child under age six is a class C violation.

Audit and Inspection by Department Following Commissioner's Order to Abate.

- When DOHMH issues a Commissioner's Order to Abate for a lead-poisoned child in a multiple-dwelling unit, DHPD must, within 15 days, notify the owner that he must submit to DHPD all records required to be maintained under the law within 45 days. DHPD will then determine if there may be lead hazards in other units with children under age six and will attempt to inspect all such units within 10 days of such determination.
- If the owner does not provide the records, DHPD must inspect child-occupied units in 45 days to determine if there are any lead violations.
- The actions required of DHPD are not applicable if DHPD has inspected the building within the 12 months preceding the issuance of the Commissioner's Order to Abate.
- Owner noncompliance is a class C violation and carries a $1,000 penalty.

Violation in a Dwelling Unit upon Turnover.

- These requirements apply to all pre-1960 dwelling units and to pre-1960 private dwelling units that are not owner-occupied. Upon turnover in such units, the owner must:
    1. Remediate all lead-based paint hazards and any underlying defects;
    2. Make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;
    3. Provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and
    4. Provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

- Noncompliance is a class C violation.

Inspections by the Department of Housing Preservation and Development (DHPD).

- When making line of sight inspections in a pre-1960 multiple-dwelling unit, DHPD must ascertain the presence of a child under age six, including asking the occupant for an acknowledgement whether such a child resides in the unit. If a child lives there, DHPD must perform a room-by-room inspection and record whether the paint or other similar surface-coating material in each room is peeling or intact.
    - Where peeling paint is found, DHPD must also inspect for an underlying defect and indicate on the inspection report the location of the peeling paint, the condition of the subsurface, and the location of any underlying defect.
    - The inspector specifically need not move furniture unless there is visible evidence that causes the inspector to believe that there is peeling paint behind the furniture.
    - Where the inspector determines that there is a violation, the notice of violation must be served within 10 days.
- For lead complaints describing peeling paint or a deteriorated subsurface or underlying defect in the dwelling unit, DHPD must inspect pre-1960 child-occupied units within 10 days.
    - If DHPD cannot gain access to the dwelling, it must reattempt the inspection within five days.
    - If still unable to gain access to that dwelling unit during this additional time period, DHPD must provide written notice to the occupant that no further attempts will be made unless a new complaint is submitted.
- For lead complaints, DHPD inspectors must use XRF machines to determine whether lead paint is present. If, for reasons “beyond the control” of DHPD, an XRF cannot be used, then DHPD may rely on the presumption to issue a violation.
- For line of sight inspections, if DHPD inspectors do not XRF test peeling paint on the initial inspection, they must return within 10 days thereafter to XRF inspect. Upon determination that lead hazards exist, the notice of violation must be issued in 10 additional days. DHPD must leave the lead pamphlet at all premises that it inspects.
- DHPD must develop a work practices pamphlet to be delivered with the notice of violation. Failure to include the pamphlet or to comply with time periods does not render any notice of violation void and does not provide an owner with a defense against liability.

Work Practices.

- DHPD must promulgate rules establishing the following lead-safe work practices:

    1. For work done to comply with a notice of violation or an order to correct:
        a. Work practices must be no less stringent than those required by DOHMH when it issues a violation for a lead-poisoned child.
        b. Owner will provide temporary relocation of the occupants if necessary.
        c. All work must be performed by an EPA-certified firm.
        d. Lead-contaminated dust clearance testing must be performed at the completion of work.
        e. All lead-contaminated dust clearance results shall be filed with DHPD and a copy provided to the occupant of the dwelling unit.

    2. For any non-violation work done:

a. Work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit or the common area where a child under six years resides;
b. Work where the owner has actual knowledge of the presence of lead-based paint; or
c. Work that will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content must comply with the following:
    i. Lead-contaminated dust clearance testing must be performed at the completion of work, and a copy of the results provided to the occupant of the dwelling unit.
    ii. The work must be done by a person who has successfully completed a course on lead-safe work practices by an entity authorized to give such a course.
    iii. Owner will provide temporary relocation of the occupants if necessary.

3. For any non-violation work done in such multiple-dwelling unit where the work will disturb more than 100 square feet (question as to whether this applies to private dwellings – the statute is unclear) of lead-based paint or paint of unknown lead content, or involves the removal of two or more windows with such paint, work practices must be no less protective than those in the Health Code and require dust testing.
    a. All work must be performed by an EPA-certified firm.
    b. Owner will provide temporary relocation of the occupants if necessary.
    c. At least 10 days prior to the commencement of such work, owners must file a notice of commencement with DOHMH, and DOHMH is authorized to perform sample audits to determine if workers are certified.

4. Work practices do not apply to work that disturbs less than two square feet of peeling paint per room, or 10 percent of the surface area of a component.

5. Where an owner is performing work on tenant turnover.
    a. Lead-contaminated dust clearance testing must be performed at the completion of work, and a copy of the results must be provided to the occupant of the dwelling unit.

- Lead-contaminated dust clearance testing may be performed only by a third party who is independent of both the owner and anyone who is performing the work. Dust testers must be trained in an approved program.
- All lead-contaminated dust clearance tests submitted to a laboratory for analysis must include a sworn certification that such test was performed in compliance with all applicable rules and regulations.
- For work performed to correct violations, all lead-contaminated dust clearance results must be submitted to DHPD, and a copy must be provided to the occupant of the dwelling unit.

Reporting.

- DHPD is responsible for providing a report every fiscal year on its implementation of the law. At the very least, it must contain an analysis of the program, a detailed statement of revenue and expenditures, and statistical section designed to provide a detailed explanation of DHPD's enforcement including:
    - The number of complaints for peeling paint in pre-1960 dwelling units where a child under age six resides;
    - The number of inspections made and violations issued by DHPD;
    - The number of violations issued that were certified as corrected by the owner;

    - The number of jobs performed; and
    - A statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings where violations are placed, indicating the age of the building and other factors relevant to the "prevalence of lead based paint hazards."
- DOHMH must prepare an annual report on progress towards increasing lead screening rates and reducing new cases of lead poisoning, to be used by DHPD in implementing the law.

Transmittal of Violations to the DOHMH.
DHPD must send a notice that includes DOHMH's telephone number to any unit where it issues a lead violation. DHPD must also refer to DOHMH the address of all units for which violations were issues, along with the name and number of the complainant, if any. DOHMH must then refer to medical providers any person who requests such assistance.

Request from DOHMH to DHPD to Execute an Order.
- DOHMH must investigate any reported blood lead level of a child under 18 years of age that is in excess of 15 µg/dL.
- DOHMH must also notify DHPD of each unit where it has issued a Commissioner's Order to Abate (COTA). If the owner fails to comply with the COTA, DOHMH must certify the unit to DHPD within 16 days of the report of the elevated blood lead level.
- DHPD must correct the violations within 18 days of such certification.

Waiver.
- No owner can seek to have an occupant waive any provision of the lead law; the agreement is considered void. Any owner who violates this section is guilty of a misdemeanor punishable by a fine of up to $500 or imprisonment for up to six months or both.
- Validates agreements made between coop tenant shareholders and condo owners and coop and condo boards regarding allocation of responsibility for compliance with the lead law.
- The lead law does not apply to multiple dwelling units where title is held by a coop or condo and the unit is occupied by the shareholder of record or his or her family.

Exemption for Emergency Conditions.
The law specifically exempts from coverage work immediately necessary to safeguard against imminent danger to life, health, or safety.

Record Keeping Requirements.
Owners of multiple dwellings or dwellings that perform work pursuant to the new lead law must retain all records relating to such work for 10 years from the completion of the work. The records are to be made available to DHPD and must be transferred to the owner's successor in title.

Department of Housing Preservation and Development Enforcement.
- Owners have 21 days to correct a lead violation in accordance with specified work practices. Owners may request a 14-day postponement, and then an additional 14-day postponement in circumstances where

paint has been stabilized. DHPD may promulgate rules for longer postponements in situations where an owner is making substantial capital improvements that will reduce lead paint in the multiple-dwelling or dwelling unit. DHPD must provide written reasons for its postponement determinations to both owner and occupant.

- Certifications must be submitted within five days of the correction date, and include a dust test result. DHPD must mail a copy to the complainant within 12 days of receipt.
- DHPD must reinspect all violations within 14 days after the date set for correction. If not corrected, DHPD must do the work within 45 days of such reinspection.
- DHPD may not remove any violations from its records unless it has conducted a final inspection verifying remediation, and has copies of relevant dust tests. DHPD must mail a copy of the final inspection report and status to the occupant and owner.
- The penalty for false certification is $1,000 to $3,000 and a possible misdemeanor charge.
- The penalty for failure to correct a lead violation is $250 per day. Owners may assert various defenses to mitigate fines.
- Failure to comply with the time periods by DHPD does not void any violations or provide a basis for defense by the owner.

Department of Health and Mental Hygiene Provisions.

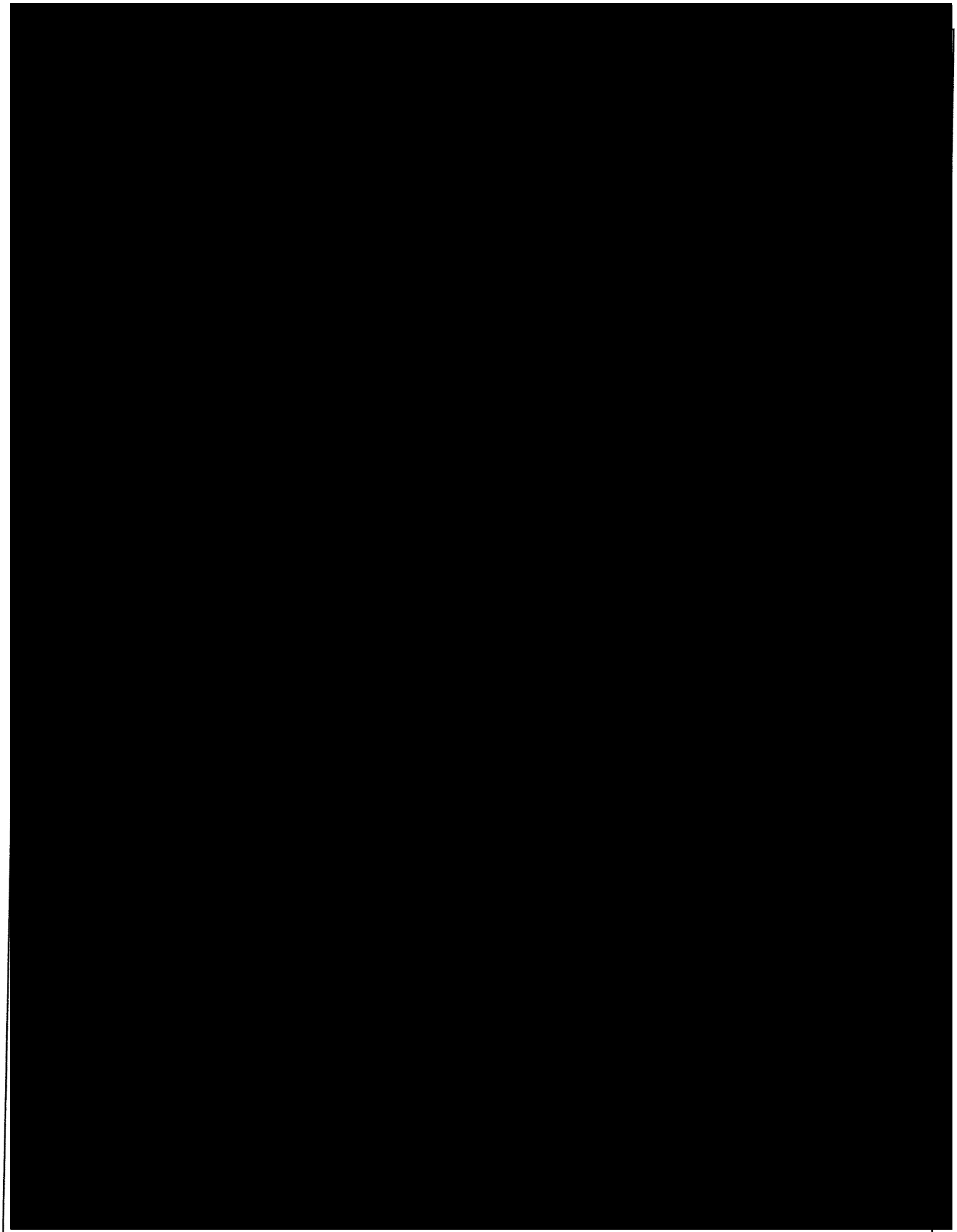
- Department screening, diagnosis and treatment.
  - DOHMH must refer to medical providers any child who needs lead screening or other services, upon request.
  - DOHMH must develop a lead pamphlet to be used by DHPD on inspections and made available to the public.
- Lead-based paint, dry scraping, and sanding prohibited.
  - The law prohibits dry scraping and sanding of lead paint or paint of unknown content in any dwelling, day care center, or school. DOHMH is authorized to promulgate rules regarding this.
- Inspection by DOHMH of unsafe work practices.
  - DOHMH must promulgate rules requiring the agency to respond to complaints of unsafe lead paint work practices.
- Lead poisoning prevention in children.
  - DOHMH must develop a brochure advising medical providers of the law on screening and testing children for lead. It must be distributed annually to such providers.
  - DOHMH must develop a pamphlet regarding lead poisoning prevention that must, at a minimum, be distributed with each birth certificate given to a parent of a child. The pamphlet must also be available to the public.

The purpose of Local Law 1 is to administer and enforce New York City's lead poisoning prevention programs better by coordinating the actions of DHPD and DOHMH. While it is intended that the Department of Housing Preservation and Development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the Department of Health and Mental Hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

Additional information, including flyer and required postings, can be found on the city's website at http://www.nyc.gov/html/hpd/html/homeowners/lead_paint.shtml.

DOCUMENT NUMBER 16

DHCR ORDER

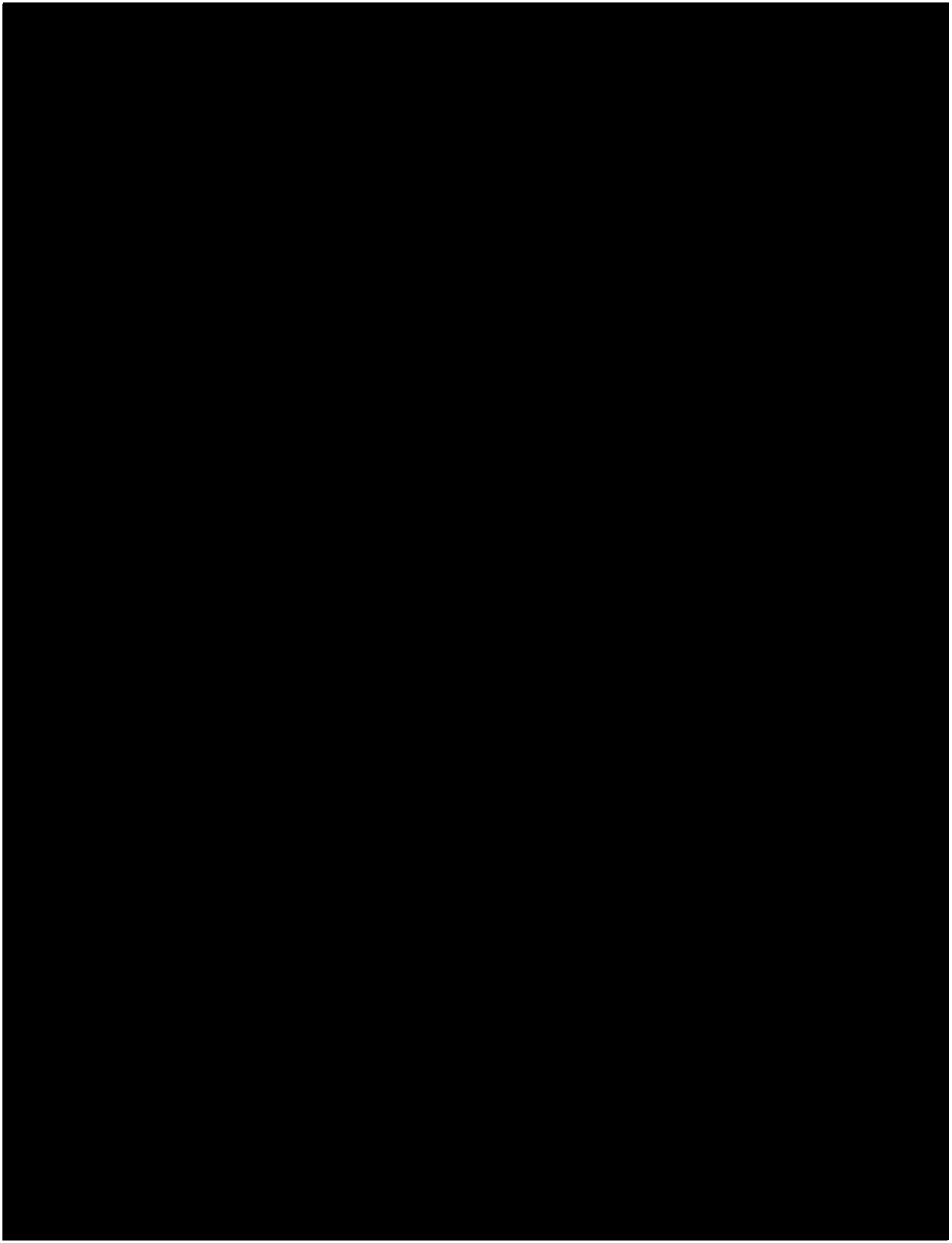


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DOCUMENT NUMBER 17

LIST OF VIOLATIONS ISSUED BY NEW YORK CITY DEPARTMENT OF BUILDINGS AND NEW YORK CITY DEPARTMENT OF PRESERVATION AND DEVELOPMENT

5/19/2020
010720

HPD Building, Registration & Violation Services --- Select --- Home

The selected address: 66 WEST 138 STREET, Manhattan 10037

This building has filed records with the New York State Division of Housing and Community Renewal at least one time from 1993 to the present year and may contain one or more regulated apartments.

HPD#	Range	Block	Lot	CD	CensusTract	Stories	A Units	B Units	Ownership	Registration#	Class
41269 Active	66-66	01735	0067	10	21200	5	20	0	PVT	118746	A

Other Units

Property Owner Registration Information

Charges

Complaint Status

Complaint History

Litigation/Case Status

Tenant Harassment Report

All Open Violations

prior year Open Viol.'s

Ecertification

Overdue Lead Paint Viol. Correction

Vacate Orders

I-Card Images

PROS Online

Bed Bugs

Map

Building Registration Summary Report

Find Apartment# Clear Search

Owner	Last Reg Dt Reg Expire Dt	Organization	Last Nm	First Nm	House No	Street Nm	Apt	City	State	Zip
Head Officer	08/24/2019 09/01/2020		RAMIREZ	JONATHAN	85	DELANCEY ST		New York	NY	10002
Corporation	08/24/2019 09/01/2020	66 WEST 138 LLC			85	DELANCEY ST		New York	NY	10002
Managing Agent	08/24/2019 09/01/2020		RAMIRIEZ	JONATHAN	85	DELANCEY ST		New York	NY	10002

Open Violations - ALL DATES
There are 13 Violations. Arranged by category: A class: 4 B class: 8 C class: 1 I class: 0

For Definitions of the columns indicated below, select glossary under the Services option (located at the upper right).

To sort the columns, click on their underlined headers below in the blue area.

Apt Story	Reported Date, nov ISSUED Date	Hzrd Class	Order no	Violation ID, NOV ID, NOV Type	Violation Description	Status Status Date	Certify By Date Actual Cert. Date
1B 1	2018/12/05 2018/12/10	B	502	12795308 6332353 Original	MG 27-2005 adm code properly repair with similar material the broken or defective wood floor in the kitchen located at apt 1b, 1st story, 1st apartment from south at west	NOV SENT 2018/12/10	2019/01/28
1B 1	2018/12/05 2018/12/10	B	502	12795328 6332353 Original	MG 27-2005 adm code properly repair with similar material the broken or defective wood floor in the 2nd room from north located at apt 1b, 1st story, 1st apartment from south at west	NOV SENT 2018/12/10	2019/01/28
2D 2	2018/12/05 2018/12/10	B	502	12795536 6332356 Original	MG 27-2005 adm code properly repair with similar material the broken or defective wood floor in the entire apartment located at apt 2d, 2nd story, 1st apartment from west at north	NOV SENT 2018/12/10	2019/01/28
2D 2	2018/12/05 2018/12/10	B	502	12795585 6332356 Original	MG 27-2005 adm code properly repair with similar material the broken or defective vinyl floor tiles in the 1st room from east located at apt 2d, 2nd story, 1st apartment from west at north	NOV SENT 2018/12/10	2019/01/28
3D 3	2018/12/05 2018/12/10	B	530	12797514 6333205 Original	MG 27-2005, 2007 adm code arrange and make self-closing the doors in the entrance located at apt 3d, 3rd story, 1st apartment from west at north	CIV10 MAILED 2018/12/31	2019/01/28 2018/12/12
1D 1	2018/09/14 2018/09/17	A	529	12585251 6193849 Original	MG 27-2005 adm code refit wood door in the bathroom located at apt 1d, 1st story, 1st apartment from south at west	NOV SENT 2018/09/17	2019/01/04
1A 1	2018/09/10 2018/09/12	C	546	12575319 6189160 Original	MG 27-2005, 2007 hmc: remove the illegal double cylinder key operated locking device at door ... in the entrance located at apt 1a, 1st story, 1st apartment from north at east	NOV SENT 2018/09/12	2018/09/25
B5 5	2018/09/06 2018/09/10	B	509	12568584 6186759	MG 27-2005 adm code properly secure the loose wash basin in the bathroom located at apt b5, 5th story, 2nd	NOV SENT 2018/09/10	2018/10/29

				Original	apartment from south at west		
3D 3	2018/07/16 2018/07/18	A	529	12480436 6141611 Original	ยง 27-2005 adm code refit wood door in the bathroom located at apt 3d, 3rd story, 2nd apartment from south at west	NOV SENT 2018/07/18	2018/11/04
1A 1	2017/11/27 2017/11/29	B	502	12103104 5931506 Original	ยง 27-2005 adm code properly repair with similar material the broken or defective caulking around bathtub in the bathroom located at apt 1a, 1st story, 1st apartment from north at east	NOV SENT 2017/11/29	2018/01/17
1A 1	2017/11/27 2017/11/29	A	556	12103105 5931505 Original	ยง 27-2013 adm code paint with light colored paint to the satisfaction of this department ceiling and all walls in the bathroom located at apt 1a, 1st story, 1st apartment from north at east	NOV SENT 2017/11/29	2018/03/18
1A 1	2017/11/27 2017/11/29	B	508	12103126 5931506 Original	ยง 27-2005 adm code repair the broken or defective plastered surfaces and paint in a uniform color ceiling and all walls in the kitchenette located at apt 1a, 1st story, 1st apartment from north at east	NOV SENT 2017/11/29	2018/01/17
Cellar	1976/04/08 2008/06/11	A	502	3122943 3312601 Reissued	d26-10.01 adm code properly repair with similar material the broken or defective metal ceiling cellar thru out.	NOT COMPLIED 2016/04/14	2008/09/28

CLICK HERE TO SIGN UP FOR BUILDINGS NEWS

NYC Department of Buildings

OATH/ECB Violation Search by Location

Click here for more information about Severity, Violation and Hearing Statuses

Premises: 66 WEST 138 STREET MANHATTAN **BIN: 1053926 Block: 1735 Lot: 67 CB: 110**

Total Violations	
Issued = 28	**Open (Certificate of Correction Required) =** 4

OATH/ECB Hearings	
Completed / Defaulted = 28	**Pending =** 0

OATH/ECB Number	Certification Status	Respondent	OATH/ECB Hearing Status	Violation Date	Infraction Codes	OATH/ECB Penalty Due
34611269R	OPEN - NO COMPLIANCE RECORDED	OWNER OF 66 W 138 ST	IN VIOLATION	05/31/2008	B7A	$0.00
	Severity: HAZARDOUS	**Inspect Unit:** EMERGENCY RESPONSE TEAM (ERT)		**Viol Type:** CONSTRUCTION		
34477104Y	OPEN - NO COMPLIANCE RECORDED	R.J.M. W 138 ST REALTY CO	IN VIOLATION	10/05/2005	B6A	$0.00
	Severity: NON-HAZARDOUS	**Inspect Unit:** MANHATTAN CONSTRUCTION		**Viol Type:** CONSTRUCTION		
34490192J	OPEN - NO COMPLIANCE RECORDED	J.J.M. W. 138 REALTY CORP	IN VIOLATION	09/26/2005	B6A	$0.00
	Severity: HAZARDOUS	**Inspect Unit:** MANHATTAN CONSTRUCTION		**Viol Type:** CONSTRUCTION		
39006575L	OPEN - CERTIFICATE DISAPPROVED	66 WEST 138 LLC LEASING	IN VIOLATION	07/26/2019	1D2, 2C9	$800.00
	Severity: CLASS - 1	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** ELECTRICAL		
35344400X	RESOLVED - CURE ACCEPTED	MUADONG ZHENG NIC DESIGN GC617182	CURED/IN-VIO	08/31/2018	282	$0.00
	Severity: CLASS - 2	**Inspect Unit:** MANHATTAN CONSTRUCTION		**Viol Type:** CONSTRUCTION		
35364468K	RESOLVED - N/A - DISMISSED	JOSWINDER MULTAN GC604817	DISMISSED	12/05/2018	2K7	$0.00
	Severity: CLASS - 2	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL				
35364470J	RESOLVED - N/A - DISMISSED	JOSWINDER MULTADI GC604817	DISMISSED	12/05/2018	2K8	$0.00
	Severity: CLASS - 2	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL				

35364482R	RESOLVED - CERTIFICATE ACCEPTED	RAMIRIEZ JONATHAN	IN VIOLATION	12/05/2018	139	$2,500.00
	Severity: CLASS - 1	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		
35352364H	RESOLVED - N/A - DISMISSED	66 WEST 138 LLC	DISMISSED	12/05/2018	201	$0.00
	Severity: CLASS - 2	**Inspect Unit:** MANHATTAN PLUMBING		**Viol Type:** CONSTRUCTION		
39001188Z	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138 LLC LEASING	IN VIOLATION	01/25/2019	201	$625.00
	Severity: CLASS - 2	**Inspect Unit:** MANHATTAN CONSTRUCTION		**Viol Type:** CONSTRUCTION		
35306277M	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138 LLC LEASING	IN VIOLATION	03/14/2018	1C7	$4,800.00
	Severity: CLASS - 1	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** ELECTRICAL		
35359734H	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138 LLC C/O LEASI	IN VIOLATION	11/15/2018	1C9	$1,600.00
	Severity: CLASS - 1	**Inspect Unit:** ELECTRICAL DIVISION		**Viol Type:** ELECTRICAL		
34833997Z	RESOLVED - CERTIFICATE ACCEPTED	KJM WEST 138 REALTY CORP	IN VIOLATION	08/11/2010	126	$0.00
	Severity: CLASS - 1	**Inspect Unit:** SEU		**Viol Type:** CONSTRUCTION		
34862278P	RESOLVED - CERTIFICATE ACCEPTED	KJM WEST 138 REALTY CORP	IN VIOLATION	08/11/2010	203	$0.00
	Severity: CLASS - 2	**Inspect Unit:** SEU		**Viol Type:** CONSTRUCTION		
34833998K	RESOLVED - N/A - DISMISSED	KJM WEST 138 REALTY CORP	DISMISSED	08/11/2010	102	$0.00
	Severity: CLASS - 1	**Inspect Unit:** SEU		**Viol Type:** CONSTRUCTION		
34889073L	RESOLVED - CERTIFICATE ACCEPTED	KJM WEST 138TH REALTY COR	DEFAULT	12/07/2010	263	$0.00
	Severity: CLASS - 2	**Inspect Unit:** SPECIAL OPERATIONS				
34611270Y	RESOLVED - CERTIFICATE ACCEPTED	OWNER OF 66 W 138 ST	IN VIOLATION	05/31/2008	B11	$0.00
	Severity: HAZARDOUS	**Inspect Unit:** EMERGENCY RESPONSE TEAM (ERT)		**Viol Type:** CONSTRUCTION		
35306653R	RESOLVED - CURE ACCEPTED	66 WEST 138 LLC LEASING	CURED/IN-VIO	06/04/2018	239	$0.00
	Severity: CLASS - 2	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		
35359181R	RESOLVED - CERTIFICATE ACCEPTED	66WEST 138TH ST LLC LEADI	IN VIOLATION	12/05/2018	1D2	$0.00
	Severity: CLASS - 1	**Inspect Unit:** EXECUTIVE INSPECTIONS		**Viol Type:** ELECTRICAL		
35359183K	RESOLVED - CERTIFICATE	66 WEST 138TH LLC	IN	12/05/2018	2C9	$0.00

	ACCEPTED	LEASING	VIOLATION			
	Severity: CLASS - 2	**Inspect Unit:** EXECUTIVE INSPECTIONS		**Viol Type:** ELECTRICAL		
35306278Y	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138 LLC LEASING	IN VIOLATION	03/14/2018	202	$0.00
	Severity: CLASS - 2	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		
35306276K	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138TH STREET LLC	IN VIOLATION	03/14/2018	153	$0.00
	Severity: CLASS - 1	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		
35306358Y	RESOLVED - CURE ACCEPTED	66 WEST 138 LLC LEASING	CURED/IN-VIO	05/04/2018	220	$0.00
	Severity: CLASS - 2	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		
35359179H	RESOLVED - N/A - DISMISSED	NASH ELECTRIC SERVICES IN GC11681	DISMISSED	12/05/2018	1D1	$0.00
	Severity: CLASS - 1	**Inspect Unit:** EXECUTIVE INSPECTIONS		**Viol Type:** ELECTRICAL		
35359182Z	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138 LLC LEASING	DEFAULT	12/05/2018	2E4	$2,000.00
	Severity: CLASS - 2	**Inspect Unit:** EXECUTIVE INSPECTIONS		**Viol Type:** ELECTRICAL		
35359180P	RESOLVED - N/A - DISMISSED	NASH ELECTRIAL SERVICES I GC11681	DISMISSED	12/05/2018	2E3	$0.00
	Severity: CLASS - 2	**Inspect Unit:** EXECUTIVE INSPECTIONS		**Viol Type:** ELECTRICAL		
35364484K	RESOLVED - CERTIFICATE ACCEPTED	RAMIREZ JONATHAN	IN VIOLATION	12/05/2018	104	$1,250.00
	Severity: CLASS - 1	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		
35306282R	RESOLVED - CERTIFICATE ACCEPTED	66 WEST 138 LLC LEASING	IN VIOLATION	03/27/2018	112	$5,000.00
	Severity: CLASS - 1	**Inspect Unit:** OFFICE OF THE BUILDING MARSHALL		**Viol Type:** CONSTRUCTION		

Severity - classification of the violation. See Rules of the City of New York Section 102-01 for more information. Violations issued before July 2008 are classified as HAZ or NON-HAZ per the 1968 Building Code.

Severity	Description
Class 1 or HAZ	Immediately Hazardous violations must be corrected immediately. If an acceptable Certificate of Correction is not received, additional civil penalties may apply. See Administrative Code Section 28-202.1, 28-213.1, 28-219.1 and 28-207.2.6 that may impose $1500 for each Class 1 violation. If the violating condition is an illegal conversion, additional daily penalties of $1000 for continued violation are also applicable.
Class 2 or NON-HAZ	Major violations. See Administrative Code Section 28-201.2.
Class 3 or NON-HAZ	Lesser violations.

OATH/ECB Penalty Due - amount owed to OATH that can be paid at www.nyc.gov/citypay/oath. A penalty may still be due even if the

violating condition has been corrected. A red banner on the Property Profile Page indicates that additional civil penalties are due.

Certification Status - see below chart to determine if a violation requires submission of a Certificate of Correction to the Department of Buildings and the review status of any submissions.

OATH/ECB Hearing Status - see below chart to determine if a hearing is required and the status of any OATH hearings..

Certification Status	Status Description
OPEN - NO COMPLIANCE RECORDED	Certificate of Correction required. See guide to resolving an OATH Summons/Violation.
OPEN - CERTIFICATE PENDING	Certificate of Correction submitted and under review.
OPEN - CERTIFICATE DISAPPROVED	Certificate of Correction disapproved. Resubmit Certificate of Correction after addressing the reasons stated in the disapproval letter.
RESOLVED - N/A-DISMISSED	Certificate of Correction not required.
RESOLVED - CERTIFICATE ACCEPTED	Certification of Correction accepted and found in compliance; any amount owed is listed in OATH/ECB Penalty Due column and can be paid at www.nyc.gov/citypay/oath.
RESOLVED - CURE ACCEPTED	Certificate of Correction accepted and found in compliance.
RESOLVED - COMPLIANCE INSP/DOC	Condition verified by Inspector or Department documentation; Certificate of Correction not required.

OATH/ECB Hearing Status	Status Description
CURED/IN-VIO	Cure accepted and violation admitted; no hearing required.
STIPULATION/IN-VIO	Stipulation accepted and violation admitted; no hearing required.
IN VIOLATION	Hearing decision completed; OATH found respondent in violation.
DISMISSED	OATH dismissed the violation.
DEFAULT	Respondent failed to respond to the summons; OATH found the respondent in violation and imposed the maximum allowable penalty.
PUBLICLY-OWNED	Property is city-owned; no hearing required.
PENDING	Awaiting OATH hearing or decision. See guide to fighting an OATH Summons.
ADMIT/IN-VIO	Violation admitted and penalty paid to OATH prior to the scheduled hearing date.
WRITTEN OFF	Imposed penalty no longer subject to collection actions. Certificate of Correction required to resolve violation.

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

DOCUMENT NUMBER 18

MAINTENANCE AND OPERATIONS PLAN

Asbestos Operations & Maintenance Plan

66 West 138th Street
New York, New York

EBI Project No. 1119001343

March 15, 2019



Prepared for:

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66 West 138th Street
New York, New York 10037

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1.0 INTRODUCTION

1.1 General

This Operations and Maintenance (O&M) plan was developed for the owners, employees, and occupants of the building located at 66 West 138th Street in New York, New York (herein the Subject Property) for their use in managing suspect, assumed or known asbestos-containing materials (ACMs) in the building(s) [Refer to Section 3.7 for definition of terms]. The purpose of this Plan is maintenance of suspect, assumed, or known ACMs in their existing condition.

This O&M Plan specifies procedures for suspect, assumed and known ACMs. Within this O&M Plan, procedures specified for ACMs (generally) also apply to suspect and assumed ACMs. The sole term of ACM is frequently used for simplicity and to avoid repeated use of "suspect, assumed, or known ACM".

Friable asbestos hazard conditions, if present, must be addressed by remediation procedures, which are beyond the scope of this O&M Plan. Remediation activities should be conducted by licensed asbestos contractors. Nonetheless, the Facility Asbestos Coordinator should ensure that activities of asbestos contractors follow applicable regulatory requirements and guidelines.

This Plan has been designed to minimize the risk of human exposure to asbestos fibers and asbestos fiber release during general work activities, scheduled maintenance and renovation of the building. This Plan will be in effect until all the ACMs have been removed from the facility.

This O&M has been developed to cover all asbestos maintenance procedures and may contain information not applicable to the Subject Property owners, occupants, and employees. Sections of this O&M Plan (i.e. sections 4.8-Medical Surveillance and Respiratory Protection Programs and 4.9-Personal Protective Clothing) may only be applicable if "in-house" ACM abatement work is undertaken.

1.2 Statement of Policy

Company policy dictates that personnel or tenants should not engage in the disturbance of asbestos-containing material (ACM), suspect or assumed ACM. The intent of this O&M Plan is to enable maintenance personnel to perform routine maintenance activities, housekeeping activities, and activities to clean up asbestos dust, waste, and debris without technically 'disturbing' ACM or assumed ACM. In the event that ACM is to be disturbed or removed, maintenance personnel will notify the Facility Asbestos Coordinator who will in turn notify a licensed asbestos abatement contractor.

This plan is based upon normal work activities necessary to maintain the facilities in good condition without disturbing ACM, suspect or assumed ACM.

1.3 Objectives

The primary objectives of an effective O&M are:

1) To minimize the future release of asbestos fibers.
2) To maintain the asbestos-containing materials in sound condition.
3) To monitor the condition of the asbestos-containing materials.
4) To provide for the identification and immediate remediation of asbestos hazardous conditions.

1.4 Benchmarks of an Effective Operations and Maintenance Plan

For an O&M to be effective, it must be fully implemented at all levels of management and by a single individual who manages any and all activities involving ACM.

1.5 Operations and Maintenance Plan Elements

This O&M is comprised of the following elements:

1) Building occupant, tenant and employee notification.
2) Provisions for labeling, where appropriate, the asbestos-containing materials.
3) Employee training.
4) Work permit system to ensure that employees, tradesman and contractors do not inadvertently come in contact with asbestos-containing materials.
5) Special work practices allowing trained personnel to safely perform maintenance and cleaning operations involving ACM with the potential to release asbestos fibers.
6) Procedures to effectively combat fiber release episodes.
7) Employee protection and medical surveillance programs.
8) Periodic surveillance of the asbestos-containing materials remaining in place to ensure that they are in stable condition.
9) A record-keeping system.

1.6 Facility Survey

The Subject Property is currently improved with a 5-story, residential building located at 66 West 138th Street in New York, New York. There is a basement present beneath the existing structure. The existing improvements were reportedly constructed in 1900.

EBI conducted a limited screening survey for the presence of ACM at the Subject Property. EBI identified friable suspect ACM in the form of drywall/joint compound, skim coast ceiling material, terracotta wall mortar, block around oil tank, wall and ceiling plasters, ceramic floor tile grout, door saddle mortar, and exterior brick mortar and non-friable suspect AM in the form of interior brick wall mortar, building caulking, window caulking and roofing materials. These materials observed to be undamaged and in good condition at the time of the screening, with the exception of the drywall ceiling in the cellar, the skim coat ceiling material located in the cellar and the ceramic floor tile grout. EBI collected Sixty-Four (64) representative samples of suspect ACM at the Subject Property. Please note that the scope of work for this screening was limited to sampling suspect ACMs in accessible areas. Additional suspect ACM may be present in inaccessible areas, including, but not limited to roofs, pipe chases, behind solid walls and ceilings, concealed floor coverings, the interior of machinery or equipment, or water and sewer systems. Suspect samples were submitted for analysis of asbestos content to EMSL Analytical, Inc., located in Carle Place, NY. EMSL is a state-licensed and accredited laboratory. The following table presents the sample location, asbestos content, friability, general condition, and estimated quantity of the suspect ACM samples collected at the Subject Property:

Asbestos Summary Table					
Sample No.	**Suspect Material Description**	**Sample and Material Location**	**Friable Yes/No**	**Condi-tion**	**Result (% Asbestos)**
1, 2, 3	Gypsum Ceiling Board	Cellar	Yes	Fair	NAD
4, 5, 6	Joint Compound	Cellar	Yes	Good	NAD
7, 8, 9	Skim Coat on Metal Ceiling	Cellar	Yes	Poor	NAD
10, 11, 12	Terracotta Wall Mortar	Cellar	Yes	Good	NAD
13, 14, 15	Block Around Oil Tank	Cellar	Yes	Good	NAD
16, 17, 18, 19, 20, 21, 22	**Wall Plaster – White Coat**	**Hallways Throughout**	**Yes**	**Good**	**2.70% Chrysotile**
23, 24, 25, 26, 27, 28, 29	**Wall Plaster – Brown Coat**	**Hallways Throughout**	**Yes**	**Good**	
30, 31, 32	Interior Wall Brick Mortar	Building Throughout	No	Good	NAD
33, 34, 35	Ceramic Floor Tile Grout	Hallways Throughout	Yes	Fair	NAD
36, 37, 38, 39, 40	**Ceiling Plaster – Skim Coat on Concrete**	**Hallways Throughout**	**Yes**	**Good**	**1.30% Chrysotile**
41, 42, 43	Gypsum Board	Apartment 4A	Yes	Good	NAD
44, 45, 46	Joint Compound	Apartment 4A	Yes	Good	NAD
47, 48, 49	Gypsum Board	Apartments 5A, 5D	Yes	Good	NAD
50, 51, 52	Joint Compound	Apartments 5A, 5D	Yes	Good	NAD
53, 54, 55	Mortar Below Bathroom Door Saddle	Apartment 5A	Yes	Good	NAD
---	Fiberglass Pipe Insulation	Building Throughout	No	Good	Non Suspect Material
56, 57, 58	Exterior Brick Mortar	Exterior Façade	Yes	Good	NAD
59, 60, 61	**Pink Caulking Between Buildings**	**Exterior Façade**	**No**	**Good**	**1.4% Chrysotile**
62, 63, 64	Exterior Black Window Caulking	Exterior Façade	No	Good	NAD

Asbestos Summary Table					
Sample No.	**Suspect Material Description**	**Sample and Material Location**	**Friable Yes/No**	**Condi-tion**	**Result (% Asbestos)**
---	**Roofing Materials**	**Roof**	**No**	**Good**	**Assumed ACM**

NAD- No Asbestos Detected

Laboratory analytical results indicate that four (4) homogenous areas sampled at the Subject Property contain >1% asbestos and are considered ACBMs.

It should be noted that the limited visual screening survey conducted under the scope of work for this assessment does not constitute a full asbestos inspection, in which all areas of the buildings would have been thoroughly surveyed and sampled. The possibility exists for ACM to be present in areas of the buildings not accessed or sampled by EBI personnel. Based on the limited scope of this assessment, additional suspect ACM may also present in areas of the buildings that were accessed as part of this assessment. The sampling conducted as part of this limited visual screening survey is not designed to comply with regulatory requirements for planned building material disturbances including, but not limited to, renovation or demolition. Materials found to contain ≤1% asbestos, via samples collected as part of this limited visual screening survey, have not been identified as non-ACM, and shall be considered suspect ACM with regard to future disturbance.

Due to the continued manufacture and distribution of a wide variety of asbestos-containing building materials, asbestos may be present in some of the roofing, flooring, caulking/putties, adhesives, spackling compounds, and/or non-accessible insulation materials at the Subject Property. Sampling of these types of materials require techniques that may be destructive to subject facilities, and in the case of roofing material, may void warranties. It is recommended that all such suspect asbestos-containing materials be tested prior to renovation or demolition activities that could disturb the materials. Any testing, removal, or disturbance of ACM should be handled in compliance with federal, state, and local regulations. Licensed, qualified asbestos abatement personnel should be retained prior to demolition or renovation of subject facilities.

Based on EBI's limited scope of work, sampling and assessment results shall not be used for determination of ACMs and non-ACMs per EPA, OSHA, and State and local regulatory requirements. Asbestos inspection shall be performed in full compliance with EPA, OSHA, and applicable State and local standards for determination of ACMs and non-ACM prior to any and all renovation, demolition, or other activity that will cause a material disturbance of suspect ACM. All sampled materials referenced above shall be treated as suspect or assumed ACM. Any materials similar in appearance to the suspect ACMs discussed above shall be treated as suspect or assumed ACM. Additional suspect ACMs may be present at the Subject Property that were not identified as part of EBI's limited scope of work: such as the list of building materials included in Section 2.1. All such suspect ACMs at the Subject Property shall be treated as ACM unless sampled by an Asbestos Consultant, analyzed for asbestos content, and reported by the Consultant to be non-ACM. All such materials should be managed under the O&M Plan.

For the purpose of this O&M Plan, any suspect ACMs encountered in the future will be considered ACM unless inspected and sampled by an Asbestos Consultant and reported to be non-ACM.

No suspect ACM shall be disturbed or involved in any work, in any way, unless sampled by an Asbestos Consultant, analyzed for asbestos content, and reported by the Consultant to be non-ACM.

1.7 O&M Plan Implementation Overview

This O&M Plan is established with the intent of managing ACMs as follows:

1. Abate any existing asbestos hazards utilizing a licensed asbestos removal contractor.
2. ACMs in fair to good condition will be maintained in-place in their existing condition.
3. Establish procedures to minimize and/or avoid ACM disturbance.
4. Contract asbestos removal activities prior to any maintenance/repair, renovation, or other activities that may cause an asbestos disturbance. [In-house asbestos abatement capabilities can be established. However, this is not within the scope of this O&M Plan report. Guidance for in-house asbestos work can be obtained upon O&M worker training or can be provided by EBI as a supplement to this O&M report.]

Listed below is a checklist of the programs and/or procedures that should be implemented as part of this O&M Plan. These programs/procedures include immediate and on-going activities for proper management of ACMs at the Property. Upon implementation of the O&M Plan, the Facility Asbestos Coordinator should be able to check off each of the activities listed within the **O&M Implementation Checklist**. Within the **O&M Implementation Checklist**, references are made to report section(s) which provide further description.

O&M IMPLEMENTATION CHECKLIST

The Facility Asbestos Coordinator should check that each of the activities/programs listed below has been completed or is implemented on an on-going basis.

___ **Facility Asbestos Coordinator (Coordinator) Training** – Minimum two day training or equivalent knowledge through background and experience (Section 4.4).

___ **Visual Reinspection of Property** by the Coordinator after completion of O&M training (Section 4.10).

___ **Initial Clean-Up**, **Abatement**, and/or **Testing** of known or potential friable asbestos hazards (Section 3.5).

___ **Worker Training** (Section 4.4).

- ___ **Maintenance** and **Custodial Personnel (if applicable)** – Awareness Training (2-Hour).
- ___ **Maintenance Personnel (if applicable)** – O&M Worker Training (2-day), if workers conduct work that could potentially disturb ACM.

___ **Employee**, **Tenant** (if applicable), and **Contractor Notifications** (Section 4.2).

___ **Asbestos Labeling** (Section 4.3.2), *if necessary*.

___ **Signage** (Section 4.3.2), *if necessary*.

___ **Periodic Surveillance** procedures (Section 4.10).

___ **Record Keeping** procedures (Section 4.11).

___ **Work Control/Permit System** (Section 4.5).

2.0 ASBESTOS-CONTAINING BUILDING MATERIALS

2.1 General

Asbestos is a term used to describe a group of six naturally occurring crystalline fiber minerals. Asbestos has been used extensively throughout the world in the textile, insulation and building industries. It is readily available from vast deposits in the earth; has excellent thermal stability; and has a high degree of tensile strength. Due to these excellent properties, millions of tons of asbestos have been mined since the turn of the century. Asbestos has been used as a component in fireproofing, decorative coatings, insulation materials, and as reinforcement for plasters binders in building products.

Asbestos was used extensively in the construction industry until the late 1970's. However, since the early 1970's, public awareness of the potential health hazards associated with inhalation of airborne asbestos fibers has increased. Since 1973, the U. S. Environmental Protection Agency (EPA) has limited the use of asbestos for fireproofing and insulation purposes, and in 1978, decorative uses were prohibited. Asbestos may be found in the following building materials:

Acoustical Plaster Skim Coat	Ductwork Flex Connectors	Packing Materials (at wall/
Acoustical Plaster Base Coat	Electrical Cloth	/floor penetrations)
Adhesives	Electrical Panel Board	Roofing Materials
Asphalt Floor Tile	Electric Wiring Insulation	Roofing Shingles
Blown-in Insulation	Elevator Brake Shoes	Rooftop Equipment Sealant
Boiler Insulation	Elevator Equipment Panels	Sheetrock Wallboard
Breeching Insulation	Fire Blankets	Spackling Compounds
Caulking/Putties	Fire Curtains	Spray-Applied Insulation
Ceiling Tiles	Fire Doors	Stucco
Cement Pipes	Fireproofing Materials	Textured Ceiling Surfacing
Cement Siding	Floor Backings	Textured Paints/Coatings
Cement Wallboard	Heating/Electrical Ductwork	Thermal Paper Products
Chalkboard	HVAC Duct Insulation	Thermal Taping Compounds
Construction Mastics (floor	High Temperature Gaskets	Transite Panels
tile, carpet, ceiling tile, etc.)	Joint Compound	Vinyl Floor Tile
Cooling Towers	Laboratory Hoods/Table Tops	Vinyl Sheet Flooring
Decorative Plaster	Pipe Insulation	Vinyl Wall Coverings

Asbestos-containing building materials are generally classified as friable or non-friable. Friable materials are those which can be crumbled, pulverized or reduced to powder by hand pressure or by normal use or maintenance and emits or can be expected to emit asbestos into the air. As an example, vinyl asbestos floor tile is generally considered non-friable until it is mechanically removed from the substrate. At that time, it may be considered friable.

2.2 Medical Aspects

Asbestos fibers enter the body via inhalation of airborne particles or by ingestion and can be become imbedded in the tissues of the respiratory or digestive systems. Excessive inhalation can cause a pneumoconiosis condition known as asbestosis, an emphysema-like condition. Medical research has indicated that even inhalation of asbestos fibers at the lowest detectable limits can cause other diseases such as lung cancer, pleural mesothelioma, a cancerous tumor that spreads rapidly in the cells of membranes covering lungs and body organs, and gastrointestinal cancer.

2.3 Regulatory Aspects

Occupational Safety and Health Administration (OSHA) began regulating exposure to asbestos in general industry in 1972. Housekeeping work not related to a construction activity is regulated by the "General Industry Standard (Title 29 Code of Federal Regulations (CFR) Part 1910.1001). These provisions cover routine cleaning in public and commercial buildings where construction activities are not taking place. Housekeeping work related to a construction activity is regulated by the "Construction Standard" (Title 29 CFR Part 1926.1101). For the Subject Facility, construction activities are most likely Class IV Asbestos work. Class IV is defined as maintenance and custodial activities during which employees contact, but do not disturb ACM.

Emissions of asbestos to ambient air are controlled by Section 112 of Clean Air Act which established National Emission Standards for Hazardous Air Pollutants (NESHAPS) (40 CFR 61). NESHAPS regulations require filing of notices prior to the commencement of asbestos abatement activities.

Additional information regarding Federal regulatory requirements can be obtained on the USEPA Asbestos website (http://www.epa.gov/asbestos/index.html) and the U.S. Department of Labor OSHA website (http://www.osha.gov/SLTC/asbestos/standards.html).

Additional New York State regulations can be found on the New York State Department of Health (NYSDOH) website (https://www.health.ny.gov/environmental/indoors/asbestos/laws.htm). The regulations for the training of asbestos abatement workers and training providers are established in 10 NYCRR Part 73 by the NYSDOH. The New York State Department of Labor (NYSDOL) regulates the removal, encapsulation, enclosure, repair, or the disturbance of friable and non-friable asbestos, or any handling of asbestos material that may result in the release of asbestos fiber under 12 NYCRR Part 56. The New York State Department of Environmental Conservation-Solid Waste Management Facilities regulations can be found in 6 NYCRR Part 360 regarding asbestos waste disposal and the New York State Department of Environmental Conservation-Waste Transporter Permits regulates transportation of asbestos waste under 6 NYCRR Part 364.

Additional New York City regulations can be found on the New York City Department of Environmental Protection website: (http://www.nyc.gov/html/dep/pdf/air/asbestos_rules_20110203.pdf). Title 15, Chapter 1 of the Rules of the City of New York regulates the certifications of the asbestos industry, notifications and permitting, inspection and abatement procedures for asbestos projects in New York City.

3.0 ASBESTOS MANAGEMENT PLAN

3.1 General

Upon discovery of ACM in a facility, the building owner develops an asbestos management plan to effectively control the asbestos-containing materials in order to prevent an inadvertent release and human exposure to asbestos fibers.

The asbestos management plan and consequent abatement options are developed by review of asbestos survey results as well as health and safety of the building occupants. The asbestos management plan considers the hazard assessment of the asbestos containing material, the short and long-term costs of abatement options, and the expected life of the facility.

Generally, there are four alternatives for asbestos management that can be used in conjunction.

1) Remove the asbestos-containing materials.
2) Encapsulate the asbestos-containing materials.
3) Enclose the asbestos-containing materials.
4) Implement an Operations and Maintenance Plan (O&M).

3.2 Removal

The major advantage of removing asbestos-containing materials is that potential exposure is ended and the development of future problems is prevented. Therefore, removal is the most complete solution. The main disadvantage to the removal option is the cost and time for removal of ACM and replacement of substitute material. However, if the material is friable, deteriorating, damaged or accessible by employees or tenants, removal is generally the most appropriate option. Removal must be performed by trained personnel. As such, removal should be performed by a licensed asbestos contractor.

3.3 Encapsulation

Encapsulation involves coating the ACM with a sealant to bind the asbestos fibers and other components together. Encapsulation reduces the risk of fiber release and increases ACM's resistance to damage. The initial cost of encapsulation may be lower than removal; however, an O&M must be implemented and remain in effect until the asbestos-containing materials are finally removed. With encapsulation, the source of the hazard remains in the building and must be considered when planning renovation, maintenance, or demolition activities. In addition, encapsulation can make subsequent removal more difficult and hazardous since it creates a hard-crusted surface that cannot easily be wetted to facilitate removal. The placement of a second (non-asbestos) layer of floor tile over the existing asbestos containing floor tile is a form of encapsulation. Note that encapsulation is considered an abatement activity and must be done by trained personnel (see section 4.4).

3.4 Enclosure

Enclosure involves the construction of an air-tight barrier around the asbestos-containing materials. Carefully constructed airtight enclosures can reduce and even eliminate release of airborne fibers into the building environment. This alternative does not require replacement of the asbestos-containing materials and usually exhibits a lower initial cost than removal. An O&M

must be implemented in the event that asbestos-containing materials remain in the building(s) and remain in effect until the ACM is removed.

3.5 Implementation of an Operations and Maintenance Plan

The Facility Asbestos Coordinator shall immediately address any damaged ACM conditions identified during EBI's assessment or inspections performed by or arranged by the Facility Asbestos Coordinator. Actions taken by the Coordinator may be self directed or based on consultation with EBI or other Asbestos Consultant. Appropriate response actions may be as simple as restricting access to affected areas of the Subject Property to properly trained and/or protected personnel. Response actions may also include abatement (repair, removal, enclosure, etc.) of damaged material or hazardous conditions. Sampling of damaged materials may also be necessary prior to determination of appropriate response actions.

Damaged ACM conditions or any other evidence of an asbestos fiber release will be recorded. The Coordinator will immediately arrange remediation of the condition.

An O&M is a long-term management approach to managing the asbestos-containing materials remaining in place. The program is designed to clean up asbestos fibers previously released, prevent future releases by minimizing the disturbance or damage of asbestos-containing materials, and provide for continued monitoring of the condition of asbestos-containing materials. The program remains in effect until all asbestos-containing materials are removed from the building(s).

The O&M alerts workers and building occupants to the location of asbestos-containing materials, trains custodial and maintenance personnel in proper cleaning and maintenance procedures, establishes a process that assures asbestos containing material are not disturbed during building repairs and renovations, and periodically re-inspects areas with asbestos- containing materials. The Facility Asbestos Coordinator and the supervisor of the custodial staff are key participants in the O&M.

3.6 Considerations for Contracting Asbestos Work

The asbestos Work Permit System (Section 4.5) shall include contract work. Many building owners contract for at least some custodial and maintenance services. Contracts with service trades or abatement companies should include the following provisions to ensure that the service or abatement workers can and will follow appropriate work practices:

- Proof that the contractor's workers have been properly notified about ACM and suspect/assumed ACM in the owner's building and that they are properly trained and accredited (if necessary) to work with ACM.
- Copies of documentation of use of respiratory protection, medical surveillance, and worker training as required by OSHA, EPA, and/or state and city regulatory agencies.
- Notification to building tenants and visitors that abatement activity is under way (performed by owner).
- Submission of written work practices by the vendor or contractor to the Facility Asbestos Coordinator for approval or modification. The vendor or contractor should then agree to abide by the work practices as finally accepted by the Facility Asbestos Coordinator.
- Assurance that the contractor will use proper work area isolation techniques, proper equipment, and required waste disposal practices.

- Historical air monitoring data for representative examples of the contractor's previous projects, with emphasis on projects similar to those likely to be encountered in the building.
- Provision for inspections of the area by the owner's representative to ensure that the area is acceptable for re-entry of occupants/tenants.
- Evaluation of resumes for each abatement contractor/supervisor or maintenance crew chief, known as the "competent person" in the OSHA standard and EPA Worker Protection Rule.
- Criteria for determining successful completion of the work (i.e., visual inspections and air monitoring).
- Notification to EPA (and other appropriate agencies) if the abatement project is large enough to trigger asbestos NESHAP or New York State or New York City requirements.
- Any other information deemed necessary by the owner's legal counsel.

3.7 Definitions

Aerosol: A system consisting of particles, solid or liquid, suspended in air.

Air Cell: Insulation normally used on pipes and ductwork that is comprised of corrugated cardboard which is frequently comprised of asbestos combined with cellulose or refractory binders.

Air Monitoring: The process of measuring the fiber content of a specific volume of air.

Amended Water: Water to which a surfactant has been added to increase the ability of the liquid to penetrate asbestos.

Asbestos: The asbestiform varieties of serpentinite (chrysotile), riebeckite (crocidolite), cummingtonite-grunerite, amosite, anthophylite, and actinolite-tremolite. For purposes of determining respiratory and worker protection both the asbestiform and non-asbestiform varieties of the above minerals and any of these materials that have been chemically treated and/or altered shall be considered as asbestos.

Asbestos-Containing Material (ACM): Any material containing more than 1% of asbestos of any type or mixture of types.

Asbestos-Containing Waste Material: Any material, which is or is suspected of being or any material contaminated with an asbestos-containing material that is to be removed from a work area for disposal.

Asbestos Consultant: Person and/or company currently accredited and/or licensed as an asbestos inspector in accordance with EPA and applicable State and local regulations.

Assumed Asbestos-Containing Material: Any suspect ACM that has not been appropriately tested to confirm whether or not it contains asbestos.

Authorized Visitor: The Owner's Representative or his designee, testing lab personnel, the Architect or a representative of any federal, state and local regulatory or other agency having authorizing over the project.

Barrier: Any surface that seals off the work area to inhibit the movement of fibers.

Breathing Zone: A hemisphere forward of the shoulders with a radius of approximately 6 to 9 inches.

Ceiling Concentration: The concentration of an airborne substance that shall not be exceeded.

Certified Industrial Hygienist (C.I.H.): An industrial hygienist certified in Comprehensive Practice by the American Board of Industrial Hygiene.

Class I Work (OSHA): Work activities, performed by an outside licensed abatement contractor, that involve the removal of boiler, pipe and duct insulation, and surfacing material such as spray-applied fireproofing.

Class II Work (OSHA): Work activities, performed by an outside licensed abatement contractor, that involve the removal of asbestos-containing materials other than boiler, pipe and duct insulation, and surfacing material such as spray-applied fireproofing.

Class III Work (OSHA): Work activities that involve the repair of minor amounts of damaged asbestos-containing materials.

Class IV Work (OSHA): Work activities that involve the maintenance and custodial activities during which tenants and employees contact but do not disturb asbestos-containing materials or presumed ACM. Class IV work may involve the clean-up of dusts, wastes and debris in areas where asbestos is, was or may be located.

Critical Barrier: Airtight barrier, usually of sheet plastic, which separates the contaminated work area from any other air space. Installed first, these barriers cover items such as, but not limited to: windows, doors, HVAC components, floor drains and containment walls that are not at existing building walls.

Decontamination: Wet cleaning and HEPA vacuuming of all work area surfaces to remove all visible debris prior to the final visual inspection, encapsulation and testing of the containment.

Demolition: The wrecking or taking out of any building component, system, finish or assembly of a facility together with any related handling operations.

Disposal Bag: A properly labeled 6 mil thick leak-tight plastic bag used for transporting asbestos waste from work and to disposal site.

Encapsulant: A material that surrounds or embeds asbestos fibers in an adhesive matrix, to prevent release of fibers.

Bridging encapsulant: an encapsulant that forms a discrete layer on the surface of an in situ asbestos matrix.

Penetrating encapsulant: an encapsulant that is absorbed by the in situ asbestos matrix without leaving a discrete surface layer.

Removal encapsulant: a penetrating encapsulant specifically designed for removal of asbestos-containing materials rather that for in situ encapsulation.

Encapsulation: Treatment of asbestos-containing materials, with an encapsulant.

Enclosure: The construction of an airtight, impermeable, permanent barrier around asbestos-containing material to control the release of asbestos fibers into the air.

Fiber Release: Any uncontrolled or unintentional disturbance of ACBM resulting in visible emission.

Filter: A media component used in respirators to remove solid or liquid particles from the inspired air.

Fitting: Within any piping system, any valve, tee, elbow, 45°, flange, union, reducer, or other piping connector which may be insulated with asbestos.

Friable Asbestos Material: Material that contains more than 1.0% asbestos by weight, and that can be crumbled, pulverized, or reduced to powder by hand pressure when dry.

Glovebag: A sack (typically constructed of 6 mil transparent polyethylene or polyvinyl chloride plastic) with two inward projecting long sleeve gloves, which are designed to enclose an object from which an asbestos-containing material is to be removed.

HEPA Filter: A High Efficiency Particulate Air (HEPA) filter capable of trapping and retaining 99.97% of asbestos fibers greater than 0.3 microns in length.

HEPA Filter Vacuum Collection Equipment (or vacuum cleaner): High efficiency particulate air filtered vacuum collection equipment with a filter system capable of collecting and retaining asbestos fibers. Filters should be 99.97% efficient for retaining fibers of 0.3 microns or larger.

High-Efficiency Particulate Air Filter (HEPA): A filter which removes from air 99.97% or more of monodisperse dioctyl phthalate (DOP) particles having a mean particle diameter of 0.3 micrometer.

Lock-out: Installation of a locking device to prevent activation of an electrical circuit, which has been deactivated for safety reasons. Always utilized in conjunction with tag-out procedures to advise who has deactivated the circuit and in compliance with OSHA 1910.147, "Control of Hazardous Energy Source."

NESHAP: National Emission Standard for Hazardous Air Pollutants, 40 CFR Part 61 Subpart M.

Negative Pressure Respirator: A respirator in which the air pressure inside the respiratory-inlet covering is positive during exhalation in relation to the air pressure of the outside atmosphere and negative during inhalation in relation to the air pressure of the outside atmosphere.

Negative Pressure Ventilation System: A pressure differential and ventilation system.

Personal Monitoring: Sampling of the asbestos fiber concentrations within the breathing zone of an employee.

Plastic Barrier: Sheet plastic barrier installed after critical barrier that protects building components and non-movable objects from water damage and asbestos contamination. The primary barrier is normally two independently attached plastic sheets.

Pre-Cleaning: Wet cleaning and HEPA vacuuming of work area surfaces prior to the installation of polyethylene sheeting and the construction of containment.

Presumed Asbestos-Containing Material (PACM): Thermal systems insulation, surfacing material or miscellaneous materials found in buildings constructed prior to 1980 that has not been appropriately tested to confirm whether or not it contains asbestos.

Protection Factor: The ratio of the ambient concentration of an airborne substance to the concentration of the substance inside the respirator at the breathing zone of the wearer. The protection factor is a measure of the degree of protection provided by a respirator to the wearer.

Repair: Returning damaged ACM to an undamaged condition to prevent fiber release.

Respirator: A device designed to protect the wearer from the inhalation of harmful atmospheres. Must be approved by NIOSH and used in accordance with the employer's respiratory protection program and all manufacturer's procedures.

Secondary Barrier: Sheet plastic "drop cloth" installed on floors and/or walls of containment during removal activities to protect primary layers.

Surfactant: A chemical wetting agent added to water to improve penetration, thus reducing the quantity of water required for a given operation or area.

Surgical Removal: A process by which small amounts of asbestos are removed with extreme care from substrates to which critical barriers or other seals are to be applied. This process usually involves scraping with small hand tools directly into the inlet of a HEPA vacuum.

Suspect Asbestos-Containing Material (Suspect ACM): The term "suspect ACM" is used by the asbestos industry to refer to any building material that is suspected of being asbestos-containing (based on appearance, usage, age of building, etc.), but has not been proven conclusively to be ACM (based on sampling and analysis). Suspect material would include any material that a building owner suspects of containing asbestos and is found in a building of any age or construction date. Refer to section 2.1 for a list of typical suspect ACMs.

Time Weighted Average (TWA): The average concentration of a contaminant in air during a specific time period.

Visible Emissions: Any emissions containing particulate asbestos material that are visually detectable without the aid of instruments. This does not include condensed uncombined water vapor.

Wet Cleaning: The process of eliminating asbestos contamination from building surfaces and objects by using cloths, mops, or other cleaning utensils which have been dampened with amended water or diluted removal encapsulant and afterwards thoroughly decontaminated or disposed of as asbestos contaminated waste.

Work Area: The area where asbestos related work or removal operations are performed which is defined and/or isolated to prevent the spread of asbestos dust, fibers or debris, and entry by unauthorized personnel. Work area is a Regulated Area as defined by 29 CFR 1926.

4.0 OPERATIONS AND MAINTENANCE PLAN

4.1 Program Management

4.1.1 Overview of O&M Plan

Key Personnel

Facility Asbestos Coordinator:

Company:_____
Address:_____
Name / Title:_____
Phone Number (Direct / Mobile):_____

Asbestos Response Team:

Company:_____
Address:_____
Name / Title:_____
Phone Number (Direct / Mobile):_____

Asbestos Abatement Contractor – Asbestos Removal, Disposal, or Emergency Response:

Company:_____
Address:_____
Name / Title:_____
Phone Number (Direct / Mobile):_____

Asbestos Consultant – Asbestos Sampling and Analysis:

Company: EBI Consulting
Address: 21 B Street, Burlington, MA 01803
Name / Title: Mike Walther, Program Director (Asbestos-Lead-Mold Programs)
Phone Number (Corporate / Direct / Mobile): 800-786-2346 / 410-696-2565 / 443-956-1689

4.1.2 Facility Asbestos Coordinator

The Facility Asbestos Coordinator is the individual responsible for managing the overall O&M and acts as the decision-maker on all routine, as well as emergency, asbestos-related matters. The person selected as the Facility Asbestos Coordinator should be involved with, aware of, or oversee daily operations at the Subject property. It is recommended that this person be someone who is on site during operational hours.

The Facility Asbestos Coordinator should obtain advice from relevant parties such as the company physician, attorney, consultant, and contractors when facing abatement or monitoring needs. The Facility Asbestos Coordinator is, however, ultimately responsible for overseeing all aspects of the program. These include:

1) Providing information on the asbestos-containing materials.

2) Notifying employees and occupants of the presence, and management protocol for, asbestos-containing materials remaining in place.
3) Labeling asbestos-containing materials remaining in place.
4) Training workers.
5) Implementing and managing a work permit system.
6) Supervising special work practices.
7) Controlling of fiber release episodes.
8) Managing employee protection and medical surveillance programs.
9) Conducting periodic surveillance of the asbestos-containing materials remaining in place.
10) Maintaining the record-keeping system.

4.1.3 Asbestos Response Team

When asbestos-containing materials have the potential to be disturbed because of repairs, renovation or demolition, the Facility Asbestos Coordinator will be notified. If in-house workers will perform the action, then the Facility Asbestos Coordinator will utilize the specially trained staff that makes up the Asbestos Response Team to perform the work. Their actions will be guided by the procedures provided in this document and good construction practice.

When asbestos fibers are inadvertently released, the Facility Asbestos Coordinator will be notified. The coordinator will utilize the Asbestos Response Team to contain the area, eliminate the fiber-producing source, and clean the area. The Facility Asbestos Coordinator, the Owner's Consultant, or Contractor will notify NYSDOL Asbestos Program Manager's Office, Asbestos Control Bureau (518-457-1255), in order to proceed with the emergency cleanup. The notification and filing fee must be submitted by 2 business days to the NYSDOL.

4.1.4 Maintenance/Custodial-Staff

Maintenance/Custodial employees are generally the most familiar with the facility and are therefore most likely to notice a change in material condition within the Subject Property building(s). Also, these employees are most likely to be given the direct responsibility of minimizing the potential for airborne fiber release and thus are the key individuals to implement a functional Operations and Maintenance Plan.

To ensure an adequate level of knowledge of asbestos-related procedures, a two-tiered training program for the maintenance and custodial staff will be conducted. (refer to Section 4.4)

4.2 Awareness Program

The Facility Asbestos Coordinator is responsible for fulfilling all notification requirements mandated by regulatory agencies. Written notification shall be provided within 30 days of establishing the O&M Plan and at the time of lease. Update notifications shall be provide annually if there is a change to the ACM inventory. The notification shall include instructions to report damage of ACMs to the building management. Building occupants shall also be notified of renovation and O&M activities that may impact ACMs, if such work will be conducted in areas potentially accessible to employees or commercial tenants. Consideration can be given to notification of residential tenants. Section 4 of the EPA Green Book (*Managing Asbestos In Place, A Building Owner's Guide to Operations and Maintenance Programs for Asbestos-Containing Materials*) includes information on occupant, tenant and worker notification of the presence of ACM that might be helpful to the Facility Asbestos Coordinator.

Commercial tenants shall be notified; and commercial tenants are required to notify their employees. Owners and tenants are required to notify contractors or employees. All persons who perform repair, maintenance, or other work within the building shall be informed of the presence, location, and quantity of materials that contain or are presumed to contain asbestos. Notifications concerning the locations of ACM should be given to all employees during Asbestos Awareness training.

The Hazard Communication requirements of the OSHA Asbestos in Construction Standard (29 CFR 1926.1101(k)) contain mandatory notification requirements. Prior to the performance of work, all persons that will be directly or indirectly affected by the ACM work must be notified. The Facility Asbestos Coordinator shall notify the following persons:

- Prospective employers applying or bidding for work whose employees reasonably can be expected to work in or adjacent to areas containing ACM/PACM.
- Employees of the owner who will work in or adjacent to areas containing ACM/PACM (Maintenance and Custodial personnel).
- On multi-employer worksites, all employers of employees who will be performing work within or adjacent to areas containing ACM/PACM.
- Employers of employees (commercial tenants) who will occupy areas containing ACM/PACM.

The Facility Asbestos Coordinator shall notify all personnel through written correspondence or through verbal communications. However, written documentation of all notifications shall be maintained on the O&M Plan files.

The following information should be included in the notifications:

- ACM/PACM has been identified in the building and is located in areas where the material could be disturbed.
- The type, location, condition and quantity of the ACM/PACM, and the response that is appropriate for that condition.
- Asbestos only presents a health hazard when fibers become airborne and are inhaled. The mere presence of Asbestos within a building does not represent a health hazard.
- Do not disturb the ACM/PACM.
- Report any evidence of disturbance or damage of ACM/PACM to the Facility Asbestos Coordinator.
- Report any dust or debris that might come from the ACM or PACM, any change in the condition of the ACM/PACM, or any improper action (relative to ACM/PACM) of building personnel to the Facility Asbestos Coordinator.
- Cleaning and maintenance personnel are taking special precautions during their work to properly clean up any asbestos debris and to guard against disturbing ACM/PACM.
- All ACM/PACM is inspected periodically and additional measures will be taken if needed to protect the health of building occupants.

In addition to personnel notification, there is an U.S. EPA NESHAP requirement to notify the appropriate agency when abatement activities affect large quantities of ACM. Any notification of federal, state, and city authorities will be handled by the asbestos contractor. Documentation verifying this notification must be kept in the office of the Facility Asbestos Coordinator.

Through the use of the acknowledgment forms provided in Appendix A, the owner of the Subject Property building(s) is demonstrating the intent to abide not only by EPA and OSHA regulations, but also by EPA and OSHA recommendations. When completed, these forms shall be maintained for 30 years.

4.2.1 Employee and Occupant Notification Letter (Form A-1)

This notification letter provides information regarding the presence of ACM and pertinent O&M procedures to appropriate employees.

4.2.2 Employee Notification Form (Form A-2)

Upon receipt of appropriate training, this notification form will be signed by employees who may work with ACM at the Subject Facility.

4.2.3 Contractor, Vendor, and Repairman Notification Form (Form A-3)

The Contractor, Vendor, and Repairman Notification Form is used to notify outside agents of the presence of asbestos-containing materials within the Subject Facility in conjunction with the Work Permit System described in Section 4.5. Notification Form A-3 is used to ensure outside agents are notified of the presence of asbestos-containing materials and that they have been informed, and acknowledge the potential hazards associated with working in the presence of ACM.

4.3 Identification and Labeling of Asbestos-Containing Materials

4.3.1 Identification

As referenced in Section 1.6, EBI's ESA identified ACM and suspect ACM at the Subject Property.

The above-referenced inspection is not a comprehensive asbestos survey and should not be relied upon as such. Additional ACMs and/or assumed ACMs may be located at the Subject Property in areas not accessed by the inspector or because of limited sampling and analysis conducted as part of the prior inspections. Therefore, additional inspection is recommended of any areas, which may undergo renovation or demolition. Furthermore, initial or additional sampling may be necessary prior to disturbance of specific suspect/assumed ACMs.

Prior to conducting any maintenance work, which may disturb any suspect ACMs, the Facility Asbestos Coordinator should determine whether any known or suspect ACM(s) will be potentially disturbed. The Coordinator should review O&M Plan records to determine whether all materials that may be disturbed have been adequately sampled and analyzed for asbestos content. If suspect ACM(s) will be potentially disturbed, the Coordinator should arrange for sampling and analyses of the suspect ACM(s) and determination of asbestos content prior to commencement of work. In lieu of sampling and analyses, suspect ACMs can be assumed to be and treated as asbestos-containing.

Determining whether any suspect ACMs will be disturbed by maintenance work, renovation, or demolition may be accomplished through review of previous inspection and sampling records. However, if insufficient data is available, inspection and possibly sampling must be conducted by either a properly trained and/or licensed Coordinator, properly trained/licensed O&M personnel, or a properly certified and/or licensed asbestos consultant.

Drawings depicting areas of abatement should be developed in the event that remediation activity is performed. The Facility Asbestos Coordinator shall maintain all drawings and /or plans.

4.3.2 Warning Signs and Labels

Signs and labels shall be designed, to the extent feasible, in a fashion to ensure that the desired message is communicated to the targeted audience. Signs and labels can be written in one or multiple languages to ensure comprehension. Means to ensure comprehension may include the use of foreign languages, pictographs, graphics, and awareness training.

Additional steps may be needed for illiterate or non-English speaking workers and other occupants who may encounter language difficulties. For example, owners should consider providing information sessions in languages other than English where a significant number of workers, occupants, or visitors do not speak English. Furthermore OSHA regulations require that employers ensure employees can comprehend the warning signs posted. Owners may wish to consider developing a warning label system for illiterate workers showing them pictures about potential hazards of disturbing ACM and showing them where ACM is located. Translations of the warning labels should be provided by the owner for non-English speaking personnel.

Labeling

In order to inform Maintenance, Custodial, and other personnel of potential asbestos hazards, asbestos labeling and/or signage may be necessary at the Property. If easily damaged ACMs or assumed ACMs are present in maintenance areas of the Property, labels should be affixed directly to the ACMs or warning signs should be posted (as discussed in the following section). Easily damaged ACMs include thermal system insulation (TSI) materials, surfacing material, or any other friable materials.

If ACM labeling is conducted, then labels shall be affixed to all friable ACMs within each mechanical or other building area that is not accessible to the public, but is accessible to maintenance, custodial, or contracted personnel.

Labels must also be affixed to all containers containing such products, including waste containers, regardless of signage.

Labels shall be printed in large, bold letters on a contrasting background.

Labels shall bear the following information:

DANGER
CONTAINS ASBESTOS FIBERS
MAY CAUSE CANCER
CAUSES DAMAGE TO LUNGS
DO NOT BREATHE DUST
AVOID CREATING DUST

Signage

If signage is conducted at the Subject Property in addition to or in-place of labeling, then warning signs should be posted at the entrance to mechanical rooms/areas in which employees reasonably can be expected to enter and which contain thermal system insulation material, surfacing ACM,

or other friable ACM(s). This includes each mechanical or other building area that is not accessible to the public, but is accessible to maintenance, custodial, or contracted personnel. The Facility Asbestos Coordinator shall post signs which identify the ACMs which is/are present, its/their location, and appropriate work practices which, if followed, will ensure that ACM will not be disturbed.

No example of a mechanical room/area sign is provided since they can vary greatly, depending on the types of ACMs present.

The Coordinator should also ensure that warning signs are posted by any asbestos removal contractors conducting work within their building(s). Warning signs that demarcate the regulated area during a response action shall be provided and displayed at each location where a regulated area is established. Signs shall be posted at such a distance from the regulated area that an employee may read the signs and take necessary protective steps before entering the area marked by the signs.

These warning signs shall bear the following information [An example sign is included in Appendix A, A-7]:

DANGER:
ASBESTOS
MAY CAUSE CANCER
CAUSES DAMAGE TO LUNGS
AUTHORIZED PERSONNEL ONLY
WEAR RESPIRATORY PROTECTION AND
PROTECTIVE CLOTHING IN THIS AREA

Warning signs should also be posted in building areas where construction, maintenance or remodeling work creates the potential for employees to come into contact with, release or disturb asbestos or ACM. The signs should be posted by the owner, tenant or agent responsible for the performance of or contracting for, such work.

The warning signs must read:

DANGER
ASBESTOS
MAY CAUSE CANCER
CAUSES DAMAGE TO LUNGS
AUTHORIZED PERSONNEL ONLY

The lettering must be in large print and in a bright color to maximize visibility. This signing requirement is separate from the notification requirement, and complying with one requirement will not satisfy the other.

4.4 Employee Training Programs

All designated employees will be required to attend formal asbestos-training programs to ensure an adequate level of knowledge commensurate with their job descriptions.

4.4.1 Facility Asbestos Coordinator

The Facility Asbestos Coordinator should be properly qualified, through training and experience. Formal training is not required; but, if the designated person is not already appropriately knowledgeable and experienced, formal training is recommended. The Coordinator shall be appropriately knowledgeable of regulatory requirements pertinent to this O&M Plan: such as asbestos material identification and testing, labeling, signage, notification, periodic surveillance, and emergency response actions. The Coordinator should also be appropriately knowledgeable of asbestos handling procedures, work practices, worker protection, methods of reducing asbestos exposure, and other applicable OSHA, EPA, state and local regulations. Completion of an EPA approved 16-hour Operations and Maintenance course is an option. Other training options include EPA accreditation under the Asbestos Hazard Emergency Response Act (AHERA) or state certification as a Building Inspector/Management Planner and/or Abatement Supervisor. Four-hour to eight-hour courses are also available that are specifically designed for building owners. For all training scenarios, annual refresher training is recommended in order to stay abreast of regulatory and industry changes.

4.4.2 OSHA Class IV (Awareness)

Two hours of training is required for all custodial and maintenance personnel who may work in a building that contains either friable or non-friable asbestos-containing building materials.

Training, at a minimum, shall include information regarding:

1) Characterization of asbestos.
2) Information on health effects.
3) Locations of asbestos-containing materials.
4) Recognition of damage or deterioration of asbestos-containing materials.
5) Name and phone number of Facility Asbestos Coordinator.

The curriculum for this course and a suggested course schedule are in Appendix B under Level I Training**.**

4.4.3 OSHA Class III (Minimum Skills)

Sixteen hours of training is required for custodial and maintenance staff who conduct activities that will result in the disturbance of ACM.

Topics shall include:

1) Description of proper methods for handling asbestos-containing materials.
2) Information on use of respiratory protection.
3) Applicable regulations.
4) Hands-on training in the use of respiratory protection, other personal protection measures, and good work practices.

The curriculum for this course and a suggested course schedule are in Appendix B under Level II Training.

4.5 Work Permit System

The work permit system controls the access of maintenance personnel, vendors, contractors and others to the asbestos-containing materials that will remain in place. To the greatest extent possible, the implementation of the O&M should be incorporated into the existing system for managing work at the Subject Facility. Approval and documentation forms should parallel those in use, or the existing forms can be expanded to include the content of the forms discussed here.

4.5.1 Goal of the Work Permit

The goal of the work permit system is two-fold. First, it will ensure that personnel who may disturb asbestos-containing materials while performing maintenance, cleaning or renovation are notified of the potential hazard and have been appropriately trained. Secondly, the work permit system will demonstrate the owner's commitment to appropriate management of the asbestos-containing materials.

4.5.2 Work Permit Procedures

Designated employees shall complete a work permit for all work involving contact with ACM. The work permit will be reviewed by the Facility Asbestos Coordinator once all of the following conditions are met:

The proposed work will not affect the asbestos-containing materials remaining in place.

OR

The disturbance of the asbestos-containing materials by the accomplishment of the proposed work is understood and proper personnel and environmental precautions have been established.

AND

An Employee Notification Form (Form A-2) and/or a Contractor, Vendor, and Repairman Notification Form (Form A-3) are on file for each individual taking part in the proposed work.

AND

If the proposed work disturbs ACM, only personnel who are in medical surveillance and respiratory protection programs described in Section 4.8 and who have been trained to at least the competency of Level II described in Section 4.4 will be utilized.

For all work at the facility, the Facility Asbestos Coordinator shall ensure that the following forms (included in Appendix C) are completed:

- Work Permit Form for Maintenance Work
- Evaluation of Work Affecting Asbestos-Containing Materials
- Work Permit Log

4.5.3 Sample Work Permit

A sample work permit and work permit log are provided in Appendix C.

4.6 Maintenance Procedures

This section discusses the procedures to be followed by maintenance personnel performing maintenance and cleaning in areas where asbestos-containing materials are located and the potential to disturb the material exists. These operating procedures are to be utilized for all day-to-day maintenance activities. For all maintenance areas described in this section, air monitoring should be performed during the first few times each type of activity is performed to establish the typical level of airborne fibers. The strategy for sampling and the evaluation of results should be performed by an outside consultant specializing in asbestos abatement air monitoring and who is properly trained/licensed. The Special O&M Cleaning Practices described in below (in this section) may be performed by personnel with Class IV (Level 1) training.

In Appendix D of this O&M Plan, procedures are presented associated with performance of small scale, short duration asbestos abatement work. The training that the maintenance personnel receive, as described in Section 4.4 (OSHA Class III (Level II)), is necessary for this small scale, short duration work. Additional requirements are also applicable such as Respiratory Protection Program and Medical Monitoring as outlined in Section 4.8.

Neither Class III (Level II) nor Class IV (Level I) training provide workers with requisite knowledge to perform full scale asbestos abatement operations. If the scope of work to be performed is greater than that defined in Appendix D as Class III or Class IV, or if a maintenance project involves the removal of ACM, then site personnel will not perform the work. Such work will require special expertise and preparation and will only be done by a licensed asbestos abatement contractor experienced in asbestos abatement procedures.

The following practices may be used in conjunction with daily activities with the appropriate Class IV (Level I) training.

4.6.1 Special O&M Cleaning Practices

Wet Cleaning: Proper O&M cleaning will involve the use of wet cleaning or wet-wiping practices to pick up asbestos fibers. Dry sweeping or dusting can result in asbestos fibers being re-suspended into the building's air and therefore should not be used. Once wet cloths, rags, or mops have been used to pick up asbestos fibers, they should be properly discarded as asbestos waste while still wet. They should not be allowed to dry out, because the collected fibers might be released at some later time when disturbed.

HEPA Vacuums: The use of special vacuum cleaners, commonly referred to as HEPA (high efficiency particulate air) vacuums, may be preferable to wet cleaning in certain situations. These vacuums are equipped with filters designed to remove very small particles or fibers—such as asbestos—by filtering those particles from the air passing through the vacuum. Because the exhaust air from an ordinary vacuum cleaner is not filtered sufficiently, it is possible for tiny asbestos fibers to pass through the filter and back into the building air.

It is important for O&M workers to use caution when emptying HEPA vacuums and changing the filters because exposures could result from such activities. Before emptying the HEPA vacuums, workers should move the HEPA vacuum to a physically isolated area of the facility and put on proper personal protective equipment before emptying the dust and debris into properly labeled, sealed, and leak-tight containers for disposal as asbestos-containing waste. When custodial workers are not trained to work with ACM, trained maintenance workers can be used to empty the HEPA vacuums and change their filters.

4.7 Combating Fiber Release Episodes

A Fiber Release is any uncontrolled or unintentional disturbance of ACM resulting in visible emission. As long as ACM remains at the Subject Property, a fiber release episode could occur if the ACM is inadvertently disturbed. Evidence of a fiber release includes, but is not limited to, the presence of suspect asbestos-containing debris on the floor or other surface; water or other physical damage to the ACM.

Special operating procedures are needed in the event of an emergency situation where asbestos fibers are immediately released. These operating procedures are needed to limit contamination of the building environment by reducing the potential for release airborne asbestos fibers.

4.7.1 Causes of Fiber Release Episodes

Typical situations which might cause a fiber release episode are:

1) Fire.
2) Extensive water damage via a pipe break, or other means.
3) Construction procedures causing excessive vibrations such as coring, jack-hammering, or vibration from other mechanical devices.
4) Improperly executed renovations or remodeling activities.
5) Routine maintenance activities such as:

- Carpet removal over asbestos flooring
- Duct system repair or maintenance
- Leaking pipe fitting repair
- Accessing voids above fixed or suspended ceilings, within walls and mechanical equipment; accessing pipe and mechanical runs and chases
- Light fixture repair
- Thermal pipe system maintenance
- Fluorescent bulb replacement
- Floor buffing, sanding or grinding

4.7.2 Fiber Release Episode-Initial Response

In the event of a fiber release episode, or when it is recognized that a fiber release episode may occur, the Facility Asbestos Coordinator will notify the Asbestos Response Team. The Facility Asbestos Coordinator will proceed to the scene and take charge of the asbestos related issues until duly relieved. The Asbestos Response Team will respond and assist the Facility Asbestos Coordinator in managing and controlling the fiber release episode by:

1) Evaluating the ACM damage.
2) Vacating all personnel and occupants from the immediate area.
3) Blocking the entrance to the contaminated areas to prevent entry by unauthorized personnel.
4) Turning off the air handling system in the affected area.
5) Isolating the affected area by closing all doors leading to the area.
6) Sealing openings and penetrations to the contaminated areas (i.e. doors and vents) with polyethylene sheeting and duct tape.

7) Posting warning sign at the perimeter or at entrances to the contaminated area.
8) Providing for appropriate worker personnel protection (e.g., respirators, protective clothing, etc.).
9) If feasible, stopping the cause of the contamination.
10) Contacting the Asbestos Consultant and/or Asbestos Abatement Contractor, as applicable. All asbestos material disturbances shall be performed and/or remediated by properly trained personnel or a licensed asbestos abatement contractor. Disturbances of greater than three square or three linear feet of ACM shall be performed by the licensed asbestos abatement contractor.
11) Notifying the NYSDOL Asbestos Program Manager's Office, Asbestos Control Bureau (518-457-1255), in order to proceed with the emergency cleanup. The notification and filing fee must be submitted by 2 business days to the NYSDOL.

4.7.3 Fiber Release Episode-Recovery

After the contaminated area has been isolated and source of contamination addressed, emergency abatement procedures may need to be implemented. Such abatement must be conducted by an experienced abatement contractor under the observation of an asbestos consultant.

Before conducting such abatement, the asbestos consulting firm should conduct air monitoring inside and outside the contaminated area to evaluate the airborne fiber concentration. Based upon these results, a determination will be made by the building owner as to the procedure for emergency abatement and clean up of the area.

Until the contaminated area has been cleaned and prevalent level air monitoring indicates that the airborne fiber concentration is below 0.01 fibers per cubic centimeter, no employee or occupant should enter the area. If entrance to the area is required, only personnel trained in accordance with the Level II curriculum of Section 4.4, or equivalent, and respirator qualified may enter.

Following each emergency asbestos-related activity, an Emergency Abatement Form from Appendix A (Form A-5) will be completed and filed.

4.8 Medical Surveillance and Respiratory Protection Programs

The Facility Asbestos Coordinator shall provide respirators, and ensure that they are used, where required by this Program. Respirators shall be used in the following circumstances:

- During all repair and maintenance operations where ACM is likely to be disturbed and wet methods are not being used.
- During all repair and maintenance operations where ACM is likely to be disturbed and the Coordinator does not produce a "negative exposure assessment."
- During all repair and maintenance operations where asbestos-containing thermal systems insulation or surfacing material is being disturbed.
- During all maintenance and custodial activities performed within regulated areas where employees performing other work are required to wear respirators.
- During all work covered by this Program where employees are exposed above the PELs.
- In emergencies.

If respirators are used, the Facility Asbestos Coordinator shall select and provide, at no cost to the employee, the appropriate respirator as specified in 29 CFR 1910.134. All respirators shall

be approved by the National Institute for Occupational Safety and Health (NIOSH). The Facility Asbestos Coordinator shall provide a tight-fitting powered, air-purifying respirator in lieu of any negative pressure respirator whenever an employee chooses to use this type of respirator, provided the air-purifying respirator provides adequate protection to the employee.

When respiratory protection is used, the facility must institute a respirator protection program in accordance with 29 CFR 1910.134. A respiratory protection program must be a written program that is reviewed annually by a designated Program Administrator. The program must include, but is not limited to: engineering and administrative controls to reduce employee exposure; respirator selection criteria; medical surveillance procedures; respirator assignment, training, inspection, and maintenance procedures; and fit test procedures.

The Facility Asbestos Coordinator shall institute a medical surveillance program for all employees who, for a combined total of 30 or more days are engaged in repair and maintenance operations, where asbestos-containing material is likely to be disturbed or are exposed to airborne fiber concentrations above the PELs and for employees who wear negative pressure respirators.

To comply within the OSHA Asbestos Standard for General Industry (29 CFR 1910.1001), employees required to wear respiratory protection equipment will be enrolled in a Medical Surveillance Program; and the Employer shall have a Respiratory Protection Program. An acceptable medical surveillance program must include pre-placement, annual, and termination examinations; and the medical exam generally consists of a review of the employees history to determine the presence of any respiratory diseases as well as pulmonary function testing including FVC and FEV1O, and a chest x-ray.

Subject Property owners, employees, and occupants may not currently be required to wear respirators. While the use of such respiratory protection may only be needed on an intermittent basis, a physical examination and evaluation is necessary to ensure that those designated employees are physically able to do so. Adequate medical supervision of respirator users is needed to determine the extent of individual stress tolerance and to prevent potential health problems. In the event that Subject Property owners, occupants, and employees are authorized and/or required to utilize respirators, Section 4.8 of this O&M will apply.

4.9 Personal Protective Clothing

Protective clothing for workers typically consists of disposable coveralls, gloves and boots. Coveralls should have hood and booties attached and should provide complete coverage of the body with the exception of the hands and face. Coveralls are generally made of Tyvek and are not meant to be modified.

If potential for exposure to asbestos-containing dust and debris is low and localized, workers shall use a minimum of one disposable coverall over street clothes. Where the potential for exposure to asbestos-containing dust and debris is moderate or dispersed, workers shall use a minimum of two disposable coveralls over street clothes. When possible, street clothes should be removed before protective clothing is put on. Protective clothing should be put on after donning the respirator and the coverall hood should cover the respirator straps.

Workers shall also wear protective gloves during work activities that are taped at the cuffs to the protective coveralls. Rubber slip-resistant boots are recommended for work areas where slip hazards might occur (protective booties should cover feet inside the boots). Steel toed boots, eye, hearing and head protection should also be used where needed.

Contaminated clothing shall be removed at the work site; properly wrapped and disposed. Used protective clothing shall not be taken home. Used protective clothing poses asbestos exposure risk to workers and others.

4.10 Periodic Facility Inspection

A regularly scheduled inspection plan must be implemented for all areas where asbestos-containing material(s) are located. The inspections are necessary so that prompt and appropriate action can be initiated, if necessary, before a release of asbestos fibers occurs. Inspection forms will be filled out as required after each inspection.

4.10.1 Daily

During the general activities done on a daily basis, maintenance and custodial employees should observe and become aware of the condition of the asbestos containing material in the building(s). They should document any change in the ACM such as color, separation from the applied surface, water damage, or damage due to routine maintenance procedures. When such changes are noted, the following must be implemented:

1) Notify the Facility Asbestos Coordinator that a change in conditions exists. Include information concerning date noted, location, cause of change (if known), size of area involved and any other information available.
2) The Facility Asbestos Coordinator will immediately initiate a formal inspection of the area and document the results on the Building Inspection Form found in Appendix A.

4.10.2 Semi-Annual Inspection

This inspection, conducted by the Facility Asbestos Coordinator, will be conducted of all ACM remaining in place within the facility. The goals of this semi-annual inspection are:

1) Determine if any change in material conditions has occurred.
2) Increase awareness of the program administrator.
3) Document that an on-going inspection process is in place.
4) Review of inspection record-keeping system.

The inspection should include all areas of the Subject Facility where ACM have been identified.

4.10.3 Annual Inspection

On an annual basis, the overall status of the program will be reviewed. An outside consultant, specializing in asbestos evaluation and control, should perform the inspection and audit with the assistance of the Facility Asbestos Coordinator, the Consultant will:

1) Inspect the building(s), noting condition of materials.
2) Note areas where asbestos-containing materials have been removed.
3) Re-define exposure potential, if necessary.
4) Perform prevalent area air monitoring.
5) Conduct a full review of the record keeping files, the O&M, and other administrative controls.

After the Consultant has reviewed the building(s) and the administration of the O&M, a written report of the findings of the annual inspection, with recommendations, will be provided to the Facility Asbestos Coordinator.

4.11 Record-Keeping

The following records (as applicable) of O&M work should be retained in permanent files:

- Inspection and Assessment Reports
- A copy of the O&M Plan (initial program and all updated versions)
- The Work Practices Used
- Respiratory Protection Program
- Fiber Release Reports
- Work Permit Forms
- Evaluations of Work Affecting Asbestos-Containing Materials
- Work Permit Logs
- Reinspection/Periodic Surveillance Reports
- Asbestos Waste Disposal Forms
- Air Monitoring Data
- Qualifications and Performance Records for Outside Contractors performing O&M work
- Notification forms and letters
- Emergency Abatement Forms
- Building Inspection Forms

For employers with employees engaged in asbestos-related work, federal regulations require that the employer retain:

- Personal Air Sampling/Exposure Monitoring Records
- Historical Data (used to qualify for exemptions from OSHA's initial monitoring requirements)
- Medical Records (for employees subject to a medical surveillance program)
- Employee Training Records
- Fit Test Records (for employees that use respirators)
- Data to rebut presumption that materials are asbestos-containing.
- If settled dust sampling is used it is advisable to maintain these records also.

Different types of records have different retention requirements. In general, O&M Plan records; inspection, testing, abatement, work permit, waste disposal, contractor, and notification records; and data to rebut presumption that materials are asbestos-containing should all be retained for the life of the O&M Plan and life of the facility. Retention requirements for other records are noted in the sections below.

OSHA requires that employers provide to each employee their record of exposure and medical surveillance under the Records Access Standard (29 CFR 1910.20) and the Hazard Communication Standard (29 CFR 1910.1200 & 1926.59) and the construction asbestos standard (29 CFR 1926.1101(n). Also see the OSHA Asbestos Construction Rule (29 CFR 1926.1101), the EPA Worker Protection Rule (40 CFR 763 Subpart G) and the Green Book for details on Record keeping requirements and record retention requirements. Note that state and local regulations may require that additional information be recorded and retained.

EPA recommends that building owners make available all written elements of the O&M program to the building's O&M staff as well as to tenants and building occupants, if applicable. Building owners are also encouraged to consult with their legal counsel concerning appropriate Record keeping strategies as a standard part of their O&M programs.

4.11.1 Objective Data Records

Objective data relied upon as part of an initial or negative exposure assessment must contain the following information:

- The product qualifying for exemption;
- The source of the objective data;
- The testing protocol, results of testing, and/or analysis of the material for the release of asbestos;
- A description of the operation exempted and how the data support the exemption;
- Other data relevant to the operations, materials, processing, or employee exposures covered by the exemption.

Objective data records shall be maintained for the duration of the employer's reliance upon such objective data.

4.11.2 Exposure Assessment Records

Exposure assessment records must include the following information:

- The date of measurement;
- The operation involving exposure to asbestos that is being monitored;
- Sampling and analytical methods used and evidence of their accuracy;
- Number, duration, and results of samples taken;
- Type of protective devices worn, if any;
- Name, social security number, and exposure of the employees whose exposures are represented.

Exposure assessment records shall be maintained for at least 30 years.

4.11.3 Medical Surveillance Records

Medical surveillance records must include:

- The name and social security number of the employee;
- A copy of the employee's medical examination results, including the medical history, questionnaire responses, results of any tests, and physician's recommendations;
- Physician's written opinions;
- Any employee medical complaints related to the exposure to asbestos;
- A copy of the information provided to the physician;

Medical surveillance records must be maintained for the duration of employment plus 30 years.

4.11.4 Training Records

Training records must be maintained for one year beyond the last date of employment by that employer.

4.11.5 Inspection, Hazard Assessment and Abatement Records

Asbestos inspections, hazard assessments, abatement records and any other information concerning the identification, location and quantity of ACM shall be maintained by the Facility Asbestos Coordinator for the life of the facility and must be transferred to successive owners of the facility.

4.11.6 Transfer of Records

If the employer ceases to do business and there is no successor employer to receive and retain records for the prescribed period, the employer shall notify the Department of Labor (DOL) at least 90 days prior to disposal and, upon request, transmit the records to the DOL.

4.11.7 Recordkeeping Required by This Program

All documentation required by this program shall be stored in permanent files for the life of the facility and must be transferred to successive owners of the facility. Records shall be maintained for all activities involving asbestos-containing materials (ACM) and shall include: those records listed above, contractor and other personnel notifications, and all other documentation of Plan compliance.

APPENDIX A

FORMS

APPENDIX A - Forms

Employee Notification Letter A-1

Employee Notification Form A-2

Contractor, Vendor and Repairman Notification Form A-3

Asbestos Waste Disposal Form A-4

Emergency Abatement Form A-5

Building Inspection Form A-6

Example Warning Sign at Regulated Area A-7

EMPLOYEE NOTIFICATION LETTER

Dear _____:

EBI CONSULTING (EBI) was recently retained by the building owner to prepare an Operations and Maintenance (O&M) plan for suspect asbestos-containing materials (ACM) used in the construction and building materials at the building located at 66 West 138th Street in New York, New York (herein the Subject Property). As you may already know, asbestos was used extensively in the construction industry from the mid 1930's until approximately 1989 in many different materials. In fact, surveys conducted by the Environmental Protection Agency (EPA) estimate that asbestos-containing materials can be found in over 750,000 buildings, including schools, public buildings, residential buildings and office buildings in this country.

Note that EBI's scope of work did not include a comprehensive asbestos survey of the Subject Property. There is the possibility for ACM to be present. EBI observed suspect ACM at the Subject Property in the form of drywall/joint compound, skim coast ceiling material, terracotta wall mortar, block around oil tank, wall and ceiling plasters, ceramic floor tile grout, door saddle mortar, and exterior brick mortar and non-friable suspect AM in the form of interior brick wall mortar, building caulking, window caulking and roofing materials. EBI collected sixty-four (64) bulk samples of suspect ACM in the form of drywall/joint compound, skim coast ceiling material, terracotta wall mortar, block around oil tank, wall and ceiling plasters, ceramic floor tile grout, door saddle mortar, and exterior brick mortar and non-friable suspect AM in the form of interior brick wall mortar, building caulking, and window caulking. Laboratory analysis determined that the white and brown wall plasters, the skim coat ceiling materials on concrete, and the pink building caulking sampled by EBI contain asbestos.

Based on the limited sampling conducted at the Subject Property, all suspect ACMs will be considered assumed ACM. This Asbestos O&M Plan has been prepared based on this presumption. Please note that inaccessible areas and 90% of the units were not visited by EBI during the assessment. Building tenants as well as other non-resident personnel working in the building will be informed in writing of the presence and location of ACMs. Building tenants will be informed of the hazards associated with the ACMs.

EBI CONSULTING has prepared an O&M Plan that will enable us to manage the asbestos-containing materials without adversely affecting the operation of our facility and, more importantly, the health and safety of our employees and occupants. This O&M defines specific operating and maintenance procedures to be followed at all times. For the O&M Program, I have been designated as the Facility Asbestos Coordinator. All work shall be coordinated through me. Together, we will ensure that the requirements of the O&M Plan are understood, identify the locations of the asbestos-containing materials and provide the procedures that must be followed so that asbestos fibers are not released into the air.

Please be assured that the implementation of the O&M Plan will play a major role in the continued safe operations in the building(s). If you have any questions concerning this matter, please contact me.

Sincerely,

Facility Asbestos Coordinator

EMPLOYEE NOTIFICATION FORM	
DATE:	
LOCATION:	
RE:	*Notification of Presence of Asbestos*

I have received Asbestos Awareness Training. I have been advised of the presence of ACM and suspect ACM (Asbestos-Containing Materials) at the building located at 66 West 138th Street in New York, New York. I am aware that ACM is present at the Subject Property in the form of white and brown wall plasters, the skim coat ceiling materials on concrete, and the pink building caulking and other suspect ACM is present at the Subject Property in the form of drywall/joint compound, skim coast ceiling material on metal ceilings, terracotta wall mortar, block around oil tank, brick wall mortar, ceramic floor tile grout, door saddle mortar, exterior brick mortar and exterior window caulking. ACM and suspect ACM in good condition should not produce airborne fibers unless subjected to damage or improper maintenance action. Additional suspect ACM such as pipe insulation, floor tile, floor tile mastic, and carpet mastic may be present below flooring, behind walls or above ceilings throughout Subject Property. I have been advised that, if it remains intact, there is minimal health risk but, if made friable or disturbed by processes such as, but not limited to, grinding, scraping, or drilling, asbestos-containing materials will produce airborne asbestos fibers.

Building tenants as well as other non-resident personnel working in the buildings will be informed in writing of the presence and location of ACMs. I have been advised of the dangers inherent in handling asbestos and breathing asbestos dust, including, but not limited to, the fact that asbestos can cause asbestosis and is a known carcinogen and can, therefore, cause various types of cancer. I acknowledge and understand that any contact with airborne asbestos fibers whether visible or not, may cause asbestosis and other types of cancer, which may not be detectable for many years.

I have been advised of the following:

- Do not disturb the ACM or suspect/assumed ACM (e.g., do not push furniture against the ACM, do not damage thermal system insulation (TSI)).
- Report any evidence of disturbance or damage of ACM or suspect/assumed ACM to the Facility Asbestos Coordinator.
- Report any dust or debris that might come from the ACM or suspect/assumed ACM, any change in the condition of these materials, or any improper action (relative to ACM or suspect/assumed ACM) of building personnel to the Facility Asbestos Coordinator.
- Cleaning and maintenance personnel are taking special precautions during their work to properly clean up any asbestos debris and to avoid disturbing ACM and suspect/assumed ACM.
- All ACM and suspect/assumed ACM is inspected periodically and additional measures will be taken if needed to protect the health of building occupants.

SIGNATURE:	
SOCIAL SECURITY NO.:	(Last Four Digits):
WITNESS:	

CONTRACTOR, VENDOR AND REPAIRMAN NOTIFICATION FORM	
DATE:	
LOCATION:	
RE:	*Notification of Presence of Asbestos*

I have received Asbestos Awareness Training. I have been advised of the presence of ACM and suspect ACM (Asbestos-Containing Materials) at the building located at 66 West 138th Street in New York, New York. I am aware that ACM is present at the Subject Property in the form of white and brown wall plasters, the skim coat ceiling materials on concrete, and the pink building caulking and other suspect ACM is present at the Subject Property in the form of drywall/joint compound, skim coast ceiling material on metal ceilings, terracotta wall mortar, block around oil tank, brick wall mortar, ceramic floor tile grout, door saddle mortar, exterior brick mortar and exterior window caulking. ACM and suspect ACM in good condition should not produce airborne fibers unless subjected to damage or improper maintenance action. I have been advised that, if it remains intact, there is minimal health risk but, if made friable or disturbed by processes such as, but not limited to, grinding, scraping, or drilling, asbestos-containing materials will produce airborne asbestos fibers.

Building tenants as well as other non-resident personnel working in the buildings will be informed in writing of the presence and location of ACMs. I have been advised of the dangers inherent in handling asbestos and breathing asbestos dust, including, but not limited to, the fact that asbestos can cause asbestosis and is a known carcinogen and can, therefore, cause various types of cancer. I understand that, at a minimum, completion of a formal asbestos awareness training program is required prior to my participation in any asbestos disturbance, abatement or removal activities.

I acknowledge and understand that any contact with airborne asbestos fibers whether visible or not, may cause asbestosis and other types of cancer, which may not be detectable for many years.

I have been advised of the following:

- Do not disturb the ACM or suspect/assumed ACM (e.g., do not push furniture against the ACM, do not damage thermal system insulation (TSI)).
- Report any evidence of disturbance or damage of ACM or suspect/assumed ACM to the Facility Asbestos Coordinator.
- Report any dust or debris that might come from the ACM or suspect/assumed ACM, any change in the condition of these materials, or any improper action (relative to ACM or suspect/assumed ACM) of building personnel to the Facility Asbestos Coordinator.
- Cleaning and maintenance personnel are taking special precautions during their work to properly clean up any asbestos debris and to avoid disturbing ACM and suspect/assumed ACM.
- All ACM and suspect/assumed ACM is inspected periodically and additional measures will be taken if needed to protect the health of building occupants.

SIGNATURE:	
SOCIAL SECURITY NO.:	(Last Four Digits):
WITNESS:	

ASBESTOS WASTE DISPOSAL FORM				
NAME OF BUILDING:				
DATE:				
OWNER OR OPERATOR OF LANDFILL:				
NAME:				
ADDRESS:				
CITY, STATE, ZIP:				
PHONE:				
NAME OF LANDFILL:				
NAME:				
ADDRESS:				
CITY, STATE, ZIP:				
PHONE:				
LICENSED HAZARDOUS WASTE TRANSPORTER:				
APPROXIMATE VOLUME OF ASBESTOS RECEIVED:				
TYPE OF CONTAINER ASBESTOS IS IN:				
ASBESTOS CONTAINERS LABELED?	YES		NO	
LANDFILL OWNER/OPERATOR SIGNATURE:				
DATE:				

EMERGENCY ABATEMENT FORM
DATE:
BUILDING:
LOCATION:
CAUSE OF EMERGENCY ABATEMENT
OPERATION AND MAINTENANCE PROCEDURES FOLLOWED:
DESCRIPTION OF ACTIONS TAKEN:
SIGNATURE:
TITLE:

BUILDING INSPECTION FORM				
DATE:	BUILDING:		FLOOR:	
INSPECTION LOCATIONS:				
REASON FOR INSPECTION:	DAMAGED MATERIAL:		PERIODIC SURVEY:	
IF DAMAGED MATERIAL IS REASON FOR INSPECTION, PLEASE COMPLETE 1 THROUGH 5				
1 TYPE OF MATERIAL DAMAGED:				
2. CAUSE OF DAMAGE:				
3. APPROXIMATE SIZE OF DAMAGED AREA:				
4. IS THERE MATERIAL DEBRIS ON FLOOR OR OTHER LOCATIONS?				
5. ARE EMPLOYEES/TENANTS/SUBCONTRACTORS IN IMMEDIATE AREA?				
6. HAS MATERIAL CONDITION CHANGED SINCE LAST INSPECTION?				
IF CHANGE HAS OCCURRED, PLEASE DESCRIBE THE CHANGE.				
COMMENTS:				
NEXT SCHEDULED INSPECTION DATE:				
INSPECTOR'S SIGNATURE(S):				

EXAMPLE WARNING SIGN AT REGULATED AREA

DANGER

ASBESTOS

CANCER AND LUNG DISEASE

HAZARD

AUTHORIZED PERSONNEL ONLY

WEAR RESPIRATORY PROTECTION AND

PROTECTIVE CLOTHING

IN THIS AREA

Required by 29 CFR 1926.1101 Paragraph (k)(7)(ii)(A)"...at each regulated area. In addition, warning signs shall be posted at all approaches to regulated areas...".

APPENDIX B

TRAINING PROGRAMS

LEVEL I (OSHA Class IV)

AWARENESS TRAINING FOR CUSTODIAL AND MAINTENANCE PERSONNEL

Purpose: To provide participants with a basic understanding of the characteristics of asbestos, why and where it is used, health-related concerns, and how to avoid inadvertent exposure.

Learning Objectives: After completing this session participants should be able to:

1) Provide a general definition of asbestos.
2) Define friability.
3) Describe the unique properties of asbestos.
4) Describe the common uses of asbestos.
5) Describe the health effects associated with asbestos exposure.
6) Know the primary uses and locations of asbestos in the buildings where they work.
7) Recognize a potential health hazard (damage, deterioration or delamination of asbestos.
8) Understand the general in-house procedures for handling asbestos materials.
9) Know the name and telephone number of the Facility Asbestos Coordinator.

Topic Outline

1) Characterization of Asbestos and Its Uses
   a) Definition of asbestos, examples of various types in naturally occurring rock form
   b) Description of unique properties
   c) EPA definition of friability, examples of friable and non-friable materials
   d) Common uses of asbestos (fireproofing, pipe lagging, brake linings, gaskets, etc.)
2) Health-Related Concerns
   a) Diseases associated with asbestos exposure
   b) Dose-response relationship
   c) Latency period
   d) Routes of entry into the body
   e) Defense mechanisms of the body
3) Recognition of Potential Hazards
   a) Damage
   b) Deterioration
   c) Other
4) Site-Specific Information
   a) Primary locations and uses of asbestos at the Subject Property
   b) How to avoid inadvertent exposures
5) Overview of the Subject Property's Operations and Maintenance Plan and Asbestos Control Program
   a) Description of asbestos-related work procedures
   b) Plans for future
   c) Where to go for more information
6) Questions and answers

TRAINING PROGRAM FOR
OPERATIONS AND MAINTENANCE STAFF

EXAMPLE AGENDA

DAY 1

LEVEL I (Awareness Training)

8:30-8:45	Characterization of Asbestos and Its Uses	15 Minutes
8:45-9:15	Health Effects of Asbestos Exposures	30 Minutes
9:15-9:45	Location & Condition of Asbestos-Containing Materials/ Recognition of Damage, Deterioration and Delamination	30 Minutes
9:45 - 10:00	How to Avoid Disturbance	15 Minutes
10:00-10:15	Break	15 Minutes
10:15-10:30	Overview of Facility's Operations & Maintenance Plan/ Asbestos Control Plan	15 Minutes
10:30-10:45	Questions and Answers	5 Minutes

LEVEL II (OSHA Class III)

CUSTODIAL AND MAINTENANCE PROCEDURES FOR HANDLING ASBESTOS-CONTAINING MATERIALS (SMALL SCALE, SHORT DURATION PROJECTS)

Purpose: To provide participants with necessary information to properly protect themselves from exposure to asbestos and to minimize asbestos contamination of the building during performance of maintenance and custodial activities.

Learning Objectives: After completing this session participants should be able to:

1. Understand the primary aspects of regulations that protect them and the public from exposure to asbestos.
2) Understand the meaning and importance of a medical surveillance program.
3) Understand the proper use, maintenance and limitations of respirators and protective clothing (see Section 4.8.2).
4) Know how to perform cleaning using wet wiping techniques and HEPA filter vacuuming.
5) Know proper work practices and equipment for conducting small scale short duration projects including use of mini-enclosures.
6) Understand proper decontamination techniques.
7) Know how to respond to a fiber release episode.
8) Know how to properly dispose of asbestos-containing materials and associated wastes.
9) Understand how the work permit system operates to avoid inadvertent disturbances of asbestos-containing materials.

Topic Outline

1) Regulations
   a) Occupational Safety and Health Administration (OSHA) Standard
   b) Environmental Protection Agency (EPA) Regulations
   c) State Regulations
   d) City or Local Regulations
2) Medical Surveillance Program
   a) Importance
   b) Who needs an examination
   c) What is needed on an examination
   d) Reasons for specific procedures
   e) When is an examination needed
   f) Where are records kept for review
3) Respirators and Protective Clothing
   a) Why they are needed
   b) Types of respirators
   c) Method of protection
   d) Respirator program
   e) Protective clothing
   f) Fit testing
   g) Respirator maintenance

LEVEL II TRAINING (continued)

4) Proper Cleaning Techniques
    a) Understanding potential for resuspension of fibers into the air
    b) Wet wiping techniques
    c) Use and maintenance of a HEPA filter vacuum
    d) Identifying proper techniques for type of material (fabric, hard surfaces, etc.)
    e) Appropriate personal protection
5) Work Practices for Routine Maintenance Activities
    a) Routine maintenance involving surfacing materials
    b) Maintenance activities in confined or restricted spaces
    c) Maintenance work related to renovation
    d) Routine maintenance involving miscellaneous asbestos-containing materials (floor tiles, etc.)
6) Procedures for Fiber Release Episodes
    a) Equipment contained in an emergency response kit
    b) Location of emergency response kit
    c) Appropriate personal protection
    d) Procedures for clean-up of asbestos-containing materials
    e) Repair of in-place asbestos-containing materials
7) Proper Disposal Procedures
    a) Wetting techniques
    b) Use of 6-mil impermeable bags
    c) Use of rigid containers for transport
    d) Proper labeling
    e) Use of approved landfill
8) Work Management System
    a) Purpose of a work permit system
    b) Proper procedure to follow before beginning maintenance activity

ASBESTOS _____TRAINING SESSION ***ATTENDANCE ROSTER***			
Name (Print)	Signature	Job Title	Employee Number

The program addressed the potential adverse health effects due to asbestos exposure. Relevant OSHA and EPA regulations plus applicable state and local rules were reviewed. The locations of asbestos-containing materials within the facility were identified.

Instructor: _____

Date: _____ Time: _____

APPENDIX C

WORK PERMIT SYSTEM FORMS

APPENDIX C - Work Permit System Forms

Work Permit Form for Maintenance Work C-1

Evaluation of Work Affecting Asbestos-Containing Materials C-2

Work Permit Log C-3

WORK PERMIT FORM FOR MAINTENANCE WORK	
NAME:	
DATE:	
TELEPHONE NUMBER:	
1. Address, building, and room number(s) (or description of area) where work is to be performed:	
2. Requested starting date: Anticipated finish date:	
3. Description of work:	
4. Description of any asbestos-containing materials that might be affected, if known (include location and type):	
5. Name and telephone number of requester:	
6. Name and telephone number of supervisor:	
Submit this application to: (the Facility Asbestos Coordinator)	
NOTE: An application must be submitted for all maintenance work regardless of whether asbestos-containing materials might be affected. An authorization must then be received before any work can proceed.	
REQUESTER SIGNATURE:	DATE:
SUPERVISOR'S SIGNATURE:	DATE
GRANTED: (JOB REQUEST NO._____)	
DENIED:	
FACILITY ASBESTOS COORDINATOR SIGNATURE:	DATE

Evaluation of Work Affecting Asbestos-Containing Materials

This evaluation covers the following maintenance work:

Location of work (address, building, room number(s), or general description):_____

_____

_____

_____

Date(s) of work: _____

Description of work: _____

Work approval form number: _____

Evaluation of work practices employed to minimize disturbance of asbestos: _____

_____

_____

_____

_____

Evaluation of work practices employed to contain released fibers and to clean up the work area: _____

_____

_____

_____

Evaluation of equipment and procedures used to protect workers: _____

_____

_____

_____

Personal air monitoring results: (in-house worker or contract?)

Worker name _____ Results: _____

Worker name _____ Results: _____

Handling or storage of ACM waste: _____

Signed:_____ Date:_____

(Facility Asbestos Coordinator)

WORK PERMIT LOG					
WORK PERMIT NO.	REQUESTED BY	ROOM	START DATE	COMPLETION DATE	APPROVED

APPENDIX D

WORK PRACTICES

Work Practice Levels

Three work practice levels are judged to sufficient to encompass a broad range of situations which are likely to be encountered. The levels are simply a means of structuring the guidance, which the Program provides. Up to three levels are included for each work practice to address different degrees of potential asbestos fiber release. A different number of levels might be selected by a Facility Asbestos Coordinator or designed into a specific asbestos O&M program.

A change of level does not imply a different task to be accomplished. It implies a changed potential for asbestos fiber release, typically related to either the condition of asbestos, nature of the work practice, skill of the workers or the building context in which the task will be performed.

The levels for each work practice included in this Program are defined principally in relation to the OSHA asbestos standards. There are three standards that may apply. The OSHA construction standard, 29 CFR 1926.1101, applies to most O&M activities, including cleaning that is associated with construction. Normal cleaning, that is not associated with construction or other O&M work, including cleaning and buffing of resilient flooring, is covered by the OSHA general industry standard, 29 CFR 1910.1001.

The OSHA construction standard sets forth four classes of construction-related work. Operations and maintenance and cleaning activities connected with construction work are defined as Class III and IV work. The principal difference for O&M activities is that Class III work disturbs the ACM and Class IV only contacts, but does not disturb the ACM. This Program also contains some work practices that can involve housekeeping operations, which are subject to either the OSHA construction or the general industry standard.

Activities that are not intended to contact ACM and are not likely to disturb ACM are not given a level designation, but require control to insure that a disturbance does not occur. Areas where ACM is located and where access can be controlled should be designated as "Controlled Areas." ACM systems in the vicinity of work but which do not need to be contacted should be designated as "Controlled Systems." Exposure monitoring is not required for these activities as ACM is not being contacted. Awareness training is needed to inform workers about the location of the ACM, and to advise them to avoid contacting it, and to report any damaged ACM they observe.

In general, an O&M program is easier to implement and is more cost effective if maintenance work can be performed without the need for enclosures. Maintenance work that contacts or disturbs ACM is governed by OSHA. To be able to perform maintenance work governed by the Construction Standard (1926.1101) without an enclosure and still comply with OSHA, it is necessary to make a negative exposure assessment (NEA). This effectively makes the OSHA PEL a limit on the level of airborne asbestos that can be generated by a work practice before enclosure is required. In general, Level A and B maintenance activities related to construction are un-enclosed and as such require a negative exposure assessment. Level C work practices are enclosed and as such may generate airborne fiber levels above the OSHA PEL. Note that a negative exposure assessment alone does not eliminate the requirement for respiratory protection. Respiratory protection is required, even with an NEA, if ACM is removed in a non-intact state, if wet methods are not used, or for removal of TSI or surfacing material. Intact is defined by OSHA as ACM that has not crumbled, been pulverized, or otherwise deteriorated so that the asbestos is no longer bound with its matrix.

Cleaning work not related to construction or dust and debris generated by such activity is governed by the OSHA General Industry Standard (1910.1001). This standard does not contain provisions for a negative exposure assessment. Routine cleaning activities are performed as Level A based on a determination having been made that cleaning activities using the work practices in this Program (which are based on those contained in the OSHA regulation) are not reasonably expected to result in exposures exceeding the PEL.

The three work practice levels are defined as follows:

- **Level A:** Level A is work that may contact ACM, but which will not disturb it. Level A is defined in terms of Class IV work in the construction standard (29 CFR 1926.1101). It is Class IV work (except for cleanup work) with a negative exposure assessment, which involves maintenance, and custodial activities during which employees contact ACM, but do not disturb it. Note that clean up of asbestos-containing debris and waste is not Level A work (Refer to Level B for this type of clean up work). It is also Class II work (involving non-friable materials such as gaskets, roofing, and cement asbestos board) with a negative exposure assessment.

  Work practices required for Level A are those set forth in paragraph (g) (10) of the OSHA asbestos construction standard for Class IV work and (g)(8) and (g)(11) for Class II work. See Figure 1 for checklist of requirements

- **Level B:** Level B is work that may disturb ACM, but where the OSHA PEL is not exceeded and release of ACM, dust and debris is confined to the immediate location of the disturbance. In the construction standard, it is Class III work on TSI or Surfacing ACM with a negative exposure assessment, Class IV work activities to cleanup waste and debris containing ACM with an NEA. Class III asbestos work includes repair and maintenance operations, where ACM, including thermal system insulation and surfacing material, is likely to be disturbed. Operations where TSI or surfacing are worked on using "aggressive" methods, such as drilling, cutting, abrading, etc. are Level C work, as OSHA requires area isolation for these procedures whether or not a negative exposure assessment is made. In the general industry standard, clean up of ACM waste, debris and accompanying dust that are not from construction activities, and where the PEL is not exceeded is Level B work. If the quantity of material disturbed during Class III work exceeds one 60 inch x 60 inch glovebag or waste bag, then the activity becomes Class I or II and exceeds the limitation of the work practices in this manual.

  Work practices required for Level B are those set forth in paragraph (g)(9) of the OSHA construction standard for Class III work and (g)(7, 8 and 11) for Class II work. These include O&M training, respirators, engineering controls and work practices, wet methods, local exhaust ventilation (Note: A respirator is not required if work is on non-TSI or non-surfacing material, there is a negative exposure assessment, wet methods are used, and the material remains intact.). In the construction standard, asbestos-containing debris and waste from construction activities (including O&M) are to be promptly cleaned up and disposed of in leak-tight containers. The general industry standard covers clean up of non-construction waste, debris and accompanying dust. These must be cleaned up with wet methods and HEPA vacuums. The construction standard requires that in areas with accessible, friable TSI and surfacing material, waste or debris must be presumed to contain asbestos. See Figure 2 for checklist of requirements.

- **Level C:** Level C is work where ACM is disturbed and the PEL may be exceeded or ACM, dust, and/or debris may be scattered beyond the immediate location of the disturbance. It is Class III work described in the OSHA construction standard: paragraph (g)(9)(iii) where the disturbance involves drilling, cutting, abrading, sanding, chipping, breaking, or sawing of thermal system insulation or surfacing material; or (g)(9)(iv) where there is no negative exposure assessment or where the PEL is exceeded. It is also Class II work without an NEA.

Work practices required for Level C are mini-enclosures, glovebags and other enclosure devices set forth in paragraph (g)(5) of the construction standard as well as work practices set forth in paragraph (g)(9) of the OSHA construction standard for Class III work. These include O&M training, respirators, engineering controls and work practices, wet methods, and local exhaust ventilation. Debris and waste are to be promptly cleaned up and disposed of in leak-tight containers. See Figure 3 for checklist of requirements.

A "disturbance" of ACM, as used in the level definitions, refers to any activity that disrupts the matrix of ACM, crumbles or pulverizes ACM, or generates visible debris or dust from ACM.

Figures 1 through 3 which follow, summarize the engineering controls and practices recommended for each level. The Facility Asbestos Coordinator should determine the appropriate level, based on the O&M program objectives, the O&M program elements, and level of training needed for each level of work practices used in a facility.

Figure 1: Level A Worker Checklist for Operations and Maintenance Work Practices

Level A *work may contact ACM but not disturb it. If you encounter damaged ACM, or if the work could damage the ACM, stop work and notify your supervisor.*

Level B *is work that may disturb ACM, but where the OSHA PEL is not exceeded and release of ACM, dust and debris is confined to the immediate location of the disturbance.*

Level C *is work where ACM is disturbed and the PEL may be exceeded or ACM, dust, and/or debris may be scattered beyond the immediate location of the disturbance. Level C work must take place in an enclosure (glovebag or mini-enclosure).*

Pre-Work Activities

___ Obtain and review copies from Supervisor or Facility Asbestos Coordinator of:

- ___ Completed Work Permit Form
- ___ Work practice(s) to be used including personal protective equipment options
- ___ Work Notification(s) (as applicable)
- ___ Schedule for work

___ Review work practices and ***General Procedure W1*** and any other general procedures used in work practice.

___ Inspect work area for visible dust or debris. If present, stop work and notify Facility Asbestos Coordinator.

___ Obtain recommended tools, equipment and materials as described in ***General Procedure W1, work practice(s) item 2,*** and Work Permit Form.

- ___ Move tools, equipment and materials to work area.

___ Shut off and lock out any HVAC or electrical systems to be worked on.

___ If required on Work Permit Form, put on respirators and perform fit checks - ***See General Procedure W6.***

Work Practices

Always use wet methods, HEPA vacuums, prompt clean-up and disposal of waste. Do not dry clean-up dust and debris, or use compressed air or high-speed abrasive saws.

___ Perform work per steps in work practice(s).

Clean-Up and Tear Down

___ Remove lockout tags (if used) & restart any HVAC/electrical system(s) that were shut off.

___ Return tools, equipment and remaining materials to storage area.

___ Notify Facility Asbestos Coordinator or supervisor that work is completed & return documents to Facility Asbestos Coordinator.

Figure 2: Level B Worker Checklist for Operations and Maintenance Work Practices

Pre-Work Activities

___ Obtain and review copies from Supervisor or Facility Asbestos Coordinator of:
- ___ Completed Work Permit Form
- ___ Work practice(s) to be used including personal protective equipment options
- ___ Work Notification(s) (as applicable)
- ___ Schedule for work

___ Review work practices and referenced general procedures used in work practice(s).

___ Obtain recommended tools, equipment and materials - ***See General Procedure W1 and work practice(s) item 2.***

___ Obtain required respirators as listed on Work Permit Form.

___ Move tools, equipment and materials to work area.

___ Shut off and lock out HVAC and electrical systems serving work area - ***See General Procedure W3.***

___ Vacate and secure work area, such as by locking doors and/or setting up temporary barriers - ***See General Procedure W4.***

___ Put on respirators and perform fit checks - ***See General Procedure W6.***

___ Put on protective clothing - ***See General Procedure W7.***

___ Air monitoring personnel begins air monitoring work (if required) - ***See General Procedure W8.***

___ Preclean work area if visible dust or debris is present - ***See General Procedure W9.***

Work Area

___ Set up work area as required by work practice - ***See General Procedure W10.***

Work Practices

___ Perform work per steps in work practice(s).

Clean-Up and Tear Down

___ Package and label asbestos waste for disposal - ***See General Procedure W11.***

___ Apply lockdown encapsulant, where required, using garden sprayer, to surfaces where ACM was removed or disturbed - ***See General Procedure W12.***

___ Perform ceiling panel replacement work or ceiling repair work if needed.

___ Clean tools, equipment and work area using wet wiping and HEPA vacuuming as appropriate and return tools and equipment to outside work area - ***See General Procedure W13.***

___ Decontaminate packaged waste & move waste to outside work area - ***See General Procedure W14.***

___ Workers decontaminate and remove protective clothing and respirators. If contaminated, dispose of protective clothing as ACM - ***See General Procedure W15.***

___ Complete visual inspection. Complete air monitoring work - ***See General Procedure W16.***

___ If feasible, get Facility Asbestos Coordinator or designee to complete Evaluation of Work Form.

___ Transport waste to designated asbestos waste storage area - ***See General Procedure W17.***

___ Remove drop cloth, clean with HEPA/wet methods or properly dispose of as contaminated.

___ Return decontaminated tools, equipment and remaining materials to storage area.

___ Remove lockout tags and restart HVAC/electrical system(s).

___ Restore normal accessibility to work area.

___ Notify Facility Asbestos Coordinator or Supervisor that work is completed & return documents to Facility Asbestos Coordinator.

Figure 3: Level C Worker Checklist for Operations and Maintenance Work Practices

Pre-Work Activities

___ Obtain and review copies from Supervisor or Facility Asbestos Coordinator of:
- ___ Completed Work Permit Form
- ___ Work practice(s) to be used including personal protective equipment options
- ___ Work Notification(s) (as applicable)
- ___ Schedule for work

___ Review work practices and referenced general procedures used in work practice(s).

___ Obtain recommended tools, equipment and materials - ***See General Procedure W1 and work practice(s) item 2.***

___ Obtain required respirators as listed on Work Permit Form.

___ Move tools, equipment and materials to work area.

___ Shut off and lock out HVAC and electrical systems serving work area - ***See General Procedure W3.***

___ Vacate and secure work area, such as by locking doors and/or setting up temporary barriers - ***See General Procedure W4.***

___ Put on respirators and perform fit checks - See General Procedure W6.

___ Put on protective clothing - ***See General Procedure W7.***

___ Air monitoring personnel begins air monitoring work (if required) - ***See General Procedure W8.***

___ Preclean work area if visible dust or debris is present - ***See General Procedure W9.***

Work Area

___ Perform all Level C work inside an enclosure (glovebag or mini-enclosure) Set up work area and decontamination facilities as required by work practices - ***See General Procedures W5, W10, W18, and W20.***

Work Practices

___ Perform work per steps in work practice(s).

Clean-Up and Tear Down

___ Package and label asbestos waste for disposal - ***See General Procedure W11.***

___ Apply lockdown encapsulant, where required, using garden sprayer, to surfaces where ACM was removed or disturbed - ***See General Procedure W12.***

___ Perform ceiling panel replacement work or ceiling repair work if needed.

___ Clean tools, equipment and work area using wet wiping and HEPA vacuuming as appropriate and return tools and equipment to outside work area - ***See General Procedure W13.***

___ Decontaminate packaged waste & move waste to outside work area - ***See General Procedure W14.***

___ Workers decontaminate and remove protective clothing and respirators. If contaminated, dispose of protective clothing as ACM - ***See General Procedure W15.***

___ Complete visual inspection. Complete air monitoring work - ***See General Procedure W16.***

___ If feasible, get Facility Asbestos Coordinator or designee to complete Evaluation of Work Form.

___ Transport waste to designated asbestos waste storage area - ***See General Procedure W17.***

___ Remove drop cloth and/or mini-enclosure, clean with HEPA/wet methods or properly dispose of as contaminated.

___ Return decontaminated tools, equipment and remaining materials to storage area.

___ Remove lockout tags and restart HVAC/electrical system(s).

___ Restore normal accessibility to work area.

___ Notify Facility Asbestos Coordinator or Supervisor that work is completed & return documents to Facility Asbestos Coordinator.

W-1 Tools, Equipment and Materials

The following is a list of tools, equipment and materials that are referenced in the work practices and are recommended to perform the work practices. Tools, equipment or materials that are unique to a certain work practice are listed under item 2 in each work practice. For frequent O&M work, it might be helpful to maintain an "O&M cart" containing the necessary tools, equipment and materials.

Tools and Equipment

* Utility knife
* Ground fault circuit interrupters (GFCIs), Extension cords and adapters - GFCIs should be used on any electrical equipment or tools used in O&M work where water might be in use or present in the work area.
* Lockout tags
* Temporary work lights
* Ladder or scaffold for elevated work
* Wet wipes or bucket with clean water for wet wiping
* Smoke test bulb and tubes
* Bone saw
* Wire cutters
* Tin snips
* Safety glasses

Abatement Equipment and Materials

* Polyethylene sheet
* Duct tape
* Disposal bags with labels
* High efficiency particulate air (HEPA) vacuum with hose, attachments and proper HEPA filter (wet/dry type needed for some work practices)
* Respirators (if required)
* Disposable coveralls (if required)
* Disposable towels or wet wipes
* Asbestos barrier tape
* Warning signs
* Garden sprayer with amended water or removal encapsulant (Level B and C practices). See general procedure W2.
* Aerosol cans or garden sprayer with lockdown encapsulant (Level B and C practices)
* Air monitoring pumps, cassettes and calibration equipment (if required)
* Frame for mini-enclosure or prefabricated mini-enclosure (Level C practices)
* Negative pressure machine (HEPA filtered exhaust fan) as required for size of enclosure (level C practices - could be negative pressure machine or additional HEPA vacuum)
* Manometer (if pressure differential measurements are desired)
* Glovebags (if required)

W-2 Preparing Amended Water or Removal Encapsulant

Amended water or removal encapsulant solutions are prepared by mixing a measured amount of surfactant or encapsulant with clean water in accordance with the manufacturer's instructions. Surfactants and encapsulants materials might be considered hazardous substances. Containers of amended water or removal encapsulant should be labeled to identify the contents in accordance with the OSHA Hazard Communication Standard (29 CFR 1910.1200). Review and comply with Material Safety Data Sheet (MSDS) before mixing and using these materials. Amended water or removal encapsulant should be mixed in a labeled garden sprayer unit prior to the start of an O&M activity. Liquid dishwashing detergent might be used as a surfactant for O&M work. They have used a mix of 8 parts water to one part detergent.

W-3 Shut-off and Lockout of HVAC and Electrical Systems

Any electrical systems that might be worked on or affected by O&M activities should be shut off, locked and tagged with electrical lockout tags at the circuit breaker panel or disconnect switch. Affected systems include systems that could create electrical hazards during O&M activities that involve wetting.

HVAC systems in a work area, systems that serve a work area, or systems that will be worked on should be shut down during O&M activities. Level A activities usually do not require HVAC shut down unless a work will occur on a system or a disturbance of asbestos will occur. Any air-handling systems (supply, return and exhaust) required to be shut down should be shut off, locked, and tagged with electrical lockout tags at the circuit breaker panel or disconnect switch.

Lockout tags should note when and why power is shut down and the personnel performing the lockout. There should only be one key for each lock used on lockout tags to prevent accidental reactivation of equipment.

W-4 Securing Work Area

When asbestos fibers might be released, work areas should be vacated and secured (where feasible) by scheduling, locking doors (from inside the area if possible) or other means. If this is not feasible, access to the work area should be restricted, such as by asbestos barrier tape around the perimeter of the work area. If barrier tape is used to denote a work area, it should be placed 5 to 10 feet (1.5 to 3 meters) outside of any polyethylene protection used in the work area. Install barrier tape by taping or tying it to fixed objects.

Do not block access to any emergency exits, and when asbestos fibers might be released, post OSHA required "danger" signs at all entrances to the work area. For such projects, it might be desirable to have a visual barrier installed several feet in front of warning signs to avoid having warning signs readily visible to occupants. A "keep out of construction area" sign should be posted on visual barriers. A visual barrier would be arranged so that a person who goes past the visual barrier will then see required warning signs.

W-5 Critical Barriers

Completely Separate the Work Area from other portions of the building, and the outside by closing all openings with sheet plastic barriers at least 6 mil (0.15 mm) in thickness, or by sealing cracks leading out of Work Area with duct tape.

Individually seal all ventilation openings (supply and exhaust), lighting fixtures, clocks, doorways, windows, convectors and speakers, and other openings into the Work Area with duct tape alone or with polyethylene sheeting at least 6 mil (0.15 mm) in thickness, taped securely in place with duct tape. Maintain seal until all work including Project Decontamination is completed. Take care in sealing of lighting fixtures to avoid melting or burning of sheeting.

Provide Sheet Plastic barriers at least 6 mil (0.15 mm) in thickness as required to seal openings completely from the Work Area into adjacent areas. Seal the perimeter of all sheet plastic barriers with duct tape or spray cement.

W-6 Putting on Respirators and Performing Fit Checks

The procedures described below are based on the assumption that workers wearing respirators have been trained in the use of respirators and, for negative pressure respirators, fit tested, and enrolled in a medical surveillance program as part of a Respiratory Protection Program. Respirators used should be approved by NIOSH. These procedures are not a substitute for a Respiratory Protection Program in accordance with OSHA standard 29 CFR 1910.134 or regulatory requirements regarding respirators.

Putting on Respirators

Wearers should inspect their respirators before each use of the respirator.

Respirators must not be damaged, have missing parts or be deformed in any way. The straps must be intact and well attached. Proper filter cartridges for the hazards to be encountered must be installed. Verify that filters have been replaced in accordance with the Respiratory Protection Program. Batteries for powered respirators should be fully charged. The respirator should also be cleaned if it was not cleaned after the last use. If any problems exist, the respirator should be repaired or replaced in accordance with the Respiratory Protection Program.

When putting on a respirator, the straps should be loosened before it is put on. Filter caps (such as those used on some Powered Air Purifying Respirators) should be taped to the filter body or stored where it will not be lost. Powered respirators should be turned on and flow checked before the facepiece is put on. The respirator should be put on and then the straps tightened as recommended in the manufacturer's information provided with the respirator. Fit checks should then be performed.

Fit Checks

Fit checks should be performed in accordance with the Respiratory Protection Program by each worker each time they put on a respirator. Both positive and negative pressure fit checks should be performed. When feasible, powered respirators should be checked with the motor unit turned off. A negative pressure fit check is done by donning the respirator and pulling the respirator straps so the unit fits snugly. Inhale gently while placing hands over filters to block off inhalation side. Respirator should pull to face and no air should leak in around face seal.

A positive pressure fit check is done by exhaling gently (without breaking respirator seal to face) breathing normally while blocking off the exhalation valve. The face piece should then expand away from face while exhaling.

Adjust respirator straps as needed to obtain a good seal of the facepiece to the face. If a good seal cannot be obtained, obtain a new respirator and perform fit tests again.

W-7 Putting on Protective Clothing

Protective clothing for workers typically consists of disposable coveralls, gloves and boots. Coveralls should have hoods and booties attached. They should provide complete coverage of the body with the exception of hands and face. Cloth coveralls that are cleaned by a facility equipped to launder asbestos contaminated clothing might also be used. Do not modify coveralls.

Protective clothing options available for O&M work include the following:

* **Level A & B:** If level A or B work is to be performed and the potential for exposure to asbestos-containing dust and debris is low and localized, use one disposable coverall with no street clothes, or one disposable coverall over street clothes.
* **Level C:** Level C work is to be performed inside of a mini-enclosure and if potential for exposure to asbestos-containing dust and debris is moderate or dispersed, use two disposable coveralls with no street clothes; or if street clothes are required, two coveralls should be worn over the street clothes. Preferably the street clothes should be removed before the start of work.

When possible, street clothes should be removed in a changing area before protective clothing is put on. Protective clothing should be put on after respirators. The coverall hood should cover respirator straps.

Workers are encouraged to wear protective gloves that are duct taped at the cuffs to the protective coveralls. Eye, hearing, and head protection should also be used where needed. Rubber slip-resistant boots or other non-slip footwear is to be worn for all activities. (protective booties should cover feet inside the boots). Steel-toed boots should be used in areas where foot hazards exist. Do not use coveralls with loose foot coverings for activities that involve climbing ladders or working on scaffold.

W-8 Beginning & Conducting Air Monitoring During Work Practices

Note: *This section is not intended as a substitute for a complete Air Monitoring Program and specific protocols needed for O&M work. This section notes air monitoring issues that need to be addressed by the air monitoring person.*

Air monitoring during O&M activities can consist of personal monitoring, area monitoring and clearance monitoring. Air monitoring required for the work practice being performed should be listed on the Work Permit Form and be conducted in accordance with applicable regulations (such as 29 CFR 1926.1101 Appendix A), the O&M Plan and Air Monitoring Program. All air monitoring work should be conducted by a trained person assigned by the Facility Asbestos Coordinator.

The air monitor person should calibrate, adjust, and record the flow rate of all air monitoring pumps to be used before air monitoring is started for an O&M activity. General procedure W16 covers visual inspections and the completion of air monitoring at the end of the work.

Personal Monitoring

To perform personal monitoring, attach a personal air monitoring pump to a belt worn by the worker. Attach an air sampling cassette to the hose from the pump. Route the hose up the worker's back and tape the hose to the worker's protective coveralls using duct tape. The cassette should be located with the open end facing downwards at approximately a forty-five degree angle in the worker's "breathing zone" at about collar level. Turn the pump on and record start time. The air monitoring person will retrieve or change the cassette when necessary, or when work is completed.

Area Monitoring

Area monitoring is usually performed using high volume air sampling pumps. Place pumps inside the work area and outside the work area in occupied areas or areas where occupants could be exposed if fibers are released from the work area. Pumps should be located where they obtain meaningful measurements of potential worker exposure during monitoring as well as measure any area contamination. Attach sampling cassettes to the hoses from the pumps and attach the cassettes to the top of tripod stands or other stable structures (do not use the pump as a stand due to its vibrations) to locate the sample at four to five feet (1.2 to 1.5 meters) above the floor. These cassettes should be located with the open end facing downwards at approximately a forty-five degree angle. The air monitoring person will retrieve or change cassettes as needed or when the work is completed.

If any samples analyzed during the work exceed predetermined "stop work levels" specified in the O&M program, productive work shall be stopped, the area cleaned and additional engineering controls implemented, as necessary.

W-9 Wet Wiping, HEPA Vacuuming, and Steam Cleaning

These work practices are used either to pre-clean the work area prior to start of work, or for cleaning surfaces as part of a work procedure.

Precleaning of work areas prior to the start of work is done to remove accumulated debris and dust that could be disturbed during the work. Precleaning might include picking up dust and debris with a HEPA vacuum, wet wiping non-porous surfaces, HEPA vacuuming surfaces that cannot be wet wiped, and cleaning any carpeted surfaces using steam extraction equipment. (Note: EPA has determined in a research study that HEPA vacuuming and steam cleaning of carpets does not completely remove asbestos contamination.) Precleaning might reduce the extent of cleaning required after the work and for clearances (if required).

The following work procedures are be used for cleaning when required in a Work Practice.

Wet Wiping

1. Immerse disposable towel in bucket containing amended water.
2. Wring out towel and fold into quarters.
3. Wipe surface and refold to have a clean face exposed. Do not place towel back into bucket or water will become contaminated and will need to be replaced.
4. Repeat step 3 until all faces of towel have been used. Obtain a clean towel if more wiping is needed.
5. Dispose of used towels in disposal bags.
6. Dispose of contaminated water as required by applicable regulations -See general procedure W19.

HEPA Vacuuming

1. For floors, use a floor attachment with rubber floor seals and adjustable floor-to-attachment height. For furniture, fabrics or other surfaces use an upholstery attachment or brush attachment.
2. Vacuum hard or smooth surfaces with attachment about 1/16" (2 mm) above the surface.
3. Vacuum carpet or fabrics with attachment just touching the surface.
4. Vacuum all surfaces in parallel passes with each pass overlapping the previous one by one-half the width of the attachment.
5. Once surfaces are cleaned in one direction, clean a second time at right angles to the first cleaning.
6. Use crevice brush or other tools to clean irregularly shaped surfaces.

Steam Cleaning Carpet

1. Steam clean carpet using carpet tool.
2. Steam clean all surfaces in parallel passes with each pass overlapping the previous one by one-half the width of the attachment.
3. Once surfaces are cleaned in one direction, clean a second time at right angles to the first cleaning.
4. Water from cleaning process should be treated in accordance with applicable regulations - See W19.

Note: *EPA has determined in a research study that HEPA vacuuming and steam cleaning of carpets does not completely remove asbestos contamination.*

W-10 Polyethylene Drop Cloth

Preparation of work areas for O&M activities typically involves demarcation of the work area, restricting access to the work area and the use of a polyethylene drop cloth.

Preparing a work area with a drop cloth requires that a single layer of polyethylene be spread on the floor of the work area and taped or weighted in place. Do not use more than one layer if ladders (or similar equipment) will be used, unless a hard surface, such as plywood is laid over the drop cloth. If floor is a soft material, such as carpet, use caution to prevent tearing of polyethylene under equipment. The drop cloth should cover an area large enough to catch falling debris. If work is to be performed at an elevated level, the drop cloth should be placed on the work platform, or extended at ground level beyond the immediate work location to catch any debris that might be generated. Note that the use of a drop cloth introduces potential slip hazards in the work area. Non-slip foot coverings are recommended where drop cloths are used. Drop cloths should be thoroughly cleaned if they are moved from one spot to another or reused.

W-11 Packaging and Labeling Waste

Asbestos-containing waste material from O&M activities should be adequately wet in accordance with the NESHAP requirements (40 CFR 61.150). Verify waste packaging and other waste disposal requirements with the landfill that will receive the asbestos waste. Pre-labeled asbestos disposal bags should be used for asbestos waste disposal where possible, appropriate and permissible. Disposal bags should be collapsed by evacuating the air from the bag with a HEPA vacuum in the work area or enclosure. Once collapsed, twist the bag to form a neck and wrap it tight with duct tape. Fold neck of bag over to form a loop, then again wrap duct tape around neck and loop.

Although not a federal regulatory requirement, asbestos waste is often placed into second disposal bag and sealed as described above. Label disposal bags as required by applicable NESHAP, OSHA and DOT regulations.

Asbestos waste that does not fit into disposal bags should be wrapped leak-tight in one or two layers of 6 mil (0.15 mm) polyethylene sheet. Each layer should be sealed tightly with duct tape. Label outer layer as required by regulations.

Sharp objects that might puncture polyethylene (such as floor tile) should be placed into cardboard boxes before wrapping in one or two layers of 6 mil (0.15 mm) polyethylene.

All waste should be labeled as required by federal, state and local regulations. Federal regulations requiring labeling of waste include OSHA regulations 29 CFR 1910.1200, 1910.1001 and 1926.1101, EPA's NESHAP regulation 40 CFR 61.150, and the Department of Transportation's Hazardous Materials Regulations 49 CFR 171 and 180. ACM packaging, with some exceptions, must meet general DOT and EPA requirements and be protective, marked and labeled. Review current labeling requirements with Facility Asbestos Coordinator and disposal site. The OSHA requirements apply regardless of the amount of waste or measured exposure levels (see 29 CFR 1926.1101(k).

Labeling Requirements

* **OSHA 29 CFR 1926. 1101(k)(8)**

DANGER
CONTAINS ASBESTOS FIBERS
AVOID CREATING DUST
CANCER AND LUNG DISEASE HAZARD

* **Department of Transportation (DOT)**

DOT's shipping paper and marking format, used with some exceptions is as follows:

RQ	Reportable Quantity, if 1 lb. (.4 kg) or more friable asbestos
WASTE	For waste material, if applicable
ASBESTOS	Shipping name; for domestic transportation only.
MIXTURE	For asbestos mixed with a binder or filler, etc.
9	Class 9, Miscellaneous Hazardous Materials, includes asbestos
NA2212	North American identification number; for domestic transportation only.
PGIII	Packing Group; for domestic transportation only
LTD QTY	Limited quantity, if applicable.
20 OZ.	Total quantity of material describe; may abbreviate unit.

* **NESHAP**

NESHAP requires that readily visible and legible warning labels as specified by OSHA be used on waste containers or wrapped materials (this is the same as the OSHA 29 CFR 1926.1101 label listed above). Waste material to be transported off the facility site must also be labeled with the name of the waste generator and the location at which the waste was generated.

OSHA requires leak-tight containers and labeling for Class II materials (Note that under the EPA NESHAP regulation these are Category I and II materials, which are not regulated as long as the materials remain non-friable). For purposes of this O&M program, treat OSHA Class II materials as EPA regulated waste. Maintain OSHA required labels in place and dispose of as asbestos-containing waste in accordance with the NESHAP regulation.

W-12 Applying Lockdown Encapsulant

A lockdown encapsulant should be applied to areas where ACM is removed. Lockdown encapsulants used should be tested per 1978 Battelle/EPA report "Tests for the Evaluation of Encapsulants for Friable Asbestos-Containing Materials". Encapsulants should be water resistant after curing and be Class "A" fire rated per ASTM 84-81A "Standard Method for Surface Burning Characteristics of Building Materials.

Lockdowns need to be compatible with any materials that will be installed over the encapsulant. Note that many lockdown encapsulants will act as an adhesive and could be objectionable on some surfaces when dry. Care should be taken to avoid getting encapsulant on or in HVAC units, HEPA vacuums, and negative pressure machines.

Lockdown is typically applied for O&M work using a garden sprayer. It should be applied in accordance with the manufacturers' recommendations in two light coats sprayed from opposite directions to seal all portions of surfaces including any exposed edges of remaining ACM.

DO NOT APPLY LOCKDOWN ENCAPSULANT ON FIREPROOFING OR TO STEEL THAT IS GOING TO BE FIREPROOFED, WITHOUT PRIOR APPROVAL FROM THE Facility Asbestos Coordinator. The use of spray fireproofing is based on full-scale fire endurance tests of fireproofed steel. Anything that differs from the tested assembly voids the test, and could result in a fireproofing failure. Fireproofing is a non-combustible insulator of steel. Coating it or saturating it with an encapsulant could render it combustible and could reduce it insulating properties. This could cause the fireproofing to fail and as such voids the fire rating. The introduction of an encapsulant between the fireproofing and the steel could cause the fireproofing to fail. The bond of the fireproofing to the steel could be weakened causing the fireproofing to fall off, or the encapsulant could soften and allow the fireproofing to fall off during a fire. Unless the encapsulant has been tested and approved for use by the manufacturer of the fireproofing used, its use will void the fire rating of the fireproofing material.

W-13 Cleaning Tools, Equipment, and Work Area

Clean tools and equipment using HEPA vacuuming and/or wet wiping procedures. Special attention should be given to cleaning extension cords, equipment wheels, vacuum hoses and other items that could pick up debris during the work. Tools and equipment should be placed outside of the work area as soon as cleaning is completed. Drop cloths and mini-enclosures can be cleaned or disposed of as ACM.

Any items that cannot be fully cleaned (such as boots or tools) that might be used in another O&M activity should be placed into disposal bags, sealed and labeled as ACM. These bags should be wet wiped and then placed outside of the work area with the other tools and equipment. Do not open bags containing contaminated tools, or open equipment such as a HEPA vacuum, except during another O&M activity or in a designated work area. HEPA vacuum hoses can be sealed with tape over both ends if the outside of the hose is clean.

Cleaning of the work area where an O&M activity is conducted consists of HEPA vacuuming and/or wet wiping (as appropriate) all surfaces in the area. HEPA vacuuming and wet wiping shall be performed as described in general procedure *W9* above.

W-14 Decontaminating Waste

Packaged waste should be HEPA vacuumed and wet wiped before it is moved out of the work area. Use the wet wiping and HEPA vacuuming procedures in general procedure *W9*. Packaged waste should be placed on a sheet of polyethylene when it is moved outside of the work area. This polyethylene can be the outer portion of a drop cloth, if a drop cloth is being used.

W-15 Worker Decontamination and Removal of Protective Clothing and Respirators

Removal of Protective Clothing

* **Level B Requirements** (Removal of Protective Clothing When Drop Cloth Work Area Protection, or no Work Area Protection, is Used):

  HEPA vacuum all parts of protective clothing while standing at perimeter of drop cloth. Leaving respirator in place, remove protective clothing and fold inside out as it is removed. Place clothing, if contaminated, into a disposal bag and label as ACM waste.

* **Level C Requirements Where Work Is Performed Inside A Mine-Enclosure Or Other Physical Barrier** (Removal of Protective Clothing If A Mini-Enclosure and Change Room is Provided):

  HEPA vacuum all parts of protective clothing while inside work area enclosure.

  If two disposable coveralls are used, remove outer coveralls in work area while leaving respirator in place. Fold coveralls inside out as they are removed. Move to change room, HEPA vacuum protective clothing, and remove second set of coveralls in the same manner.

  If only one set of disposable coveralls is worn, remove in change room while leaving respirator in place. Fold coveralls inside out as they are removed.

  Place protective clothing, if contaminated, into a disposal bag and label as ACM waste. Wash hands, face and surface of respirator with clean water and disposable towels. Use caution to avoid breaking seal between respirator facepiece and face. Place disposable towels into a disposal bag. Remove respirator and follow procedures specified in Respiratory Protection Program for cleaning and storing respirator. Change respirator filters if needed or required and dispose of used filters as ACM. Put street clothes on and exit change room.

* **Level C Requirements** (Removal of Protective Clothing if an enclosure or mini-enclosure is used and a Shower is Available):

  HEPA vacuum all parts of protective clothing while inside work area enclosure. Remove outer coveralls in work area while leaving respirator in place. Fold coveralls inside out as they are removed. Move to change room. Wash hands and wet wipe face and respirator, HEPA vacuum protective clothing. Put on a clean set of protective coveralls over the coveralls already being worn to prevent any ACM debris or dust that may be on the coverall from falling off on the way to the shower. Proceed to shower with respirator still in place. At shower facility, remove protective coveralls, folding inside out during removal. Place clothing, if contaminated, into a disposal bag and label as ACM waste. Shower completely, and remove and clean respirator while showering as described below.

Street Clothing

If street clothes are worn under protective clothing and are contaminated during the work, the street clothes should be HEPA vacuumed, removed during decontamination and placed into a labeled disposal bag. These street clothes should then be disposed of as ACM or taken to a facility that has equipment designed for cleaning asbestos-contaminated clothing.

Removal of Respirator

The procedures described below are based on the assumption that workers wearing respirators have been trained in the use of respirators and, for negative pressure respirators, fit tested, and enrolled in a medical surveillance program as part of a Respiratory Protection Program.

Remove respirator after removing protective clothing (if used). Before removing respirator, wash hands, face and surface of respirator with clean water and disposable towels. Use caution to avoid breaking seal between respirator facepiece and face. Avoid getting water into filter cartridges of respirator. Place disposable towels into a disposal bag. Remove respirator and follow procedures specified in Respiratory Protection Program for cleaning and storing respirator.

W-16 Visual Inspection and Completing Air Monitoring

Visual Inspection

Conduct a visual inspection prior to the start of clearance air sampling. The person performing the inspection can be a worker if authorized by the Facility Asbestos Coordinator. Verify that there is no debris or residue from removed ACM and that all visible dust or debris in the work area has been cleaned up. If visible residue, dust or debris remains, it must be cleaned up using wet wiping and/or HEPA vacuuming before clearance sampling is started.

Perform the visual inspection using procedures approved for use in the facility by the Facility Asbestos Coordinator. If you have not been trained in visual inspection procedures notify the Facility Asbestos Coordinator. The EPA's Purple Book and the American Society for Testing and Materials (ASTM) "Standard Practice for Visual Inspection of Asbestos Abatement Projects" (Document E1368-90) provide visual inspection procedures that might be helpful in developing O&M inspection procedures.

Air Samples

Complete air monitoring work in accordance with Air Monitoring Program and requirements noted on a Work Authorization Form. Verify that removal areas have been encapsulated ("locked down"), that the work area, tools, and equipment have been cleaned, and that the area has passed a visual inspection. When air sampling cassettes are retrieved, the air monitoring person should record the stop time for the samples and check and record the flow rate of the air monitoring pumps. Samples should be analyzed on-site (for PCM analysis) if possible, or sent to a laboratory for analysis. When sample results are received, compare results to Air Monitoring Program criteria for work release or clearance. If sample results exceed criteria, the work area should be recleaned, reinspected, and then additional air samples should be obtained. If samples are equal to or below release criteria, tear down work can proceed. Collect air sampling pumps and equipment from work area and other locations when air sampling work is completed.

W-17 Waste Transportation, Storage and Disposal

Transport asbestos waste from O&M activities to a designated storage area or an approved landfill after the work is completed. Workers transporting waste should follow Respiratory Protection Program recommendations concerning respirator requirements for transporting asbestos waste. Do not drag packaged waste. All waste should be lifted and carried, or transported in wheeled carts, when moved from one area to another. Packaged waste should be placed, not thrown or dropped, into vehicles, storage areas and the landfill.

Any asbestos waste that is not taken to a landfill should be stored in a secure, lockable area. Signage in accordance with NESHAP should be posted at the storage area and on vehicles used to transport asbestos-containing waste material during loading and unloading. When asbestos waste in the storage area is taken to a landfill, it should be transported in accordance with all applicable federal, state and local regulations. Asbestos waste shipment records should be completed in accordance with the requirements in NESHAP Section 61.150.

The workers conducting the O&M activity should fill out part 1 of the waste tracking form included in Appendix D or an equivalent form. Once part 1 is completed and the waste is stored or taken to a landfill, the form should be turned over to the Facility Asbestos Coordinator to complete part 2 and file with O&M records. NESHAP waste shipment records must also be completed (where applicable) and filed with waste disposal records.

W-18 Glovebag Removal (Also includes other types of prefabricated removal enclosures)

Remove asbestos-containing material inside a glove bag according to the following procedures. Glovebags should be used only once and should not be moved to another location to perform additional removal work, or reused in any way. Use only 60" X 60" standard glovebags. Do not use glovebags on surfaces or equipment that is over 150□F. If you encounter a situation that requires a special type or size of glovebag, or if hot surfaces are involved, notify Facility Asbestos Coordinator.

Other types of prefabricated removal enclosures include "glovebox" type enclosures, glovebags with self-supporting frames, and glovebags that funnel waste into standard disposal bags. Check with equipment suppliers for information on these enclosures.

Glovebags might be used with a framework for O&M work on flat areas such as surfacing materials. Note that significant asbestos exposures to workers can result from the improper use of glovebags. Workers should obtain information on current regulatory requirements on glovebag use from the Facility Asbestos Coordinator.

Glovebag Removal Procedures

Check area where the work will be performed. If damaged ACM is present (broken lagging, hanging, etc.), wrap in polyethylene and cover polyethylene with strips of duct tape for reinforcement. Place one layer of duct tape around the removal area where the glove bag will be attached. Also protect any damaged ACM outside the glovebag area that could be disturbed during the work.

Slit top of the glove bag open (if necessary) and cut down the sides to accommodate the removal area.

Place necessary tools into pouch located inside glove bag (or into a sleeve turned inside out). Tools needed typically include: scraper, bone saw, utility knife, disposable towels, nylon brush, abrasive pads, wire cutters, tin snips and pre-wetted lag cloth. Cut lag cloth to sizes needed to cover any ACM that will remain after glovebag work is completed.

Place one strip of duct tape along the edge of the open top slit of glove bag for reinforcement.

Place the glove bag around area to be worked on and staple top together through reinforcing duct tape. Provide 8-12" (200-300 mm) of space inside glovebag between removal surface and glovebag for working room. Secure glovebag to duct tape previously installed around removal area.

Use smoke tube and aspirator bulb to test seal. Place tube into water sleeve (two-inch [50 mm] opening to glove bag) squeezing bulb and filling bag with visible smoke. Remove smoke tube and twist water sleeve closed. While holding the water sleeve tightly, gently squeeze glove bag and look for smoke leaking out, (especially at the top and ends of the glove bag). If leaks are found, tape closed using duct tape and re-test.

If a negative pressure glovebag with a supporting framework and HEPA filtered makeup air port is being used, attach hose from an operating HEPA vacuum to glovebag to provide negative pressure in glovebag. Follow equipment manufacturer's instructions on use of negative pressure equipment.

Insert wand from garden sprayer with amended water through water sleeve. Duct tape water sleeve tightly around the wand to prevent leakage.

Insert arms into glovebag sleeves.

Remove any metal jacketing or covering over the area where removal is required using tin snips and/or wire cutters. Fold in any sharp edges to avoid cutting the bag. Pierce any painted coverings to permit water to soak into the ACM.

Adequately wet material to be worked on with amended water and allow to soak in. Wet adequately to penetrate and soak material through to substrate.

Cut insulation section to be removed using bone saw or utility knife. Use caution to avoid cutting glovebag. Lift glovebag away from cutting area if necessary.

Throughout this process, spray amended water or removal encapsulant on the cutting area to keep dust to a minimum.

Remove insulation using scraper or other tools. Place pieces in bottom of bag without dropping. Rinse all tools with amended water inside the bag and place back into pouch or a sleeve of the glovebag turned inside out.

Using nylon brush, scrub pads, disposable towels and amended water, scrub and wipe down the removal area.

Seal exposed ACM around removal area using pre-wetted lag cloth or encapsulate with a bridging encapsulant. Encapsulate removal area with an appropriate lockdown encapsulant. Use suitable high temperature encapsulants for hot piping.

Wash down inside of glovebag with amended water and wipe as necessary to move all debris and residue to lower part of glovebag (below where bag will be twisted and cut).

Remove water wand from water sleeve, twist water sleeve closed and seal with duct tape.

From outside the bag, pull the tool pouch or sleeve away from the bag and twist pouch to seal it from rest of bag. Place duct tape over twisted portion and then cut the tool bag from the glove bag, cutting through the twisted/taped section.

Contaminated tools might then be placed directly into another glove bag without cleaning. Alternatively, tool pouch with the tools can be placed in a bucket of water, opened underwater, and tools cleaned and dried. Discard disposable towels and nylon brush with asbestos waste. Dispose of contaminated water as set forth in general procedure *W19* below.

Evacuate air from glovebag using HEPA vacuum. With HEPA vacuum operating and removed insulation in the bottom of the bag, twist the bag several times and tape it to keep the material in the bottom during removal of the glove bag from the removal area.

Slip a 6 mil (0.15 mm) disposal bag over the glove bag (still attached to removal area). With the hose of an operating HEPA vacuum inserted in the upper part of glovebag, remove tape or cut bag and open the top of the glove bag and fold it down into disposal bag.

Use of a Glovebag with Self-Supporting Frame

Glovebags on self-supporting frames can be used for some O&M activities on surfacing materials, and might be able to be adapted for other types of ACM. The general procedures for using these units are as follows:

Construct a rectangular or square frame of 1 ½" (38mm) diameter PVC or ABS pipe. Supporting legs can be made of lengths of pipe and fittings as needed to achieve the required height. Proprietary frames with telescoping legs are available.

To install glovebag on the frame, fold top edge of bag over the frame sides and extend the open edge of the bag at least 10" (25 cm) beyond the frame. Secure the open edges to the rest of the bag using duct tape. Place tools and supplies needed procedure above) in tool pouch inside glovebag.

Place frame and glovebag assembly below work location so that frame is close to, but not touching, ACM. Location and proximity of frame to ACM should allow for some movement without disturbing ACM during the work.

Insert wand of garden sprayer with amended water into bag and seal in place.

Cut hole in glovebag for negative pressure equipment hose. Negative pressure equipment could be a HEPA vacuum or small negative pressure machine. Install hose and seal in place. A prefilter might be needed to prevent any gross ACM debris from being drawn into the negative pressure device.

Install a hose from an operating HEPA vacuum into the bag in a position where it can be used during the work. Turn on negative pressure device and smoke test all sides of glovebag frame unit to verify that negative pressure is present. If sufficient negative pressure is not present, reduce clearance between ACM and frame (if possible), or add additional negative pressure device(s).

Insert hands into glove arms and wet ACM where work is required. Perform work as needed. Caution: If bag is overloaded with tools or other materials, bag might break or release from frame.

HEPA vacuum and wet wipe tools and inside of bag. Adequately wet any ACM debris in glovebag.

Slowly lower frame to allow tools to be removed from bag.

Gently remove glovebag from frame and twist to form a neck. Evacuate air from bag using HEPA vacuum and tape bag closed.

Remove garden sprayer wand, negative pressure device hose, and HEPA vacuum hose and seal holes with duct tape.

Place glovebag into a labeled 6 mil (0.15 mm) asbestos disposal bag and seal bag.

W-19 Disposal of contaminated water

Contaminated water from O&M activities should be disposed of in accordance with all applicable federal, state and local regulations. Filtering might be required. If filtering is required, water should typically be filtered through a maximum 5 micron (5 µm) water filter before discharging water into a sanitary sewer system, if permitted. If a filter unit is not available at the work location, contaminated water can be put into leaktight drums and transported to a location with filtering equipment. If a portable shower unit with filtering equipment is available, contaminated water can be emptied into the shower and filtered through the shower filter system.

W-20 Mini-Enclosures

Note: *Polyethylene work area protection is not to be used in place of other engineering controls and good work practices. Work practices such as wetting ACM, careful handling, local collection by HEPA vacuum and local exhaust ventilation should be the primary means of fiber control during O&M work. Mini-enclosures are intended to protect the environment, workers are protected by work procedures and engineering controls that prevent elevated airborne fiber levels, and by respiratory protection, protective clothing, decontamination procedures and other worker protection methods. State or local codes might require that fire retardant polyethylene be used for asbestos related work.*

Preparation of work areas for O&M activities sometimes involve the use of a mini-enclosure. Other techniques, such as the use of a glovebag taped over a self-supporting framework might be used as a substitute for a mini-enclosure where appropriate. For small amounts of removal work (such as removing a small amount of fireproofing, or cutting a hole in asbestos-containing plaster) where an enclosure is desired or needed, a glovebag can be used in lieu of a full mini-enclosure.

Mini-Enclosure

A mini-enclosure is usually a polyethylene enclosure around a work area. Mini-enclosures are sealed enclosures used to protect the facility environment as a secondary means to help, or attempt to, contain fibers or debris generated during the work.

Mini-enclosures also serve to provide a visual barrier between the workers and any other personnel around the work area. As noted above, careful work practices should be the primary means of fiber control during the work in order to prevent gross contamination of the mini-enclosure.

It is sometimes appropriate to extend mini-enclosures above ceilings, such as by using polyethylene sheet and framing taped together to provide enclosure around the work area. The mini-enclosure should not contact ACM covered surfaces. The construction will vary depending on whether the enclosure will be attached to pipes, conduit, metal hangers, or some other form of existing construction.

There are a variety of commercially available types of mini-enclosures, including prefabricated pop-up boxes and adjustable framework assemblies to permit different sizes of enclosures to be constructed. Disposable liners for mini-enclosures (to facilitate set up and dismantling of the enclosure) are available from some manufacturers. It might be beneficial to construct or purchase a portable mini-enclosure unit that works for the typical conditions found in a given facility.

It is recommended that two workers be used to set up and operate mini-enclosures. To construct a mini-enclosure, erect a framework of wood, PVC piping or metal framing that will enclose the work area and be large enough for one person to work inside. The minimum width and depth of the enclosure should be at least 3 feet (1 meter). The height of the enclosure will vary depending upon the work to be performed and the height of the work area. A larger enclosure is preferable where space permits. However, if the enclosure is too large, the final cleaning process will require more time. A mini-enclosure can include a separate 3 foot by 3 foot by 7 foot (1 x 1 x 2.1 meters) change room, with curtain doorways, attached to the mini-enclosure for changing and removing protective clothing.

If an entire room will be enclosed for performing work, the framework is usually not necessary, unless wall surfaces will be damaged by tape used to support polyethylene. A room can be enclosed for O&M work by installing one layer of polyethylene sheet on the walls and floor of the room.

If the work to be performed is in an elevated location, the enclosure (and change room, if used) should be erected on a scaffold platform large enough to support the enclosure, change room (if used), and a step off area outside the enclosure.

Refer to OSHA regulations 29 CFR 1910.28 and 29 CFR 1926.451 concerning scaffold requirements. Any ladders and/or scaffolds used must be built and used in conformance with the OSHA construction standards, and applicable state and local standards.

Cover the floor and the framework for the enclosure and change room with one layer of polyethylene attached using duct tape. A second layer of polyethylene laid on the floor might facilitate clean up work, or reduce the possibility of tearing the polyethylene if equipment is used (do not use two layers under the legs of ladders). Construct curtain doorways between the change room and the enclosure and between the change room and the area outside the change room. A curtain doorway is made of three overlapping sheets of polyethylene. Attach sheets to framework at top and one side. The middle sheet should be attached on one side, and the inner and outer sheets attached on the other side. A sheet of polyethylene approximately 5 feet by 5 feet (1.5 meters by 1.5 meters) or larger should be installed outside the change room for use as a step off area and as a place to put decontaminated materials removed from the work area.

Mini-enclosures should be constructed with a ceiling of polyethylene if work will not be performed above the enclosure. If work is to be performed above the enclosure and the ceiling is not ACM, the enclosure should extend to and be sealed to the ceiling or grid system. If the enclosure is below an ACM finished surface, use one of the following methods:

* If ACM cannot be contacted, the enclosure should be separated from the ceiling by a narrow space.
* If ACM will withstand contact without damage and is in good condition, foam tape (1" (25mm) or thicker) can be placed on the top edge of the enclosure. Gently lift enclosure into place until sufficient contact is made to provide a seal to the surface.

After enclosure is in place, check for, and clean up any debris generated by enclosure installation.

Mini-enclosures should be set up with a negative pressure system as described below to reduce the possibility of fibers being released from the enclosure and to filter the air inside the enclosure.

Negative Pressure System and HEPA Filtered Local Exhaust Ventilation

Mini-enclosures should be provided with a negative pressure system to reduce the possibility of fibers being released from the enclosure during the work, and to filter inside air discharged from the enclosure. Negative pressure inside mini-enclosures is commonly provided by a High Efficiency Particulate Air (HEPA) filtered vacuum or by negative pressure machines, depending upon the size of the enclosure.

A HEPA vacuum will usually provide sufficient negative pressure for a small enclosure. Larger enclosures might require a small negative pressure machine (HEPA filtered fan unit) to achieve a negative pressure inside the enclosure.

A negative pressure system for a mini-enclosure most commonly locates the HEPA vacuum or negative pressure machine outside the enclosure. The intake side of the unit is ducted to the enclosure through the vacuum hose or flexible duct material taped to a hole in the enclosure on the side opposite from the change room or as close as possible to where the work will be performed. The filtered exhaust side of the unit should be ducted to the outside if possible. However, most vacuum units do not provide a connection for an exhaust duct, and are commonly exhausted to the inside. Additional protection might be desirable for an area where air is exhausted inside a building. A work practice is provided for changing filters in HEPA vacuums and negative pressure machines (HEPA filtered exhaust fans) when needed. Filters should not be changed without following these work practices.

When HEPA filtered local exhaust ventilation is used in a work practice, this can be in addition to, or in place of, a negative pressure system. A HEPA filtered local exhaust ventilation system might replace a negative pressure system if the ventilation system provides adequate negative pressure in the work area. Some work practices use HEPA filtered local exhaust ventilation for fiber control where an enclosure is not used. A HEPA ventilation system can use a HEPA vacuum or negative pressure machine. The hose attached to the HEPA unit should be kept as close as possible to the location where ACM might be, or is, disturbed.

DOCUMENT NUMBER 19

CONFLICT OF INTEREST POLICY FOR THE CONDOMINIUM

CONFLICT OF INTEREST

Section 1. Establishment of a policy

The purpose of this Conflict of Interest Policy (this "Policy") is to protect the interests of The 66 West 138th Street Condominium (the "Condominium"), the Board of Managers (the "Board"), and the Unit Owners of the Condominium (the "Unit Owners") when the Board is contemplating entering into a transaction or arrangement that might directly or indirectly benefit the private financial or other interest of a Manager or Officer of the Condominium. This policy is intended to supplement, but not replace or diminish, the By-Laws of the Condominium and any applicable state and federal laws governing conflicts of interest applicable to condominiums, including but not limited to certain provisions of the New York Business Corporation Law which has been amended to apply to condominiums. All terms used in this Policy not otherwise defined herein shall have the same meanings ascribed to them in the By-Laws and the Condominium offering plan (the "Plan").

The Managers and Officers (as such terms are defined below) of the Board owe a duty of loyalty to the Condominium which requires that in serving the Condominium they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Condominium. Managers and Officers, while discharging their duties, must have an undivided allegiance to the Condominium's purpose and may not use their position as a Manager or Officer, information they have about the Condominium, or the Condominium's property, in a manner that allows them to secure an impermissible pecuniary benefit for themselves at the expense of the Condominium. Accordingly, no Manager or Officer may use his or her position at the Condominium for personal gain or to benefit another at the expense of the Condominium, its purpose or its reputation, and/or its Unit Owners, except in strict compliance with this Policy.

A Conflict of Interest (as defined below) may arise when a Covered Person (as defined below) has an existing or potential financial interest or other material interest that impairs, or may potentially impair his or her independence or objectivity in the discharge of his or her responsibilities and duties to the Condominium. As the Condominium seeks to attract individuals who have knowledge, contacts or interests in fields of relevance to the Condominium to serve as a Manager or Officer, it is to be expected that such individuals may on occasion have business or personal interests which may give rise to a potential Conflict of Interest, or which otherwise require disclosure due to applicable law or Condominium policy.

A Conflict of Interest is not inherently illegal or unethical, nor is it a reflection upon the integrity of the individual involved. The manner in which the conflicted individual and the Board and its Officers deal with a possible or actual Conflict of Interest shall determine whether they have fulfilled their duties to the Condominium. Therefore, the Policy requires that the Board take certain steps in handling potential or actual Conflicts of Interest, including: disclosure of a potential or actual Conflict, determination if a Conflict exists, discussion and decisions by disinterested Managers with respect to whether to enter into the Transaction (as defined below) in question, in each case considered on the basis of what is fair, reasonable and in the best interests of the Condominium. Where a Conflict of Interest has been identified, a Covered Person (as defined

below) must also cooperate with any plan adopted by the disinterested members of the Board to manage, reduce, or eliminate the Conflict of Interest.

This Policy cannot describe all potential Conflicts of Interest, and the question of whether a Conflict exists may be uncertain. For instance, there may be situations where the interests of other persons (such as close personal friends, close business acquaintances, clients, customers or vendors) create a Conflict (or the perception of a possible Conflict). Covered Persons should exercise the highest standards of ethical judgment and err on the side of caution and make full disclosure of any possible financial interest or other material interest that might impair or appear to impair his or her independence or objectivity in the discharge of his or her responsibilities and duties to the Condominium. Possible damage to the reputation of the Condominium should be considered at all times.

If there are any questions, the individual concerned should consult with the Compliance Officer, as defined below.

Section 2. Definitions

(a) "Compliance Officer": The Secretary of the Condominium shall be the Compliance Officer, unless the Conflict relates to such Secretary, in which case the Board shall designate another Officer of the Condominium to serve as Compliance Officer for purposes of such Conflict.

(b) "Conflict of Interest" (also "Conflict" and/or "Conflicting Interest"): Any circumstance in which the personal, professional, financial, or other interests of a Covered Person may potentially or actually diverge from, or may be reasonably perceived as potentially or actually diverging from, his or her obligations to the Condominium or the interests of the Condominium. It includes an indirect conflict, such as benefits provided to an entity with which the Covered Person is associated, such as an owner, director, manager, officer or employee. It also includes any relationship in which there may be a direct or indirect perceived or actual Conflict of Interest whether or not the Covered Person has a financial interest in the transaction. A Conflict of Interest shall not exist, however, solely based on the fact that a Covered Person may directly or indirectly benefit from a service which the Condominium may provide to the Unit Owners generally. Such term shall include, but not necessarily be limited to, any "Financial Interest" in a Transaction as defined in this Policy.

(c) "Covered Person": Any Manager or Officer of the Condominium.

(d) "Financial Interest": A financial interest of a Covered Person in a Transaction or proposed Transaction with the Board of the Condominium, including an interest in another person, entity or corporation with which the Condominium has or proposes to have a Transaction, such as where the Covered Person would directly or indirectly receive an economic benefit, including compensation, other remuneration, gifts or favors that are not insubstantial, or appreciation in the value of their economic interest in such other person, entity or corporation.

(e) "Manager": A person elected to the Board.

(f) "Officer": A person elected as President, Vice President, Secretary or Treasurer or appointed as Assistant Secretary or Assistant Treasurer pursuant to the By-Laws of the Condominium.

(g) "Person or Entity": Without limitation, natural persons, sole proprietorships, corporations, partnerships, limited liability companies, trusts, estates, joint ventures, unincorporated affiliations of any kind, government agencies, public boards and commissions and not-for-profit corporations or other entities or organizations.

(h) "Related Party": Any Person who is (i) a Manager or Officer of the Condominium; or (ii) any Entity in which any individual described in clause (i) has a substantial financial interest.

(i) "Related Party Transaction": Any Transaction in which a Related Party has a Conflict of Interest, including a Financial Interest, and in which the Condominium is a participant. Without limiting the foregoing, any of the following Transactions, when engaged in by a Related Party, shall be considered a Related Party Transaction: (i) Real estate brokers or salespersons who engage in selling Units in the Condominium or participating in such sales, either directly or indirectly, as listing broker, co-broker or otherwise as an economic participant in such sales; (ii) attorneys who represent Unit Owners of the Condominium in matters arising between the Condominium and such Unit Owners; and (iii) principals or owners of, or who have a financial interest in, any company supplying goods or services, including but not limited to architects or engineers, who do business with the Condominium. A Transaction shall not be a Related Party Transaction if (a) the Transaction or the Related Party's financial interest in the Transaction is *de minimis*, (b) the Transaction would not customarily be reviewed by the Board in the ordinary course of business and is available to others on the same or similar terms, or (c) the Transaction constitutes a benefit provided to a Related Party solely as a Unit Owner which benefit is available to all similarly situated Unit Owners on the same terms.

(j) "Transaction": Without limitation, any agreement, contract, understanding, transaction, arrangement, program or other similar activity with another person, entity or corporation. The following shall not be considered Transactions: (i) making of a gift to an employee of the Condominium (e.g., a tip for the superintendent); (ii) the payment of any routine fees required pursuant to the By-Laws and/or Plan of the Condominium; and (iii) the election or reelection of a Manager or Officer of the Condominium.

Section 3. Duty to disclose

Every Covered Person must disclose to the Condominium's Compliance Officer the existence of any possible Conflict of Interest, including any Financial Interest, which such person directly or indirectly has or may have in a Transaction or proposed Transaction with the Condominium, promptly upon becoming aware of such possible Conflict. Such Covered Person shall be given the opportunity to disclose all material facts to the Board.

Any Related Party or other Covered Person who has a Conflict, including an interest in a Related Party Transaction, shall disclose in good faith to the Board the material facts concerning such Conflict prior to the Board meeting where the proposed Transaction will be considered.

If the Covered Person is the Compliance Officer, disclosure shall be made to another Officer. This Officer shall, promptly upon becoming aware of such possible Conflict, have the responsibilities of the Compliance Officer with respect to such disclosure and with respect to the existence of any possible Conflict of Interest, including any Financial Interest, which such person directly or indirectly has or may have in a Transaction or proposed Transaction with the Condominium. Such Covered Person shall be given the opportunity to disclose all material facts to the Board.

Section 4. Vote on transactions and conflicts

Determinations regarding a Conflict, except for those in the situations described in clauses (a)-(c) of the definition of "Related Party Transaction," shall be made by the Board in closed session.

Except as otherwise set forth in this Policy, if a Conflict or possible Conflict arises, the Board shall decide if a Conflict exists after the Covered Person has left the meeting. If the Board determines that there is a Conflict, the Covered Person shall not return to the meeting during the discussion of, and vote on at such meeting or later meeting, the Transaction or arrangement involving the Conflict. If the Board determines that no Conflict exists, the Covered Person may be invited to return to the meeting or such later meeting or later meeting and participate in the deliberation and voting on the matter.

After the exercise of due diligence and deliberations, the Board shall determine whether the Transaction is fair, reasonable and in the Condominium's best interest at the time of such determination and, in conformity with the above determination, make its decision as to whether to enter into or continue the Transaction.

No Related Party or other Covered Person or Unit Owner may be present during, or otherwise participate in, deliberations or voting relating to a matter with respect to which they may be conflicted, including any Related Party Transaction; provided, however, that nothing herein shall prohibit the Board from requesting that such person present information concerning the Related Party Transaction at a meeting of the Board prior to the commencement of deliberations or voting relating to such Related Party Transaction. In no event shall a Covered Person or a Related Party influence improperly the deliberation or voting on the matter giving rise to a Conflict or possible Conflict.

Determinations shall be made by majority vote of the disinterested Managers present at the time of the vote, if a quorum is present at that time. If the votes of the disinterested Managers are insufficient to constitute an act of the Board, a unanimous affirmative vote of the disinterested Managers must be obtained in order for the Transaction in question to be approved. (Managers who are present at a meeting but not present at the time of a vote due to a Conflict of Interest or Related Party Transaction shall be determined to be present at the time of the vote for this purpose.)

Section 5. Conflict of Interest Following Entry into Transaction

If the Board discovers an actual or possible Conflict after having entered into a Transaction, it shall inform the relevant Covered Person and request that such Covered Person provide all relevant information with respect to whether the Conflict should be approved as set forth in subsection (c) above. If, after hearing such person's response and after making further investigation as warranted by the circumstances, the Board determines not to proceed as set forth in sub-section (c), the Board may void the Transaction to the extent permitted under Section 713 of the Business Corporation Law. Furthermore, in the case of non-disclosure by a Covered Person the violation shall be grounds for removal of such Manager or Officer for cause as provided for such removal procedure in the By-Laws.

Section 6. Annual Reporting

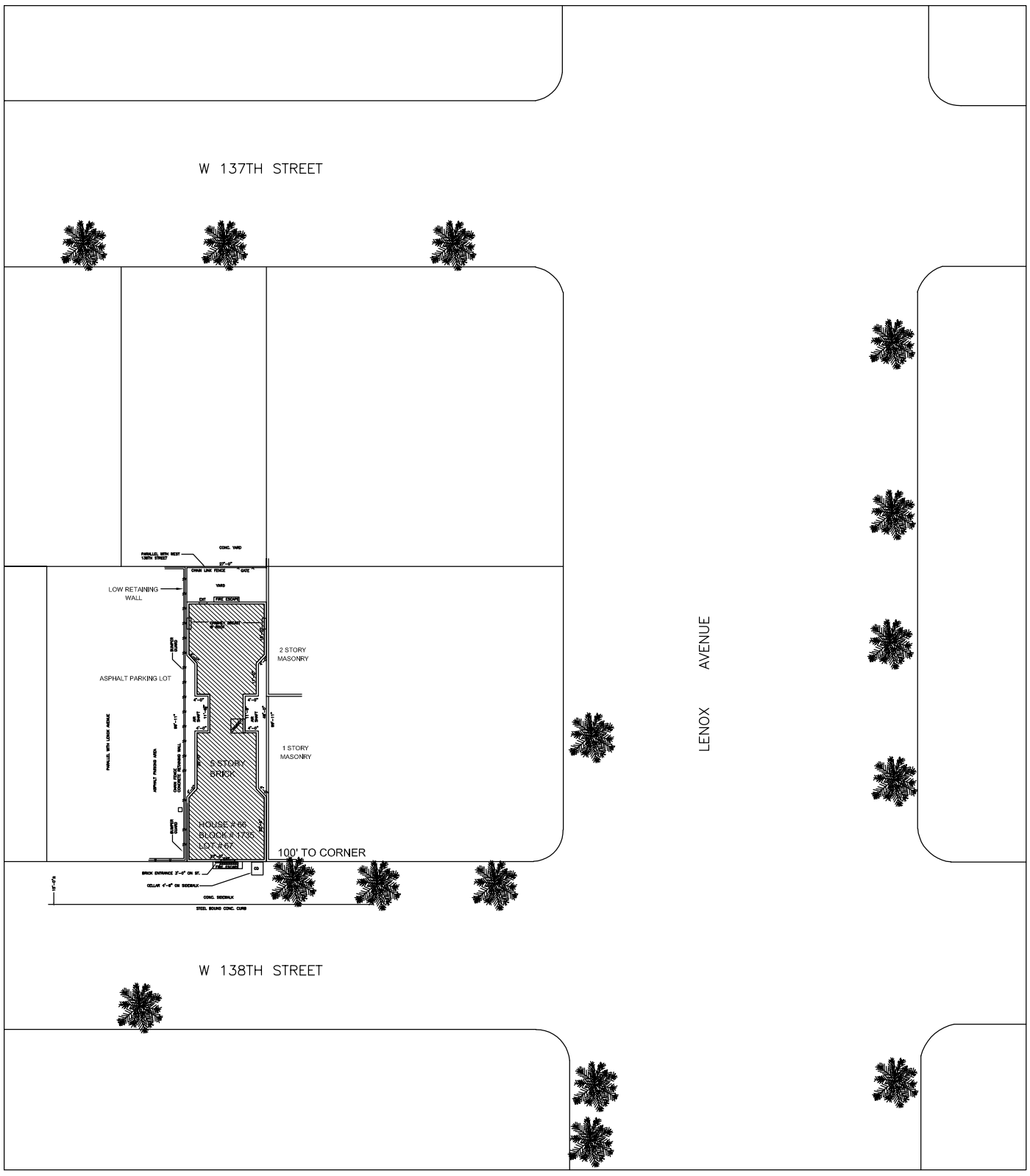
At the annual meeting of the Board each Manager shall receive a copy of Section 713 of the Business Corporation Law, and such receipt shall be acknowledged and kept in the books and records of the Condominium and the Board shall prepare an annual report to the Unit Owners, signed by each Manager, that contains information on any Transactions made, entered into, or otherwise voted on by the Board where one or more of the Managers had a Conflict of Interest as herein defined. The annual report shall be prepared and circulated to the Unit Owners simultaneously with the annual financial statements of the Condominium.

The annual report required by this subdivision shall include, but not be limited to, the following: (1) a list of all Transactions voted on by the Board , including information on the Transaction recipient, contract amount, and the purpose of entering into the Transaction; (2) the record of each meeting including Director attendance, voting records for Transactions, and how each Director voted on such Transactions; and (3) the date of each vote on each Transaction, and the date the contract would be and remain valid.

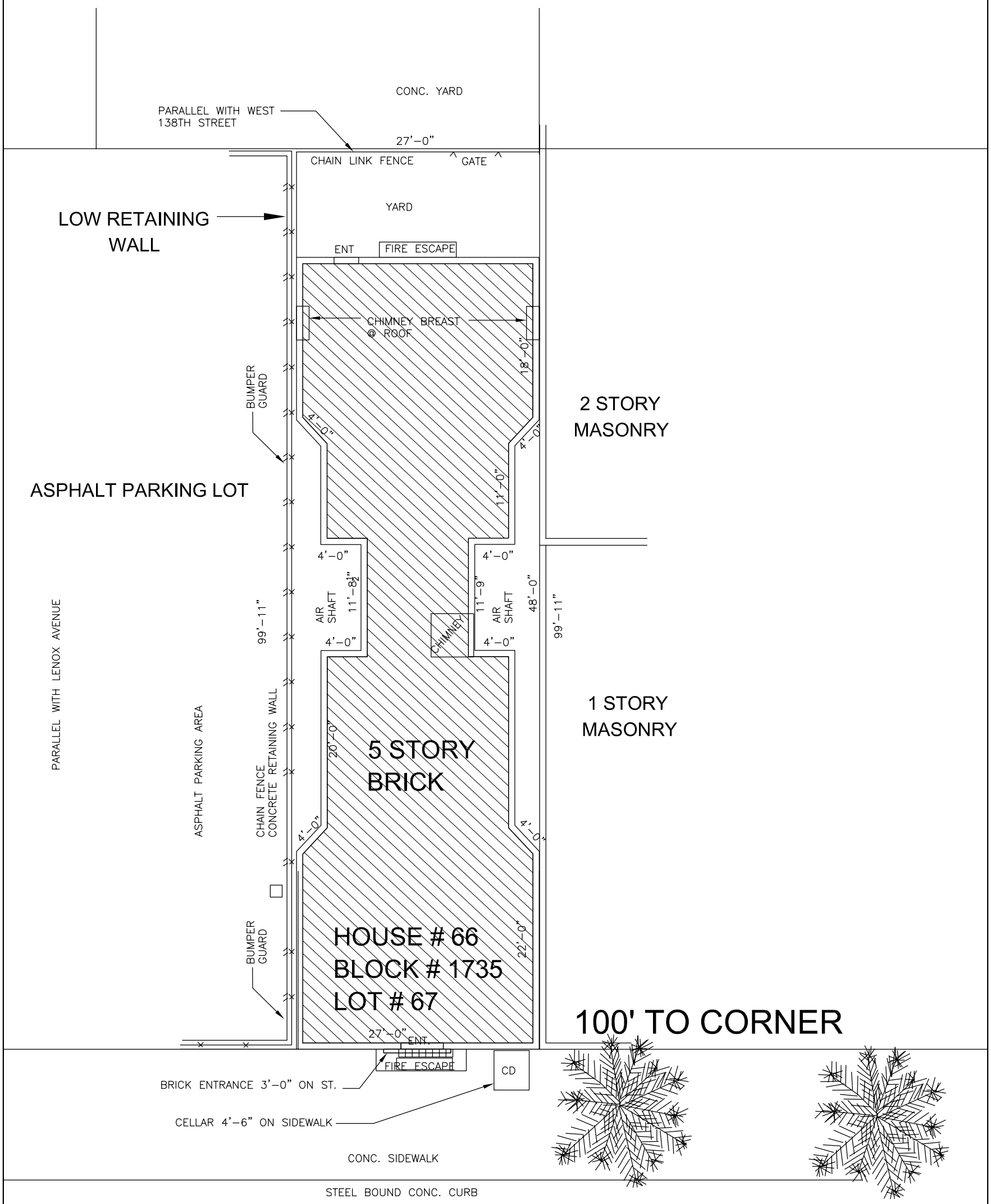
If the annual report required by this subdivision would, notwithstanding the requirements of this section, contain no information because of the absence of any actions taken by the Board that would otherwise qualify for inclusion in such annual report, then the Board shall instead submit to the Unit Owners a document, signed by each Director, indicating: "No actions taken by the Board were subject to the annual report required pursuant to section 727 of the Business Corporation Law."

DOCUMENT NUMBER 20

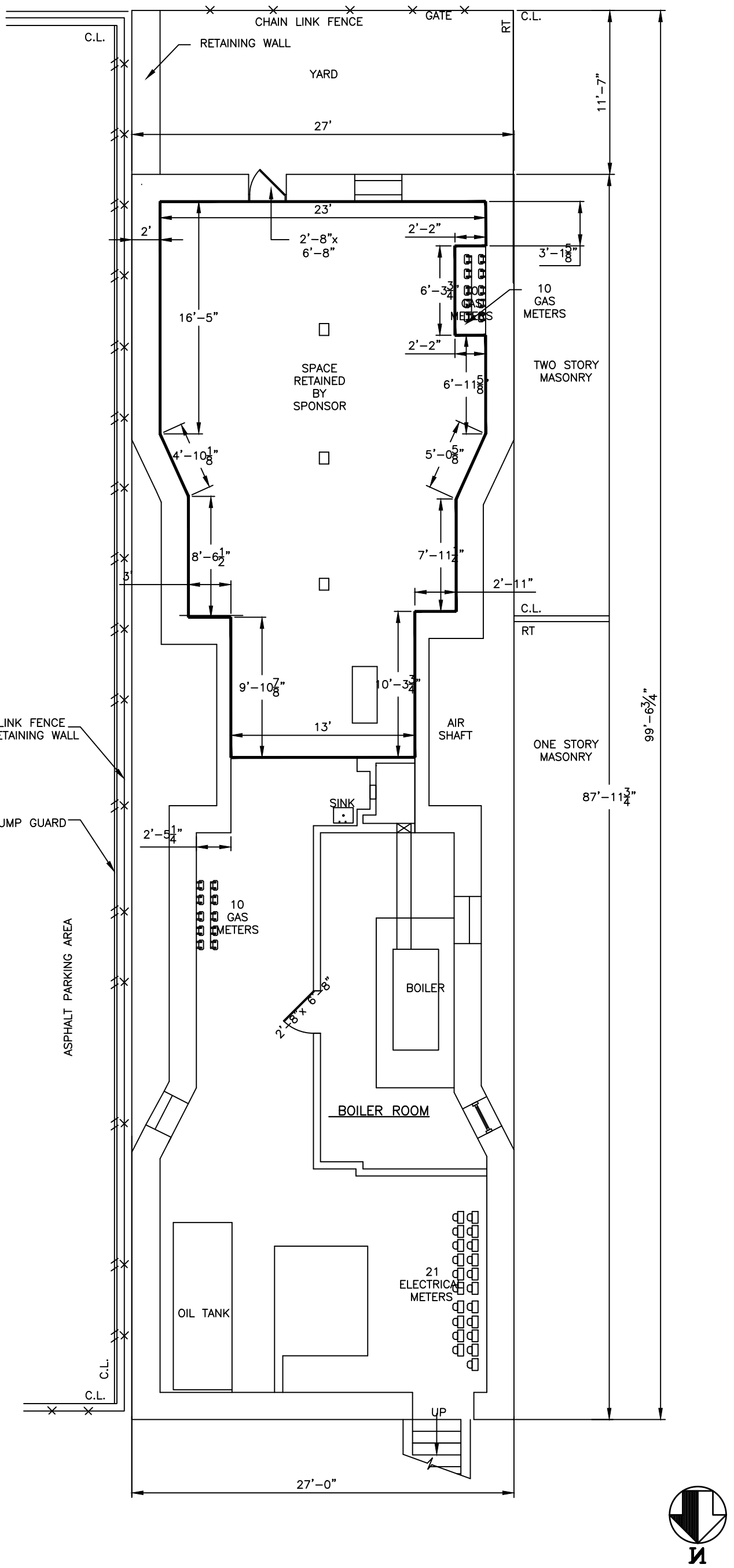
FLOOR PLANS



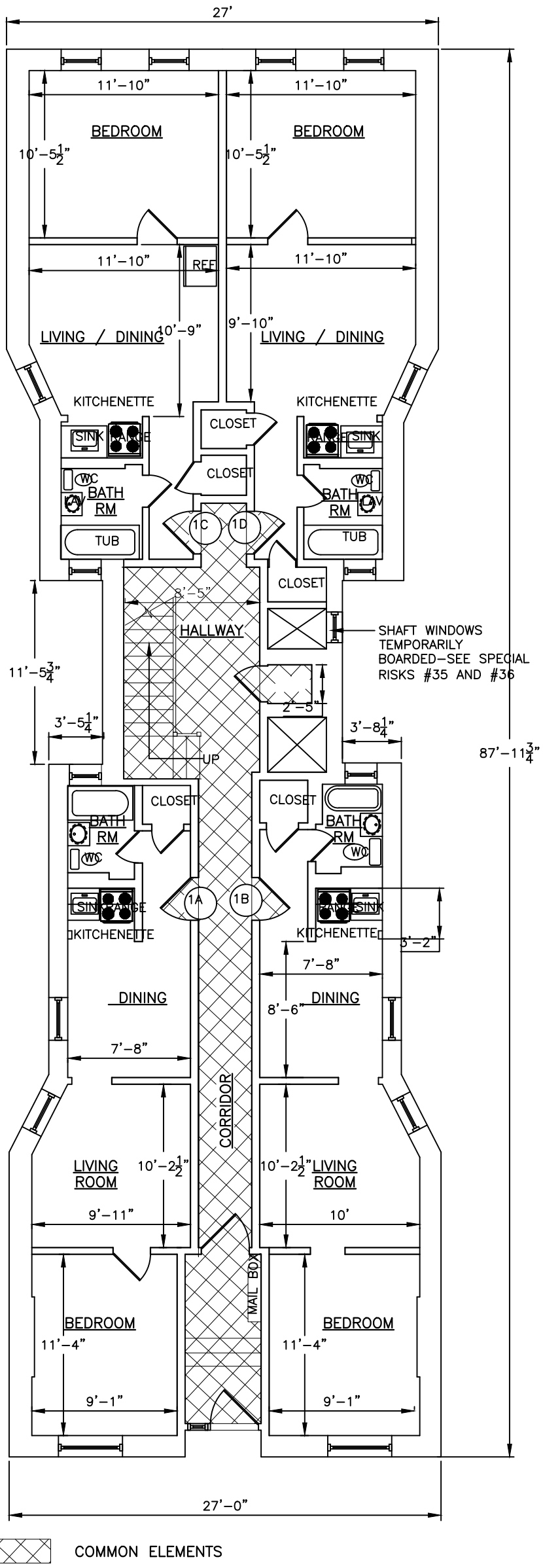
Alnour Consulting Engineering PC. 124 SENATOR STREET BROOKLYN, NY 11220 T 917-379-9376 F 516-908-4506			66 W 138 STREET SITE PLAN	SKETCH NO.: Sk1
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: 1/32"=1'-0"	DATE: 10-31-19



Alnour Consulting Engineering PC. 124 SENATOR STREET BROOKLYN, NY 11220 T 917-379-9376 F 516-908-4506			66 W 138 STREET SITE PLAN	SKETCH NO.: Sk2
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: 1/8"=1'-0"	DATE: 10-31-19



Alnour Consulting Engineering PC. 124 SENATOR STREET BROOKLYN, NY 11220 T 917-379-9376 F 516-908-4506			66 W 138 STREET CELLAR FLOOR PLAN	SKETCH NO.: Sk1
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04-12-19



LEGEND:

COMMON ELEMENTS

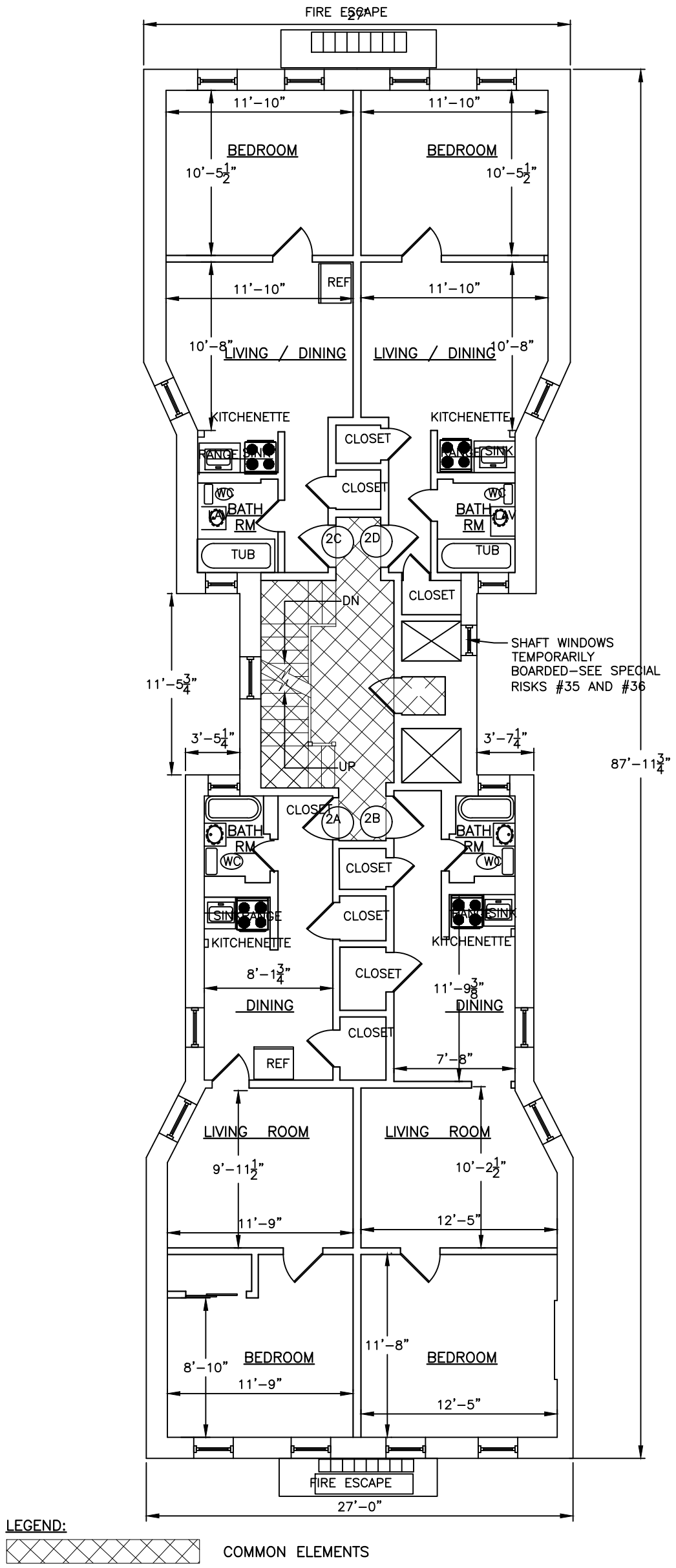
Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917–379–9376 F 516–908–4506

66 W 138 STREET

FIRST FLOOR PLAN

SKETCH NO.: Sk2

DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04–12–19



LEGEND:

COMMON ELEMENTS

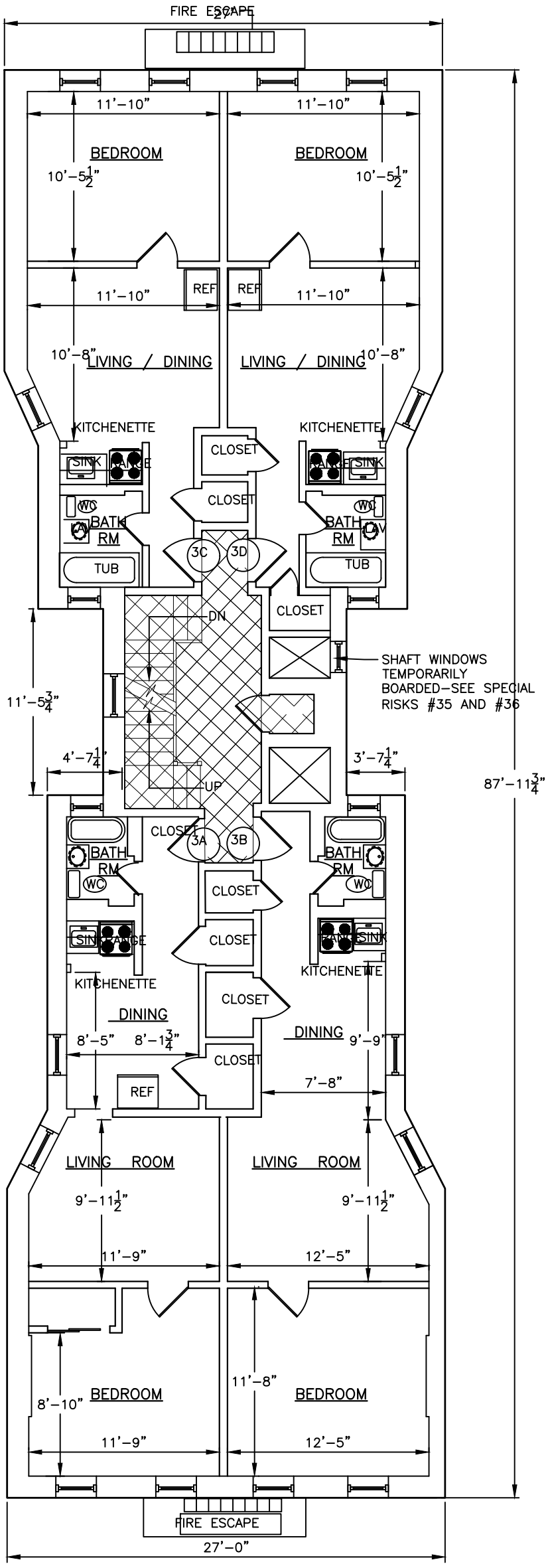
Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917–379–9376 F 516–908–4506

66 W 138 STREET

SECOND FLOOR PLAN

SKETCH NO.: Sk3

DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04–12–19



LEGEND:

COMMON ELEMENTS

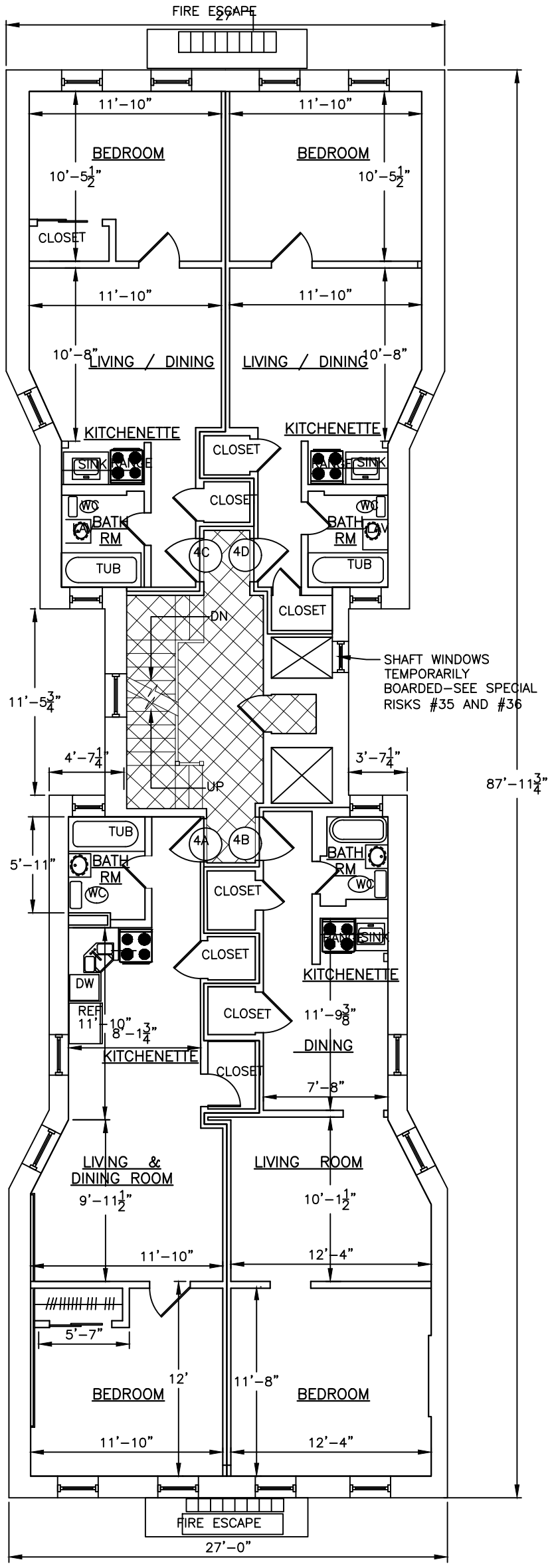
Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917-379-9376 F 516-908-4506

66 W 138 STREET

THIRD FLOOR PLAN

SKETCH NO.: Sk4

DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04-12-19



LEGEND:

COMMON ELEMENTS

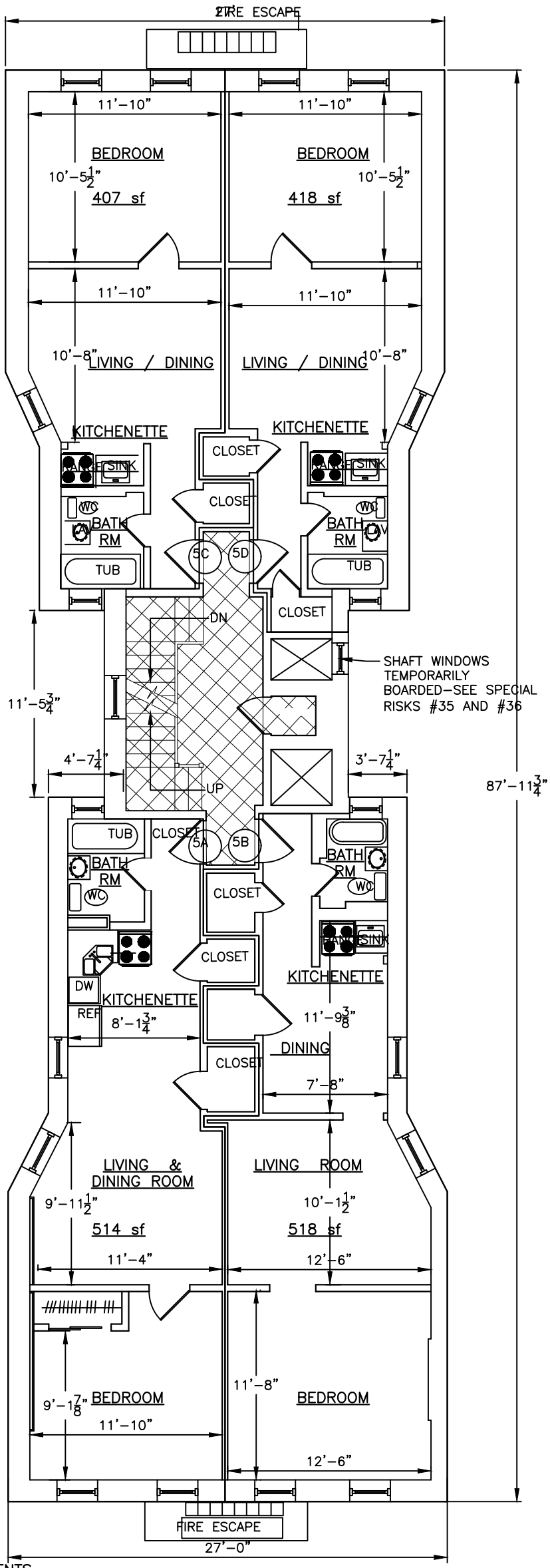
Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917–379–9376 F 516–908–4506

66 W 138 STREET

FOURTH FLOOR PLAN

SKETCH NO.: Sk5

DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04–12–19



LEGEND:

COMMON ELEMENTS

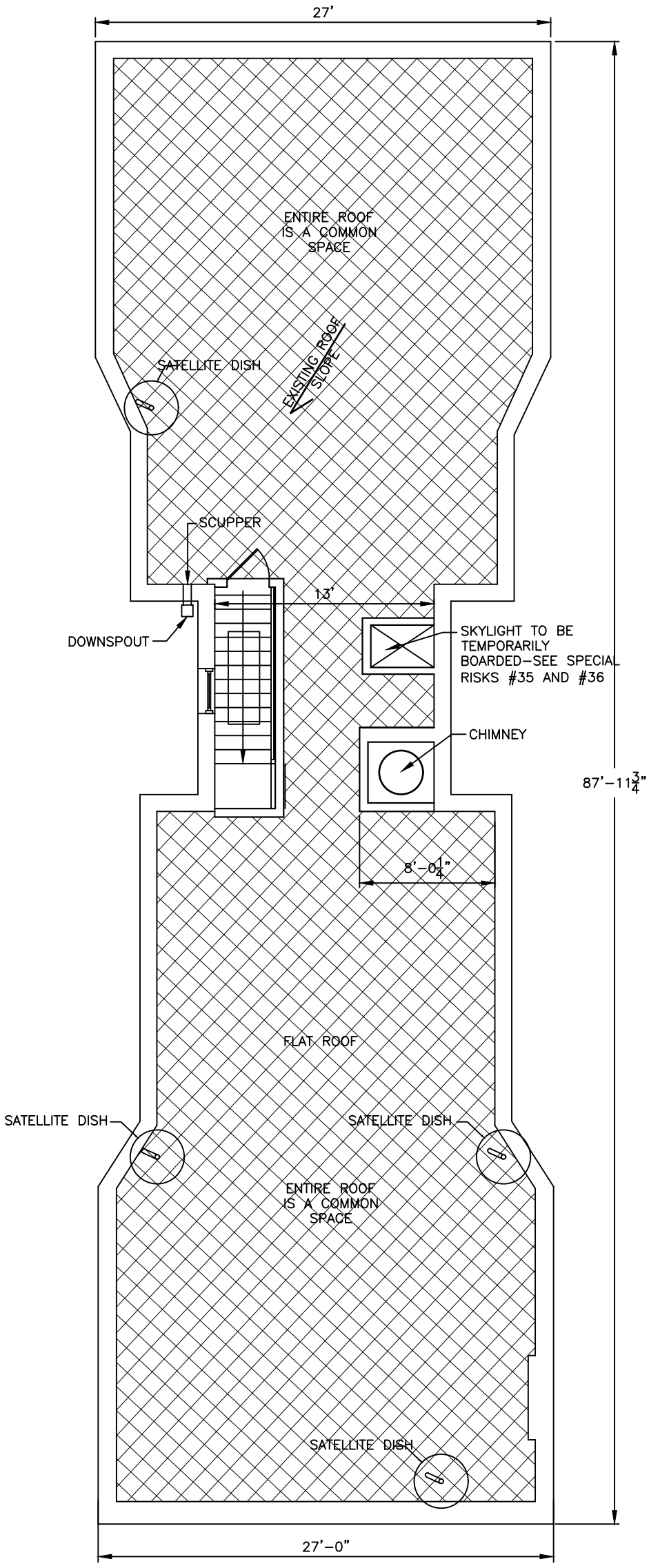
Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917–379–9376 F 516–908–4506

66 W 138 STREET

FIFTH FLOOR PLAN

SKETCH NO.: Sk6

DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04–12–19



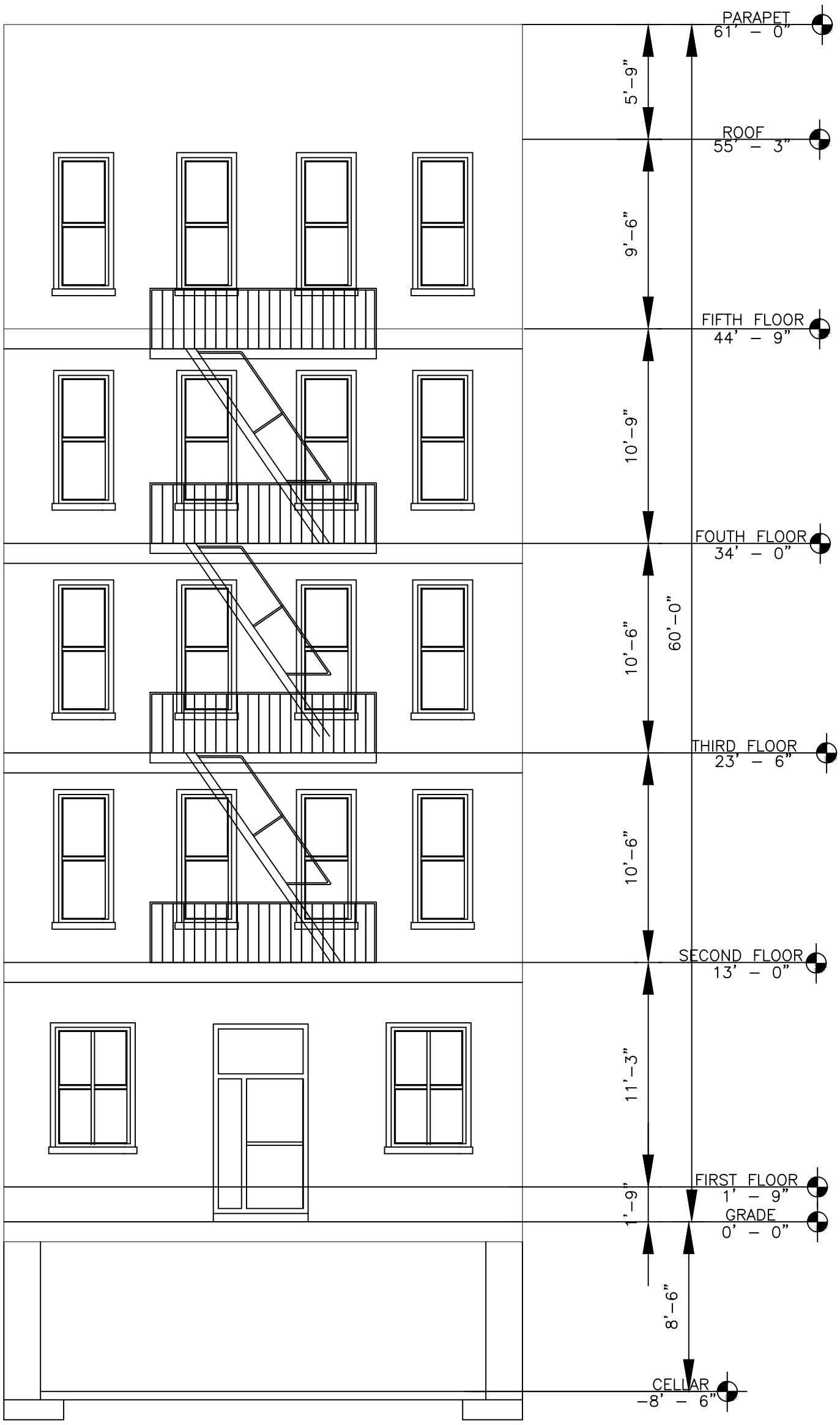
Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917–379–9376 F 516–908–4506

66 W 138 STREET

ROOF FLOOR PLAN

SKETCH NO.: Sk7

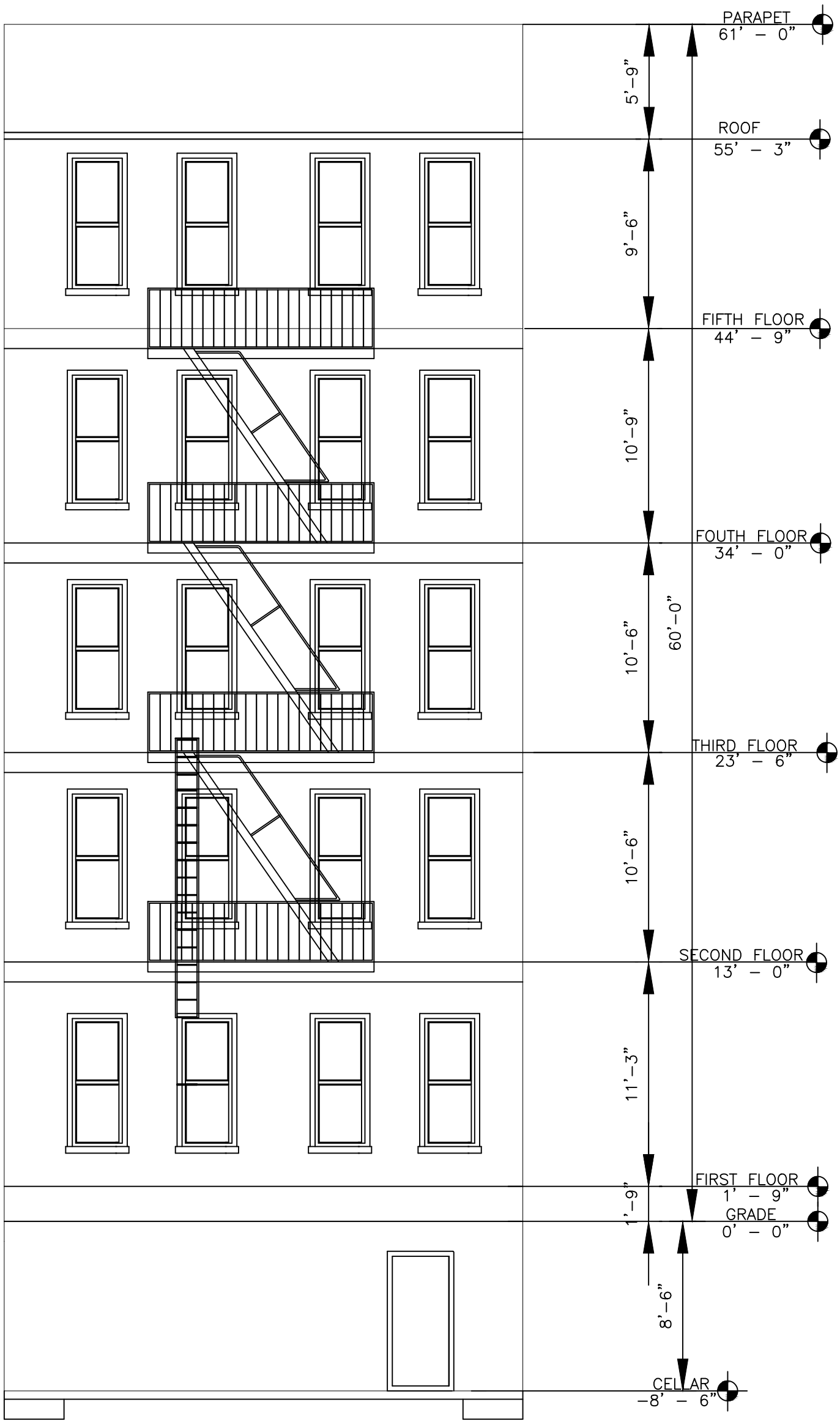
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04–12–19



A ELEVATION 1

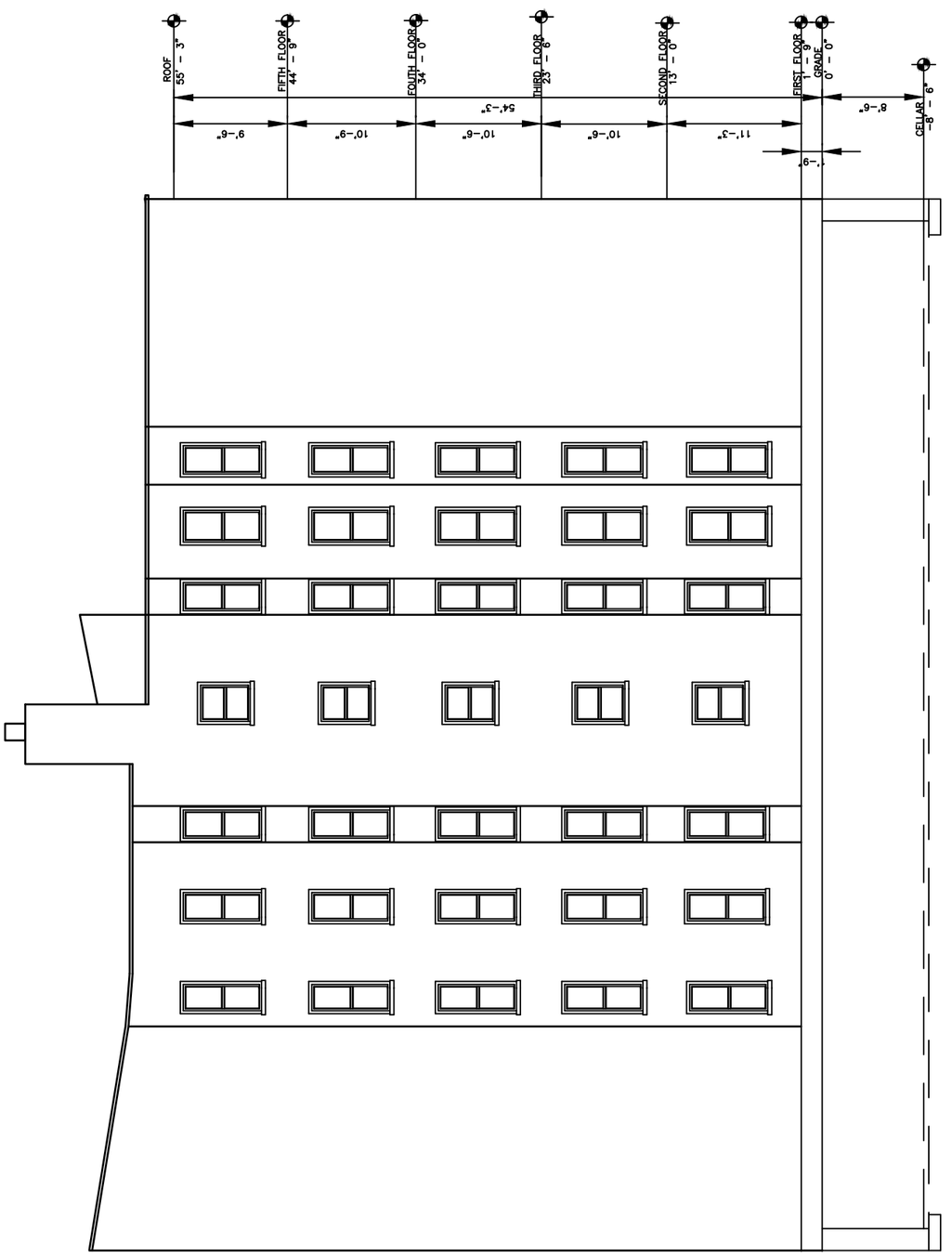
SCALE: 1/4" = 1'-0"

Alnour Consulting Engineering PC. 124 SENATOR STREET BROOKLYN, NY 11220 T 917-379-9376 F 516-908-4506			66 W 138 STREET FRONT FACADE	SKETCH NO.: Sk8
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04-12-19



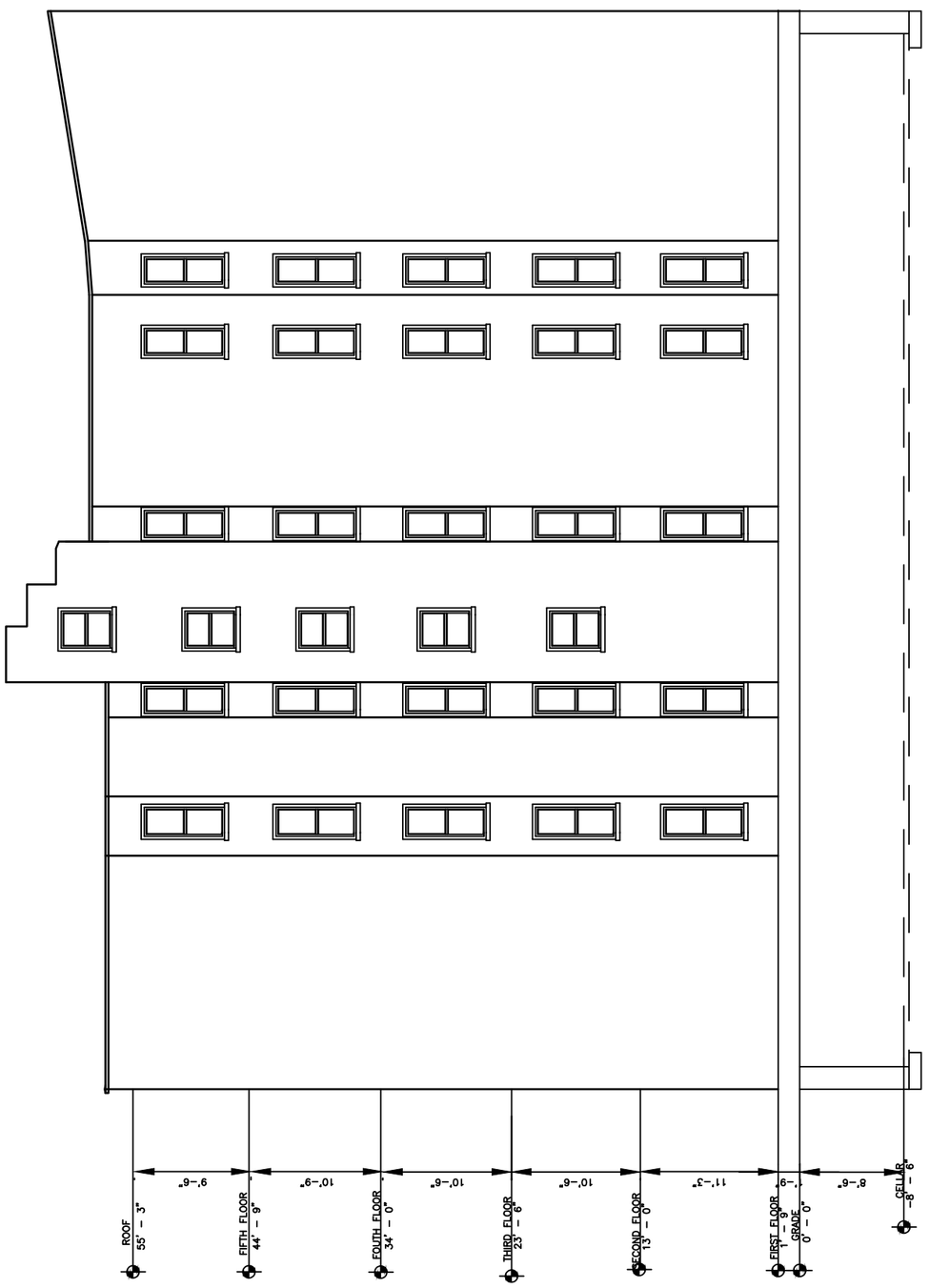
B ELEVATION 2
SCALE: 1/4" = 1'-0"

Alnour Consulting Engineering PC. 124 SENATOR STREET BROOKLYN, NY 11220 T 917-379-9376 F 516-908-4506			66 W 138 STREET REAR FACADE	SKETCH NO.: Sk9
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04-12-19



ELEVATION 3
SCALE: 1/8" = 1'-0"

Alnour Consulting Engineering PC. 124 SENATOR STREET BROOKLYN, NY 11220 T 917-379-9376 F 516-908-4506			66 W 138 STREET SIDE "A" FACADE	SKETCH NO.: Sk10
DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04-12-19



D ELEVATION 4
SCALE: 1/8" = 1'-0"

Alnour Consulting Engineering PC.
124 SENATOR STREET
BROOKLYN, NY 11220
T 917-379-9376 F 516-908-4506

66 W 138 STREET

SIDE "B" FACADE

SKETCH NO.: Sk11

DRAWN BY: ID	CHKD. BY:NB	JOB NO.:	SCALE: N.T.S.	DATE: 04-12-19

DOCUMENT NUMBER 21

RETURN TO STABILIZED APARTMENT MOVE NOTICE

Exhibit B
RETURN TO RENT STABILIZED APARTMENT MOVE NOTICE

To: **[insert name of resident]**
From: 66 West 138 LLC
Re: Return to Rent Stabilized Apartment
Date: **[insert date of notice]**

Dear **[insert name of resident]**:

Please be advised that the time has now come for you to move from your Temporary Relocation Suite, 66 West 138th Street, Apartment **[insert temporary relocation apartment number]** and return home to your Rent Stabilized Apartment located at 66 West 138th Street, Apartment **[insert primary residence apartment number]**.

As stated in Paragraph 13 of the Temporary Relocation License Agreement, you are required to move within **15 business days** of the date of this notice. A move date has been scheduled for you to take place on **[insert date of move]** starting at **[insert move start time]**. You must be ready to move on this date at this time. This shall include having all of your belongings packed before the time the movers arrive.

In addition to being ready to move on the above date, you are also responsible for making the necessary transfers of your cable, telephone and internet accounts, whichever shall apply. If you require any assistance making these changes, please advise us via the contact information below.

Please be advised that you will be responsible for returning the keys to your Temporary Relocation Suite directly to 66 West 138 LLC on the day of your move. As stated in Paragraph 13 of the Temporary Relocation License Agreement you must also leave the Temporary Relocation Suite in "broom clean" condition free of any personal belongings or debris.

Thank you for your kind attention in this matter.

66 WEST 138 LLC CONTACT INFORMATION

Name: **[insert name of owner contact]**
Phone: **[insert phone number of owner contact]**
Email: **[insert email of owner contact]**

_____
66 WEST 138 LLC

DOCUMENT NUMBER 22

RESERVE FUND LAW

New York City Administrative Code § 26-703
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 five 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 thirty 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.

CERTIFICATIONS

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS

The Department of Law of the State of New York
120 Broadway, 23rd Floor
New York, New York 10271

Attention: Real Estate Finance Bureau

Re: The 66 West 138th Street Condominium
66 West 138th Street
New York, New York
Condominium Offering Plan

Sponsor: 66 West 138 LLC

To whom it may concern;

We are the Sponsor and the principals of the Sponsor of the Condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23 A of the General Business Law, the regulations promulgated by the Department of Law in Part 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 hereinafter by us which amend or supplement the Offering Plan will:

(i) Set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) Not omit any material fact;

(iv) Not contain any untrue statement of a material fact;

(v) Not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) Not contain any representation or statement which is false, 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.

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: 66 West 138 LLC

By: _____
Jonathan Weinberger

PRINCIPAL:

_____
Jonathan Weinberger

Affirmed before me this 16

day of June, 2020

_____
Notary Public

SHELLY SAMRA
Notary Public, State of New York
Registration #02SA6298798
Qualified In New York County
Commission Expires March 17, 2022

PART 23: CERTIFICATION BY SPONSOR'S ARCHITECT

Dated: May 13, 2020

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street
New York, New York 10005

Re: Condominium Offering Plan
66 West 138th Street
New York, NY 10037

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report disclosing the condition of the property, (the Report). We visually inspected the property on October 22, 2019, and prepared the report dated May 13, 2020. In addition, we have reviewed the addendum site plan and drawings prepared by Alnour Consulting Engineering, P.C., copies of which is are intended to be incorporated into the offering plan so that prospective purchasers may rely on the report (and addendum).

The sponsor of the offering plan to convert the captioned property to condominium ownership

We are a registered architect in the state in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to this Report (and addendum).

We have read the entire Report (and addendum) and investigated the facts set forth in the Report (and addendum) and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report (and addendum):

(i) sets forth in narrative form the description and/or physical condition of the entire property (the aspects of the property discussed in the addendum) as it will exist upon completion of renovation or construction, provided that renovation or construction is in accordance with the plans and specifications that we examined;

(ii) in my/our professional opinion affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property (the aspects of the property discussed in the addendum) as it will exist upon completion of renovation or construction, provided that renovation or construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

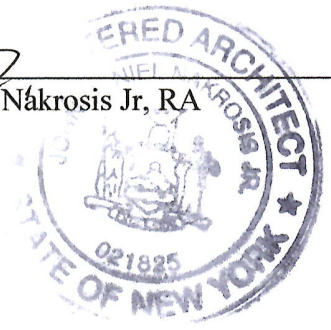
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report (and addendum) is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on May 13, 2020.

JOHN D NAKROSIS JR BUILDING DESIGN

By: _____
Name: John D. Nakrosis Jr, RA



CERTIFICATION OF ADEQUACY OF BUDGET
PURSUANT TO SECTION 20
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED

Friday, February 14, 2020

Department of Law, State of New York
Real Estate Financing Bureau
120 Broadway
New York, New York

Re: 66 West 138th Street,
New York, New York 10037

Gentlemen:

The Sponsor of the condominium Offering Plan for the captioned property retained our firm to prepare the Schedule B and has asked through counsel for us to review the Schedule B-1 for the Residential Units containing projections of income and expenses for the first year of condominium operation.

Our firm has been engaged in the management of real estate for the past 12 years. Currently we manage approximately 25 buildings and our principal is licensed as a real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B.

We have reviewed the Schedules and investigated the facts set forth in the Schedule B and the facts underlying it with due diligence in order to form a basis for this certification. We have reviewed the Schedule B-1 and the facts underlying it 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 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 Schedule(s):

(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) do not omit any material fact;

(4) do not contain any untrue statement of a material fact;

(5) do not contain any fraud, deception, concealment, or suppression;

(6) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(7) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of General Business Law and Penal Law.

WAYFINDER PM

By: _____
Name: Adam Jernow
Title: Principal

Sworn to before me this
20 day of February 2020

_____
Notary Public

SANDY HUEN
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01HU6393855
Qualified in Kings County
My Commission Expires: 6/24/23