CONDOMINIUM OFFERING PLAN
THE 73 BAY 47TH STREET CONDOMINIUM
CD16-0412

LOCATION:
73 Bay 47th Street, Brooklyn, N.Y. 11214

NUMBER OF UNITS	AMOUNT OF OFFERING
9 Residential Units	$ 7,205,000
7 Parking Units	210,000
Total	$ 7,415,000

Sponsor-Selling Agent

73 BAY 47TH LLC
1152 85TH STREET
BROOKYN, NY 11228

DATE OF ACCEPTANCE FOR FILING , 2017
THIS OFFERING PLAN MAY NOT BE USED AFTER , 2018
UNLESS EXTENDED BY AMENDMENT

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

SEE PAGE (I) FOR SPECIAL RISKS TO PURCHASERS

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

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SPECIAL RISKS

1. Sponsor is reserving the unconditional right to rent rather than sell unsold units upon plan consummation. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the 15 percent (two units) necessary to declare the plan effective and the Owner-Occupants may never gain effective control and management of the condominium. Purchasers and renters may have inherent conflicts on how the condominium should be managed because of their different reasons for occupancy. Refer to Introduction at page 2.

A purchaser of a previously occupied unit will purchase the unit "as is". Refer to Sponsors Obligations at page 45.

2. 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 there may always be a substantial percentage of owners who are non-residents. See Basic Aspects of Condominium Ownership at page 5.

The 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 Board of Managers Section at page 47.

3. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. See Effective Date of Plan at page 32.

4. There is no managing agent or superintendent provided for in the projected budget. The condominium will, therefore, not have a manager while the sponsor is in control. The principal of the sponsor Mr. Mancini will manage the condominium until operation of the condominium is taken over by the owner occupant's and the owner occupants take control of the broad of managers.

If the condominium decides to engage a management company and/or a superintendent this will entail an additional expense not included in the budget as it now appears. The common charges will therefore increase. It is estimated that retaining a management company or superintendent will increase the budget by 20%. Refer to Schedule B Projected Budget Page 18.

The budget provides for janitorial service which would provide part-time general cleaning and maintenance of the common areas.

The operation of the condominium is under the control of the board of managers as per the declaration and by-laws. These functions would include maintaining the books and records of the condominium as well as entering into repair contracts where necessary. Refer to budget footnotes Page 22.

Should the condo board decide to hire a janitorial service or a superintendent in the future, the budget could increase by up to 20%.

Until such time as the condominium is turned over to the owner occupants, the Sponsor will manage the affairs of the condominium. There will be no charge for these services nor will there be a formal management agreement binding upon the condominium.

5. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a Permanent Certificate of Occupancy (PCO) covering the entire building but with only a Temporary Certificate of Occupancy, and sometimes with several successive temporary certificate of occupancy. Certificates of occupancy are generally governed by section 301 of the New York City Multiple Dwelling Law and local building codes and rules. Both TCO's and PCO's are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCO's have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to the expiration thereof, and ultimately for obtaining a PCO covering the entire building within two years from the date of issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within such two year period. *Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the final certificate of occupancy for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current.* Unit owners and the board of managers shall be obligated to cooperate and refrain from obstructing sponsor in these undertakings.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a PCO. A factsheet on certificates of occupancy is available on the DOB website at:
http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

Sponsor will complete the common elements prior to the closing of the first unit. No bond has been posted to secure its obligations under the plan. Refer to Rights and Obligations of Sponsor. Refer to Terms of Sale beginning at page 35.

6. The purchaser shall be responsible for the payment of the New York City Real Property Transfer Tax and the New York State Documentary Stamp Tax. These taxes when combined are equal to 1.825% of the purchase price. These taxes are customarily paid by the Sponsor. This tax will be considered additional consideration on which the transfer taxes are computed. Refer to Unit Costs and Adjustments at page 38.

7. The contract of sale requires that any extras ordered are paid for at the time of such order. 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. If the plan is abandoned, the unit upgrade funds will be returned. The sponsor will not retain costs or expenses for custom work, as the party breaching the contract should not be able to receive consequential damages. Refer to Purchase Agreement in Part II Section A.

8. The down payment received at the time a contract of purchase is executed will be placed in an attorney IOLA account. The escrow account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposits in excess of $250,000 will not be insured unless the escrow agent has established multiple accounts on behalf of purchasers at various institutions. Interest on an IOLA account is paid to New York State. Refer to Procedure to Purchase at page 26

9. Cellar areas may not be used for any type of occupancy- including but not limited to dining, sleeping, living room, office etc. To do so may result in a violation against the building being issued by the Building Department. Cellar space has less light and air than ordinary living space and it is susceptible to dampness. Refer to Schedule A page 14.

10. Unit owners must notify the Board of managers in writing when a child or children age of ten (10) years or younger lives or resides (even temporarily) in the unit. Each residential unit owner must install at the resident's own expense, the required window guards in all windows of the unit and shall not remove them until permitted by law in any event, without the full knowledge of the Board of Managers. The installation is required by law. Please refer to the New York City Department of Health website for information regarding the installation of window guards and page 5 herein.

11. The square footages shown on the "Schedule A" are derived from the architectural report in Part II of this Offering Plan. The architect measured the dimensions from the outside face of the masonry at the exterior walls to the non unit side of the walls and partitions dividing the units from stairs, corridors and mechanical spaces. These dimensions include unusable space such as partitions and walls. Purchasers should verify each room and closet dimension for their interior use prior to closing. The actual usable square footage is significantly less than the square footage figures in Schedule A. See Footnotes to Schedule A at page 16.

12. In the event proceeds of insurance maintained by the condominium are insufficient to repair damaged units, the unit owners will bear the responsibility for the cost of repairs.

The purchase agreement provides that risk of loss prior to closing and transfer of title remains in the Sponsor. Following closing the purchaser, now unit owner, assumes risk of loss. See Miscellaneous Provisions Concerning Purchases at page 30 and Purchase Agreement in part II of the plan.

A person who takes possession of a unit prior to closing assumes the risk of losses not covered by insurance.

13. The Housing Merchant Implied Warranty applies to this development. However, the Sponsor has limited the scope of the warranty. The warranty covers no more than 75% of the purchase price and does not cover consequential, incidental, special and indirect damages except as required by law. The limited warranty is subject to all applicable laws. Please refer to the Rights and Obligations Section and the Addendum to the Purchase Agreement in Part II Section A and the Limited Warranty Law GBL 36-B in part II of the Plan. Section H

The Sponsor's obligation, regardless of any limitation in the warranty or in this offering plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimer's and the sponsor's obligations to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

14. Notwithstanding anything to the contrary contained in the By-laws in Part II, for a period of two years after the filing of the condominium declaration or so long as Sponsor or its designee shall continue to own units representing 5% or more in common interest whichever is sooner, the Board of Managers may not, without the Sponsor's written consent (i) make any addition, alteration or improvements to the common elements or to any units; (ii) assess any common charges for the creation of, or addition to or replacement of all or part of a reserve for contingencies provided in the estimate of receipts and expenses for the first year of operation set forth in Schedule B of the plan of condominium ownership; (iii) hire any employees in addition to the employees referred to in the plan of condominium ownership; (iv) enter into any service or maintenance contract for work not covered by contracts in existence as of the date of the first closing of title to a unit; (v) borrow money on behalf of the condominium. Please refer to By-Laws at page 5 section 16 (c) in Part II Section F of the Offering Plan.

15. After the plan has been declared effective, the closing of title shall take place upon thirty days written notice. If the Purchaser fails to close within seven days of the time set for closing, interest of 16% per annum on the unpaid balance of the purchase price shall accrue from the date originally fixed for closing. Refer to page 3 of the Purchase Agreement in part II of the plan.

16. Time is of the essence in the purchase agreement with regard to purchaser's obligations to pay the balance of the purchase price and to perform Purchaser's other obligations under the purchase agreement. Time of the essence means that the deadlines set forth in the purchase agreement are extremely important and that failure by the purchaser to meet those deadlines are considered material breaches of the purchase agreement which could result in the purchaser losing his down payment and/or being penalized in some fashion. See Purchase Agreement in Section A of Part II of this offering plan

17. There will be a laundry closet provided within the residential units with hookups for domestic type stackable washers and dryers. The actual laundry equipment will be the responsibility of each unit's occupant. Refer to Engineer's Report in part II Section D of the plan at page 20.

18. The expected life span of the roof type is approximately ten (10) years. A ten (10) year No Dollar Limit manufacturer's warranty for materials and labor shall be provided for the new flat roof areas. No bond or guarantee other than the one (1) year warranty on all construction and workmanship will be furnished by the Sponsor.

19. Purchasers should note that even if the first closing occurs on or before January 1, 2018 (or such other date projected as the date of commencement of the operation at the time the purchase agreement is entered into) or within the twelve month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In any case, provided the Sponsor is diligently pursuing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the plan, Purchasers will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

In the event, however, Sponsor cannot convey title to the unit on or about the closing date specified in the Purchase Agreement, the affected purchasers will be afforded the right of rescission. Refer to the Footnotes to the Budget at page 18.

20. The time period for obtaining a mortgage commitment and the time period for completing the project may be lengthy and the commitment may expire or be revoked.

Under New York Law, when a mortgage contingency is not fulfilled through no fault of purchaser, performance is excused. Sponsor may not condition purchaser's obligation upon obtaining a commitment. If purchaser acts in good faith and lender revokes the commitment after the contingency period expires, performance by the purchaser is excused. See page 27.

21. The budget provides for a contingency fund which is intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses and a yearly reserve fund for future capital repairs and improvements.

There are no other reserves provided for in the budget.

THE 73 BAY 47TH STREET CONDOMINIUM
OFFERING PLAN

INTRODUCTION

A. The purpose of the offering plan is to set forth all the material terms of the offer. The plan may be amended from time to time when an amendment is filed with the New York State Department of Law and served on purchasers who have executed and delivered purchase agreements to the sponsor or selling agent and whose purchase agreements are in effect, unit owners and any person entitled to service pursuant to local law or regulation. Amended literature will be served on those entitled thereto under Article 23-A of the General Business Law.

The condominium is subject to and complies with the New York Condominium Act, Article 9-B of the New York State Real Property Law.

B. 73 BAY 47TH LLC with offices at 1152 85th Street, Brooklyn, NY 11228, the record owner of the realty, is the sponsor (hereinafter "Sponsor") under this offering plan (hereinafter "Offering Plan"), and hereby offers to sell nine (9) residential condominium units and seven outdoor parking space units to the public, which are presently being constructed on approximately 7,733 square feet on Bay 47th Street, Brooklyn, New York. The Sponsor acquired the property comprising the condominium development on November 1, 2016.

This is new construction. The condominium development is composed of one structure divided into three building sections located on the development site. Each section has a cellar and four stories. The layouts of each building section are identical except that building 3 is the mirror image of buildings I and 2.

The layouts of the units in each building section has a cellar which will be composed of the lower levels of units 1A, 1B and 1C as well as the gas and electrical meter rooms. The first floor is composed of the upper living level of units 1A, 1B and 1C. The second floor will contain units 2A, 2B and 2C, all of which will have front and rear balconies. The third floor will contain the lower levels of units 3A, 3B and 3C, all of which will have front terraces and rear balconies at that level. The fourth floor will contain the upper level of the 3A, 3B and 3C duplexes. This level will contain a bedroom and front and rear terraces for each of the units. Please refer to Schedule A for prices.

The cellar space as part of Units 1A, 1B and 1C may only be used as an accessory area. All balconies and terraces are considered limited common elements to the units to which they are attached.

There are seven on site outside parking spaces one of which is designated as handicap accessible. The specific rules governing the handicap space are detailed on page 59 of this offering. There is additional parking on Bay 47th Street or the other surrounding public streets. The parking spaces are for the use of the owner occupants, exclusively.

The sponsor will sell the parking spaces to unit owners.

The parking spaces can only be used in accordance with Multiple Dwelling Law section 60:

" *Such space or structure shall be used solely for the storage of passenger motor vehicles of the occupants of the multiple dwelling or of multiple dwellings under common ownership, except that, in the event such space or structure or part thereof is not used by such occupants, it may be rented by the owner or owners of such dwelling to persons other than the occupants thereof. The space which has thus been rented shall be made available to an occupant within thirty days after written request therefor. However, such space may be used also for the storage of any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the site and of the dwellings thereon.*"

Parking Spaces P1 has been designated as a handicapped parking space and will be the last parking space sold if it has not previously been sold to purchasers who themselves, or members of their families, have vehicles with handicapped plates. The assignment of Parking Space P1 and any subsequent sale or transfer of the Parking Space, is subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of a parking space, said unit owner has the right to demand that the owner of Parking Space P1 trade the handicapped parking space he/she owns with said handicapped owner.

In the event the present or future owner of a unit member of his or her family residing in the unit, becomes handicapped and said unit owner does not have a parking space, said unit owner has the right to demand that the owner of Parking Space P1 transfer their ownership to said handicapped owner. All costs and expenses entailed in the transfer of the handicap parking space shall be borne by the party requesting the transfer.

The owner of Parking Space P1 must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of Parking Space P1 then the parties agree to submit the matter to binding arbitration in accordance with Article X of the By-Laws of the condominium.

Each unit has its own mechanical room inside of the unit.

The Sponsor represents that it will endeavor in good faith to sell units rather than rent. If Sponsor makes a bulk sale of all or some of its unsold units, the transferee successor sponsor is bound by sponsor's representations regarding its commitment to sell units.

Nevertheless, the Sponsor retains the unconditional right to rent rather than sell Units after plan consummation. There is no limit on the number of owners who purchase for investment. There is no commitment to sell more than the 15 percent (two units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. Please see Special Risk #1.

The Sponsor has obtained a mortgage in the amount of $775,000 on the property from Citibank. This mortgage will be used to fund construction. It will either be satisfied in whole at the first closing or the units will be released from the mortgage as they close.

In addition, since the By-laws do not include a provision that, after an initial voting control period a majority of the board of managers must be owner-occupants or member's 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., purchaser as a home as opposed to as an investment.

The common elements consist of all areas and components of the development excluding the individual Units and their limited common elements. The common elements include hallways leading to the Units, paved sidewalks, the yards surrounding the building, and the exterior structure of the building including the roof. Each unit has its own in unit utility closet which will house a washer/dryer supplied by purchaser. Each unit will have a separate gas fed hot water heater and heating/air conditioning unit located in the in unit mechanical room.

The limited common elements appurtenant to a particular unit will be balconies, terraces and parking spaces specifically assigned to that unit.

The condominium will have a sanitary and storm sewer connected to the City system along Bay 47th Street.

Sponsor believes that the first condominium Units will be ready for occupancy January 1, 2018.

The prices were set by the sponsor alone and are not subject to review or approval by the Department of Law or any other government agency.

The development is new construction. All units offered in this plan are vacant. The development is one building structure composed of three sections with a total of nine residential units.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Units offered in the plan. No deposits or advances of funds have been taken by or on behalf of sponsor in connection with the reservation, sale or transfer of Units, prior to submission of the plan to the Department of Law.

This plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the plan, all documents referred to in the plan and all exhibits submitted to the Department of Law in connection with the filing of the plan will be available for inspection without charge and for copying at a reasonable charge ($.25 per page) to prospective purchasers and their attorneys at the site whenever the on site sales office is open and at the office of the selling agent or sponsor. Copies of the plan and exhibits will also be available for inspection and copying at a reasonable fee ($.25 per page) at the Real Estate Finance Bureau, Department of Law, 120 Broadway, 23 rd floor, New York, N.Y. 10271.

c. **Basic Aspects of Condominium Ownership**

A Declaration submitting the property to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") and By-laws will be recorded prior to conveyance of title to the first Unit by the Sponsor. The Declaration and By-laws will be substantially similar to those set forth in this Offering Plan, and will not be changed so as to have a material adverse effect on the purchaser.

Each purchaser owns his or her Unit outright and is entitled to exclusive possession of that Unit together with an interest in and right to use the common elements, and the exclusive right to use their limited common element, if applicable.

In addition, each Unit owner will be responsible for the maintenance of his Unit, and may decorate the interior as he desires. His Unit will be taxed as a separate tax lot for real estate tax purposes and may be separately mortgaged. Under present Federal and New York State income tax laws, his real estate taxes and the interest paid on the mortgage on his Unit may be deducted from his income.

In addition thereto, a Unit Owner will own, in common with the owners of all other Units, an undivided interest in all parts of the Property other than the Units (the "common elements") and the exclusive right to use limited common elements, as applicable. As a Unit Owner, he will have the right to vote annually for the election of members of the Board of Managers, who will supervise the Property and manage the affairs of the Condominium under the authority of the Declaration, By-laws and applicable statutes.

The Board of Managers will assess against every Unit Owner, in proportion to his interest in the common elements, charges for the maintenance of the common elements and for the operating costs of the Property (herein referred to as "common charges" or "common expenses") which Unit Owners must pay pursuant the New York Condominium Act, Real Property Law Section 339(i) and (m).

Electricity for each Unit will be separately metered by Consolidated Edison, and each Unit Owners will pay the utility directly for the electricity which he uses for air conditioning, lighting and appliances. Gas for cooking and heating will be provided for each Unit by National Grid and also be separately metered and paid for separately by each Unit owner. The individual Unit owners will each have the obligation to pay for all other utilities, and the upkeep of the interior of the Units, as well as insurance on the interior of their Units and contents and their own casualty and liability insurance as distinguished from the obligation of the Board of Managers.

The common charges will include insurance for the buildings, landscaping, asphalt repair, snow removal, general repairs as well as City water and sewer charges and miscellaneous common expenses.

Each Unit owner is obligated to comply with the declaration, the by-laws, rules and regulations and any other requirements of the board of managers.

Under the New York State Condominium Act, a condominium unit may be owned by an individual, a corporation, a partnership, or a fiduciary. There is no restriction as to who may purchase, except for those considered unqualified pursuant to any applicable statute. There are no restrictions on the use, resale, leasing or mortgaging of a Unit.

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 there may always be a substantial percentage of owners who are non-residents.

A unit owner is responsible for the maintenance of the interior of his unit. Common water and sewer pipelines which run throughout the building are the responsibility of the Condominium as is the common electrical system. The unit interior walls as well as the walls abutting common areas or adjacent units are the responsibility of the individual owner. All electrical lines within the unit from the wire coming into the unit are the responsibility of the unit owner as is general interior unit maintenance such as painting and repairs. The Board of Managers shall maintain insurance on the building as a whole. The condominium is not responsible for maintaining casualty and liability insurance for the interior of the individual units. It is desirable that the unit owners obtain additional insurance, including casualty and liability coverage for the interior of their unit.

Unit owners must notify the Board of Managers in writing when a child or children age of ten (10) years or younger lives or resides (even temporarily) in the unit. Each residential unit owner must install at the resident's own expense, the required window guards in all windows of the unit and shall not remove them until permitted by law in any event, without the full knowledge of the Board of Managers. The installation is required by law. Please refer to the New York City Department of health website for information regarding the installation of window guards.

All equipment and fixtures described in the plan and the narrative of the architect in Part II are included in the offering price.

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

DEFINITIONS

For convenience of presentation, general definitions of certain terms which are used in the Plan are set forth below. Such definitions are subject in some cases to the more specific meanings as set forth in the Declaration and By-laws.

BY-LAWS: The document governing the operation of the Condominium, pursuant to which the Board of Managers is elected and governs, including provisions for calling meetings of unit owners, election of officers, assessments and restrictions.

COMMON CHARGES: Assessments payable to the condominium by the Unit owner for the purpose of meeting common expenses on a monthly basis.

COMMON ELEMENTS: The land, all parts of the building other than the Units, including the foundations, roofs and supports of the buildings, and all areas or facilities for the common use of certain or all Unit owners.

COMMON EXPENSES: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the common elements.

COMMON INTEREST: The proportionate interest of each Unit owner in the common elements, expressed as a percentage determined in accordance with the declaration. The total percentage of Common Interests of all Unit owners equals 100%. The common interests are the basis of determining the liability for a share of common expenses and share of any distributions upon termination of the condominium.

DECLARATION: The instrument, as amended from time to time, by which the property is submitted to the provisions of the New York Condominium Act. The declaration is set forth in Part II of this plan.

FLOOR PLANS: Floor plans of the building will be filed with the King's County Registrar's Office simultaneously with the recording of the declaration.

LIMITED COMMON ELEMENT: These are defined as those portions of the common elements which are for the exclusive use of one or more Units but less than all of the Units, including balconies and terraces, if applicable.

PROPERTY: The land, the buildings and the appurtenances thereto of the condominium.

PURCHASE AGREEMENT: The contract to purchase a Unit pursuant to the plan, the general form of which is set forth in Part II of this plan.

PURCHASER: A purchaser of a Unit under a Purchase Agreement.

UNIT, UNITS: Any space designated and defined as a Unit in the declaration, consisting generally, of either a specific Unit or Unit located in the building. All of such Units are collectively referred to as the "Units".

UNIT OWNER: An owner of a condominium Unit.

UNSOLD UNITS: Any Units owned by sponsor or its designee, unless used for personal residence by sponsor.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The property, upon which the Condominium is being constructed, is situated in the County of Kings, City of New York, lying on Bay 47th Street near Harway Avenue. The building lies within residential zone district R5. The New York City Zoning Resolution permits residential building use as of right. The building under construction can be built under this zoning as of right, no special approvals are required. The area surrounding the development site is composed of predominately residential one and two family houses and condominiums.

The 73 Bay 47th Street Condominium, Inc. will consist of a total of nine newly constructed residential condominium units and seven parking units on approximately 7,733 square feet of land.

The seven parking spaces will be for the exclusive use of the unit owner occupants. The sponsor has listed all seven spaces for sale.

The parking spaces are to be used in accordance with Municipal Dwelling Law Section 60:

Such space or structure shall be used solely for the storage of passenger motor vehicles of the occupants of the multiple dwelling or of multiple dwellings under common ownership, except that, in the event such space or structure or part thereof is not used by such occupants, it may be rented by the owner or owners of such dwelling or dwellings to persons other than the occupants thereof. The space which has thus been rented shall be made available to an occupant within thirty days after written request therefor. However, such space may be used also for the storage of any type of mechanical or motor-driven equipment or other accessory device or passenger bus required for the proper maintenance of the site and of the dwellings thereon."

Parking Space P1 has been designated as handicapped parking spaces and will be the last parking space sold if they have not been previously assigned to purchasers who themselves, or a member of their family, have vehicles with handicapped plates. The sale of Parking Space P1, and any subsequent sale or transfer of the Parking Space, is subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a unit in the condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of a parking space, said unit owner has the right to demand that the owner of Parking Space P1trade the handicapped parking space he/she owns with said handicapped owner.

In the event the present or future owner of a unit or member of his or her family residing in the unit becomes handicapped and said unit owner does not have a parking space, said unit owner has the right to demand that the owner of the Parking Space P1 transfer their space to said handicapped owner. All costs and expenses entailed in the transfer of the handicap parking space shall be borne by the party requesting the transfer.

The owner of Parking Space P1 must comply with the aforementioned demand upon thirty (30) days written notice.

The sponsor has substantially completed the building as of this date and expects to be able to obtain a permanent certificate of occupancy on or about January 1, 2018.

The units on the second floor (units 2A, 2B, 2C) have balconies off their living rooms and the second bedrooms. The duplexes (units 3A, 3B and 3C) have terraces off their living rooms on the third floor and balconies off the second bedroom on the third floor. These units have front and rear terraces off of the upper duplex on the fourth floor.

The balconies will be cantilevered, concrete balconies with steel channels and beams. They will be protected at the perimeter with wrought iron guardrails, with a minimum height of three feet eight inches above the finished balcony level. The doors to the balconies will be double glazed, sliding glass doors set in wood framing and will be equipped with entry type locksets.

The finished surfaces of the fourth floor terraces shall be tile or concrete pavers supported on leveling pedestals above the rubberoid roofing finish. The parapet walls surrounding the terraces shall be constructed of loan bearing masonry walls finished with stucco and capped with precast concrete or extruded aluminum coping.

The building plans located in Part II of this offering plan in addition to showing the layouts of the units show the balconies and terraces appurtenant to a particular unit. These balconies and terraces are considered limited common elements of the unit to which they are attached.

The front yard, driveway, side yard and rear yard where the parking spaces are located are considered common elements of the condominium. There will be limited grass areas on the sidewalk in front of the building.

There will be a total of three trees at the sidewalk areas in front of the property, as required by the N.Y. City Zoning Resolution. The trees shall be of a species to be determined by the N.Y. City Department of Parks and Recreation and will be planted as per the directive and specifications of the agency. Small area in the front of the building on the sides of the walkway from the public street will be covered with grass.

The driveway adjacent to the northerly side lot line and rear parking area shall be of poured reinforced concrete construction.

There will be a perimeter, steel, chain link fencing approximately six feet in height, constructed in the rear yard area which will separate the rear yard areas from the adjacent properties.

Please Refer to Section D in Part II of this offering plan for a site plan showing the location of the yards, parking spaces and building.

The condominium units will be accessible by internal staircases. There are no elevators in the building.

The separate hot water heaters and heating/air conditioning units for each residential unit will be housed in individual mechanical rooms located inside of the units. The boiler/hot water heater will be manufactured by Embassador Onex Model# OX-160C. Each unit has in input rating of approximately 160,000 BTU and an efficiency rating of 93%.

The units will be air conditioned by a system manufactured by Mitsubishi. The indoor air handler will be model # PEFY-P12NMAU and will have a cooling capacity of 12,000 BTUS and an efficiency rating of 80%

The condenser units located on the roof will be model# PUMY-P36NHMU and will have a cooling capacity of 36,000 BTUS and an efficiency rating of 80%.

Each Unit has an in unit laundry room which is fully vented and prepared for a stackable washer/dryer. The purchaser will supply their own washer/dryer.

Each unit kitchen will contain a stainless steel sink by Crane with faucet by Delta model # 400; a four burner gas range by Frigidaire model # FGF 368; and a refrigerator by Frigidaire model number 1837 LP.

The purchaser will be responsible for other appliances. Appliance hook-ups for washer, dishwasher and dryer are included.

For a complete description of appliances and room finishes please see architectural narrative in part II of this Offering Plan.

The building will be equipped with a full sprinkler system on all floors.

The Sponsor will provide combination smoke and carbon monoxide detectors for each Unit; BRK Brands Inc. model number SC9120B. They are hardwired with battery backup. Window guards will be installed in all Units purchased by purchasers who have children ten years or under. Please review Special Risk 8 at page (iii) for purchasers continuing obligation concerning window guards.

No optional extra features are offered. However, purchasers may initiate negotiations for options or extras based upon their own ideas as to what sponsor may be able to provide.

The Units and the Building containing them, and all other improvements will comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof including those governing zoning and construction. The Sponsor, in connection with this plan, has complied and will comply with all applicable rules, laws, regulations and other governmental requirements pertaining thereto, including the Building

Code of the City of New York and the Zoning Law, and any other law or regulation that may be determined to apply. The construction will be in accordance with the description and specifications described in Part II of the Plan.

Each Unit and the common elements will be constructed in the manner set forth in the Building plans filed with the City of New York and any amendments thereto, which amendments will in all instances be filed with the City of New York. Such plans will no be changed so as to materially adversely affect the unit owner, but in any event may be changed at the request of the purchasers. The construction will be in accordance with the description and specifications described Part II Section D of the Plan.

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits, cables, and public utility lines located in the common elements or located in other Units and servicing his Unit. Further, each Unit Owner, will have an easement for the continuance of any encroachment by his Unit on any adjoining Unit or common element now existing or which may come into existence hereafter as a result of repair or alteration of the Units by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by the Board of Managers to the common elements so that any such encroachment may remain undisturbed so long as a unit stands. Each Unit will be subjected to such encroachments and easements in favor of all other Units.

The Board of Managers, its agents and employees shall have a right of access to the Units, limited common elements and to the common elements (irrespective of the restricted nature of such common elements) to inspect, maintain or repair the common elements or to make repairs to the Unit to prevent damage to the common elements or any other Unit. The Condominium will be responsible for the maintenance of the terraces, balconies and roof.

The use and enjoyment of all limited common element by the Unit owner shall be subject to the terms and conditions found in the Declaration and By-laws in Section two of this plan.

The on site sanitary and storm sewer systems will be connected to the New York City combined 15" pipe which run beneath Bay 47th Street. Storm water runoff will be conveyed by the on site storm drainage system to on site drywells located at the rear of the property.

The Roof will have a ten (10) year No Dollar Limit warranty on materials provided by the manufacturer and a one (1) year warranty on construction materials and workmanship provided by the sponsor.

There will not be a reserve for the replacement of the roof at the end of its expected life span.

All amenities will be fully operational as of the date of commencement of condominium operation.

III. LOCATION AND AREA INFORMATION

The property is located in Brooklyn at 73 Bay 47th Street near Harway Avenue in the Gravesend Section. The condominium is new construction built on a 7,733 square foot parcel of land. The building lies within residential zone district R5. The New York City Zoning Resolution permits residential building use such as this as of right. The building under construction can be built under this zoning as of right, no special approvals are required.

There are small shops near the site and additional local shopping within a three block radius. There are several established condominium developments nearby. The Sponsor does not own any adjacent property or any property in the vicinity of the development. While sales are continuing, should there be a public announcement of the development of any project that will be adjacent to or directly across from the property, such project must be disclosed within thirty (30) days after the information becomes known in an amendment to the offering plan. This will also be highlighted as a special risk.

The Condominium site is in a developed urban area with public transportation, schools, religious facilities, police and fire departments all located in close proximity to the Site. The Condominium faces a public street which is and will be maintained by the City of New York and the Development has the benefit of gas, water and electrical service.

The Site is located ¼ mile from the Belt Parkway a major travel route.

The D train subway line is located at Bay 50th Street and Avenue X which is four blocks away. The number 64 bus runs along Harway Avenue one block away. The number 28 and 38 express buses run along Cropsey Avenue which is three blocks away from the site.

The Coney Island Hospital at 2601 Ocean Parkway is one mile from the site. The 68th Police Precinct at 333 65th Street is two miles from the site. There is a fire/emergency services unit located on Cropsey Avenue four blocks from the development.

Public School 721 located at 64 Avenue X is four blocks away as is the John Dewey High School at 50 Avenue X. There are a number of private schools in the area.

The site is located within FEMA Map Panel number 3604970353F which is in an "Unshaded X" area. which is an area determined to be outside the .02% annual chance floodplain. The site will not transition to a higher risk zone under the proposed FEMA remapping.

The property is not located within a FEMA flood zone. There is no current flood insurance on the property.

SCHEDULE A
OFFERING PRICE AND RELATED INFORMATION
FIRST YEAR OF OPERATION
73 BAY 47TH STREET CONDOMINIUM
COMMENCING JANAURY 1, 2018 THROUGH DECEMBER 31. 2018

	Number of bedrooms and baths (1)	Habitable square footage of unit (1)	Non Habitable square footage of unit *	Offering price (4)	Percentage of common interest (2)	Monthly common charges (5)	Projected Monthly real estate taxes (6)	Projected Annual real estate taxes	Projected monthly charges
1A	2 bedroom, 2 bath, duplex	950 sq. ft.	954 sq. ft. cellar	$ 850,000	12.97%	$ 343.71	$ 564.00	$ 6,768.00	$ 907.71
2A	2 bedroom, 2 bath, 2 balconies	919 sq. ft.	front balcony 37 sq. ft. rear balcony 37 sq. ft.	$ 800,000	6.73%	$ 178.35	$ 293.00	$ 3,516.00	$ 471.35
3A	3 bedroom, 2 bath duplex, 1 balcony, 3 roof terraces	1,113 sq. ft.	3rd floor bal. 37 sq. ft. terrace 146 sq. ft. 4th floor Terraces 160 sq. ft.; 119 sq. ft.	$ 850,000	10.74 %	$ 284.61	$ 468.00	$ 5,616.00	$752.61
1B	2 bedroom, 2 bath, duplex	942 sq. ft.	895 sq. ft. cellar	$ 750,000	12.51%	$ 331.52	$ 544.00	$ 6,528.00	$ 875.52
2B	2 bedroom, 2 bath, 2 balconies	943 sq. ft.	front balcony 37 sq. ft. rear balcony 37 sq. ft.	$ 675,000	6.93%	$ 183.65	$ 302.00	$3,624.00	$485.65
3B	3 bedroom. 2 bath, duplex 1 balcony 3 roof terraces	1,181 sq. ft.	3rd floor bal. 37 sq. ft. terrace 144 sq. ft. 4th floor Terraces 204 sq. ft.; 118 sq. ft.	$ 750,000	11.48 %	$304.22	$ 499.00	$ 5,988.00	$ 803.22
1C	2 bedroom 2 bath, duplex	955 sq. ft.	944 sq. ft. cellar	$ 825,000	12.93%	$342.65	$ 562.00	$ 6,744.00	$ 904.65

	Number of bedrooms and baths (1)	Habitable square footage of unit	Non Habitable square footage of unit *	Offering price (4)	Percentage of common interest (2)	Monthly common charges (5)	Projected monthly real estate taxes (6)	Projected annual real estate taxes	Projected monthly common charges
2C	2 bedroom 2 bath 2 balconies	964 sq. ft.	Front balcony 37 sq. ft. Rear balcony 37 sq. ft.	$880,000	7.07%	$ 187.36	$ 308.00	$ 3,696.00	$ 495.36
3C	3 bedroom 2 bath, duplex 1 balcony 3 roof terraces	1,160 sq. ft.	3rd floor balcony 37 sq. ft. terrace 146 sq. ft. 4th floor Terraces 206 sq. ft., 118 sq. ft.	$825,000	11.36%	$ 301.04	$ 494.00	$ 5,928.00	$ 795.04
P-1	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
P-2	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
P-3	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
P-4	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
P-5	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
P-6	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
P-7	Outside parking	153 sq. ft.		$ 30,000	1.04%	$ 27.65	$ 45.28	$ 543.36	$ 72.93
TOTAL		10,198 sq. ft.	4,487 sq. ft.	$ 7,415,000	100.00%	$2,650.66	$4,350.96	$52,711.52	$7,001.62

The square footage of the cellars, balconies and terraces are considered uninhabitable areas which may not be used as a bedroom or living room and to do so may result in a building code violation being issued for the building.

FOOTNOTES TO SCHEDULE A

1. Bedrooms and baths are according to N.Y.C. zoning room count. For a complete description of the unit layouts consult the description and floor plans in part two of this Offering Plan. The physical dimensions of each unit consists of the area enclosed vertically from the top of the concrete or wood flooring to the underside of the concrete or sheetrock ceiling and (b) horizontally to the center line of demising walls between units; to the centerline of non-structural common walls; to the inside face of common structural walls or elements; and to the outside face of exterior walls. The square footage of each unit is not based upon measurements from interior surfaces of interior walls and includes unusable space such as partitions and walls; the actual area comprising the condominium unit is less than listed in Schedule A. Doors and windows which open from a Unit and interior walls of a Unit shall be deemed to be part of the Unit. The usable floor area of the units is significantly less than the above calculated square footage.

2. The percentage of common interest are calculated on floor space, subject to the location of such space and additional factors of relative value to other space in the condominium for each condominium Unit pursuant to New York State Real Property Law Section 339-i(1)(iv).

3. There are seven on-site parking spaces. Owners will be able to park on the surrounding public streets.

4. The total cash purchase prices are subject to change. The prices and terms are negotiable. See "Changes in Prices or Units" for an explanation of any price changes. Please note that prices are negotiable; see "Closing Costs and Adjustments" on page 34 for a description of closing costs. For the units priced at $ 675,000 and $ 850,000, these would total approximately $18,277; and $ 22,545 respectively; plus additional closing costs if purchaser obtains a mortgage, including escrow and attorneys fees, plus working capital of two months maintenance per unit and adjustments.

5. The sponsor at this time is not offering or procuring mortgage financing. If the purchaser obtains financing, debt service on such financing will be an additional monthly expense. As set forth on page 23 of this offering plan under the Procedure to Purchase Section, the purchase is contingent upon financing.

Purchasers should note that monthly carrying charges do not include certain housing costs for which the unit owner is generally responsible such as repairs to the interior or the unit, and separately metered gas and electricity for cooking, lighting and air conditioning and heating. Projections for individual gas and electricity usage set forth and explained in Schedule B-1.

6. After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit owner will not be responsible for the payment of, nor will the Unit owner be subject to, any lien arising from the non-payment of taxes on other Units. Under the current tax law, real estate taxes paid on a personal residence are tax deductible as an itemized deduction on personal tax returns.

The amount deductible for taxes may vary depending upon the circumstances of the individual purchaser.

At the present time the development site is vacant land. The City of New York has not yet reassessed the site from its prior use as a two-family house. The property is in the process of being reassessed as vacant land. When the construction of the condominium is complete, the property will again be revaluated.

The building upon completion will become a Class 2C property which is defined as a 2-10 unit condominium. As a Class 2C property the assessed value is 45% of the effective market value. The effective market value is the not the same as the sales prices of the units. The effective market value is the market value as adjusted by what is known as an 8-30% limitation. The property value can only be increased a certain amount year over year.

It is estimated that the building upon completion will have an effective market value of $900,000 and an assessed value of $405,000 for the entire building. Based upon a current real estate tax rate for Class 2C property of 12.892%, the building will have an overall yearly real estate tax of $52,711.52.

Once the condominium is established, the Department of Finance usually apportions the overall building taxes by the percentage of common interest each unit will have. The individual tax rates in Schedule A are based upon percentages of common interest and the above projected post construction assessment and tax rate.

The City of New York has the ability to change the tax rate or the method of assessing taxes at any time.

The projected tax deduction (where applicable) may vary in future years due to changes in the interest rate on the Unit owners mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in assessed value, the tax rate or the method of assessing real property.

7. The projected monthly carrying charges are a combination of the monthly common charges as found in the Schedule B projected budget and the projected real estate taxes for the unit. The projected monthly carrying charges do not include gas, electricity, cable, internet etc. for the unit or mortgage servicing if the owner decides to take out a mortgage on the unit.

SCHEDULE B
PROJECTED BUDGET FOR THE
FIRST YEAR OF OPERATION OF THE
73 BAY 47TH STREET CONDOMINIUM
FOR THE CALENDAR YEAR
JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

Income

Common Charges	$ 31,808.	

Expenses

Labor	-0-	(1)
Heating (natural gas)	-0-	(2)
Utilities (electricity)	560	(3)
Water charges and sewer rent	5,198	(4)
Building repairs and maintenance	2,000	(5)
Landscaping	400	(6)
Insurance	6,300	(7)
Asphalt repair	1,200	(8)
Snow Removal	1,500	(9)
Legal Fees and Audit Fees	3,000	(10)
Management	-0-	(11)
Service Contracts	6,000	(12)
Asphalt replacement reserve	450	(13)
Contingency Fund	2,000	(14)
Yearly Reserve Fund	3,200	(15)
TOTAL	$ 31,808	

In the event that the actual or anticipated date of commencement of condominium operation is delayed more than six (6) months from the budget year projected above, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projection by twenty-five percent (25%) or more, the sponsor must offer all purchasers the right to rescind and a reasonable 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 must return any deposit or down payment to purchasers who rescind within a reasonable period of time. Sponsor may not declare a plan effective where there are material changes to the budget if these changes have not been disclosed by a duly filed amendment to the offering plan.

Sponsor anticipates the first closing to occur on or about January 1, 2018. If the actual or anticipated date of commencement of operation of the condominium exceeds twelve (12) months after the commencement date above or more than twelve (12) months after the effective date of the purchase agreement, a right of rescission will be offered all purchasers.

Purchaser should also note that even if the first closing occurs on or before the date projected as the date of commencement of operation of the condominium (January 1, 2018, as of the date of the offering plan) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITYOF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the unit on or about the date of the proposed closing in the Purchase Agreement, at Purchaser's request, all monies advanced by Purchaser shall be returned to Purchaser with interest, if any, and neither party shall have any rights against the other.

FOOTNOTES TO SCHEDULE B

This estimate of operating expenses and income has been certified by the Sponsor's expert estimates based upon operation of comparable developments in the New York City Area. It cannot be construed as an assurance of the final expenses and is merely based upon information available at this time. These amounts may vary due to changes in operating expenses

1. LABOR. The Sponsor will retain a janitorial service approved by the Department of Buildings which will be available on a twenty-four hour a day basis. The condominium will not have any permanent employees. Rather than a doorman, there will be a video buzzer type annunciator for the front door with an automatic lock. This level of staffing complies with all applicable housing and labor laws. Should the condo board decide to hire a superintendent or managing agent in the future, the budget may increase up to 20% to cover his services.

2. HEATING. Each unit will have its own heating and hot water boilers. There is no separate heating system for the building as a whole. Please refer to Schedule B-1 for individual heating costs provided by Roberts Plumbing 92 Conklin Avenue, Brooklyn, N.Y. 11236

3. UTILITIES. Each unit will be separately metered for gas usage of the range and dryer. Each unit will be separately metered for electrical usage for lighting, appliances and unit air conditioners. The estimates supplied by the utilities are provided in Schedule B-1. The common area electricity will include 6 LED walkway lights, 2 LED lights for the parking lot, lighting in the stairways, lighting adjacent to the entrances at the front of the building, and lights in the two meter rooms. Estimate dated September 28, 2016 supplied by Mac Electric 8023 New Utrecht Avenue, Brooklyn, N.Y. 11214 estimates that the yearly cost of maintaining the lights would be $560.00. The estimate is based upon 1,400 watts at a yearly cost of $.40 per watt. This figure includes applicable sales tax of 8.875% and a 10% inflation factor.

4. WATER CHARGES AND SEWER RENTS. The water and sewer charges will be assessed for the entire building. Estimate of total water and sewer charges for the development dated September 26, 2016 was supplied by Roberts Plumbing 92 Conklin Avenue, Brooklyn, N.Y., 11236. Estimate based upon usage of 40 gallons a day per person with thirty people in the development (three people in each two bedroom, four people for each three bedroom) 436,800 gallons yearly usage at $8.90 per Hundred Cubic feet (748 gallons) combined water and sewer rate. Using these figures, we have a total cost of $ 5,198. per annum (584 HCF x $8.90).This figure includes a 10% inflation factor. There is no sales tax on water service.

5. REPAIRS, MAINTENANCE AND SUPPLIES. Since the condominium is new construction the Sponsor does not anticipate that normal repairs and maintenance will be excessive. A conservative estimate of $2,000 per annum based upon sponsor's prior experience has been made.

The first year repairs and maintenance will cover minor interior repairing of cracks, glass, hardware or painting of the entryway and common hallways as well as exterior repairs such as minor painting and brick pointing as well as minor concrete cracks.

6. LANDSCAPING. The building occupies the entire parcel except for the driveway to the rear parking area and the asphalt parking area itself. There will be a total of three trees in front of the building at the curb surrounded by small grass strips. The maintenance of these trees and grass strips should not exceed $400.00 per year. Estimate supplied by Forever Green Lawnscaping 622 Rockaway Street, Staten Island, New York. 10307.

7. INSURANCE.

Estimate dated September 30, 2015 supplied by Admiral Insurance Brokerage Corp. 5507 Avenue N, Brooklyn New York, 11234. This insurance coverage meets the requirements of any mortgage lender procured by Sponsor.

a. Based on Replacement Cost of Property Values of $ 1,500,000.
b. General Liability Limits of $1,000,000 CSL per occurrence and $2,000,000 Annual
c. Personal Injury Liability $1,000,000. per each occurrence
d. Water damage legal liability $1,000,000.

A $2,500 deductible applies. Coverage applies to entire structure excluding personal property of unit owners, and liability coverage applies to all common areas. Replacement cost is based upon $125.00 per internal square feet.
Projected annual premium $ 6,300.00

This insurance which includes public liability insurance as indicated will be obtained and will be in place prior to the first closing. This insurance is adequate to replace the building in the event of total loss and to avoid being a co-insurer in the event of partial loss.

The fire, casualty and general liability insurance must be on terms that provide (a) that each unit owner is an additional party insured; (b) that there will be no cancellation without notice to the Board of Managers; (c) a waiver of subrogation; (d) a waiver of invalidity because of the acts of the insured and unit owners; and (e) a waiver of pro-rata reduction if unit owners obtain additional coverage.

It is desirable for the individual owners to obtain additional insurance at their own cost to cover such risks as fire and casualty losses to the contents of their unit, and liability coverage for occurrences within their unit.

This quote covers water damage to the building itself. It does not cover damage to the personal property of the unit owners.

8. ASPHALT REPAIR The driveway and rear of the property which will be used for parking will have limited vehicular traffic. The sum of $1,200 should be sufficient to cover any yearly repairs required by water or snow. Estimate dated September 16, 2016 by Ultimate Pavers 85 Cameron Avenue, Staten Island, N.Y. 10305.

9. SNOW REMOVAL. Response Service Group, Inc. 137 Van Pelt Avenue, Staten Island, N.Y. 10303 supplied an estimate dated September 15, 2016. According to the estimate the seasonal snow removal for the parking area and driveway under normal snow conditions should be no more than $1,500 per season.

10. LEGAL FEES AND AUDIT FEES. The attorney for the Sponsor Sylvester Sichenze, Esq. has agreed to handle routine matters for the Condominium for the first year of operation for a flat fee of $1,500. The services covered by this fee are routine matters such as review of contracts, interpretation of the Declaration and By-laws and ordinary correspondence with the Managers, Unit Owners and any City Agency.

Annual review of the Condominium expenses, including certified financial statements while the sponsor is in control of the Board, and preparation of tax returns, based upon the written estimate dated September 26, 2016 by Leslie Fields124 East 40th Street, New York, NY 11016 will be $1,500. per annum.

11. MANAGEMENT. The budget does not provide for an outside management company. As noted in Special Risk # 4, and under footnote 12, there will be a janitorial service with a part time janitor. The employment of a management company will significantly increase the budget and the common charges paid thereunder.

The principal of the sponsor Mr. Mancini will manage the condominium until the operation of the condominium is taken over by the owner occupant's and the owner occupant's take control of the board of managers. Mr. Mancini will not be compensated for his services.

12. JANITORIAL SERVICE The Sponsor will retain a janitorial service approved by the Department of Buildings which will be available on a twenty-four hour a day basis. It is believed that the only labor required for a building this size with this configuration is that of one (1) part time janitor for cleaning the stairways, managing the garbage and performing routine repairs and maintenance such as replacing light bulbs, minor repairs and cleaning the side walk. This service is estimated to cost $500.00 per month. Due to the January 1, 2018 budget start date, no janitorial service has been contracted at this time. Service cost estimated by Ritz Property Management LLC, 5524 7th Avenue, Brooklyn, N.Y. 11220.

13. ASPHALT RESERVE. It is estimated that the paved driveway and parking area has a useful life of 15 years if maintained on a yearly basis. Resurfacing would cost approximately $1.50 per square foot or $6,750. for the area. A reserve of $450 per annum should be set up for future replacement. Estimate dated September 16, 2016 supplied by Ultimate Pavers 85 Cameron Avenue, Staten Island, N.Y. 10305.

14. CONTINGENCY FUND A contingency fund is a separate fund is intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses. This fund is separate and apart from the normal projected budget expenses and the reserve fund which is specifically earmarked for the inevitable capital repairs or replacements which will be required in the future.

15. YEARLY RESERVE FUND The Sponsor has determined that a separate fund for future capital repairs and improvements should be established. It will be funded yearly at 10% of the budget for that year. These funds shall be maintained in an account separate and apart from the yearly expenses. It shall be used exclusively for capital repairs in the future as needed. These funds shall not be used for normal yearly repairs and maintenance. The By-laws provide for such reserve fund in Article VII section 1.

The yearly reserve fund will be sufficient to pay for any major repairs or replacement items likely to be needed within the first five years of condominium operation.

There will be no other reserve funds budgeted except for the Contingency Fund and the Yearly Reserve Fund

SCHEDULE B-1

Estimated Individual Utility Expenses
For First Year of Operation
Commencing January 1, 2018

Expenses per unit

GAS for heating, domestic hot water and cooking

Unit	square footage	therms	yearly cost
1A	1,904	1,200	$ 2,304
2A	919	1,000	$ 1,920
3A	1,151	1,600	$ 3,072
1B	1,828	1,200	$ 2,304
2B	943	1,000	$ 1,920
3B	1,181	1,600	$ 3,072
1C	1,899	1,200	$ 2,304
2C	964	1,000	$ 1,920
3C	1,160	1,600	$ 3,072

Units 1A, 1B and 1C are two bedroom duplexes with open cellars. Units 3A, 3B and 3C are three bedroom duplexes.

Estimate provided by Roberts Plumbing, 92 Conklin Avenue, Brooklyn, N.Y. 11236 dated September 26, 2016. Estimate is based upon an 8 month heating season where the temperature is maintained at 70 for 16 hours per day and 60 degrees for the remaining 8 hours. The above estimate cost per therm is $1.92 which includes sales tax at 8.875% and a 10% inflation factor.

ELECTRICITY

Air conditioning, lighting and appliances

Unit	Square footage	KW-hrs/year	Yearly Cost
1A	1,904	3,400	$ 1,530
2A	919	3,000	$ 1,350
3A	1,151	3,800	$ 1,710
1B	1,828	3,400	$ 1,530
2B	943	3,000	$ 1,350
3B	1,181	3,800	$ 1,710
1C	1,899	3,400	$ 1,530
2C	964	3,000	$ 1,350
3C	1,160	3,800	$ 1,710

Estimate supplied by MAC Electric 8023 New Utrecht Avenue, Brooklyn, N.Y. 11214 dated September 28, 2016.

Estimate based upon a rate of $.40 per kilowatt hour. This includes a 10% inflation factor plus sales tax of 8.825%.; assumption of construction with double insulated glass, thermal barrier type windows, R-19 roof insulation and R-11 wall insulation.

Paul A. Leff

LICENSED REAL ESTATE BROKER
1573 RICHMOND ROAD
STATEN ISLAND, NEW YORK 10304

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

October 27, 2016

73 Bay 47th LLC
1152 85th Street
Brooklyn, N.Y. 11228

Re: The 73 Bay 47th Street Condominium

Gentlemen:

You have requested an opinion from us with regards to your allocation of common interest to units in your proposed condominium development called the 73 Bay 47th Street Condominium located at 73 Bay 47th Street, Brooklyn, N.Y. with section 339(i)(1)(iv) of the New York Real Property Law.

You have informed us that the Common Interest of each unit is allocated based on floor space, subject to the location of such space and the additional factors of relative value to other spaces 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.

We have reviewed the proposed Schedule A to the offering plan which sets out the square footage of units and the percentage common interest. The floor space and overall dimensions were calculated and provided by Schneider Associates, 866 Johnston Drive, Watchung, NJ in the Engineer's Report located in the proposed offering plan.

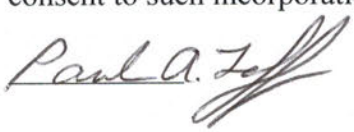
In our opinion, the percentage common interest as set forth in the offering plan is in compliance with Real Property Law Section 339(i)1(iv).

The undersigned has been a licensed real estate broker for over ten years specializing in new and converted condominiums in Staten Island and Brooklyn.

I have no financial or other beneficial interest in the Sponsor, or in the profitability of the project. I am neither the selling agent nor the prospective managing agent for the property.

This is an opinion only as to the relative value of each unit in relation to the value of the project as a whole; is strictly based on the information provided to us in such reasonable inquiries as to the validity thereof as we deemed appropriate under the circumstances; and, is not intended as a guarantee of the actual value of any individual unit.

You have advised me of your intention to incorporate this letter into the Plan and I hereby consent to such incorporation.



VI. CHANGES IN PRICES AND UNITS

The Units will be offered for sale at the asking prices reflected in Schedule A, plus the prices of any options selected by purchasers. The Schedule A offering prices may only be increased or decreased by a duly filed amendment to the plan when the change in price is an across the board change affecting one or more lines of Units or Unit models or is to be advertised or is an individually negotiated increase.

However, Sponsor may enter into an agreement with a purchaser to sell one or more Units at prices different from those set forth in Schedule A since the prices are negotiable.

No change in the price of a Unit will vary the estimated annual Common Charges for that Unit or its percentage of interest in the Common Elements. Pursuant to this paragraph, purchasers may pay different prices for similar interests.

The Sponsor also reserves the right to substitute for any of the materials specified in Part II Description of property, materials of equal or superior quality in the construction or design of the Condominium due to the unavailability of materials or as may be authorized, approved or required by the lending institution or municipal authorities having jurisdiction there over.

No changes 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 sponsor for that Unit and is in effect.

Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of common elements.

VII. INTERIM LEASES

The sponsor may, at Sponsor's option extend an interim lease to any purchaser who has executed a contract of sale for a unit in the subject premises and is not in default thereon. It shall be in the Sponsor's sole and exclusive discretion as to whether or not to offer an interim lease. The Sponsor may for any, or for no reason refuse to offer an interim lease to any purchaser. Interim leases or short term leases shall not be offered to any party who has not executed a Purchase Agreement for a unit.

The interim lease shall not create a landlord-tenant relationship but shall be deemed a use and occupancy agreement and a part of the contract. No rental protection laws are applicable to the interim lease. The interim lease will provide that in the event the contract is cancelled, or the plan is abandoned the interim lessee will move out on 30 days written notice. The interim lease

will further provide that an uncured default under the purchase agreement is a default under the interim lease, and that an uncured default under the interim lease is a default under the purchase agreement.

Notwithstanding the foregoing, before the Sponsor can utilize a default under the interim lease to declare a default under the purchase agreement, the Sponsor must either obtain a order from a court or agency of competent jurisdiction against the interim lessee; unless the interim lessee has vacated the unit. An interim lessee has 30 days to vacate the unit after receipt of written notice of a default; after delivery to the Sponsor of written notice of exercise of right of rescission; or after delivery to the purchaser of written notice that the Plan has been abandoned.

V11I. PROCEDURE TO PURCHASE

A. Any person may accept Sponsor's offer to sell the Units by entering into a Purchase Agreement with the Sponsor. The agreement provides that the purchaser will purchase from the Sponsor a designated Unit in the Condominium described in the Declaration creating such Condominium.

Purchasers will be afforded, at the Sponsor's sole option, either (i) no fewer than three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or (ii) a period of no fewer than seven days subsequent to the execution of the Purchase agreement to rescind the purchase agreement.

Upon signing the Purchase Agreement the purchaser shall make a down payment of 10% of the total price of his Unit plus the cost of special work ordered by the Purchaser. At the closing, upon full payment of the purchase price in cash or by mortgage, the purchaser will receive a bargain and sale deed with covenants against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title of fee ownership in the Unit and such percentage of common interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in the Plan. The purchase agreement may be modified with the consent of the purchaser and the Sponsor in a manner not inconsistent with law subject to the terms of the Plan.

Purchaser obligation to purchase is contingent on obtaining financing. Such contingency is provided for in the purchase contract in Part II exhibit A.

The purchase agreement in Part II at A-3 of this offering plan is contingent upon the purchaser receiving a mortgage commitment within forty five days after the purchase agreement has been fully signed and delivered to the purchaser. The Seller may extend the time period for an extra sixty days. In the event that 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 the purchaser a right of rescission and a reasonable period of time to exercise the right.

Under New York law, when a mortgage contingency is not fulfilled through no fault of purchaser, performance is excused. Sponsor may not condition purchaser's obligations upon obtaining a commitment. If purchaser acts in good faith and lender revokes commitment after the contingency period expires, performance is excused.

The purchaser shall notify the Seller within five business days of the receipt by Purchaser of approval or disapproval of the mortgage application. In the event that the mortgage application is not approved, the Seller will refund the down payment and unexpended sums for special work ordered by the Purchaser within ten days of receiving notice of such non approval.

Once a mortgage commitment is obtained, it is the obligation of the Purchaser to keep the mortgage commitment in full force until the closing of title. The Purchaser must make a good faith effort to fulfill all requirements of the lending institution in order to maintain and extend the commitment, if necessary. If the Purchaser willfully takes action or fails to take action which results in the lender withdrawing the commitment, the Purchaser shall be required to close title or his deposit shall belong to Seller. Willful action or non-action would encompass such things as failure to meet reasonable requests by the lender for documentation required to maintain the commitment or purposely changing purchaser's financial profile so as to disqualify the purchaser for the mortgage already committed. In the event that the financing commitment lapses or expires prior to the closing and the purchaser has made a good faith effort to extend the commitment, the sponsor will grant the purchaser a right of rescission and thirty days to exercise the right.

Prospective purchasers must sign three duplicate original purchase agreements and forward them along with the down payment to Sponsor's attorney. Within fifteen days after a purchaser delivers the executed purchase agreements together with the required deposit, the sponsor must either accept the purchase agreements and return two fully executed counterparts to the purchaser or reject the purchase agreements and refund the full deposit previously tendered. If the sponsor takes no action within the above time period, the purchase agreement shall be deemed rejected.

B. THE ESCROW FUNDS

1. The Escrow Agent:

The law firm of Paul A. Leff, Esq. with an address of 1573 Richmond Road, Staten Island, New York, telephone number (718) 667-7111, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Paul A. Leff, Esq. The designated signatory is 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.

2. The Escrow Account:

The Escrow Agent has established the escrow account at TD Bank, located at 8201 Fifth Avenue, Brooklyn, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The Escrow Account is entitled "Paul A. Leff, Esq. Attorney Escrow Account IOLA" ("Escrow Account"). The Escrow Account in 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 by Purchaser shall be in the form of checks and shall be made payable to or endorsed by the Purchaser to the order of Paul A. Leff, as Escrow Agent.

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

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

3. The Escrow Agreement:

The Escrow Agreement is attached as Section G in Part II of the Plan. The Escrow Agreement must be executed by the Sponsor, Purchaser and Escrow Agent.

4. 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 Escrow 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 the tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the

Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

5. 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 section 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 sections 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to the 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 the 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 statues and regulations.

6. Waiver Void

Any provisions of any Purchase Agreement or separate agreement whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL sections 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 thereof.

C. GENERAL TRUST FUND PROVISIONS

(a) The escrow agent shall maintain all records concerning the escrow account for seven 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.

(b) Nothing contained herein shall diminish or impair the sponsor's statutory obligation to each purchaser pursuant to GBL Section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such purchaser. Consummation of the plan does not relieve sponsor of its obligations pursuant to GBL 352-h. Funds from the escrow account remain the property of the purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the sponsor or the escrow agent upon any bankruptcy, incapacity or death.

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

D. MISCELLANEOUS PROVISIONS CONCERNING PURCHASES

(1) The Sponsor anticipates the first closing of a unit will occur on or about January 1, 2018. In the event that the closing is delayed by the Sponsor for twelve months or more, purchaser will be offered rescission of the contract of purchase.

The Sponsor is not limiting the condition under which it will rent rather than sell Units. There is no commitment to sell more units that the 15% necessary to declare the plan effective. There are no construction loan contingencies which would affect the sponsor obligation to sell or rent the Units.

(2) After the Plan has been declared effective the Sponsor will fix dates for closing title to all units for which purchase agreements have been executed by serving notice on each purchaser stating the date of the first closing and setting such purchaser's closing date. Such notice shall be served no less than thirty (30) days before the date set for the closing of the units. Sponsor may permit purchasers to waive this thirty (30) day provision by including such waiver in this plan or in an amendment thereto.

(3) The Sponsor is obligated to make written demand for payment after default by purchaser and afford the purchaser a thirty day period to cure said default prior to the purchaser forfeiting any money paid under the purchase agreement.

As set forth in the Purchase Agreement under Section 13 Default of Purchaser, TIME IS OF THE ESSENCE. As explained under that section, the dates set forth for the Purchaser to perform certain obligations under the Purchase Agreement are fixed and there are potential penalties if those dates are missed. Please review that section for details.

(4) The purchasers will be afforded, at the Sponsor's sole option, either (i) no fewer than three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or (ii) a period of no fewer than seven days subsequent to the execution of the Purchase agreement to rescind the purchase agreement.

(5) The risk of loss or damage to the unit by fire or any other cause until the delivery of the deed is assumed by the SPONSOR, provided that the PURCHASER has not taken possession of the premises, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, the purchase agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or received a credit against, or abatement in, the purchase price and sponsor shall be entitled to a reasonable period of time within which to complete the repairs or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the declaration has heretofore been recorded, belong entirely to the Sponsor and, if such proceeds are paid to purchaser, purchaser shall promptly upon receipt thereof turn them over to sponsor.

In the event sponsor notifies purchaser that it does nor elect to repair or restore the Unit, or, if the declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, the purchase agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to purchaser all sums deposited by purchaser, together with interest thereon, if any, and neither party shall have any further rights, obligations or liability to or against the other under the purchase agreement or the offering plan, except that if purchaser is then in default under the purchase agreement (beyond any applicable grace period), sponsor shall retain all such sums deposited by purchaser, together with any interest earned thereon, as and for liquidated damages.

The Sponsor will notify the purchaser within thirty days of discovering the damage whether or not the damage from casualty will be repaired.

A person who takes possession prior to closing assumes the risk of loss not covered by insurance.

(6) The purchasers shall sign a power of attorney to the Board of Managers of the Condominium. This power shall be executed at the closing of title to the unit purchased by the purchaser and recorded simultaneously with the Deed to said unit.

The power of attorney located in Part II Section B of this Plan authorizes the Board of Managers to act on behalf of the purchaser to acquire and sell or lease a unit which is abandoned or the subject of a foreclosure sale.

(7) Any conflict between the plan and the purchase agreement will be resolved according to the terms of the plan.

(8) The purchase agreement and plan may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating sponsor's obligations under Article 23-A of the GBL.

NONASSIGNABILITY OF PURCHASE AGREEMENT

The Sponsor will not permit the assignment or transfer of purchase agreements. Any assignment or transfer of the purchase agreement without the prior written approval of the Sponsor will cause the termination of the purchase agreement and the return of the down payment if the purchaser is not otherwise in breach of contract.

EFFECTIVE DATE OF PLAN

Sponsors' offer to sell is contingent upon the plan being declared effective and compliance with the relevant conditions and time periods hereinafter set forth.

The closing of the first unit by the sponsor may not occur before the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The plan may be declared effective by (i) an amendment to the Plan or (ii) by personal service of notice on every purchaser or by commencement of service by mail in the manner required by the regulations stating that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specific date. The amendment must conform to section 20.5(e) of the regulations. The closing of the first unit shall not occur until the plan is declared effective and the effectiveness amendment id accepted for filing by the Department of Law.

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 units (2 units). Ancillary units such as parking units may not be counted towards effectiveness.

The Plan will not be declared effective based upon purchase agreements:

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

(b) if the purchaser was not afforded (i) not fewer than seven (7) days after delivering an executed purchase agreement together with the required deposit to rescind the purchase agreement and have the full deposit refunded promptly or (ii) not fewer than three (3) business days to review the offering plan and all filed amendments prior to executing a purchase agreement. See Section 20.3(o) (15) of the regulation); or

(c) 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 to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the sponsor or a principal of the sponsor may be included if the sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide.

The plan must be declared effective when purchase agreements have been accepted by sponsor for eighty percent (80%) or more of the units (8 units) offered under the plan.

Notwithstanding the fact that not all purchasers used for purposes of declaring the plan effective may actually close, sponsor will re-declare the plan effective if all purchase agreements are either rescinded or terminated prior to the date of the first unit closing, regardless of whether the condominium declaration has been recorded.

The plan may be abandoned by the sponsor, at its option, before it is declared effective. If the offering plan is to be abandoned after filing and the sponsor has accepted purchase agreements, the sponsor shall promptly submit an amendment to the Office of the Attorney General together with form RS-3 as promulgated by the Office of the Attorney General. If payments under purchase agreements have been received, the amount of such funds and the manner and time when such funds will be returned to purchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding purchase agreements the sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the sponsor on all commercial or professional tenants, if any.

The plan may be declared effective by filing an amendment to the offering plan. All purchasers shall be identified by name, address, unit purchased, purchase price exclusive of extra features and total purchase price. No closings will be held until the effectiveness amendment has been accepted for filing.

Sponsor also agrees to submit to the Department of Law, if requested, copies of all purchase agreements (and any amendments or modifications) within five (5) business days after the request is made.

The sponsor may not abandon the Plan after the effectiveness amendment is filed for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering, or (ii) substantial damage or destruction of the buildings by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects 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.

Sponsor cannot abandon the Plan for any judgments or liens against the property resulting from acts of the sponsor or any of its principals or which are known to the sponsor on the date of the Plan.

IX. TERMS OF SALE

The form of deed to be delivered to a Unit owner at closing of title to his unit shall be a Bargain and Sale Deed with covenants against grantor's acts in proper form for recording. A form of unit deed is contained in Part II of the Plan.

Closing of title is the actual transfer of ownership of the condominium unit by Sponsor to the purchaser following the contract of sale. Purchaser will receive not less than thirty (30) days written notice by Sponsor prior to the closing date.

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 this plan and the proposed unit deed.

The Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchase's Unit. In the event the damage is extensive and renders the Unit uninhabitable, either the sponsor or the purchaser may cancel the contract of sale and receive a full refund of the down payment. The Seller will notify the Purchaser within thirty days of discovering the damage whether or not the damage from a casualty will be repaired.

A date for the closing of title will be set by the Sponsor in accordance with the Purchase Agreement. The closing of title to the first Units are expected to commence on or about January 1, 2018. Closings will only take place after or simultaneously with the happening of the following events:

1. The issuance of a temporary or permanent Certificate of Occupancy to the Unit or Building in which the Unit is located and any other necessary permits or certificates.

A temporary certificate of occupancy certifies that the Unit is habitable and that all systems are functioning but that some work remains to be done prior to the building department issuing a permanent certificate of occupancy. The temporary certificate of occupancy runs for a period of 90 days and must be renewed by the Seller until the permanent is obtained. Sponsor projects it will obtain a permanent certificate of occupancy for the building within one year after the date of the first closing.

2. The Sponsor has obtained a mortgage of $775,000 on the property from Citibank. This mortgage will either be satisfied in full at the first closing or the units will be released from this mortgage as they close.

3. Recordation and filing of the Declaration, By-laws, floor plans for the Condominium and such other documents as required by law, in accordance with the New York Condominium Act or applicable state and local law in the office of the Kings County Register.

4. As required by Real Property Law Section 339-r, the discharge or partial release duly recorded of all liens affecting the unit to be closed except any mortgage requested by the purchaser at the time of closing representing a mortgage taken by the purchaser.

5. The purchaser being served with a written notice of the closing date at least thirty days in advance and opportunity to inspect the unit and other property subject to the declaration.

6. Amendment of the plan by sponsor to disclose that it has been declared effective and to confirm that any units to be closed have been constructed in accordance with any applicable plans and specifications and sponsor has complied with the requirements of the applicable regulations.

7. The purchaser shall execute an instrument in the form provided in Part II of this offering plan designating the Board of Managers as his attorneys in fact, coupled with an interest for the purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any homes acquired by the Board of Managers in accordance with any of the provisions of the By-laws and for purposes consistent with the implementation of the offering plan.

8. Purchaser or the Board of Managers shall receive subcontractors' warranty certificates for heating, plumbing, roofing and appliances relating to the purchaser's Unit or the Common Elements respectively, if any, to the extent made by such manufacturers and subcontractors and to the extent such warranties are assignable.

9. If so requested by the purchasers, a title insurance company licensed to do business in New York State shall agree to insure that such purchaser has good and marketable fee title in the Unit, free and clear of all liens and encumbrances except those set forth in the offering plan, and subject to the provisions of the Declaration and By-laws and any mortgage executed by the purchaser and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law. The title company will affirmatively insure that none of the easements, covenants and agreements affecting title to the unit will affect the use of the premises as a condominium.

The Unit Owner, at his option, may purchase title insurance covering his interest in the Unit. Title to the Unit will be subject to the following:

(1) State of facts of the property as shown on a survey and any additional state of facts which a subsequent survey would show provided such additional state of facts would not render title unmarketable.

(2) Sewer, water, drainage, electric, plumbing, heating, gas telephone, cable television and other utility easements or consents, if any, granted or which may be granted hereafter.

(3) All of the terms, covenants and conditions of the Declaration, the By-laws, and the Building Plans as filed or recorded and the Offering Plan and amendments thereto.

(4) All easements set forth in the By-laws and the Declaration as they are subsequently recorded and in the Offering Plan and Purchase Agreement including:

(a) Easements in favor of the Owners of other Units to use the pipes, wires, conduits, cable television and public utility lines located in the Common Elements or in the Units itself servicing such other Units and easements of necessity in favor of the other Units and/or the common elements;

(b) Easements in favor of the Board of Managers, its agents, contractors and employees to have a right of access to the Unit and to the Common Elements to inspect, maintain or repair or to make repairs to the Unit to prevent damage to the Common Elements or any other Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit;

(c) Easements in favor of those Units having restricted use to portions of the Common Elements;

(d) Easements for the continuance of encroachments on the Unit or on the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or such other Units or such Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain so long as the Building within which the Unit is located shall stand.

(e) Easements in favor of the Sponsor for sale and construction purposes.

(5) Covenants, restrictions, easements, charges and liens applicable to the Condominium and the Common Properties upon the filing in the Kings County Registrar, prior to the transfer of title to the first Unit, of the Declaration of Covenants, Restrictions, Easements, Charges and Liens governing the Properties together with the By-laws annexed to and made part of said instrument.

The Sponsor has been advised by its counsel that in Counsel's opinion, none of the exceptions to title hereinabove set forth are contrary to the terms of the Purchase Agreement, nor do they interfere with the quiet use and enjoyment of the purchaser's Unit as represented in this Offering Plan.

(6) All personal property located within the unit on the date the purchase agreement is signed or located within the common elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance unless specifically excepted in this offering plan.

(7) The amount of real estate tax escrow will be disclosed in the first post closing amendment.

X. UNIT CLOSING COSTS AND ADJUSTMENTS

At the time of title closing, the Purchaser will pay the following costs and expenses which rates are as of the date of this plan and subject to change without notice. The costs for a typical unit sale of $675,000 and $ 850,000, the costs would be as follows:

(a) Title insurance	$ 3,215	$3,911	(1)
(b) Recording Deed	400.	400	(2)
(c) Recording Power of atty	200.	200	(2)
* (d) State and City transfer taxes	12,544.	15,796	(3)
(e) Recording Mortgage	400.	400	(2)
(f) Mortgage Title Insurance	368.	480	(1)
(g) bank atty and misc bank charges	1,000.	1,000	(4)
(h) mortgage tax	11,745.	14,790	(5)
(i) capital contribution	368.	688	(6)
(j) preparation of condo papers	1,150.	1,150	(6)
Total	$ 31,390	$ 38,815	

The above mortgage costs are based upon an 80% thirty year mortgage ($540,000 and $680,000. respectively) and do not include such things as points or mortgage broker fees if applicable.

(1) The title and mortgage insurance are based upon statutory charts which control the amount of these expenses. The charge is based upon the size of the purchase price and the size of the mortgage.

The chart used to determine the rates is as follows:

On policies up to $35,000. the title insurance is $402. and the mortgage insurance is 343. Above $35,000 for each $1,000 or part thereof add as follows:

Up to	owner	mortgage
35,001-50,000	$ 6.67	$ 5.55
50,001-100,000	5.43	4.54
100,000-500,000	4.36	3.64
500,000-1,000,000	3.98	3.31
1,000,000-5,000,000	3.66	3.05

When owners and mortgage policies are being issued pursuant to the same closing, the mortgage policy shall be issued at a reduced rate known as the simultaneous mortgage rate. A simultaneous mortgage policy is charged at 30% of the applicable mortgage rate up to the amount of the owner's policy

The Purchasers are free to use the title insurance company of their choice at no additional fee to the sponsor

(2) New York City requires the payment of general filing fees in order to record the deed, mortgage and power of attorney. These fees are in addition to the New York City and New York State Transfer Taxes and the Mortgage Tax. The schedule at the top of the preceding page lists the approximate amount of these recording fees. The recording fees are standard charges imposed by the Kings County Clerk's office to record the various papers which must be on file in the Clerk's office.

(3) As noted as special risk #3 on page (i) the purchaser will be required to pay the transfer taxes which are ordinarily a seller expense. The fee imposed upon a purchase of more than $500,000 is 1.425% to New York City and .4% to New York State.

This tax is a flat tax based upon the sales price. The following is an example:

Sales price	City Tax	State Tax	total
$ 675,000	at 1.425%= 9,619	at .4%= 2,700	$ 12,319.
750,000	at 1.425%= 10,688	at .4%= 3,000	$ 13,688.
850,000	at 1.425%= 12,113	at .4%= 3,400	$ 15,513.
900,000	at 1.425%= 12,825	at .4%= 3,600	$ 16,425

* Where the Purchaser pays transfer taxes which are ordinarily a Seller's expense, the taxing authorities consider such tax paid as additional consideration. The actual transfer tax due is based upon the "grossed-up" selling price which includes the transfer tax as additional consideration. The chart includes such "grossed-up" amount.

(4) In the event a purchaser does obtain a mortgage in order to purchase a unit, there will be various bank charges. The bank charges will vary depending upon the type of loan and the requirements of the particular lending institution involved. They include bank attorney fees and such things as inspection and processing fees.

(5) The mortgage tax which is payable by the purchaser is 2.175% above $500,000 of the mortgage and is imposed by statute. The figure provided is based upon a $ 540,000 or $ 680,000 mortgage and will change if the mortgage amount is changed. As an example

Mortgage	percentage tax	tax
$ 540,000	2,175%	$ 11,745.
$ 600,000	2,175%	$ 13,050
$ 650,000	2,175%	$ 14,138
$ 680,000	2,175%	$ 14,790
$ 700,000	2,175%	$ 15,225

Furthermore, purchasers obtaining mortgage loans may be required to escrow with the mortgagee sufficient monies to pay the real estate taxes, insurance, sewer, water, or other items next coming due (the amount of such escrow cannot now be determined and will depend on the number of months remaining between the closing of title and the date these amounts are next due to be paid and the estimated amounts then payable, as well as the discretion of the mortgagee).

To the extent the above escrow is not required by a purchaser's mortgagee, or if purchaser does not have a mortgage, if units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor must place in escrow in the name of the Board of Managers an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing or until the units are separately assessed, whichever is shorter. The Board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the sponsor is entitled to a pro rata reimbursement from unit owners.

(6) Purchasers shall also be required to pay two months maintenance as working capital. This amount shall be used to reimburse the sponsor for any prepaid expenses of the Condominium, if any. The working capital shall be turned over to the Board of Managers at each closing of unit owners. This working capital will not be used to reduce common charges. It is anticipated that there will be a surplus working capital after the sponsor's reimbursement of prepaid expenses. It is impossible at this time to estimate the amount of such surplus.

For individuals seeking mortgages in excess of 80% of the sales price, private insurance may be necessary at additional costs, which may include 1/2% of the mortgage at closing plus 1/4% each year until the mortgage principal reaches the level of 80% of the purchase price.

The Purchaser shall pay the sum of $1,150.00 to the Seller's attorney for the preparation of the condominium transfer papers.

The transfer taxes which are ordinarily paid by the Seller are paid by the Purchaser under this Offering Plan and purchase agreement. New York City considers this payment by purchaser additional consideration upon which a transfer tax is due. The figures at the beginning of this section are based upon such "grossed-up" consideration. If such "grossed" consideration exceeds $1,000,000 by virtue of the purchaser's payment of the state and city transfer taxes, the mansion tax will apply.

The Purchasers are free to use the title insurance company of their choice at no additional fee charged by Sponsor.

As set forth in the Purchase Agreement in Part II of this plan, real estate taxes, common charges and other items will be apportioned at closing. Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party after discovery, which obligation shall survive the closing. In the event that the units have not been separately assessed at the time of closing, the Sponsor will pay any open real estate taxes and receive reimbursement from the unit owner at the time the individual assessments are made.

At the time of the transfer of the condominium to the unit owners, the sponsor and the condominium shall adjust certain items such as insurance, open water and sewer charges, and any prepaid Schedule B items. The post closing amendment will state the amount of tax escrow that the Sponsor has deposited with the board.

If the units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each closing the estimated amount of taxes attributable to such unit for the balance of the six month period. 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.

The amount of the real estate tax escrow will be disclosed in the first post-closing amendment to the offering plan.

RIGHTS AND OBLIGATIONS OF SPONSOR

The sponsor shall be obligated to perform the following:

1. The Sponsor will endeavor in good faith to sell all of the units in a reasonably timely manner. However, Sponsor retains the unconditional right to rent rather than sell Units after consummation of the Plan. Because sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the 15% necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. There are no obligations imposed on sponsor by the construction lender with regard to selling and/or renting Units.

2. Sponsor is 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.

3. All representations under the offering plan, all obligations pursuant to the GBL, and such additional obligations under the offering plan which are to be performed subsequent to the closing date will survive delivery of the deed.

4. 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.

5. The 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 to meet its obligations with respect to unsold Units. The sponsor will fund its obligations by either funds on hand or proceeds from construction loan commitments. No bond or other security has been furnished to secure sponsors obligations.

6. Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchaser's Unit. This obligation shall extend to the common elements, including the limited common elements. In the event that there is substantial damage to the structure housing the unit, the purchaser may withdraw from the contract and receive the return of his down payment or the Sponsor may elect not to make the repairs and terminate the contract of sale.

The Seller will notify the Purchaser within thirty days of discovering the casualty whether or not it will repair any damage resulting from a casualty. If the Sponsor elects to repair the damage, the repairs will be made as promptly a possible and the unit/ common areas will be restored to substantially the same condition as prior to the casualty.

If, after making a good faith effort to extend the term of the commitment to enable the Sponsor to repair the damage, an extension is not obtained, the Purchaser will be offered a right of rescission as discussed on page 23.

7. Sponsor shall procure fire and casualty insurance pursuant to a replacement value policy or in an amount sufficient to avoid coinsurance.

8. In the event of the dissolution or liquidation of the sponsor or the transfer of twenty percent (20%) or more of the total number of Units in the condominium, the principals of the sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those units under the offering plan, applicable laws and regulations.

9. There are no construction loans. The land acquisition loan on the property will be paid in full at the first closing.

10. The sponsor is obligated to build and complete the condominium in accordance with the building plans and specifications identified in the plan with the right of sponsor to substitute equipment and materials and make modifications of layout and design, provided however, that sponsor may not:

(i) substitute equipment or materials of lesser quality or design; or
(ii) change the size, location of buildings or units other improvements or common elements if such changes affect the percentage 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.

11. Prior to closing the first Unit, sponsor must obtain a permanent, temporary or partial certificate of occupancy for the Unit or the building in which the Unit to be closed is located.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO") and sometimes several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate and refrain from obstructing sponsor in these undertakings.

Buyers are advised to visit DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A factsheet on certificates of occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

12. In the event any closing of title occurs before the issuance of a permanent certificate of occupancy, sponsor is required to maintain all deposits and funds in the special escrow account required by GBL Section 352-e(2)b unless the sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the sponsor's engineer or architect may be released from the special escrow account. Until a permanent certificate of occupancy is obtained, each post closing amendment will include/update the architect's certification of the amount required to obtain the permanent certificate of occupancy and disclose/update the amount retained in escrow. Alternatively, sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law. The plan must be amended to reflect such alternative security arrangement.

13. Effective March l, l989, a new law went into effect which grants to buyers of most newly constructed units a Housing Merchant Implied Warranty. (General Business Law Article 36-B Section 777, 777-a and 778-b)

The following is a brief summary of that law. The full text of the law appears in Part II of the Plan in Section G.

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

2. Coverage:

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

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

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

3. Not covered:

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

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

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

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

5. Limitation of the Warranty: The Housing Merchant Implied Warranty can be limited. However, the limited warranty cannot permit construction which is below code or below locally accepted building practices, and the limited warranty time periods cannot be shorter than those described above. The Sponsor has limited the warranty as indicated following the purchase agreement in part II Section A of this plan.

The limited warranty in summary limits the Sponsor's liability to 75% of the purchase price set forth in the purchase agreement. The warranty also does not cover consequential, incidental, special or indirect damages except as required by law.

The limited warranty specifically identifies the builder's responsibility for defects of a latent or hidden nature and specifically excludes all other warranties of every kind, express and implied on the construction and sale of the home, its workmanship and materials and its fitness for use and habitability.

The Sponsors warranty obligations reflects this new law. For a fuller explanation of such warranty see the purchase agreement located in Part II Section A of this Plan and the full text of the law at the end of this Plan.

The Housing Merchant Implied Warranty applies to the common elements as well as to the individual units.

14. At or prior to the closing of the Unit, sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit owner and assign any warranties with respect to equipment and appliances installed in the common elements to the board of managers.

15. Sponsor agrees to pay for the authorized and proper work involved in the construction and establishment and sale of the condominium that sponsor is obligated to complete under the plan and will cause all mechanics liens with respect to such construction to be promptly discharged or bonded.

16. Sponsor shall deliver a set of "as-built" plans to the Board of Managers following completion of construction.

17. No bond or other security other than those required by this Part has been furnished to secure sponsor's obligations including sponsor's obligations to complete construction of condominium.

18. Sponsor has a right of access to complete construction of the condominium. It is obligated to repair any damages caused as the result of its work if notified during the warranty period in the manner set forth above. Sponsor will not interfere with Unit owners' reasonable use of their unit during any work period. However, there may be a temporary limitation as to the use of the public areas, and common areas.

The common areas and public areas of the development include the roadways and yards. During the completion of construction access to these areas may be partially blocked due to completion of utilities, landscaping or concrete surfacing, but any such blockage shall not interfere with a unit owner's ingress and egress to his/her unit.

19. Purchase shall carefully inspect the Unit prior to closing of title and execute at such time an inspection statement. If Purchaser finds that Sponsor's improvements have not been completed, the Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work to be completed in the Unit by the Sponsor following closing of title (punch list items). All punch list items shall be corrected within thirty days of closing unless otherwise noted on the punch list. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a permanent certificate of occupancy covering the Unit or work covered by the Housing Merchant Implied Warranty. In no event shall a purchaser be required to close if there are items of a material nature the need to be completed.

20. A purchaser of a previously occupied unit will purchase the unit "as is".

XII CONTROL BY THE SPONSOR

The initial Board of Managers shall be appointed by the Sponsor. There will be one member of the board. The initial board will be composed of Francesco Mancini, the principal of the Sponsor. During this period, the Sponsor will have control of maintenance, facilities and services to be provided and will determine the Common charges to be paid by all unit owners, including the Sponsor. The Sponsor will call a meeting of unit owners within sixty (60) days of the first closing to discuss the operation of the Condominium. The Sponsor will remain in control of the Board and Association after such meeting.

The Sponsors control will end at the First Annual meeting of the Unit Owners which will occur within thirty (30) days after the earlier of (i) two (2) years after the closing of the first unit, or (ii) whenever the unsold units constitute less than fifty percent (50%) of the common interests. With this time period, the Sponsor shall call the first Annual Unit Owners meeting. At such meeting a new Board of three Managers unrelated to the Sponsor will be elected by a vote of all unit owners, including the Sponsor. The Sponsor shall be entitled to vote the units standing in its name as of the date of the meeting. The Board of Managers so elected shall serve for a period of one year until the second annual meeting of the unit owners. Thereafter, annual meetings shall be held on the anniversary date of the first meeting.

At the second annual meeting of Unit Owners, a Board of Managers will be elected by a vote of all Unit Owners, including the Sponsor, if Sponsor still owns any Units. However, the Sponsor agrees that at that meeting, it will elect no more than a minority of Board members regardless of the number of Units it then owns.

The Sponsor agrees that the By-laws will not be amended while Sponsor is in control of the Board of Managers unless there is a prior approval of such amendment by the vote of 80% in number and in Common Interest of the Unit Owners (other than Sponsor) at a meeting of Unit Owners held for such purpose.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws and regulations; or (ii) to remedy any notice of violation or; (iii) to remedy a work order by an insurer or; (iv) for any repair or replacement necessary for the preservation or safety of the Building or for the safety of occupants of the Building or required to avoid the suspension of any necessary service to the Building.

Sponsor may exercise veto power over expenses other than those described above for a period ending not more than two (2) years after the closing of the first unit or whenever the unsold units constitute less than five percent (5%) of the common interest, whichever is sooner.

During any period that the Sponsor controls the board, the insurance coverage cannot be less than what is required by the Budget on page 17 of this plan.

XIII BOARD OF MANAGERS

The affairs of the Condominium shall be governed by a Board of Managers. Until the first meeting of the Unit Owners, the Board of Managers shall consist of one (1) person designated by the Sponsor of the Condominium. The initial Board will be composed of Francesco Mancini, the principal of the Sponsor.

The first annual meeting of owners will take place within thirty (30) days after the earlier of (i) two years after the closing of the first Unit, or (ii) whenever the unsold units constitute less than fifty percent of the common interests.

After the first annual meeting of Unit owners, the Board of Managers shall consist of three persons elected by all Unit owners (including the Sponsor), but the Sponsor's right to elect members of the Board shall be subject to the limitations set forth in the by-laws. The by-laws include a provision that 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 after the end of the initial sponsor control period. The members of the Board must be at least eighteen years of age and comply with the provisions of the By-Laws Article II Section I in Part II of this Plan.

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.

Subject to the limitation on Sponsor's control, at the first meeting of the Unit owners, the term of office of all three members of the Board of Managers shall be fixed at one (1) year. The members of the Board of Managers shall hold office until their respective successors shall have been elected by the unit owners.

A special meeting of the Board of Managers may be called by the President on two (2) days notice of such meeting to each member either personally or by telephone, mail or telegram. Special meetings may be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) managers.

At any regular or special meeting of Unit owners, 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. Any member of the Board of Directors whose removal has been proposed by the Unit owners shall be given an opportunity to be heard at the meeting. Notwithstanding the above, the Sponsor has the right to appoint a board member to fill the vacancy created by the removal or resignation of a member appointed by the Sponsor unless the vacancy occurs during a period when the Sponsor does not have the right to appoint a member.

Officers and members of the Board of Managers serve without compensation.

Powers of the Condominium Board include, but shall not be limited to the following:

1. To determine and levy monthly charges (common charges), and to collect and expend them.

2. To make repairs, restore or alter any units or the common elements after damage or destruction.

3. To enter into and upon the unit for maintenance or repair purposes.

4. To open bank accounts on behalf of the Condominium.

5. To insure and keep insured the common elements and Units;

6. To collect delinquent assessments by suit and/or enforce compliance with basic documents and abate nuisances.

7. To purchase any Unit at a foreclosure sale on behalf of all unit owners.

8. To make and amend reasonable rules and regulations.

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment and to enter into contracts.

10. To bring and defend actions by and against more than one Unit owner pertinent to the operation of the Condominium.

11. To act as an agent of each unit owner who has given his written authorization to complain or apply to the local or county real estate tax assessment agency board of review by filing a single complaint on behalf of all such unit owners pursuant to the applicable sections of the Real Property Tax Law.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless such contracts shall have been made in bad faith or contrary to the provisions of the Declaration or of the By-Laws. The indemnification obligation of the unit owners will be limited to their respective interests in the Units and common elements unless otherwise prohibited by law.

It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any Unit owners arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interests of all Unit owners in the common elements. Every agreement made by the Board of Managers or by the Managing agent or the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability there under (except as Unit owners), and that each Unit owners liability there under shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interest of all Unit owners in the common elements. The indemnification liability of the unit owners shall be several, not joint and several.

The Unit Owners voting rights are determined by their percentage of common interest. It requires a vote of 80% of the Unit owners in number and common interest to amend the By-Laws of the Condominium. Any change in the Declaration of the Condominium after it is filed requires a 90% vote of the Unit owners in number and common interest.

XIV. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD

Each Unit Owner is free to sell or lease his Unit provided that he is not in arrears in the payment of Common Charges. A Unit Owner is free to make a gift of his Unit to anyone during his lifetime or to devise his Unit by last will and testament or to have it pass by intestacy without any restriction provided, however, that such new Unit Owner shall be bound by Condominium Plan. No Unit can be sold or leased without a simultaneous sale or lease of the undivided interest in the Common Elements. These provisions are subject to change by amendment to the By-laws. Procedures for their implementation may be set forth in the Rules and Regulations.

The Sponsor or any mortgagee acquiring title to a Unit in foreclosure can sell or lease a Unit free of any of the foregoing restrictions.

In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the Property shall be restricted to and shall be in accordance with the following provisions as per the By-laws.

(a) The Units shall be used by Unit owners (other than the Sponsor) only for one family residential use and in compliance with the occupancy restrictions imposed and as amended from time to time. While the Sponsor or its designee owns any Unit, it shall have the right to use such Unit for general and sales office purposes and as sales models. Except upon the prior written consent of the Board of Managers, occupants of a unit must be members of the family of the Unit owner or lessee (or if the Unit owner is a partnership, a corporation or a trust, members of the family of a partner or of an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), but not more than one family may occupy a Unit at one time. "Members of the family" as used herein shall be deemed to mean spouse, parents, parent-in-law, brothers, sisters, children and grandchildren.

(b) The common elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of units. No unit owner may place furniture or other object on the common elements except limited common elements.

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which unreasonably interferes with the peaceful possession or proper use of the Property by its residents or occupants.

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by

and at the sole expense of the unit owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No portion of a Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein.

(f) Rules and regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers provided that copies of such rules and regulations are furnished to each unit owner not less than five (5) days prior to the time that they become effective.

The Board of Managers does not have a right of first refusal with respect to the sale or lease of a unit or other option to acquire a unit except through foreclosure as set out in the Declaration and By-Laws.

B. Mortgage of Unit By Unit Owner

The Unit Owner may mortgage his Unit at any time after he acquires title thereto (or simultaneously with acquiring title) in whatever amount and under whatever terms he can obtain. Any Unit Owner may, upon the resale of his Unit, grant a purchase money mortgage to a purchaser of his Unit.

C. Common Charges and Assessments

The Board of Managers will prepare and furnish its budget to the Unit Owners (and their mortgagees if requested) from time to time and at least once a year. Based upon such budget and any modification thereof approved by the Board of Managers, the Unit Owners will be charged for the cost of the operation of the Condominium in accordance with their percentage interest in the Common Elements. The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, fire and liability insurance covering the Common Elements, water, exterminator services, and management, audit and legal expenses, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium.

The Common Charges do not include maintenance, repairs or decoration of any or all of the Units or portions thereof, the cost of electricity and gas for the Units which are individually metered, payments required pursuant to the terms of any Unit Owner's mortgages or real estate taxes covering the individual Units. Real estate taxes will be included in the common charges until the units are separately assessed.

The Board of Managers may commence the collection of Common Charges upon the closing of title to the first Unit or thereafter in such amount as will be necessary to carry out the duties of the Board of Managers as set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with their respective Common Interest percentages as set forth herein. Each Unit Owner will be responsible to pay the Common Charges allocable to his Unit monthly in advance, commencing with the closing of title to his Unit. Common Charges assessed during the month in which title

closes shall be adjusted as of the closing date if collection of charges has commenced.

Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners. In order to attempt to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers shall determine the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and review the amount of such coverage annually.

The Sponsor shall be liable for monthly Common Charges of all Units, title to which has not been transferred to a bona fide purchaser, commencing with the closing of title to the first Unit.

Under the provisions of Sec. 339-z of the Real Property Law of the State of New York, the Board of Managers, on behalf of the Unit Owners, shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers. Such lien, however, shall be subordinate to liens for taxes on the Unit and any sums unpaid on a first mortgage of record on such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after a filing thereof in the Office of the County Clerk, and until all sums secured thereby with the interest thereon shall have been fully paid or until six years from the date of filing unless foreclosure of such lien is commenced within such six year period, whichever shall be sooner. Such lien may be foreclosed by a suit brought in the name of the Board of Managers, acting on behalf of the Unit Owners, in like manner as a suit for the foreclosure of a mortgage on real property.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Real Property Law on Units in which the Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

The obligation to pay common charges ends at the time of the sale of the unit, except for common charges accruing during the time of ownership.

D. Repairs

All maintenance, repairs and replacement to the common elements of the Condominium including but not limited to exterior walls, roof and roof members as well as all maintenance, repairs and replacements to any pipes, wires, conduits, cables and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and public utility lines as are located in the common elements but service one or more Units shall be made by the Board of Managers and the cost thereof shall be a common expense. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the common elements.

Except as is otherwise specifically provided, all maintenance to the Units, including electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the Units, and repairs and replacements to the Units including windows and doors (including all glass breakage) and repairs to pipes, wires, cables and conduits located in and servicing the same Unit, other than as set forth above, shall be made by the respective Unit Owners at their expense.

All irrevocably restricted common elements shall be maintained and repaired by the Unit Owner to whom such common element is restricted in use. However, the Board of Managers shall repair and replace any pipes, wires, conduits, cables and public utility lines located underground or overhead any restricted common element, except where such repair or replacement is necessitated because of the negligence or misuse or neglect of this Unit Owner to which the common element is restricted in use, in which event such cost and expense shall be assessed to and paid for by such Unit Owner.

In the event that a Unit Owner fails to perform any maintenance, painting or repair, which maintenance, painting or repair is necessary to protect any of the common elements, any other Unit, or, in the event of the service of a Building Department violation notice covering the Unit upon the Board of Managers, the Board of Managers shall have the right to perform such maintenance, painting or repairs (after failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the Unit Owner for the cost of all such repairs, painting and/or maintenance. In the event that the Board of Managers charges a Unit Owner for the painting or maintenance to any common element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, such charges shall be considered additional common charges due from said Unit Owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board of Managers brings such suit, the Unit Owner shall be liable for the reasonable attorney fees and costs of such suit or proceeding along with interest on all such sums due.

A Unit owner shall grant a right of access to his Unit to the manager and/or managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or the common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his Unit or elsewhere in the building, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit owner and further provided that such right shall be exercised in such manner as will not unreasonably interfere with the use of the Unit for residential purposes. In case of an emergency, such right of entry shall be immediate, whether the Unit owner is present at the time or not.

E. Additions, Alterations and Improvements

The Unit Owner may make any non-structural alterations or improvements to the Unit he desires without obtaining the consent of the Board of Managers so long as such alterations or improvements do not affect the building in which the Unit is located or any other Common Element.

All painting, decorating, maintenance, repairs and replacements to any Unit or the common elements or limited common elements performed by the Board of Managers shall be charged directly to Unit Owners except as otherwise determined by the Board of Managers.

No Unit Owner shall make any structural addition, alteration or improvement in or to his unit or his limited common elements, without the prior written consent thereto of the Board of Managers. The Board of Managers have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such owners unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement.

The unit owner may not do any construction or build any structures on his limited common element without the prior written permission of the Board of Managers. The Board of Managers will formulate house rules and procedures which shall govern all alterations and decoration of the limited common elements so as to remain in compliance with the Department of Buildings.

Any application to any governmental authority having or asserting jurisdiction, for a permit to make an addition, alteration or improvement in or to any unit or limited common element shall be executed by the Board of Managers only, without however, incurring liability on the part of the Board of Managers or any of them to any contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to a unit owned by the Sponsor or its designee until a deed to such unit has been delivered to a purchaser thereof.

Whenever in the judgment of the Board of Managers the common elements shall require additions, alterations or improvements costing in excess of $ 1,000.00 and the making of such additions, alterations or improvements shall have been approved by 66-2/3% in number and in common interest of the unit owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge.

Any additions, alterations or improvements costing $1,000.00 or less may be made by the Board of Managers without approval of the unit owners. The cost of such work (unless paid from the Working Capital Fund Supplied by the Sponsor in accordance with the Plan of Condominium Ownership) shall constitute part of the common expenses.

The Board of Managers will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or its designee to any unit, provided, however, that neither the Board of Managers nor the Unit owners other than the Sponsor shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

F. Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, insurance against loss by fire, physical injury and other casualties normally covered under broad form fire and extended coverage insurance as written in New York, covering all Common Elements, all structural portions of the Condominium property and all Units including exterior walls, ceilings and floors, but not including furniture, fixtures, decorations, equipment or the like installed or placed there by Unit Owners or Sponsor. Such insurance shall cover the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees as such respective interests may appear, in an amount equal to at least ninety (90) percent of the full replacement value of the Building. Each of such policies shall contain a New York Standard Mortgage Clause in favor of each mortgagee of the Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject to the loss payment provisions of Real Property Law Section339-bb. The premium for such insurance shall be a Common Expense to be paid by monthly assessments levied by the Board of Managers and shall constitute a lien enforceable in accordance with the By-Laws.

The Board of Managers shall also obtain and continue in force and effect insurance against liability for bodily injury and property damage arising from accidents occurring within the Common Elements and Limited Common Elements in amounts satisfactory to mortgagees holding first mortgages on the Units and against liability for personal injury sustained by any person and arising out of an occurrence involving certain named offenses committed in the operation of the Condominium. The amounts of such insurance shall be determined by the Board of Managers and the premiums therefore shall be a Common Expense.

As of the date of the first closing under this Plan, the Sponsor shall insure the project under a Condominium package policy providing for coverage in the following amounts: (assuming 9 residential units). Please refer to Schedule B for details of coverage.

All policies or physical damage insurance shall contain clauses in which:

a. The insurer waives its right to subrogate on a negligence action against any Unit Owner. In other words, in the event the insurer pays a claim based on the negligence of a Unit Owner, the insurer will not attempt to recoup the amount paid from the Unit Owner at fault.

b. The insurer provides that if at the time of loss there is other insurance in the name of a Unit Owner covering the same loss and property covered by Board of Managers' policy, the insurance afforded by the Board of Managers' policy shall be primary and not contributing with such Unit Owner's insurance.

c. The insurer undertakes to honor a claim resulting from property damage even if such property damage is the result of negligence by a Unit Owner. This is termed a "waiver of invalidity", clause.

The Board of Managers shall give at least ten days' written notice of the terms of insurance coverage and of any substantial change thereto, or termination thereof, to each Unit Owner, without prejudice to the right of each Unit Owner to insure his own Unit for his own benefit. The premium for such insurance on the building shall be deemed Common Expenses, provided, however, that in charging the same to the Unit Owners, consideration may be given to the higher premium rates on some Units than on others.

Damage to or destruction of the Building shall be promptly repaired and reconstructed by the Board of Managers using the proceeds of insurance on the Building for that purpose. In the event that the insurance proceeds are insufficient to cover the cost of repairs to the Building the balance of the cost of such repairs shall constitute Common Expenses. However, if three-fourths or more of the Building is destroyed or substantially damaged and seventy-five percent of the Unit Owners do not promptly resolve to proceed with repair or restoration, then the property shall be subject to an action for partition and the net proceeds of sale together with the net proceeds of insurance policies shall be divided among all Unit Owners in proportion to their respective Common Interests after liens on each Unit have been satisfied.

Prior to the termination of the legal status of the project after substantial destruction or condemnation occurs or for any other reason, such termination must be agreed to by mortgagees that represent at least 51% of the votes of the unit estates that are subject to mortgages.

In addition to the insurance set forth herein, the purchaser may desire to insure his personal effects and the interior of the Unit itself against loss by fire and other casualties and against liability. The cost of such insurance, if taken by the purchaser, will be payable by the purchaser directly. Unit Owners will not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

G. Restrictions on Occupancy

There is no restriction upon ownership of a Unit. Occupancy of a Unit, however, may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

The By-Laws of the Condominium contains the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium or any part thereof and all valid laws zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit owners, their families, employees, guests and pets shall not use or permit the use of the Units and common elements in any manner that would be illegal, disturbing or a nuisance to other unit owners. No resident shall put any advertisement or posters of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang garments, rugs etc. from the window or from the building or to string clothes lines on or over the common elements or use any of the common elements for storage. No Unit owner shall paint the

exterior surfaces of the windows, walls or doors opening out of his unit or cut through an existing exterior wall in order to put wall air conditioning units in an owners unit.

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

No animals or reptiles of any kind shall be raised, bred, or kept in any unit or on the common elements, except that dogs, cats or other household pets, not exceeding two per unit, may be kept in the units and in yard areas irrevocably restricted to the owners of the units, subject to the rules and regulations adopted by the Board of Managers, provided that they are not kept, bred or maintained for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property subject to these restrictions upon three (3) days written notice from the Board of Managers. Unit owners shall be required to clean up after their pets at all times.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the condominium building or elsewhere throughout the property, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers, to utilize the common elements, and without limitation, to do any and all things necessary and incidental to the sale of Units, without charge or contribution other than in the form of common charge payments as otherwise provided herein.

H. Rights of the Condominium

The rights of the condominium are to be enforced by the board of managers. There is an exception to this exclusivity. When it is sixty (60) days before the expiration of the statute of limitations or the board has not enforced such rights after reasonable notice and opportunity, the unit owners may individually or severally enforce such rights on behalf of the condominium.

I. Rental of Units

The condominium offering plan allows the sponsors and purchasers to rent the Units. Therefore there might be a number of Unit owners who do not occupy their dwelling Units. The provisions of Real Property Law Section 339-kk applies to this offering plan. A summary of that section is provided below.

If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with the paragraph below, all rental payments from the tenant shall be directly payable to the condominium association.

If common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments

or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association.

At such time as payments for the common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and the non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date such board receives notice that such owner seeks to dispute such claim.

Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

J. Handicap Parking Requirements.

Two Parking spaces at the condominium development has been designated as handicap accessible parking spaces as required by law. These so designated parking spaces will be the last parking spaces to be sold unless an initial purchaser requires a handicap designated space then, and in that event, such spaces will be sold to such individuals. Ownership of a parking space designated as handicapped accessible is subject to the following terms and conditions which shall be set forth in the deed:

1. In the event the present or future owner of a residential unit, or a member of his or her immediate family occupying the residential unit, becomes handicapped and acquires New York City SPI handicapped plates for his or her vehicle; and said residential unit owner is the owner of a parking unit; said handicapped residential unit owner has the right to demand that the owner of a handicapped parking space "trade spaces", by delivering to the now handicapped residential unit owner the deed for the handicapped accessible parking space in question and in exchange receiving from said handicapped owner the deed for the parking space they currently own. This assumes that neither the present owner of the handicapped space nor a member of his or her immediate family occupying the space is handicapped.

2. In the event that the conditions set forth above occur, and the now-handicapped unit owner does not own a parking space, said handicapped unit owner has the right to compel the owner of a handicapped accessible space to sell them their parking space at fair market value (again assuming that neither the present owners of the handicapped space nor their immediate family are handicapped).

If the parties cannot agree within thirty (30) days on the fair market value of the handicapped accessible parking space, then the matter shall be referred to the American Arbitration Association for binding arbitration on this matter. Arbitration before the American Arbitration Association (located at 140 West 51st Street, New York, New York 10020, phone number 212-484-4000) is commenced by submitting a request for arbitration containing a brief statement of the dispute; names, addresses, and telephone numbers of all parties; and the names and representatives of the parties, if any. The initiating party must simultaneously file two (2) copies of the request with the American Arbitration Association, and send one copy by regular mail to every other party to the dispute. The Association will thereafter contact the named parties to arrange the arbitration procedure. A copy of the American Arbitration Association rules setting forth the forms and procedures can be obtained from said association at the address and phone number provided above. The results of said arbitration shall be binding and may be legally enforceable by either party.

3. All costs and expenses entailed in the transfer of title to a parking space pursuant to either of the foregoing clauses shall be borne by the party requesting the transfer. Such costs and expenses shall include, but not limited to title abstract, title insurance, New York City and New York State transfer taxes and recording fees, attorney's fees for either party, the condominium, or any mortgage lender reviewing the documents; and any fee charged by a mortgage lender for release of the parking space or for substitution of collateral.

4. The owner of a handicapped accessible parking space shall comply with a demand pursuant to this section within thirty (30) days after receipt of written notice thereof. Notice pursuant to this section shall be delivered by hand delivery, certified or registered mail, return receipt requested or overnight delivery service. Alternate means of delivery may be used where written acknowledgement of such delivery is delivered by the party receiving such notice.

k. Special Notice to Mortgagees and Guarantors

Mortgagees and guarantors of the mortgage on any unit in the condominium project will receive timely written notice of the following:

1. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing the mortgage;
2. Any 60-day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage;
3. A lapse, cancellation, or material modification of any insurance policy maintained by the condominium association; and
4. Any proposed action that requires the consent of a specified percentage of mortgagees.

XV. REAL ESTATE TAXES

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

The Sponsor does not anticipate any delay in obtaining separate assessments for the Units and will endeavor to obtain such separate assessments prior to the closing of title to the first Unit. Since the actual tax lot separation and the separate tax lot assessment will be made by the City of New York, the date of such assessment will depend upon the work flow in the City of New York assessment office.

In the event that the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the Sponsor shall pay to the Board of Managers the sum required to satisfy the real estate taxes on all of the unsold Units for the tax period covered by the closing of title. At the time that the Units are separately assessed the Unit owner will reimburse the Board of Managers for the taxes paid on his behalf and the Board of Managers will reimburse the sponsor for the excess taxes he paid to the Board of Managers with reference to the real estate tax period covered by the closing of title. The amount deposited in escrow for the real estate taxes will be disclosed in each post closing amendment until the units are separately assessed.

The New York City assessor establishes a fair market value for the entire building then divides the fair market value by the percentage of common interest each unit has been given. It is estimated that the building will have an assessed value of $ 405,000 for the entire building and the units will have an assessed value of between $ 28,110 and $ 52,498.

The units are designated Tax Class 3C property under building code R5. The assessed value of each residential unit is 45% of the deemed fair market value. It is anticipated that the completion and reassessment of taxes will be effective for the Fiscal year commencing July 1, 2018. At the present time the tax rate for this type of property is approximately 12.892% of assessed value. Based upon the projected assessed value and the above tax rate, it is projected that the annual taxes will be $ 52,711 for the entire property and between $3,624 and $ 6,768 per unit.

The Fair Market Value, Assessed Value percentage and the tax rate may be changed by the City of New York on a yearly basis.

The condominium is new construction. The City of New York has not yet listed the building under construction. The value of the building will change while under construction and will be finalized once a certificate of occupancy is issued.

The Sponsor is not aware of any tentative changes in the assessed valuation or the tax rates which will affect the condominium unit. There are no tax certiorari proceedings pending.

The Board of Managers is authorized to act as agent for the unit owners to complain or apply to the local taxing authorities to have the assessed value or real estate taxes changed for individual unit owners. See section 14 at page 5 of the By-Laws located in Section F part II of this Plan.

XVI TAX STATUS OF CONDOMINIUM

The Internal Revenue Code of 1986 as amended under Section 528 allows condominiums which comply with certain requirements to qualify as a tax exempt organization.

The 73 Bay 47th Street Condominium as structured in this Offering Plan meets the conditions set forth in Section 528 of the Internal Revenue Code of 1986 for tax exempt organization. The opinion of counsel which follows this section outlines the conditions and terms of the tax exempt status.

As a tax exempt organization, the condominium will not pay income tax on the common charge payments received from Unit Owners. However, any receipts from unit owners or third parties which are not considered common charge payments would in most instances be considered taxable income to the condominium.

In addition, the tax exempt status of the condominium does not extend to the individual Unit Owners. The Unit Owners are responsible for their own income and deductions irrespective of the status of the condominium.

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November 3, 2016

73 Bay 7th LLC
1152 85th Street
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Gentlemen:

You have requested my opinion concerning (i) the availability of certain deductions for Federal, New York State, and New York City income tax purposes to persons who purchase units for residential use under the offering plan for the 73 Bay 47th Street Condominium and (ii) the Federal income tax treatment of the Common Charges received by the condominium association.

In connection with rendering this opinion, I have reviewed the offering plan, the Schedules and Exhibits thereto, the Declaration of the Condominium Plan, the By-laws of the condominium, relevant sections of the Internal Revenue Code of 1986 as amended, the regulations promulgated thereunder, the New York State Tax Law, the Administrative Code of the City of New York and such other materials that I have deemed relevant to rendering this opinion.

A. Facts

You have advised me that, to the best of your knowledge, the following statements are an accurate summary of the relevant facts, and my opinion is conditioned upon the accuracy of these facts.

1. Sponsor will submit to the Kings County Registrar's office a declaration establishing the premises located at 73 Bay 47th Street, Brooklyn, New York as a condominium, pursuant to the New York State Condominium Act (Article 9-B of the Real Property Law of the State of New York

2. The Condominium will consist of nine (9) units allocated for residential use. Each holder will own his own unit plus an interest in the elements common to all units (the "Common Elements". Each unit owner will be entitled to the exclusive ownership and possession of his unit and will receive a separate deed to that unit.

3. The condominium will be operated by a Board of Managers which, pursuant to the By-laws, will act only as an agent for all unit owners. The Board of Managers will be composed of at least three members, who shall each be elected by the unit owners. The primary function of the Board of Managers will be to supervise the maintenance and operation of the Common Elements, and collect charges (the "Common Charges") necessary to maintain and operate the Common Elements.

B. Discussion

I. Deductibility of Mortgage Interest an Real Estate Taxes

Under the Condominium Act, each unit owner will own his unit and its appurtenant interest in the Common Elements in fee simple, and each unit will be taxed as a separate tax lot for real estate tax purposes. Each unit owner may mortgage his unit and become individually liable for the payment of the principal and interest on such mortgage indebtedness. Failure to pay his share of the Common Charges will result in the Board of Managers having a lien on the unit for such unpaid Common Charges.

The deductibility of the mortgage interest and real estate taxes paid or accrued by the unit owner during his taxable year will be governed by sections 163 and 164 of the Internal Revenue Service Code. Section 163 of the Code allows a taxpayer to deduct all interest paid or accrued during the taxable year on bona fide indebtedness. Section 164 of the Code allows a taxpayer to deduct real estate taxes paid or accrued during the taxable year. Since sections 339-g and 339-y of the Condominium Act provide that each unit and its common interest shall be taxed as a separate tax lot for real estate tax purposes, unit owners will be entitled to deduct real estate taxes paid or incurred on their units during the taxable year.

The deduction under section 163 of the Code for interest is subject to certain other provisions of the Code which may limit the amount of the deduction in any one taxable year. For example, under section 461(g) of the Code, prepaid interest is not deductible by a cash basis taxpayer in the year of payment but must be allocated to the taxable year or years to which it is chargeable. However, the payment of "points" is deductible under certain circumstances in the year of payment, provided that the indebtedness was incurred by the taxpayer in connection with the purchase or improvement of his principal residence, and the other requirements of Code section 461(g)(2) are complied with.

It should be noted that a taxpayer who purchases a unit for investment purposes may find his interest deduction limited by Code section 163(d). Under this section a taxpayer other than a corporation will be subject to a ceiling on his deduction for investment interest. Investment interest is defined as interest paid or accrued on indebtedness incurred to purchase or carry property for investment. To the extent that the taxpayer has investment income (defined as the gross income from interest, dividends, rents, royalties, net short term capital gains and recapture income), he increases his ceiling on the deduction for investment interest. See Code section 163(d).

I should further be noted that Code section 265(2) may impact the interest deduction otherwise allowable to a taxpayer in the event that he incurs debt to finance his purchase of a unit rather than liquidate his portfolio of tax exempt securities. Under these circumstances, Code section 265(2) may disallow the taxpayer's interest deduction since he would be deemed to have incurred the debt to "continue to carry" the tax exempt obligations. However, revenue rulings have made an exception for debt incurred to purchase the taxpayer's principal residence.

In Revenue Ruling 64-31`, 1964-1 C.B. 300, the Internal Revenue Service considered the deductibility of mortgage interest and real estate taxes incurred by the owner of a condominium unit. The Service ruled that sections 163 and 164 of the Code, respectively, permitted these deductions by the condominium unit owner provided that he itemized his deductions in filing his Federal income tax return.

It is my opinion that under Code sections 163 and 164, a unit owner will, for Federal income tax purposes, be entitled to a deduction for interest paid or accrued with respect to mortgage indebtedness and for real property taxes paid or accrued with respect to his method of accounting.

I am also of the opinion that each unit owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal Income Tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year. See section 615 of the New York State Tax Law. It should be noted, however, that for New York City income tax purposes, the benefit of such deduction may be reduced if the unit owner has more than the specified amount of tax preference items. See sections 61`5, 622 and 623 of the New York State Tax Law and sections T46-115.00, T46-112.0 and T46-123.0 of the New York City Code.

The foregoing discussion applies primarily to residential unit owners. Referenced sections of the IRS Code are not applicable to owners of commercial units, if any, or owners of units for investment or resale, if any. However, insofar as the owners of commercial units will be using the unit for business purposes, other sections of the Code may allow such deductions. Purchasers of commercial units are strongly urged to consult their own accountants with regard to the deductibility of the mortgage interest and real estate taxes.

II. Common Charges-Federal Income Taxation of the Corporation

A condominium under New York law is not a corporation but rather an unincorporated association.

The Treasury Regulations in section 301.7701-2(a)(i) set out six factors to be considered in determining whether an association will be treated as an unincorporated association for Federal income tax purposes. Of these factors, the condominium possess five (an objective to carry on business, divide the gains, centralization of management, continuity of life and free transferability of interest). Since an unincorporated organization will be treated as a corporation if it has more corporate characteristics than non-corporate characteristics, it is my opinion that, the condominium will be treated as an association taxable as a corporation for Federal income tax purposes. In such event, and in the absence of any specific exemption, the condominium would be subject to Federal corporation income tax.

Assuming that the condominium is treated as an association taxable as a corporation, the receipt of substantially all of the Common Charges, may be excluded from the income of the condominium in the event that (i) the condominium is acting as agent of the unit owners as to collection and receipt of such funds; or (ii) the condominium is not acting as agent and receives the Common Charges as non-taxable contributions of capital, or receives the Common Charges as service income which is fully offset by the condominium's service expenses; or (iii) the condominium elects to be taxed under Code section 528 and the condominium has only "exempt function income" within the meaning of that section.

Code Section 528 provides a tax exemption for an organization that qualifies as a "homeowners association" which term includes a "condominium management association". A "condominium management association" is defined as an organization organized and operated to provide for the acquisition, construction, management, maintenance, and care of a condominium, provided substantially all of the units are used by individuals for residences. See Code sections 528(c)(1)(A), and 528 (c)(2). "Substantially all" of the units will be considered used by individuals for residences if at least 85% of the total square footage of all units within the project is used, or is intended to be used, by individuals for residential purposes auxiliary to residential use, such as storage rooms, laundry and maintenance areas. The organization itself would be considered "organized and operated" for the acquisition, construction, management, maintenance, and care of such condominium, if the facts and circumstances indicate such to be the case. See Treasury Regulations section 1.528-2. If the articles of the condominium reflect that this is the purpose of the association, then the condominium management association would be presumed to be operating for such purpose. Section 1.528.2(a).

In addition to the above organization and operation test, the tests set forth below must be satisfied pursuant to Code section 528 (c)(1) in order for a condominium to qualify as a "homeowner's association".

(i) Sixty percent (60%) or more of the gross income of the organization must be "exempt function income", that is, income derived from the payment of dues or fees from the residential unit owners in their capacity as owner-members rather than in the capacity as customers for services. Code section 528(c)(1)(A) and regulations sections 1.528-5 and 1.528-9. "Exempt function Income" includes income which is attributable to assessments that arise as a result of the member's ownership interest (either based on value or size of their units) and used for the

purpose of enhancing or maintaining the value of the residences. Regulations section 1.528-9. As an example, this regulation indicates that assessments for the purpose of paying real estate taxes, removing garbage, or removing snow is "exempt function income". Section 1.528-9(b). Income attributable to the use of laundry machines and interest earned on sinking funds are not exempt function income. Section 1.528-9(c). Any assessment attributable to special capital improvements, which are treated as capital contributions, are not included in gross income, and therefore, are not part of the calculation of the gross income test. Section 1.528-9(a).

(ii) Ninety percent (90%) or more of the expenditures of the organization for the taxable year must be used for the acquisition, construction, management, maintenance, and care of the organization's property. Code section 528(c)(1)(C). These expenditures include operating and capital expenditures during the taxable year. Investments in reserve funds for future expenditures are not included in this calculation.

(iii) No part of the net earnings of the organization may inure to the benefit of any individual. Code section 528 (c)(1)(D). The Code expressly excludes benefits received by a unit owner attributable to the homeowners association performing its exempt function, such as the benefit from the homeowners association acquiring, constructing, managing, maintaining and taking care of the association property.

(iv) The organization must properly and timely elect to have Code section 528 apply for the taxable year. Code section 528 (c)(1)E).

Based upon my understanding of these regulations and the organization of this association, it is my opinion that the condominium will be eligible to qualify as a homeowners association within the meaning of Code section 528(c)(1) and that, to the extend the condominium has income in excess of its expenses, that income will not be subject to Federal income tax.

III. Compliance with Real Property Law Section 339 (i)

I have reviewed the letter from the Sponsor's expert concerning allocation of the common interest to the units in the premises. The determination of Common Interest allocated to each unit is based on floor area subject to such other items of relative value as location of the unit within the building, uniqueness of the unit, availability of Limited Common Elements for shared or exclusive use and overall dimensions of the unit pursuant to Real Property Law (RPL) section 339(i)(1) subparagraph (iv). The method employed is permissible pursuant to the RPL and is in compliance therewith.

C. Conclusion

I 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 tax consequences and aspects explicitly discussed in this opinion, or as to the tax consequences of the Plan under the laws of any other State or foreign jurisdiction. This opinion does not discuss the tax consequences which may result from the ownership or the leasing of a unit to another, in connection with a unit owner's trade or business, for purposes of investment, or for the production of income, or tax consequences which may result to a foreign unit owner by reason of his foreign status.

This opinion also does not consider the tax consequences which may arise if units are acquired and/or leased by the Board of Managers, or the issue of whether a unit owner may be deemed to be a resident of New York State due to ownership of a unit. I, therefore, advise each person contemplating the purchase of a unit to consult his or her own tax advisor as to all such tax matters, as well as with respect to the tax matters discusses in this opinion.

The opinions expressed herein are based solely upon my current understanding and interpretation of the existing law, regulations, decided cases and rulings of administrative agencies and upon information set forth herein. If there has been any misstatement of a fact or omission of any fact which may be material, or any amendment or change in the By-Laws or the Plan, we should be notified, since any such omission, misstatement or change may require modification of part or all of this opinion. Moreover, it should be specifically noted that this opinion is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Taxation, and that such entities may not agree with any or all of the views stated above. Finally, the Federal and State Tax Laws and Regulations and the rulings and decisions thereunder may change and thereby affect the views stated above in whole or in part.

I hereby authorize the use of the opinion, or a reproduction thereof, in the Offering Plan

Very truly your,

Paul A. Leff

Paul A. Leff, Esq.

XVII. WORKING CAPITAL FUND

Purchasers shall be required to pay two months maintenance closing of title as working capital. This amount shall be used to reimburse the Sponsor for prepaid Condominium expenses if any. This payment will not be used to reduce common charges. The working capital shall be turned over to the Board of Manager at each closing to unit owners. The total fund is estimated to be $ 5,300. Sponsor will not contribute.

While Sponsor is in control of the Board of Managers, the working capital fund may not be used to reduce projected common charges in the plan.

Neither the Department of Law nor any other government agency has passed upon the adequacy of the fund.

Any adjustments for prepaid expenses between the sponsor and the Board of Managers may be deducted only from the working capital fund. The Sponsor does not anticipate any prepaid expenses other than insurance on the condominium. Such insurance is estimated to be $6,300 per annum. The reimbursement to sponsor will occur after the last closing. The size of the reimbursement will depend upon the point in the insurance payment cycle which is reached at the last closing date.

There is no minimum working capital fund which must be maintained regardless of the amount of the adjustment.

No representation is made that the proposed budget will be adequate to cover current or future expenses including repairs or replacements of common elements. If additional funds are required, it may be necessary to increase the common charges payable by the Unit Owners or to collect a special assessment from each unit owner.

XVIII. CONTINGENCY FUND

The Schedule B budget contains a contingency fund. This fund is kept separate and apart from the account for the yearly common charges and the account for the reserve fund.

The purpose of this fund is to provide for any unanticipated expenses or unanticipated increases in the projected expenses.

XIX. RESERVE FUND

The Schedule B budget contains a yearly reserve fund. This charge item shall equal 10% of the budget for the year in which it appears. These reserve funds shall be maintained in a special account separate and apart from the account for yearly expenses. It shall be used exclusively for capital repairs and improvements which might be required in the future. This reserve fund is sufficient to provide needed capital expenditures within five years following the first closing under this plan.

While the sponsor is in control of the board of managers, the reserve fund may not be used to reduce projected common charges in the plan.

There is no current balance in the reserve fund. It will be funded exclusively by the common charges. The development is new construction and the Sponsor does not contemplate any capital repairs for at least five years from the establishment of the condominium.

The yearly reserve fund may not be used to reduce projected common charges under the plan while sponsor is in charge of the board.

Neither the Department of Law nor any other government agency have passed upon the adequacy of this fund.

This reserve fund should be differentiated from a contingency fund. A contingency fund is intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses. There is no provision for a contingency fund in the budget.

XIX- MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The principal of the sponsor, Francisco Mancini residing at [redacted], [redacted], will manage the property until the condominium is turned over to the owner occupants as outlined in the transfer procedures in this offering plan. Mr. Mancini will not be compensated for his services.

There will be no management agreement nor will Mr. Mancini be compensated for his services during this period. His duties and services will include, if applicable, collection of common charges, and general book keeping for the association.

The Board of Managers of the condominium will reimburse the agent for expenses incurred on behalf of the association. Mr. Mancini's services are not assignable and the board of managers has a right to retain another manager at any time with or without cause.

There are no contracts, agreement or leases which are binding on the condominium.

XX - IDENTITY OF PARTIES

The sponsor and selling agent is 73 bay 47th LLC, a domestic New York State limited liability company having its principal office at 1152 85th Street, Brooklyn, New York 11228. The Sponsor acquired the property where the condominium is to be located on

The sole member, officer and principal of the LLC is Francesco Mancini residing at [redacted].

Mr. Mancini is a businessman and investor who has previously built one condominium development: the 57 Bay 20th Street Condominium CD11-0020 which has been fully sold out and transferred to the owner occupants.

The Sponsor has not had any interest in condominiums within the last five years.

There have been no felony convictions, bankruptcies, convictions, injunctions or judgments against the sponsor, the principal of the sponsor, and/or entities in which the principals of the sponsor was a principal, that may be material to the offering plan or to an offering of securities generally and that have occurred within the fifteen (15) years prior to the submission of the proposed offering plan.

The attorney for the sponsor, Sylvester Sichenze, Esq. 7703 5th Avenue, Brooklyn, N.Y. 11209 will represent the sponsor at all contracts and closings.

Paul A. Leff, Esq. of 1573 Richmond Road, Staten Island, New York 10304 prepared the offering plan and will act as escrow agent for the purchaser's deposits.

The Sponsor will act as its own selling agent. The sponsor will manage the property prior to turning over the association to the unit owners. Neither the sponsor nor its principals have had any previous experience managing a building.

The firm of Bricolage Architects & Design PLLC 6321 New Utrecht Avenue, Brooklyn, N.Y. 11219 prepared and obtained approval of the condominium plans from the New York City Building Department. The firm has had substantial experience in preparing architectural plans for a variety of projects. The firm has specialized in condominium developments similar to the present development over the last ten years.

There is no relationship between the sponsor and its principals and the engineer or architect or any person or firm who will provide services to the condominium subsequent to the commencement of condominium operation.

XIX. REPORT TO OWNERS

It is the obligation of the Board of Managers of the condominium to give all unit owners annually the following:

1. A financial statement of the condominium prepared by a certified public accountant or public accountant by March 31 of each year; such statement shall be certified while the sponsor is in control of the Board of Managers.

2. Prior notice of the annual unit owners meeting.

3. A copy of the proposed annual budget of the condominium by at least 30 days prior to the date of adoption thereof by the Board of Managers. While the sponsor is in control of the Board of Managers such budget shall be certified in compliance with section 20.4(d) of the regulations promulgated by the attorney general.

XX. DOCUMENTS ON FILE

The Sponsor shall keep copies of the plan, all documents referred to in the plan and all exhibits submitted to the Department of Law in connection with the filing of the plan, on file and available for inspection without charge and copying at a reasonable charge at the office of the Sponsor for six years from the date of first closing. The sponsor shall deliver to the board of managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first unit.

XXI. GENERAL

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect this offering, the property, and sponsor's capacity to perform all its obligations under the plan, the condominium or the operation of the condominium.

The property has not been the subject of any prior cooperative or condominium offerings. There have been no preliminary binding agreements entered into nor has any money been collected from prospective purchasers. The sponsor has not conducted any market test pursuant to cooperative policy Statement No. 1.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered in the plan. No deposits or advances have been taken by or on behalf of sponsor in connection with the reservation, sale or transfer of units, prior to submission of the plan to the Department of Law.

The Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation or other grounds prohibited by law.

If there is a material amendment to the offering plan that adversely affects the purchasers, the Sponsor will grant purchasers a right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. Any deposit or down payment will be promptly returned to purchasers who rescind.

There are no circumstances which may affect use or enjoyment of the property and appurtenances.

XXII. SPONSORS STATEMENT OF BUILDING CONDITIONS

Sponsor adopts the description of Property and Building Conditions set forth in Part II of this plan. Sponsor 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.

PART II

SECTION A

PURCHASE AGREEMENT

AGREEMENT, made and dated the day of , 2017 between 73 Bay 47th LLC with offices located at 1152 85th Street, Brooklyn, N.Y. (hereinafter called the "Sponsor") and residing at (hereinafter called the "Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for the 73 BAY 47th STREET CONDOMINIUM and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan" at least three (3) days prior to the Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. THE UNIT. Sponsor agrees to sell and convey, and the PURCHASER agrees to purchase Unit No: together with of the undivided interest in the Common Elements of the 73 bay 47th Street Condominium appurtenant hereto.

The closing Deed shall contain such a description of the Condominium as shall be acceptable by the lending institution or the title company insuring such lender.

3. PURCHASE PRICE

The purchase price of the Unit is $ payable as follows:

(i) $ as a deposit on the signing of this Agreement, by Purchaser's check payable to the Escrowee (as herein defined), subject to collection, the receipt of which is hereby acknowledged, to be held in escrow pursuant to paragraph 2 of this contract ("Down payment"):

(ii) $ by loan in that amount, to be procured by the Purchaser from a lender which shall include interest at the prevailing rate of interest charged by such financial institution, the proceeds of which shall be turned over to the Seller at closing.

(iii) $ by certified or bank cashier's check on closing of title.

4. DOWNPAYMENT IN ESCROW

(a) The law firm of Paul A. Leff, Esq. with an address of 1573 Richmond Road, Staten Island, New York 10304, telephone number (718) 667-7111, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Paul A. Leff, Esq. The designated signatory is admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(b) 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 or release of the Deposit from escrow.

(c) The Escrow Agent has established the escrow account at TD Bank located at 8201 Fifth Avenue, Brooklyn, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Paul A. Leff, Esq. Attorney Escrow Account IOLA" ("Escrow Account"). The Escrow Account is not an IOLA Account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

(d) All deposits received by Purchaser shall be in the form of checks, or wire transfers, and shall be made payable to or endorsed by the Purchaser to the order of Paul A. Leff, as Escrow Agent.

(e) 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.

(f) 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 (10) business days of placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, confirming the Deposit. The notice shall provide the account number and initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited in the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

(g) 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 the tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State

Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(h) 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 section 352-h.

(i)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 sections 352-3(2-b) and 352-h.

(j) The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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.

(k) Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General' regulations and GBL sections 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.

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

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

(n) Escrow Agent may rely upon any paper 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 and presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

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

(p) 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.

(q) 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 circumstances.

(r) Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses, and damages incurred in connection with and 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 attorney's fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

5. ACCEPTABLE FUNDS

All money payable under this contract, unless otherwise specified, shall be paid by;

(a) Cash, but not over $1,000.00
(b) Good certified check of Purchaser drawn on or official check issued by any bank, savings bank, trust company or savings and loan association having a banking office in the State of New York, unendorsed and payable to the order of the Sponsor, or as Sponsor may otherwise direct upon not less than three days notice to Purchaser;
(c) As to money other than the purchase price payable to Sponsor at Closing, uncertified check of Purchaser up to the amount of $500.00; and
(d) As otherwise agreed to in writing by Sponsor or Sponsor's Attorney.

6. AGREEMENT CONTINGENT ON MORTGAGE FINANCING

This contract shall be subject to and contingent upon Purchaser obtaining a conventional first mortgage in the amount of $ to run for a period of 30 years, to bear interest at the prevailing rate at the time of closing or as otherwise provided in the loan commitment and to be payable in monthly installments which may include amortization of principal, interest, taxes, water rates, private mortgage insurance fees, fire and other hazard insurance premiums, and such other provisions as may be required by the lending institution. The mortgage shall contain the lending institutions' prepayment privileges.

Purchaser does hereby agree to make a diligent, truthful and proper application to a lending institution within ten (10) days after receipt of a fully executed copy of this Contract, and shall have thirty (30) days from the signing of said contract to obtain a mortgage commitment. Purchaser shall without delay furnish such verifications of bank accounts and employment or any other instruments or information as may be required by said lending institution in the processing of Purchaser's application for the mortgage loan described above. Failure to comply with the foregoing will be deemed a willful, material breach of this Contract by Purchaser.

If the application for the mortgage loan hereinabove set forth is approved and the commitment issued, the Purchaser does hereby agree to execute, acknowledge and deliver such bond, mortgage, assumption, extension and/or modification agreements, affidavits, statements, or any other instruments which may be necessary or required by the lending institution, and/or the title company insuring the mortgage, in order to properly effectuate the placing of the mortgage loan described above.

In the event lending institution shall refuse to approve the application and issue a commitment for the amount set forth upon the terms and conditions described above within thirty days from the date of the contract, then Sponsor shall have the option of granting the Purchaser a thirty (30) day extension of time within which to obtain a mortgage commitment or to deem this Contract cancelled.

In the event that Purchasers are denied a mortgage commitment by an APPROVED lending institution even after a 30 day extension, upon receipt of a copy of Purchaser's good-faith, timely, mortgage application and a copy of the lender's denial/declination letter, Sponsor, through its attorney , shall promptly return the deposit paid hereunder to Purchasers through their attorney and this Contract shall cease and terminate and thereafter neither party shall have any further rights against, or obligations or liabilities to the other party by reason of this contract

Once a bank commitment is issued, Purchaser will be required to use due diligence in obtaining any and all extensions necessary to maintain such commitment in force, notwithstanding that such extension may be at a higher interest rate or required payment of additional fees, or include other charges. Failure to maintain such commitment will constitute a default under the purchase agreement, except if the bank refuses to extend such commitment on any rates or terms, purchaser may cancel the contract and receive return of his down payment.

The mortgage loan contingency shall be deemed fulfilled, and this contract shall be considered firm and binding on the Purchaser even though the mortgage loan commitment contains conditions to be satisfied by the Purchaser, as a prerequisite to funding the mortgage loan including but not limited to (i) proof and confirmations regarding the credit worthiness of Purchaser or any co-applicant and existing bank accounts of Purchaser or any co-applicant and any balances thereof, (ii) continuing employment of Purchaser or any co-applicant, (iii) sale of any house, property or other asset required to be sold by Purchaser or any co-applicant, and (iv) satisfaction of a debt by Purchaser or any co-applicant. THE RISK OF COMPLYING WITH ALL CONDITIONS OF THE COMMITMENT IN SUFFICIENT TIME TO BE ABLE TO CLOSE TITLE AT THE TIME, PLACE AND DATE SET FORTH IN SELLER'S NOTICE OF CLOSING, IS EXCLUSIVELY ON PURCHASER, AND THE FAILURE OF THE LENDER TO FUND THE LOAN BECAUSE OF PURCHASER'S FAILURE TO COMPLY WITH ALL CONDITIONS OF THE COMMITMENT SHALL NOT EXCUSE PURCHASER FROM CLOSING TITLE AND PAYING THE BALANCE OF ALL SUMS DUE UNDER THIS CONTRACT ON THE DATE OF CLOSING.

7. CLOSING DATE AND PLACE. The closing shall take place and the deed shall be delivered upon receipt of all payments due hereunder at the office of Sylvester Sichenze, Esq. 7703 Fifth Avenue, Brooklyn, N.Y. 11209 or at any other place designated by the Sponsor on or about or at any other time and date designated by Sponsor pursuant to the terms of this agreement. In the event Purchaser or Purchaser's mortgage lender requires that the closing take place outside of the Seller's attorney's office Purchaser agrees to pay Sponsor's attorney a travel fee at closing of title of $250.00 for closings within New York City (other than Staten Island) and $500.00 for closing outside of New York City.

The closing of title shall take place on no less than thirty (30) days' prior written notice after the issuance of a Final or Temporary Certificate of Occupancy.

8. CLOSING ADJUSTMENTS. The following adjustments shall be made as of midnight of the date preceding the Closing Date with respect to the Unit:

8.1

(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;

(c) Accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

8.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under section 8.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

8.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based upon the percentage of time of which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9. CLOSING COSTS

(A) In addition to those closing costs and adjustments described in the sections above, PURCHASER shall be required to pay the other closing costs which are Purchaser's responsibility. These Closing Costs and Adjustments include but are not limited to the following:

(i) The New York State Real Property Transfer Tax;

(ii) The New York City Real Property Transfer Tax;

(iii) The New York State Additional Transfer Tax (commonly referred to as the "Mansion Tax) if applicable;

(iv) A Working Capital Contribution equal to two (2) months Common Charges;

(v) as well as the actual fee for recording the deed to the unit as well as the applicable New York State sales tax on any items of personal property.

(vi) The Purchaser shall pay to Seller's attorney the sum of $1,150.00 for the preparation of the condominium documents.

10. In the event the PURCHASER shall obtain a purchase money mortgage, he shall pay all applicable fees connected therewith including but not limited to origination fees, fees for credit reports, the actual cost of appraisal and inspection fees, mortgage tax, mortgage title insurance, bank's attorney's fees for preparation of documents necessary for the mortgage loan or recording fees and all other governmental charges assessed on the loan. All applicable real estate taxes, and other usual and normal closing charges during the month that title closes or established as a reserve, shall be adjusted as of the closing date based upon the last bill rendered for such taxes or charges. The purchaser shall pay the fee of his own attorney and the premium for a fee title insurance policy, if he desires such coverage. PURCHASER shall make the required deposits with the lending institution for future payments of taxes and insurance premiums.

11. DEED AND SUBJECT TO. The closing deed shall be a Bargain and Sale Deed with Covenants Against Grantor's Act, shall be duly executed and acknowledged by the SPONSOR so as to convey to the Purchaser the fee simple title to the said Unit, free and clear of all liens and encumbrances, except as herein stated, and shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor.

The SPONSOR shall give and the PURCHASER shall accept such title as a reputable title insurance company doing business in the State of New York shall be willing to approve and insure, subject to the following which may be given and recorded at any time prior or subsequent to the delivery of the deed and such deed shall be deemed subject thereto:

(a) Zoning and building restrictions and regulations of the jurisdiction wherein the building is or is to be located and amendments and additions thereto in effect at the date of closing of title, provided same does not prohibit the erection and maintenance of the structure referred to herein; and

(b) Any state of facts an accurate survey or physical inspection may show, in accordance with the terms hereof, provided the same does not render title unmarketable; and

(c) Encroachments of stoops, areaways, party walls, steps, trim, fences, curbs and/or retaining walls or party walls; and

(d) Sewer, water, gas, drainage, electric and telephone easements, and any other utility easements; and

(e) Covenants, easements, agreements, declarations, restrictions, reservations, set-back lines, driveway and party wall agreements, affecting said premises, providing same does not prohibit the erection and maintenance of the structure referred to herein; and

(f) Approval, and the conditions thereof, by the building department and any other governmental boards, departments or agencies as to the building, plot layout, plot grade, retaining or curb walls and street; and

(g) City Planning Commission, Board of estimate and Zoning Lot Declarations, and or agreements; and

SPONSOR may pay and discharge any liens or encumbrances not provided for in this contract out of the moneys to be paid by PURCHASER at the closing. The existence of unpaid taxes or liens or encumbrances of any kind at the time of closing shall not constitute an objection to title provided that the title company insuring the mortgage hereinbefore set forth shall be willing to insure against collection of the same from the premises.

Purchaser hereby accepts and approves the Plan (including the Declaration, By-laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

12. DEFAULT BY PURCHASER

(A) TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of the Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default is shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

(B) If Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the closing apportionments described in this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser shall be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor

postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

13. SPONSOR'S INABILITY TO CONVEY THE UNIT

If SPONSOR is unable to deliver transfer title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations as 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 (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement.

If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and, upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (to acquire title subject to such inability).

In the event that Sponsor cannot convey title to the Unit on or before eighteen (18) months from the date of this purchase agreement, at Purchaser's request, all monies advanced by Purchaser shall be returned to purchaser with interest, if any, and neither party shall have any right against the other.

14. BREACH OF PURCHASE AGREEMENT BY PURCHASER. Should PURCHASER willfully violate, repudiate or fail to keep any of the promises made under this Agreement which default remains uncured for fifteen (15) days after written notice of such default from SPONSOR, SPONSOR, may, at its option, retain all or any part of the monies paid on account hereunder, including price of any custom work ordered, as liquidated damages, in which event the parties shall be discharged of all further liability hereunder. The provisions shall apply whether or not construction has commenced and regardless of any sale of the property subsequent to PURCHASER'S default, if such default results in a delay in the closing of title from the date and time fixed pursuant to this Purchase Agreement, the PURCHASER will only be permitted to cure the default and close within such fifteen (15) day period on condition that all adjustments shall be made as of the date originally fixed for the closing of title.

15. RISK OF LOSS. The risk of loss of damage to the house by fire or any other cause until the delivery of the deed is assumed by the SPONSOR, provided that the PURCHASER has not taken possession of the premises, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to the Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the proceeding sentence shall survive closing of title.

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

16. POSSESSION BY PURCHASER PRIOR TO CLOSING. It is expressly understood and agreed that the PURCHASER shall in no event take possession of the premises prior to the time of the delivery of the deed and full compliance by the PURCHASER with the terms of this Agreement, and should the PURCHASER violate this provision, the PURCHASER consents that the SPONSOR shall have the right to remove him from the premises 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, upon such election, the amount paid hereunder shall belong to the SPONSOR as liquidated damages and the contract shall be deemed cancelled, it is further understood and agreed that the SPONSOR will not be responsible for damage or loss to any property belonging to the PURCHASER, whether same is delivered to the property on or after closing of title herein.

17. ACCEPTANCE OF DEED; FULL COMPLIANCE BY SPONSOR. Anything in the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of closing of title hereunder shall constitute full compliance by the SPONSOR with the terms of this Agreement and none of the terms hereof, except as otherwise herein expressly provided shall survive the delivery and acceptance of the deed. This provision shall not discharge liability or terminate the continuing effect of representations made by Sponsor in the Offering Plan.

Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, the Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following closing of title. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser will receive two (2) business days notice that the Unit is available for inspection. If Purchaser fails to inspect the Unit within said two (2) day period, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, Sponsor will not be obligated to replace any such surfaces.

18. EXTRAS. Any extras ordered by PURCHASER shall be paid for in full at the time of selection. If for any reason the SPONSOR fails to install said extras in accordance with the work order, the limit of the SPONSOR liability is a refund of the amount of the charge.

19. EXECUTION OF REQUIRED DOCUMENTS. PURCHASER agrees to deliver to SPONSOR all documents and to perform all acts required by SPONSOR to carry out the provisions of all applicable laws and regulations. This paragraph shall survive delivery of the deed.

20. ASSIGNABILITY NOTICE. The parties agree that the stipulations and agreements herein contained shall be binding upon them, their respective heirs, executors, administrators and/or assigns. The PURCHASER agrees that he will not record or assign this Agreement or any of the rights hereunder. It is expressly understood and agreed that the PURCHASER will in no event assign this contract without the written consent of the SPONSOR. Any notice to be given hereunder shall be in writing and sent by mail to the parties at the addresses given or at such address as either party may hereafter designate to the other in writing.

21. THE HOUSING MERCHANT IMPLIED WARRANTY APPLIES TO THIS CONTRACT.

22. BROKER: The parties agree that no Broker other than brought about the sale and PURCHASER agrees to indemnify SPONSOR against any claim brought by anyone else for brokerage fees based upon PURCHASER'S Act. SPONSOR agrees to pay the broker pursuant to separate agreement. Such commission shall not be deemed to be earned nor shall the same be due or payable unless and until title closes pursuant to the provisions hereof.

23. PURCHASERS AGENTS FOR EACH OTHER. If two or more persons are named as the PURCHASER herein, any one of them is hereby made agent for the other in all matters of any and every kind of nature affecting the premises herein or this Agreement.

24. PURCHASER'S RIGHT TO ENTER. PURCHASER understands and agrees that at no time may he enter his or any premises under construction without the express written consent of the SPONSOR and in the presence of the designated employees of the SPONSOR.

25. MORTGAGE COMMITMENT. Once the mortgage commitment is issued by the lender, its withdrawal by said lender based upon any willful change in PURCHASER'S circumstances shall still obligate PURCHASER to close or his deposit shall belong to the SPONSOR. It is the obligation of PURCHASER to keep the Mortgage commitment in full force until the closing of title.

26. CONFLICTING LANGUAGE. Any inconsistencies or conflict between the terms and conditions of the Purchase Agreement and the representation in the Offering Plan shall be resolved according to the terms of the Offering Plan.

_____
Sponsor/Seller

_____
, Purchaser

_____
Escrow Agent

PURCHASER(S) ACKNOWLEDGE RECEIPT OF THE HEREIN BELOW LIMITED WARRANTY PURSUANT TO THE PROVISIONS OF THE CONTRACT OF SALE TO WHICH THIS LIMITED WARRANTY IS ANNEXED.

_____ _____

EXHIBIT A

LIMITED WARRANTY

Warranty No._____

NAME OF PURCHASER(S) _____

ADDRESS OF PURCHASER(S) _____

DESIGNATION OF HOME WARRANTED _____

NAME OF BUILDER _____

ADDRESS OF BUILDER _____

BUILDERS LIMIT OF TOTAL LIABILITY:

Seventy-five (75%) percent of the purchase price of the Home set forth in the Purchase Agreement to which this Limited Warranty is annexed as an exhibit.

This limitation is subject to Section 777-(b) of Article 36-B of the General Business Law which is reproduced in Part II of the Offering Plan. Section 777-b(4)(i) provides that "a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to a home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose"

NOTE: THIS LIMITED WARRANTY EXCLUDES ALL CONSEQUENTIAL, INCIDENTIAL SPECIAL AND INDIRECT DAMAGES EXCEPT AS REQUIRED BY LAW. THIS LIMITED WARRANTY EXCLUDES ALL OTHER WARRANTIES OF EVERY KIND, EXPRESS AND IMPLIED ON THE CONSTRUCTION AND SALE OF THE HOME, ITS WORKMANSHIP AND MATERIALS, AND ITS FITNESS FOR USE AND HABITABILITY. THIS LIMITED WARRANTY IS ACCEPTED BY THE PURCHASERS IN LIEU OF ALL OTHER WARRANTIES. THE BUILDER MAKES NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THIS PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE BUILDER'S RESPONSIBILITES FOR DEFECTS OF A LATENT OR HIDDEN NATURE THAT WOULD NOT HAVE BEEN FOUND OR DISCLOSED ON THE FINAL INSPECTION.

1. TO WHOM GIVEN. This Limited Warranty is extended exclusively to the Purchaser named on page 1 of this Limited Warranty, while the named Purchaser owns the Home. It does not extend to subsequent owners of the Home, tenants or mortgagees in possession of the Home, any Person who may succeed to the rights of the Purchaser or to any other Person.

2. BY WHOM MADE. This Limited Warranty is made exclusively by the Builder whose name and address appear on page 1 of this Limited Warranty.

3. FINAL INSPECTION OF THE HOME. Before the Purchaser moves into the Home or accepts the deed, the Builder will set up an appointment for the Final Inspection with the Purchaser. The purpose of the Final Inspection is to discover any Defects of a visible, apparent or patent nature, or any unfinished work.

Defects in the Home found on the Final Inspection will be itemized on a Final Inspection Form, annexed hereto as Schedule D, that includes a schedule for each item that will be corrected or completed. The Final Inspection Form will be signed by the Purchaser and the Builder before occupancy of the Home or transfer of the deed.

The purpose of this Limited Warranty is to identify the Builder's responsibilities for Defects of a latent or hidden kind that would not have been found or disclosed on the Final Inspection.

When the Purchaser moves into the Home or accepts the deed, the Builder's responsibility is limited to:

(a) completion of items shown on the Final Inspection Form, as provided in the Final Inspection Form, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as contained in this document.

4. DEFINITIONS. As used in this Limited Warranty, the following terms have the following meanings:

(a) "Builder" means the Person identified as the Builder on page 1 of this Limited Warranty.

(b) "Building Code" means the Building Code of the City of New York, Title 27 of the Administrative Code of the City of New York, as the Code exists on the Warranty Date.

(c) "Consumer Product" shall include, but not be limited to, any appliance, piece of equipment, or other item which is a "consumer product" under the Magnusson-Moss Warranty Act, 15 USC section 2301 et seq., and which is installed in the Home by the Builder. Examples of Consumer Products include, when installed by the Builder: air purifiers, kitchen appliances, refrigerators, freezers, ovens, stoves, microwaves, mixers, sinks,

toilets, bathtubs, compactors, garbage disposals, dishwashers, fans, faucets and plumbing fixtures, clothes washers, clothes dryers, water heaters, water softeners, humidifiers, pumps, furnaces, oil tanks, gas tanks, heaters, air conditioners, light fixtures, circuit breakers, floor coverings, windows, doors, door openers, siding, brick, and roofing.

(d) "Defect" means defective workmanship performed by the Builder and defective materials supplied by the Builder, determined solely by reference to the specific standards of the Building Code and the Locally Accepted Building Practices. The term Defect does not include a condition in the Home that would have been apparent or ascertainable upon the Final Inspection. A condition that is disclosed to the Purchaser at any time prior to acceptance of the deed, by notation on the Final Inspection Form or otherwise, is not a Defect within the meaning of this Limited Warranty. Unless otherwise indicated, the term "Defect" shall be deemed to include "Major Structural Defects".

(e) "Electrical System" means the following items, if installed in the Home by the Builder: electrical wiring, electrical boxes, switches, outlets and connections up to the public utility connection; cable television systems; intercom systems; burglar, fire and smoke alarm systems. The Electrical System does not include any Consumer Product.

(f) "Final Inspection" means the final inspection of the Home prior to the Purchaser's acceptance of the deed as referred to in Paragraph 12 of the purchase agreement to which this warranty is annexed as a exhibit.

(g) "Heating/Cooling/Ventilation System" means the following items, if installed in the Home by the Builder: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers. The Heating/Cooling/Ventilation System does not include any Consumer Product.

(h) "Home" means the property constructed by the Builder and sold to the Purchaser, as identified in the purchase agreement between the Builder and the Purchaser.

(i) "Locally Accepted Building Practices" means the performance standards annexed to and incorporated in this Limited Warranty as Schedule A.

(j) "Major Structural Defects" means Defects resulting in actual physical damage to the Major Structure of the Home caused by failure of the Major Structure which affects its load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable.

(k) "Major Structure" means the following portions of the Home that are load-bearing: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems. Major Structure does not include nonload-bearing portions of the Home such as: roofing and sheathing; roof shingles and tar paper; drywall, lathes and plaster; exterior siding; brick, stone, stucco and veneer; flooring and subflooring material; floor covering material; wall tile or paper and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of

the Home; Electrical System, Plumbing System, Heating/Cooling/Ventilation System; Consumer Products, appliances, fixtures and items of equipment; paint and stains; doors and windows; trim; cabinets; hardware; insulation.

(l) "Person" means any individual, partnership, corporation, or other legal entity.

(m) "Plumbing System" means the following items, if installed in the Home by the Builder: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system. The Plumbing System does not include any Consumer Product.

(n) "Purchaser" means the Person identified as the Purchaser on page 1 of this Limited Warranty, while such Person owns the Home.

(o) "Purchaser's Family" means "Family Member" as defined in Section 2520.6 (o) of the Rent Stabilization Code for Rent Stabilized Apartments in New York City.

(p) "Residential Occupancy" means occupancy of any portion of the Home for residential purposes by any Person, their designee or invitee.

(q) "Warranty Date" means the date that the Purchaser, or a member of Purchaser's Family, takes title to the Home, or the date on which any Person begins Residential Occupancy of the Home, whichever date is earlier.

5. PRODUCTS AND PARTS COVERED BY LIMITED WARRANTY. Coverage A of this Limited Warranty applies to those parts of the Home that have been constructed by the Builder and to those Consumer Products that have been installed in the Home by the Builder. Coverage A does not apply to any part of the Home that has been constructed, altered or damaged by any Person other than the Builder or to any Consumer Product that has been installed, altered or damaged by any Person other than the Builder.

Coverage B of this Limited Warranty applies to those products or parts of the Plumbing System, Electrical System, and Heating/Cooling/ Ventilation System that have been installed by the Builder. Coverage B does not apply to any products or parts that have been installed, altered or damaged by any Person other than the Builder. Coverage B does not extend to any Consumer Product.

Coverage C of this Limited Warranty applies to those parts of the Major Structure that have been constructed by the Builder. Coverage C does not apply to any part of the Major Structure that has been constructed, altered or damaged by any Person other than the Builder.

Coverages A, B and C are subject to the definitions, limitations, exclusions, and all other terms and conditions of this Limited Warranty.

6. WARRANTY COVERAGE PERIODS. Warranty coverages A, B and C begin on the Warranty Date. The warranty coverages end as follows:

COVERAGE A: one year following the Warranty Date;
COVERAGE B: two years following the Warranty Date;
COVERAGE C: six years following the Warranty Date.

No fact, condition or circumstance delays or extends the Warranty Date or any time or period of warranty coverage.

7. WARRANTY COVERAGES

COVERAGE A: The Builder warrants to the Purchaser that, for one year following the Warranty Date, the Home will be free from Defects due to failure by the Builder to have constructed the Home in accordance with the specific standards of the Building Code or due to noncompliance by the Builder with the Locally Accepted Building Practices. The above coverage shall include, but not be limited to, Builder's warranty that the roof and basement of the Home shall be free from leaks.

The Builder further warrants to the Purchaser that, for one year following the Warranty Date, Consumer Products installed in the Home by the Builder will be free from Defects due solely to faulty installation by the Builder. (For Consumer Products, see further details in paragraph 10 of this Limited Warranty, below.)

COVERAGE B: The Builder warrants to the Purchaser that, for two years following the Warranty Date, the Plumbing System, Electrical System, and Heating/Cooling/Ventilation System of the Home will be free from Defects due to failure by the Builder to have installed such systems in the Home in accordance with the specific standards of the Building Code or due to noncompliance by the Builder with the Locally Accepted Building Practices.

The Builder reserves the right to substitute to the Purchaser at closing written warranties of the Builder's plumbing, electrical, heating, cooling, or ventilation system subcontractors, by providing written copies of such warranties to the Purchaser. Said warranties will be in substantial conformance with the performance standards annexed hereto as Schedule A. In the event of such substitution, the Purchaser's coverage will be limited to said substituted warranties and the Purchaser will address any requests for warranty service under Coverage B and any warranty claims under Coverage B to the subcontractor, with a copy of any written request or claim to the Builder.

COVERAGE C: The Builder warrants to the Purchaser that, for six years after the Warranty Date, the Major Structure of the Home will be free from Major Structural Defects due to faulty workmanship performed by the Builder or defective materials supplied by the Builder.

The Builder reserves the right to substitute to the Purchaser at closing insurance coverage from a licensed insurance carrier or risk retention group to be selected by the Builder by providing written copies of such insurance policy to the Purchaser substantially in conformance with the terms and conditions contained in the standard insurance policy issued by Home Buyers Warranty Corporation for six year structural coverage. In the event of such substitution, the Purchaser's coverage will be limited to said substituted insurance policy and the Purchaser will address any requests for warranty service under Coverage C and any warranty claims under Coverage C to the insurance carrier or risk retention group, with a copy of any written request or claim to the Builder.

8. SPECIAL PROVISIONS FOR CONDOMINIUMS. If the Home is a condominium unit, see the Condominium Rider annexed hereto as Schedule E for special provisions affecting condominium units.

9. EMERGENCY ACCESS: Purchaser also understands and agrees that if emergency repairs are needed on Purchaser's Home or adjoining Home(s) and the Purchaser cannot be contacted within a reasonable period of time, the Purchaser waives advance notice. Such entry, with or without notice, shall be made with as little inconvenience as possible to the Purchaser.

10. CONSUMER PRODUCTS This Limited Warranty covers Consumer Products only during the first year and only to the extent of Defects caused solely by faulty installation by the Builder. Damage caused or made worse by any manufacturer's or distributor's defect, by installation by any Person other than the Builder, from misuse by the Purchaser or user, or from a malfunction of an electric company, gas company, water supplier or any other utility is not covered.

The Builder conveys and assigns to the Purchaser, to the extent that they are assignable, all warranties provided to the Builder on any Consumer Products and manufactured items that have been installed by the Builder in the Home. The Purchaser accepts this assignment and acknowledges that the Builder's only responsibility relating to such assigned warranties is to lend assistance to the Purchaser in settling claims under the assigned warranties.

11. EXCLUSIONS FROM COVERAGE. The following are excluded from coverages A, B, and C, except as otherwise noted below:

(a) Loss or damage caused by workmanship performed by any person other than the Builder.

(b) Loss or damage caused by defective materials supplied by any person other than the Builder.

(c) Loss or damage caused by defective design, unless the design professional was retained exclusively by the Builder.

(d) Loss or damage that would have been apparent or ascertainable upon the Final Inspection.

(e) Loss or damage that is disclosed to the Purchaser at any time prior to acceptance of the deed, by notation on the Final Inspection Form or otherwise.

(f) Defects in outbuildings including, but not limited to, detached garages and detached carports (except outbuildings which contain the Plumbing System, Electrical System, or Heating/Cooling/Ventilation System serving the Home); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); deck areas; curbs; sidewalks; off-site improvements or any other improvements not a part of the dwelling structure itself.

(g) Defects in concrete floors of basements or concrete floors of attached garages that are built separately from foundation walls or other structural elements of the Home.

(h) Damage to real property which is not part of the Home covered by this Limited Warranty and which is not included in the purchase price of the Home.

(i) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Builder; or

(ii) failure by the Purchaser or anyone other than the Builder to comply with the warranty requirements of manufacturers or suppliers of Consumer Products, appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Builder of any Defects or damage in the manner set forth in paragraph 14 of this warranty; or

(iv) changes in the grading of the ground by anyone other than the Builder; or

(v) changes, alterations or additions made to the Home by anyone after the Warranty Date shown on page 1; or

(vi) dampness or condensation due to failure of any Person other than the Builder to maintain adequate ventilation.

(j) Any condition which does not result in actual physical damage to the Home, including but not limited to uninhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde, or other pollutants and contaminants, or the presence of hazardous or toxic on-site materials.

(k) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, hurricane, tornado, mudslide, earthquake, volcanic eruption, wind-driven water, or changes in the underground water table.

(l) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a Defect and is not due to condensation or improper grading of land other than the grades established by the Builder.

(m) Loss or damage caused by soil movement for which compensation is provided by legislation.

(n) Changes, alterations, or additions made to the Home by anyone after initial occupancy or acceptance of the deed, except those performed by the Builder to meet warranty obligations under this Limited Warranty.

(o) Loss or damage which is covered under any other warranty or insurance policy.

(p) Loss or damage which the Purchaser has not taken timely action to mitigate.

(q) Normal wear and tear and normal deterioration.

(r) Insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests.

(s) Bodily injury, personal injury, death, or loss or damage to personal property.

(t) Failure of the Builder to complete construction of the Home.

(u) Loss or damage which arises while the Home is being used primarily for nonresidential purposes or which arises as the result of nonresidential use.

(v) Loss or damage due to loading on floors by the Purchaser which exceeds design loads as established by the Building Code.

(w) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to inconvenience, relocation, or loss of use, during repair.

(x) Consequential, incidental, special and indirect damages.

(y) Loss or damage arising from any claim not filed in strict compliance with the procedures set forth below in paragraph 14, "Step-by Step Claims Procedures" with respect

to any claim. PURCHASER'S FAILURE TO COMPLY WITH ANY OF THE PROCEDURES SET FORTH IN PARAGRAPH 14 WITH RESPECT TO A CLAIM WILL VOID SAID CLAIM UNDER THIS LIMITED WARRANTY.

(z) Loss or damage of any kind in excess of the Builder's Total Limit of Liability, as indicated on page 1 of this Limited Warranty.

(aa) Loss or damage to any improvements or additions to the Home made by the Purchaser.

(bb) Loss or damage to the Home which cannot be remedied due to the Builder's inability to gain reasonable access to the affected area because of the Purchaser's improvements or additions to the Home.

(cc) Defects in any work or materials ordered directly by the Purchaser from the Builder's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental, consequential, special or indirect damages resulting from such work or materials;

(dd) Raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves) and on facias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks, or other blemishes in windows, sliding doors, screens, electric fixtures and globes, woodwork and doors; dented appliances; broken screens; and minor chips (nicks) to cultured marble floors and countertops;

12. PURCHASER'S RESPONSIBILITIES

The Home requires active maintenance effort on the Purchaser's part to reduce the likelihood of damage due to neglect, improper maintenance, abnormal use or any other use proscribed under applicable law. Some specific Purchaser's responsibilities are set out in the performance standards of the Locally Accepted Building Practices, attached to and included in this Limited Warranty as Schedule A. The Purchaser is required to abide by all operating instructions provided by the Builder or by any manufacturer or supplier of component parts of the Home.

The Purchaser is required, prior to the time that the Builder has received notice of a claim, to use reasonable efforts to timely mitigate damages caused by a Defect. Except in the event of an actual emergency, the Purchaser's obligation to mitigate damages will not require the Purchaser to expend any monies to mitigate damages. The Builder will be required to reimburse the Purchaser for any monies reasonably expended by the Purchaser to mitigate damages in the event of an actual emergency.

NOTE: DAMAGE CAUSED OR MADE WORSE BY HOME OWNER NEGLIGENCE, IMPROPER MAINTENANCE, IMPROPER OPERATION, ILLEGAL USE OR THE PURCHASER'S FAILURE TO TIMELY MITIGATE DAMAGES IS EXPRESSLY EXCLUDED FROM COVERAGE UNDER THIS LIMITED WARRANTY.

Further responsibilities of the Purchaser are described in section 14 of this Limited Warranty, below.

13. WHAT THE BUILDER WILL DO. If a Defect occurs in an item covered by this Limited Warranty, the Builder will repair, replace or pay the Purchaser the reasonable fair market cost of repairing or replacing the defective item(s) within sixty (60) days after the Builder's inspection or testing discloses the problem, subject to Acts of God, weather conditions, availability of materials and other events and circumstances beyond the Builder's control. The choice among repair, replacement or payment is solely that of the Builder. In making any repairs or replacements, the Builder will have the sole right to select the method and materials to be used in performing such repairs or replacements.

In the case of a Defect that is identified in the Locally Accepted Building Practices, the Builder will respond according to the "Builder Correction" as described in the Locally Accepted Building Practices.

In no event will the Builder's total liability for deficiencies under this Limited Warranty exceed the Builder's Limit of Total Liability, shown on page 1. Any payments made by the Builder or the fair market cost of repairs and/or replacements made by the Builder will be applied to reduce the Builder's Limit of Total Liability set forth on page 1 of this Limited Warranty.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (i) the repair of damage to the load-bearing portions of the Home themselves which is necessary to restore their load-bearing function; and (2) the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, unsanitary or otherwise unlivable.

When the Builder finishes repairing or replacing the Defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the Defect must be signed by the Purchaser and delivered to the Builder. In the event the Purchaser fails to execute a full release, the Builder will notify the Purchaser as to what action(s) it has taken with respect to the applicable Defect and thereafter the Builder will be deemed to have complied with all of its obligations under this Limited Warranty with respect to the applicable Defect.

14. STEP BY STEP CLAIMS PROCEDURES. If the Purchaser believes that a Defect has occurred in an item covered by this Limited Warranty, the Purchaser must take the following steps:

(a) Written notice of any warranty claim must be made on the "Notice of Warranty Claim Form" annexed hereto as Schedule B, and must be actually received by the Builder identified on page 1, no later than the tenth (10th) business day after warranty coverage on that item expires. Notice of any warranty claim must be given by the Purchaser to the Builder as follows: (1) by hand, with a written acknowledgement receipt from the Builder, or (2) by certified or registered mail, return receipt requested. If this Notice of Warranty Claim Form is not properly completed and received by the Builder by that deadline, the Builder will have no duty to respond to any complaint or demand, and any or all claims may be rejected. FAILURE TO COMPLETE AND DELIVER THE NOTICE OF WARRANTY CLAIM TO THE BUILDER VOIDS ANY CLAIMS UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Builder, Purchaser or any other person to inspect, test or correct defects will extend the period of warranty coverage or any other time period under this Limited Warranty. Steps taken by the Builder in response to an improperly completed or untimely Notice of Warranty Claim will not give rise to any liability of the Builder to the Purchaser and will not prejudice or otherwise affect any right of the Builder, including but not limited to the Builder's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Builder and the Builder's agents will have the right to inspect and test the portion of the Home to which the claim, complaint or request relates. The Purchaser and occupants of the Home must provide Reasonable Access to the Builder and the Builder's agents during normal business hours, Monday through Friday, to complete inspection, testing and repair or replacement.

"Reasonable Access" by the Purchaser for inspection, testing and completion of the work will (a) require the Purchaser or its representative to be physically present during any work period and (b) require the Purchaser and occupants of the Home to allow the Builder to inspect, test and complete the work and not obstruct the Builder in any way during the Builder's performance of its duties. In the event, after a work appointment has been set by the Builder and the Purchaser, the Purchaser (and/or occupants, as required) fails to provide Reasonable Access to the Builder, the Builder will have the right to assess the Purchaser a $50.00 service fee.

IN THE EVENT, AFTER A SECOND WORK APPOINTMENT HAS BEEN SET BY THE BUILDER AND THE PURCHASER, THE PURCHASER (AND/OR OCCUPANTS, AS REQUIRED) AGAIN FAILS TO PROVIDE REASONABLE ACCESS TO THE BUILDER, THE PURCHASER WILL BE ESTOPPED FROM ASSERTING ANY CLAIMS WITH RESPECT TO THE APPLICABLE DEFECT UNDER THIS LIMITED WARRANTY AND THE BUILDER WILL BE DEEMED TO HAVE COMPLIED WITH ALL OF ITS OBLIGATIONS UNDER THIS LIMITED WARRANTY WITH RESPECT TO THE APPLICABLE DEFECT.

(d) The Builder is not responsible for repairs performed by anyone other than the Builder or an authorized service representative of the Builder. The Builder will not reimburse the Purchaser for the costs of any unauthorized work or materials. The Builder will not repair or replace an item that has been repaired, altered or replaced by anyone other than the Builder or the Builder's authorized service representative. A LIST OF THE BUILDER'S AUTHORIZED SERVICE REPRESENTATIVES IS ATTACHED TO THIS LIMITED WARRANTY AS SCHEDULE C. USE OF UNAUTHORIZED SERVICE VOIDS ANY CLAIMS UNDER THIS LIMITED WARRANTY.

15. LEGAL ACTIONS.

(a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Builder in any court or forum unless notice of the claim or cause of action has been received by the Builder in a timely and properly completed Notice of Warranty Claim Form as provided in paragraph 14 above.

(b) No suit, action and proceeding against the Builder under this Limited Warranty may be commenced in any court or forum more than thirty (30) days after the expiration of the applicable warranty coverage under paragraph 6 of this Limited Warranty.

16. GENERAL PROVISIONS.

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Builder and the Purchaser, their heirs, executives, administrators, successors and assigns.

(c) Should any provision of the Limited Warranty be deemed unenforceable by a court of competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes all other genders, and use of the plural includes the singular.

(e) This limited warranty is to be governed in accordance with the laws of New York State.

SCHEDULE A

CONSTRUCTION QUALITY STANDARDS FOR ONE AND TWO YEAR WARRANTY COVERAGE

WORKMANSHIP/STSYEMS COVERAGE CONSTRUCTION QUALITY STANDARDS

The following Construction Quality Standards are standards that have been developed and accepted by the residential construction industry in general. While it is virtually impossible to develop a construction standard for each possible deficiency, the construction industry and the Builder have attempted to isolate the most common deficiencies that occur and in so doing, list the extent of the Builder's and Homebuyer(s) responsibility. Where a specific deficiency has not been isolated, the standard practice of the construction industry will apply.

Homebuyer(s) should be aware that all new homes go through a period of settlement and movement. During this period, the Home may experience some minor material shrinkage, cracking and other events which are unavoidable and considered normal. The homebuyer(s) should also be aware that he/she is responsible for proper home maintenance, such as maintaining builder set grades around the house. Damages caused by Homebuyers negligence, improper maintenance or changes, alterations or additions performed by anyone other than the Builder, his/her employees, or subcontractors are excluded from the warranty.

The following Construction Quality Standards are expressed in terms of required standards that the Builder's construction must meet. Non-compliance with these construction standards calls for corrective action by the Builder.

1. SITE WORK

1.1 EXCAVATING AND BACKFILLING

DEFICIENCY Settling of ground around foundation, utility trenches or other filled areas

CONSTRUCTION STANDARDS

Settling of ground around utility trenches or other filled areas; maximum allowable 6 inches. Settling of backfill around foundation shall not interfere with water damage away from the house.

BUILDER CORRECTION

Upon request from the buyer, the Builder shall recompact and backfill excessively settled areas one time only during the first year of warranty. The owner shall be responsible for any grass, shrubs or other landscaping affected by placement of such fill.

1.2 SITE DRAINAGE

DEFICIENCY: Improper drainage of the site.

CONSTRUCTION STANDARD:

The necessary grades and swales should be established to insure proper drainage away from the house. Site drainage is limited to the immediate grades and swales affecting the structure. No standing or ponding of water should remain in this immediate area twenty-four (24) hours after a rain, except sales which may drain longer than other areas after a rain, or sump pump discharge. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.

BUILDER CORRECTION:

The Builder is responsible only for establishing the proper grades and swales. The owner is responsible for maintaining such grade and swales once they have been properly established and stabilized by the Builder.

1.3 CRAWL SPACES

DEFICIENCY: Water in crawl space

CONSTRUCTION STANDARD:

Crawl spaces should be graded and drained properly to prevent water from accumulating in the crawl space area.

BUILDER CORRECTION:

The Builder is responsible for providing proper grading and drainage of crawl space areas. Water should not be present in the crawl space area thirty (30) days after the owner has closed on a Home.

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2. CONCRETE

2.1 EXPANSION AND CONTRACTION JOINTS

DEFICIENCY: Separation or settling of concrete slabs within the structure or at expansion or contraction joints.

CONSTRUCTION STANDARD:

Concrete slabs within the structure are designed to move at expansion and contraction joints. Movement caused by expansion and contraction should not cause cracks and voids to appear in the slabs.

BUILDER CORRECTION:

Builder to take whatever corrective action is necessary to repair excessive cracks and voids. If cracking and movement are within designated tolerances then no correction is necessary.

2.2 CAST-IN-PLACE CONCRETE (NON-STRUCTURAL)

DEFICIENCY: Basement or foundation wall cracks.

CONSTRUCTION STANDARD:

Non-structural cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch are considered excessive.

BUILDER CORRECTION:

The Builder shall repair non-structural cracks in excess of 1/8 inch. Surface patching is acceptable for non-structural cracks

DEFICIENCY: Uneven concrete floors

CONSTRUCTION STANDARD:

Concrete floors in basement or rooms designed for habitability should not have pits, depressions or areas of unevenness that would prevent its use as a finished floor exceeding ¼ inch slope in 32 inches. The floor slope, unless designed for specific drainage purposes, shall not exceed 1/240 of the room width. Structural slab foundation

systems that have experienced some movement but are within the foundation's design performance criteria are excluded from this standard.

BUILDER CORRECTION

Builder to correct or repair to meet the above standard.

DEFICIENCY: Pitting, scaling or spalling of non-excluded concrete work and attached porch concrete work supported by a foundation system

CONSTRUCTION STANDARD:

Concrete surfaces should not disintegrate to the extent that the aggregate is exposed under normal conditions of weather and usage.

BUILDER CORRECTION:

Builder to take whatever corrective action necessary to repair or replace defective concrete surfaces. The Builder is not responsible for deterioration caused by slat, chemicals, mechanical implements and other factors beyond the Builder's control.

DEFICIENCY: Excessive powdering or chalking of non-excluded concrete surfaces.

CONSTRUCTION STANDARD:

Powdering or chalking of concrete surfaces is not permissible, but should not be confused with surface dust.

BUILDER CORRECTION:

The Builder shall take whatever corrective action is necessary to repair or resurface defective areas.

DEFICIENCY: Standing water on stoops.

CONSTRUCTION STANDARD:

Water should drain from outdoor stoops and steps. During and immediately following a rain, minor water standing is permissible.

BUILDER CORRECTION:

The Builder shall take corrective action to assure drainage of stoops and steps.

DEFICIENCY: Cracking of basement floor.

CONSTRUCTION STANDARD:

Minor cracks in concrete basement floors are normal. Cracks exceeding 3/16 inch width or 1/8 inch vertical displacement are considered excessive.

BUILDER CORRECTION:

Builder should repair cracks exceeding maximum tolerances by surface patching or other methods as required.

DEFICIENCY: Cracking of attached garage slab.

CONSTRUCTION STANDARD:

Cracks in garage slab in excess of ¼ inch in width or ¼ inch in vertical displacement are considered excessive and unacceptable. (See expansion joints)

BUILDER CORRECTION:

Builder shall repair excessive cracks as required.

DEFICIENCY: Cracking, settling, heaving or separating of structurally attached stoops or steps.

CONSTRUCTION STANDARDS:

Stoops and steps should not settle, heave or separate in excess of 1 inch in relation to the house structure. No cracks except hairline cracks (less than 1/16 inch) are acceptable in structurally attached concrete stoops.

BUILDER CORRECTION:

Builder shall take whatever corrective action is required to meet acceptable standards.

DEFICIENCY: Cracks in structurally attached patios with footing or foundation system.

CONSTRUCTION STANDARD:

Cracks in excess of ¼ inch in width or 1/8 inch in vertical displacement are considered excessive and unacceptable in structurally attached patios.

BUILDER CORRECTION:

Builder to repair as required.

DEFICIENCY: Cracks in concrete slab-on-grade finished floors.

CONSTRUCTION STANDARD:

Cracks which significantly impair the appearance or performance of the finished flooring material shall not be acceptable.

BUILDER CORRECTION:

The Builder shall repair cracks as necessary so as not to be readily apparent when the finished flooring material is in place.

3. MASONRY

3.1 UNIT MASONRY CONSTRUCTION (NON-STRUCTURAL)

DEFICIENCY: Basement or foundation non-structural wall cracks.

CONSTRUCTION STANDARD:

Small non-structural cracks are not unusual in mortar joints or masonry foundation walls. Such cracks greater than 1/8 inch in width are considered excessive.

BUILDER CORRECTION:

The Builder shall repair non-structural cracks in excess of 1/8 inch by pointing or patching. These repairs should be made toward the end of the first (1st) year of the warrant period.

DEFICIENCY: Cracks in masonry walls or veneer.

CONSTRUCTION STANDARD:

Small cracks are common in mortar joints of masonry construction. Cracks greater than 3/8 inch in width are considered excessive.

BUILDER CORRECTION:

Repair cracks in excess of 3/8 inch by pointing or patching. These repairs should be made toward the end of the first (1st) year of the warranty period to permit normal settling and stabilizing of the home.

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4. WOOD AND PLASTICS

4.1 ROUGH CARPENTRY

DEFICIENCY: Floor squeak or subfloor appears loose.

CONSTRUCTION STANDARD:

Floor squeaks and loose subfloor are often temporary conditions common to new home construction.

BUILDER CORRECTION:

Builder should locate and make a reasonable effort to correct the problem.

DEFICIENCY: Uneven wood floors.

CONSTRUCTION STANDARD:

Finished floors should not have ridges or depressions exceeding ¼ inch in a 32 inch measurement, when measured parallel to the floor joists. Floor slope within any room should not exceed 1/240 of the room width. Allowable floor and ceiling joist deflections should be taken into consideration when measuring.

BUILDER CORRECTION:

Builder will correct to standard only if caused by an underlying construction defect.

DEFICIENCY: Bowed walls.

CONSTRUCTION STANDARD:

All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the walls finished surface. Allowable structural deflections are governed by the approved building code specifications, however bowing greater than 1/240 of the wall length will be considered unacceptable.

BUILDER CORRECTION:

Repair interior and exterior walls as required.

DEFICIENCY: Out of plumb walls.

CONSTRUCTION STANDARD:

Walls should not be more than ½ inch out of plumb for any 8 foot vertical measurement.

BUILDER CORRECTION:

Builder to repair to meet the above standard.

4.2 FINISH CARPENTRY- INTERIOR

DEFICIENCY: Quality of interior trim workmanship.

CONSTRUCTION STANDARD:

Joints in moldings or joints between moldings and adjacent surfaces should not result in joints exceeding 1/8 inch in width.

BUILDER CORRECTION:

Repair defective joints, as defined above. Caulking is acceptable.

4.3 FINSIH CARPENTRY- EXTERIOR

DEFICIENCY: Quality of exterior trim workmanship.

CONSTRUCTION STANDARD:

Joints between exterior trim elements, including siding and masonry, should not result in open joints in excess of 3/8 inch in all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.

BUILDER CORRECTION:

Builder to repair open joints. Caulking is acceptable.

4.4 WOOD TREATMENT

DEFICIENCY: De-lamination or deterioration of exterior siding

CONSTRUCTION STANDARD:

Siding should not de-laminate beyond the tolerances set out in the manufacturer's specifications. Natural wood sidings can be expected to weather and change color as they age.

BUILDER CORRECTION:

Builder will repair or replace as needed unless caused by the owner's failure to maintain siding properly. Repaired area of prefinished material may not match in color and/or texture. The owner can expect that the newly painted surface may not match originals surface in color.

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5. THERMAL AND MOISTURE PROTECTION

5.1 WATERPROOFING

DEFICIENCY: Water in basement

CONSTRUCTION STANDARD:

Leaks resulting in actual trickling of water are unacceptable. However, leaks caused by improper landscaping installed by owner, or failure of owner to maintain proper grades that have been stabilized by the Builder, are not covered by the Warranty. Dampness of the walls may occur in new construction and is not considered a deficiency.

BUILDER CORRECTION:

The Builder shall take such action as necessary to correct basement leaks except where the cause is determined to result from the owner's negligence.

5.2 INSULATION

DEFICIENCY: Insufficient insulation.

CONSTRUCTION STANDARD:

Insulation should be installed in accordance with applicable energy and building code requirements.

BUILDER CORRECTION:

Install insulation in sufficient amounts to meet above standards,

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5.3 SHINGLES AND ROOFING TILES

DEFICIENCY: Leaks due to snow or rain being driven into the attic through vents and louvers.

CONSTRUCTION STANDARD:

Attic vents and/or louvers must be provided in order to properly ventilate your house. Infiltration of rain or snow depends on the force and direction of the wind.

BUILDER CORRECTION:

Builder not responsible for the force and direction of driving rain or snow.

5.4 ROOFING AND SIDING

DEFICIENCY: Ice build-up on roof.

CONSTRUCTION STANDARD:

During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. The condition occurs when snow and ice accumulate, and gutters and downspouts freeze up.

BUILDER CORRECTION:

This is a Homeowner(s) maintenance item unless the roof design is found to be improper for the weather conditions associated with the area.

DEFICIENCY: Roof or flashing leaks.

CONSTRUCTION STANDARD:

Roof and flashing should not leak under normally anticipated conditions, except where cause is determined to result from severe weather conditions, such as ice build-up.

BUILDER CORRECTION:

Builder shall correct or repair any verified roof leaks.

DEFICIENCY: De-lamination of veneer siding or joint separation.

CONSTRUCTION STANDARD:

All siding shall be installed according to the manufacturer's and industry's standards. Joint separation and de-lamination are not acceptable except where the manufacturer indicates that some shrinkage may be anticipated.

BUILDERS CORRECTION:

Builder shall re-secure, caulk, repair or replace to meet the above standard.

5.5 FLAT BUILT-UP ROOFING

DEFICIENCY: Standing water on flat built-up roof.

CONSTRUCTION STANDARD:

Water should drain from a flat built-up roof, with minimum ponding.

BUILDER CORRECTION:

The Builder shall take corrective action to assure proper drainage of roof.

5.6 FLASHING AND SHEET METAL

DEFICIENCY: Flashing, valley, gutters and/or downspouts leak.

CONSTRUCTION STANDARDS:

Flashing, valleys, gutters and downspouts must not leak but gutters may overflow during heavy rains. It shall be the Homeowner(s) responsibility to keep gutters and downspouts free from leaves and debris which could cause excessive overflow.

BUILDERS CORRECTION:

Repair leaks.

DEFICIENCY: Water stands in gutters.

CONSTRUCTION STANDARDS:

When gutter is unobstructed by debris, the water level may not exceed 1 inch.

BUILDER CORRECTION:

Industry practice is to install gutters with slight amounts of pitch. It is possible that small amounts of water will stand in certain sections of the gutter immediately after a rain.

5.7 SEALANTS

DEFICIENCY: Leaks in exterior walls due to inadequate caulking.

CONSTRUCTION STANDARD:

Joints and cracks in exterior wall surfaces and around openings should be properly caulked to exclude the entry of water. Properly installed caulking will shrink and must be maintained by the Homeowner(s) during the life of the house.

BUILDER CORRECTION:

Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct defect.

6. DOORS AND WINDOWS

6.1 WOOD AND PLASTIC DOORS

DEFICIENCY: Warpage of exterior doors.

CONSTRUCTION STANDARDS:

Exterior doors will warp to some degree due to temperature differential on inside and outside faces. However, they should not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association standards (1/4 inch).

BUILDER CORRECTION:

Correct or replace and refinish defective doors to match existing doors as nearly as possible.

DEFICIENCY: Warpage of interior passage and closet doors.

CONSTRUCTION STANDARD:

Interior doors (full opening) should not warp to exceed National Woodwork Manufacturers Association standards (1/4 inch), provided the proper levels of humidity have been maintained in the home.

BUILDER CORRECTION:

Correct or replace and refinish defective doors to match existing doors as nearly as possible.

DEFICIENCY: shrinkage of insert panels showing raw wood edges.

CONSTRUCTION STANDARDS:

Panels will shrink and expand and may expose unpainted surface.

BUILDER CORRECTION:

None: Builder not responsible.

DEFICIENCY: Split door panel.

CONSTRUCTION STANDARD:

Split panels should not allow light to be visible or allow the weather to get through the door.

BUILDER CORRECTION:

If light is visible or the weather is getting through the door, fill split to match paint or stain as closely as possible, one time in first (1st) year.

6.2 GARAGE DOORS ON ATTACHED GARAGE

DEFICIENCY: Garage door fails to operate properly

CONSTRUCTION STANDARD:

Garage door should operate properly.

BUILDER CORRECTION:

The Builder shall correct or adjust garage doors as required, except where the cause is determined to result from the owner installing an electric garage door opener.

DEFICIENCY: Garage door allows entrance of snow or water.

CONSTRUCTION STANDARD:

Garage door should seal properly under normal conditions.

BUILDER CORRECTION:

Some entrance of the elements can be expected under abnormal conditions. Builder shall adjust or correct garage doors or garage slab to meet normal conditions.

6.3 METAL WINDOWS

DEFICIENCY: Malfunction of windows.

CONSTRUCTION STANDARD:

Windows should operate with reasonable ease as designed.

BUILDER CORRECTION:

Builder to correct or repair as required.

DEFICIENCY: Condensation and/or frost on windows.

CONSTRUCTION STANDARD:

Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions.

BUILDER CORRECTION:
Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

6.4 WOOD AND PLASTIC WINDOWS
Refer to 6.3

6.5 WEATHERSTRIPPING AND SEALS
DEFICIENCY: Infiltration around doors and windows.
CONSTRUCTION STANDARDS:
Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather stripping is not permissible. It may be necessary for the owner to have storm windows and doors installed to provide a satisfactory solution in high wind areas.
BUILDER CORRECTION:
The building shall adjust or correct open cracks, poorly fitted doors or windows, or poorly fitted weather stripping.

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7. FINISHES

7.1 LATH AND PLASTER
DEFICIENCY: Cracks in interior wall surfaces.
CONSTRUCTION STANDARDS:
Hairline cracks are not unusual in interior wall surfaces. Cracks greater than 1/8 inch in width are considered excessive.
BUILDER CORRECTION:
The Builder shall repair cracks exceeding 1/8 inch as required.

7.2 GYPSUM WALLBOARD
DEFICIENCY: Defects caused by poor workmanship such as blisters in tape, excess compound in joints, cracked corner beads, or trowel marks.
CONSTRUCTION STANDARDS:
Slight "imperfections" such as nail pops, seam lines and cracks are common in plaster and gypsum wallboard installation. However, obvious defects or poor workmanship resulting in blisters in tape or excess compound in joints, trowel marks and cracked corner beads are not acceptable.
BUILDER CORRECTION:
Builder to correct such defects within acceptable tolerance and repaint repaired areas. Builder is not responsible for color variations in paint.

7.3 CERAMIC TILE
DEFICIENCY: Ceramic tile cracks and becomes loose
CONSTRUCTION STANDARD
Ceramic tile should not crack or become loose.
BUILDER CORRECTION:
The Builder shall replace any cracked tiles and re-secure any loose tiles unless the defects were caused by the owner's negligence. Builder is not responsible for discontinued patterns or color variations in ceramic tile.
DEFICIENCY: Cracks appear in grouting in ceramic tile joints or at junctions with other material such as a bathtub.

CONSTRUCTION STANDARD:
Cracks in grouting in ceramic tile joints are commonly due to normal shrinkage conditions. Re-grouting of these cracks is a maintenance responsibility of the Homeowner(s) within the life of the home. Builder is not responsible for color variations or discontinued color grout.
BUILDERS CORRECTION;
Builder will repair grouting (unless cracks are due to normal shrinkage) as necessary one time within the first (1st) year of warranty.

7.4 RESILIENT FLOORING
DEFICIENCY: Nail pops appear on the surface of flooring.
CONSTRUCTION STANDARDS:
Readily apparent nail pops should be repaired.
BUILDER CORRECTION:
The Builder shall correct nail pops, which have broken the surface. The Builder shall repair or replace resilient floor covering in the affected area with similar material. Builder is not responsible for discontinued patterns or color variation in the floor covering.
DEFICIENCY: Depression or ridges appear in the flooring due to subfloor irregularities.
CONSTRUCTION STANDARD:
Readily apparent depressions or ridges exceeding 1/8 inch should be repaired. The ridge or depression measurement is taken at the gap created at one end of the 6 inch straight edge placed over the depression or ridge within 3 inches on one side of the defect held tightly to the floor.
BUILDER CORRECTION:
The Builder shall take corrective action, as necessary to bring the defect within acceptable tolerances so that it is not readily visible. Builder is not responsible for discontinued patterns or color variations in the floor covering.
DEFICIENCY: Resilient flooring loses adhesion.
CONSTRUCTION STANDARD:
Resilient flooring should not lift, bubble or become unglued.
BUILDER CORRECTION:
The Builder shall repair or replace resilient flooring as required. The Builder shall not be responsible for discontinued patterns or color variation of floor covering or for problems caused by owner neglect or abuse.
DEFICIENCY: Seams or shrinkage gaps show resilient flooring joints.
CONSTRUCTION STANDARD:
Gaps shall not exceed 1/16 inch width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.
BUILDER CORRECTION:
The Builder shall take action as necessary to correct the problem.

7.5 CARPETING
DEFICIENCY: Carpeting becomes loose, seams separate or excessive stretching occurs.
CONSTRUCTION STANDARD:
Wall-to-wall carpeting, installed as the primary floor covering, when stretched and secured properly should not come up, become loose, separate or stretch excessively at its points of attachment.
BUILDER CORRECTION:
Builder is to re-secure carpeting as needed one time within the first (1st) year of warranty.

7.6 SPECIAL COATING
DEFICIENCY: Cracks in exterior stucco wall surfaces
CONSTRUCTION STANDARD:
Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width are considered excessive.
BUILDER CORRECTION:
The Builder shall repair cracks exceeding 1/8 inch in width as required.

7.7 PAINTING

DEFICIENCY: Mildew or fungus on painted surfaces.

CONSTRUCTION STANDARD:

Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposure, (i.e. rainfall, ocean, lake or river front).

BUILDER CORRECTION:

Mildew or fungus formation is a condition the Builder cannot control and is a Homeowner(s) maintenance item, unless it is caused by moisture entry into wood, in which case, the Builder shall eliminate the source of water entry and refinish.

DEFICIENCY: Exterior paint or stain peels or deteriorates.

CONSTRUCTION STANDARD:

Exterior paints or stains should not fail during the first (1st) year of ownership. However, fading may occur and the degree varies with climatic conditions.

BUILDER CORRECTION:

Builder shall properly prepare and refinish affected areas, matching color as closely as possible. Where finish deterioration affects the majority of the wall or area, the whole area should be refinished. The warranty on the newly repainted surfaces will not extend beyond the original warranty period.

DEFICIENCY: Painting required as corollary repair because of other work.

CONSTRUCTION STANDARD:

Necessary repairs required under this warranty should be refinished to match the surrounding areas as closely as possible.

BUILDER CORRECTION:

Refinish repaired areas as indicated.

DEFICIENCY: deterioration of warnish or lacquer finishes.

CONSTRUCTION STANDARD:

Natural finish on interior woodwork should not deteriorate during the first (1st) year of ownership. However, varnish-type finish used on the exterior will deteriorate rapidly and is not covered by the warranty.

BUILDER CORRECTION:

Retouch affected area of natural finished interior woodwork, matching the color as closely as possible.

DEFICIENCY: Interior paint application and coverage.

CONSTRUCTION STANDARD:

Interior paint shall be applied in a manner sufficient to visually cover wall, ceiling and trim surfaces where specified.

BUILDER CORRECTION:

The Builder shall retouch wall, ceiling or trim surfaces where inadequate paint has been applied to cover original surfaces.

7.8 WALL COVERING

DEFICIENCY: Peeling of Wallpaper.

CONSTRUCTION STANDARD:

Peeling of wallpaper is unacceptable.

BUILDER CORRECTION:

The Builder shall repair or replace defective wallpaper. Builder is not responsible for minor mismatching in pattern or color.

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8. SPECIALTIES

8.1 LOUVERS AND VENTS

DEFICIENCY: Inadequate ventilation of attics and crawl spaces.

CONSTRUCTION STANDARD:

Attic and crawl spaces shall have a natural ventilation area as required by the approved building code specifications.

BUILDER CORRECTION:

The Builder shall provide adequate ventilation. Builder is not responsible for Homeowner(s) alterations to the original system.

8.2 FIREPLACES

DEFICIENCY: Fireplace or chimney does not draw properly.

CONSTRUCTION STANDARD:

A properly designed and constructed fireplace and chimney should function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some houses may need to have a window opened slightly to create an effective draft.

BUILDER CORRECTION:

Determine the cause of malfunction and correct as required if the problem is one of design and construction.

DEFICIENCY: Chimney separation from structure to which it is attached.

CONSTRUCTION STANDARD:

Newly built fireplaces will often incur slight amounts of separation from the main structure. Separation shall not exceed ½ inch from the main structure in any 10 foot vertical measurement.

BUILDER CORRECTION:

Builder to determine the cause of separation and correct as required. Caulking is acceptable for slight separations.

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9. EQUIPMENT

9.1 RESIDENTIAL EQUIPMENT

DEFICIENCY: Warpage and operation of kitchen cabinet doors and drawer faces.

CONSTRUCTION STANDARD:

Cabinet doors and drawer faces should not warp to exceed ¼ inch, provided the proper levels of humidity have been maintained. Both cabinet doors and drawer faces should be properly adjusted and operating in a smooth, efficient manner.

BUILDER CORRECTION:

Adjust, repair or replace defective cabinet doors and drawer faces to correct condition.

DEFICIENCY: Surface cracks, de-laminations and chips in high pressure laminated vanity and kitchen cabinet countertops.

CONSTRUCTION STANDARD:

Countertops fabricated with high pressure laminate coverings should not de-laminate or have chips or surface cracks. The deck area joint may have a maximum of 1/16 inch gap. All other areas may have a maximum of 1/16 inch differential in surface alignment.

BUILDER CORRECTION:

Repair or replace to meet the above criteria.

DEFICIENCY: Countertop separating from finished wall.

CONSTRUCTION STANDARD:

Countertop separation should not exceed 1/8 inch.

BUILDER CORRECTION:

The Builder shall repair or replace the countertop to eliminate or correct the gap caused by separation. Caulking is acceptable.

---

10. MECHANICAL

10.1 WATER SUPPLY SYSTEM

DEFICIENCY: Plumbing pipes freeze and burst.

CONSTRUCTION STANDARD:

Drain, waste and vent or water pipes should be adequately protected, as required by the applicable code, during normally anticipated cold weather, and as defined in accordance with ASHRAE designed temperatures to prevent freezing.

BUILDER CORRECTION:

The Builder shall correct the condition responsible for pipes freezing, and repair piping damage caused by freezing Except where there has been an obvious lack of heat due to Homeowner(s) neglect.

DEFICIENCY: Water supply system fails to deliver water.

CONSTRUCTION STANDARD:
All service connections to municipal water main and private water supplies are the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.
BUILDER CORRECTION:
Builder to repair as necessary, if failure is the result of defective workmanship or materials. If conditions beyond the Builder's control disrupt or eliminate the source of the supply then it is not the Builder's responsibility.

10.2 SEPTIC TANK SYSTEM
DEFICIENCY: Septic system fails to operate properly.
CONSTRUCTION STANDARD:
Septic system should be capable of properly handling normal flow of household effluent. It is possible that due to freezing, soil saturation, changes in the ground water table or excessive use of plumbing systems or appliances, an overflow can occur. Periodic pumping of the septic tank is considered Homeowner(s) maintenance, and a normal need for pumping is not a deficiency.
BUILDER CORRECTION:
Builder shall be responsible for the installation of an operational system and shall take corrective action to repair. Builder shall not be responsible for malfunctions which occur through owner negligence or abuse and from conditions that are beyond his/her control. The following are considered owner negligence or abuse as an exclusion under this warranty;

A. Excessive use of water such as overuse of washing machine and dishwasher, including their simultaneous use.
B. Connection of sump pump, roof drain or backwash from water conditioner to the system.
C. Placing non-biodegradable item in system.
D. Addition of any harsh chemicals, greases or cleaning agents, and excessive amounts of bleaches or drain cleaners.
E. Use of a food waste disposal not supplied by Builder.
F. Placement of impervious surfaces over the disposal area.
G. Allowing vehicles to drive or park over the disposal area.
H. Failure to periodically pump out the septic tank, when required.

10.3 PLUMBING
DEFICIENCY: Faucet or valve leak.
CONSTRUCTION STANDARD:
No valve or faucet should leak due to defects in material or workmanship. However, leakage caused by worn washers or seals is a Homeowner(s) maintenance item.
BUILDER CORRECTION:
Builder should repair or replace the leaking faucet or valve unless leakage is due to a worn washer or seal.
DEFICIENCY: Defective plumbing fixtures, appliances or trim fittings.
CONSTRUCTION STANDARD:
Fixtures, appliances or fittings should comply with their manufacturer's standards.
BUILDER CORRECTION:
The Builder shall replace any fixture or fitting which is outside of acceptable standards as defined by the manufacturer.
DEFICIENCY: Noisy water pipes.
CONSTRUCTION STANDARD:
There will be noise emitting from the water pipe system, due to the flow of water.
BUILDER CORRECTION:
Builder cannot remove all noises due to water flow and pipe expansion. The Builder shall correct any noise problems that are due to faulty workmanship or installation.
DEFICIENCY: Leakage from any pipe.
CONSTRUCTION STANDARD:
No leaks of any kind should exist in any soil, waste, vent, gas or water pipe. Condensation on piping does not constitute leakage, and is not covered. Should a gas pipe leak occur, the Homeowner(s) shall call the appropriate public utility service immediately.

BUILDER CORRECTION:
Builder shall make necessary repairs to eliminate leakages in any piping he/she installed. If a gas or water leak occurs in a piping system the Builder installed, then the Builder will make the necessary repairs. If a gas or water leak occurs in a piping system installed by a public service utility authority, then the public service utility authority should be contacted to make the necessary repairs.
DEFICIENCY: Stopped up sewers, fixtures and drains.
CONSTRUCTION STANDARD:
Sewers, fixtures and drains should operate properly.
BUILDER CORRECTION:
The Builder is not responsible for sewers, fixtures and drains which are clogged through the owner's negligence. Where defective construction is the cause, the Builder shall assume the cost of the repair; where the owner negligence is shown to be the cause, the owner shall assume all repair costs.
DEFICIENCY: Cracking or chipping of porcelain or fiberglass surfaces.
CONSTRUCTION STANDARD:
Chips and cracks on surface of bathtubs and kitchen sinks can occur when the surface is hit with sharp or heavy objects.
BUILDER CORRECTION:
Builder to repair any chips or cracks noted prior to first occupancy.

10.4 HEATING
DEFICIENCY: Inadequate heating.
CONSTRUCTION STANDARD:
Heating system should be capable of producing an inside temperature of 70 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor, under local outside winter design conditions as specified in the ASHRAE handbook. Federal, state or local energy codes shall supersede where such codes have been locally adopted.
BUILDER CORRECTION:
Builder shall correct the heating system as required to provide the required temperatures. The owner shall be responsible for balancing dampers, registers and other minor adjustments.

10.5 COOLING
DEFICIENCY: Inadequate cooling.
CONSTRUCTION STANDARD:
Where air conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor, under local outside summer design conditions as specified in ASHRAE handbook. In the case of outside temperature exceeding 95 degrees Fahrenheit, a differential of 15 degrees Fahrenheit from the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.
BUILDER CORRECTION:
Correct cooling system to meet temperature condition in accordance with specifications.
DEFICIENCY: Refrigerant line leak.
CONSTRUCTION STANDARD:
Refrigerant lines should not develop leaks during normal operation.
BUILDER CORRECTION:
Repair leaking refrigerant lines and recharge unit.

10.6 CONDENSATION LINES
DEFICIENCY: Condensation lines clog up.
CONSTRUCTION STANDARD:
Condensation lines will clog under normal use. This is a Homeowner(s) maintenance item.
BUILDER CORRECTION:
Builder to provide unobstructed condensation lines at closing.

10.7 EVAPORATIVE COOLING

DEFICIENCY: Improper mechanical operation.

CONSTRUCTION STANDARD:

Equipment must function properly at temperature standard set.

BUILDER CORRECTION:

Correct and adjust so that blower and water system operate as designed.

10.8 AIR DISTRIBUTION

DEFICIENCY: Ductwork noisy.

CONSTRUCTION STANDARD:

When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is generally to be expected.

BUILDER CORRECTION:

The stiffening of the ductwork and the gauge of the metal used shall be such that the ducts do not "oilcan". The booming noise caused by "oilcanning" is not acceptable and the Builder must take necessary steps to eliminate this sound.

DEFICIENCY: Ductwork separates or becomes unattached.

CONSTRUCTION STANDARD:

Ductwork should remain intact and securely fastened.

BUILDER CORRECTION:

Reattach and re-secure all separated or unattached ductwork.

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11. ELECTRICAL

11.1 ELECTRICAL CONDUCTORS

DEFICIENCY: Failure of wiring to carry its designed fuse load to the electrical box.

CONSTRUCTION STANDARD:

Wiring should be capable of carrying the designed load for normal residential use to the electrical box.

BUILDER CORRECTION:

Check wiring for conformity with local and state electrical code requirements. Repair wiring, if it does not conform to code specifications.

11.2 SWITCHES AND RECEPTACLES

DEFICIENCY: Fuses blow or circuit breakers kick out.

CONSTRUCTION STANDARD:

Fuses and circuit breakers should not activate under normal conditions.

BUILDER CORRECTION:

Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

DEFICIENCY: Malfunction of electrical outlets, switches or fixtures.

CONSTRUCTION STANDARD:

All switches, fixtures and outlets should operate as intended.

BUILDER CORRECTION:

Repair or replace defective switches, fixtures and outlets.

11.3 SERVICE AND DISTRIBUTION

DEFICIENCY: Ground fault interrupter trips frequently.

CONSTRUCTION STANDARD:

Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

BUILDER CORRECTION:

Builder is to install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to faulty installation.

SCHEDULE E
CONDOMINIUM RIDER

DEFINITIONS: As used in this Limited Warranty (" the Limited Warranty"), the following terms have the following meanings:

"Condominium" means_____ Condominium.

"Declaration" means the declaration of condominium of the Condominium.

Unless otherwise expressly indicated, all terms utilized in this rider shall have the meanings as stated in the Declaration or the Limited Warranty, whichever is applicable.

If the Home is a condominium Unit ("Unit"), as described in the Declaration, this Limited Warranty shall apply to the Unit and the Common Elements which are located in the building ("Building") in which the Unit is situated. The Limited Warranty shall be applicable as follows:

Purchaser's Warranty Coverage- The builder shall extend to the Purchaser Coverage A,B, and C warranty coverage for the Unit and all appurtenant Limited Common Elements which are located in the Building. The Purchaser shall be responsible for notifying the Builder with respect to any warranty claims relating to the above coverage. For the purpose of the above warranty coverage, "Warranty Date" shall be defined as the date that the Purchaser of a Unit or a member of Purchaser's Family takes title to the first Unit, or the date on which any Person begins Residential occupancy of a Unit, whichever date is earlier.

Board of Manager's Warranty Coverage- The Builder shall extend to the Board of Managers of the Condominium (the Board") Coverage A, B, and C warranty coverage for the Common Elements which are located in the Building (excluding Limited Common Elements). The Board shall be responsible for notifying the Builder with respect to any warranty claims relating to the above coverage. For the purpose of the above warranty coverage, "Warranty Date" shall be defined as the date of the recording of the Declaration.

Builder's Limit of Total Liability- The Builder's total liability for deficiencies of the Unit and the appurtenant Limited Common Elements under the Limited Warranty is limited to seventy five (75%) percent of the purchase price of the Unit.

The Builder's total liability for deficiencies of the Common Elements which are located in the Building (excluding Limited Common Elements) under the Limited Warranty is limited to seventy five (75%) percent of the value of the Common Elements which are located in the Building (excluding Limited Common Elements) as of the date of the recording of the Declaration.

The Purchaser of a Unit agrees and understands that the purchaser will allow access to, on, through, or within the Unit and appurtenant Limited Common Elements during normal business hours, Monday through Friday, after receiving notice from the Builder, so that inspections or repairs may be made to Purchaser's or any adjoining or adjacent Unit or the Common Elements.

Except as otherwise expressly provided in this Condominium Rider, all terms and conditions of the Limited Warranty are incorporated herein and shall remain in full force and effect.

SECTION B

POWER OF ATTORNEY

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

I (We)
(the "principals") the owners of the Condominium Unit No: in the Condominium known as the 73 BAY 47TH STREET CONDOMINIUM and also designated as Tax Lot in Block 6902 on the Tax Map of the Real Property Assessment Department of the City of New York located in the County of Kings covering the property in the Borough of Brooklyn, County of Kings, and State of New York, do hereby nominate, constitute and appoint members of the Board of Managers of the 73 BAY 47TH STREET CONDOMINIUM (as "agent") and their successors, jointly, my true and lawful attorneys-in-fact coupled with an interest and with the power of substitution, in my name and on behalf to acquire, in their own name or in the name of their designees by deed on behalf of all owners of Condominium units in said property, any Condominium Unit together with its Appurtenant Interests, whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or a deed in lieu of foreclosure sale, at such price and on such terms as my said attorney-in-fact shall, in their sole discretion, deem proper and thereafter convey, sell, lease, sublease, mortgage, vote and otherwise deal in such Condominium Unit so acquired, at such terms as my attorney-in-fact may in their sole discretion determine, granting to my said attorney-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We), (the "Principals") do hereby further irrevocably nominate, constitute and appoint 73 Bay 47th LLC. (as "agent") and its successors, my true and lawful attorney-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of the 73 Bay 47th Street Condominium, permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an Amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium.

This power of attorney shall be irrevocable and shall be limited to the powers enumerated herein.

In witness Whereof, I (We) have hereunto signed my (our) name(s) this day of , 2018.

_____
Principal

_____
Principal

State of New York, County of ss:

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

_____
Notary Public

IMPORTANT INFORMATION FOR AGENT:

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign or the Power of Attorney is terminated or revoked. You must:

(1) Act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest;
(2) Avoid conflicts that would impair your ability to act in the principal's best interest;
(3) Keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law;
(4) Keep a record of all receipts, payments, and transactions conducted for the principal; and
(5) Disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (your signature) as Agent for (Principal's Name).

I/we, , have read the foregoing
power of Attorney. I am/we are the person (s) identified therein as agent (s) for the principal named therein.

I/we acknowledge my/our legal responsibilities.

Agent (s) sign(s) here: _____ _____

State of New York, County of ss:

On the day of , in the year ,before me, the undersigned, personally appeared
personally known to me or proved to me on the basis of satisfactory evidence to be the

individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary Public

SECTION C

CONDOMINIUM UNIT DEED

THIS INDENTURE, made the day of , between 73 Bay 47th LLC with offices at 1152 85th Street, Brooklyn, New York 11228, as Grantor and party of the first part; and

residing at

as Grantee and party of the second part:

W I T N E S S E T H

That the Grantor, in consideration of ten dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

All that certain plot, piece or parcel of real property with the improvements therein contained, situate, and being a part of a condominium in the City of New York, County of Kings State of New York, known and designated as Unit No. . Tax Lot together with an undivided interest in the common elements of the condominium hereinafter described as the same is defined in the Declaration of Condominium hereinafter referred to:

The real property above described is a Unit shown on the plans of a condominium and filed in the Office of the Registrar of the County of Kings on the th day of , as Map defined in the Declaration of Condominiums entitled the 73 Bay 47th Street Condominium made by 73 Bay 47th LLC. under Article 9-B of the New York Real Property Law dated , , and recorded in the office of the Registrar of the County of Kings on the day of as document number , covering the property therein described.

This transaction is made in the regular course of business of the corporation with the unanimous consent of the shareholders.

The area of the Condominium property is described as follows:

ALL that certain piece or parcel of land in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

Bearing and coordinates are in the United States Coast and Geodetic Survey System for the Borough of Brooklyn

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TOGETHER with, and subject to, the rights, obligations, easements restrictions, and other provisions set forth in the Declaration, floor plans and the by-laws of the 73 Bay 47th Street Condominium, as each of the same may have been, and may in the future be, amended from time to time (said by-laws and any amendments thereto are hereinafter collectively referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest of estate in the unit, as though recited and stipulated at full length herein;

TOGETHER with the benefits, rights, privileges and easements and SUBJECT to the burdens, covenants, restrictions, by-laws, rules, regulations and easements all as set forth in the Condominium Documents;

TOGETHER with and SUBJECT to an easement for the continuance of all encroachments by the unit or any adjoining units or common elements now existing as a result of construction of the building or which may come into existence hereafter as a result of settling or shifting of the building, or as the result of repair or restoration of the building, or of the unit after damage or destruction by fire or other casualty or after the taking in condemnation or eminent domain proceedings made by or with the consent of the Board of Managers so that any such encroachments may remain so long as the building shall stand;

TOGETHER with an easement in common with the owners of other units to use any pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units or elsewhere on the property and servicing the unit;

TOGETHER with and SUBJECT to all easements of necessity in favor of the units or in favor of the other units or common elements;

SUBJECT also to an easement in favor of the other units to use the pipes, wires, ducts, conduits, cables, public utilities lines and other common elements located in the unit or elsewhere on the property and serving such other units;

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the premises

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

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.

And the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

And the party of the first part in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The use for which the home is intended is that of a ONE FAMILY residence, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

BEING part of the same property conveyed by deed dated , recorded on , in Reel Page , made by . to .

The word "party" shall be construed as if it reads "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

73 Bay 47th LLC

by_____

SECTION D

ENGINEER'S REPORT

THE 73 BAY 47TH STREET CONDOMINIUM



Prepared By:

SCHNEIDER ASSOCIATES
Steven I. Schneider, P.E.
866 Johnston Drive
Watchung, N.J. 07069
Phone No: 908-755-0059

March 14th, 2017

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at number 73 Bay 47th. street in the Gravesend Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11214.

(2) Block and lot number:

The site will be located on Tax Lot number 19 in Tax Block number 6902.

(3) Zoning:

The site is located in an R5 Zone as designated on Map number 28C of the current New York City Zoning Resolution.

(4) Permissible Use:

The Zone permits Residential use as of right.

(b) STATUS OF CONSTRUCTION

(1) Year built:

The building is a proposed new building and is currently under construction. The estimated completion date is July 2017.

(2) Class of construction:

The Class of Construction will be IIA as described by the 2014 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of one hours. Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of one hour.

(3) Certificate of Occupancy, type and number:

A Certificate of Occupancy will be issued when the building is completed as per the approved building plans and to the satisfactory inspection by the New York City, Department of Buildings.

(4) Permit numbers and description of work done:

The building will be constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application number 321235365.

Permit numbers 321235365-01- NB, 321216731 have been issued by the N.Y. City Department of Buildings for the construction of the new building. The proper insurances have been obtained by the Sponsor's General Contractor.

(c) **SITE**

(1) Size:

The site is located on the Easterly side of Bay 47th Street distance 240.0 feet Northerly from the corner formed by the Easterly side of Bay 47th street and the Northerly side of Harway Avenue. The site has a total frontage of 80'-0" along Bay 47th Street and extends to a depth of 96.67 feet perpendicular to the Bay 47th street property line. The site has an area of approximately 7,733 square feet.

(2) Number of buildings and use:

There will be three buildings constructed, each with three residential units and residential accessory uses.

(3) Streets owned or maintained by the project:

The streets beyond the front property lines are existing, New York City sidewalks, curbs and roadways. Bay 47th is an existing seventy feet (70'-0") wide one-way street.

(i) Paving (material and condition);

There is an existing concrete sidewalk fronting the site. The existing concrete sidewalk will be replaced with a new concrete sidewalk and curb, as is required for all new buildings, when construction is near completion. The existing sidewalk will be replaced as directed by the N.Y. City Department of Transportation.

(ii) Curbing (material and condition);

There is an existing concrete curb fronting the property. The existing concrete curb fronting the property will be replaced with a new concrete curb, as is required for all new buildings, when construction is near completion. The existing curb will be replaced as directed by the N.Y. City Department of Transportation.

(iii) Catch Basins (location and condition);

The roadway is asphalt paved. The roadway fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion. Existing catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. The existing catch basins are constructed of concrete with steel grating covers, and are located along Bay 47th street near Harway Avenue. The existing catch basins have been installed by the N.Y. City Department of Transportation and are in good condition.

(iv) Street lighting (material, type, location and condition);

The existing street lighting is provided by the City of New York, and consists of vertical metal, stanchions with energy efficient LED lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along Bay 47th Street. The existing street lights are in good condition.

(v) Conformity with Municipal Codes;

The sidewalk paving, curb, roadway, catch basins and street lighting will be designed to conform with the standards of the N.Y. City Department of Transportation and the N.Y. City Department of Buildings and the N.Y. City Building Code. The design and construction of the new sidewalk, curb and roadway will be subject to approval and inspection by the N.Y. City Department of Transportation and the N.Y. City Department of Buildings.

(4) Drives, sidewalks and ramps:

There will be a driveway adjacent to the northerly side lot line which will provide access to the parking areas to the rear of the building.

(i) Paving (material and condition);

Driveways and parking areas on the site shall be of poured, reinforced, concrete construction.

(ii) Curbing (material and condition);

There will be no curbs on the site.

(iii) Catch Basins drainage (location and condition);

There will be no catch basins on the site.

There will be cast iron drains and a below grade, concrete drywell, located in the side and rear yard areas, which will be connected to the building's storm drainage system.

(iv) Street lighting (material, type, location and condition);

There will be no street lighting on the property.

(v) Conformity with municipal codes;

The driveway paving, parking areas and drainage systems will be designed to conform with the standards of the N.Y. City Department of Transportation, the N.Y. City Department of Environmental Protection, the N.Y. City Department of Buildings and the N.Y. City Building Code.

(d) **UTILITIES**

Water, will be provided by the City of New York, and water consumption will be a common charge.

Natural **Gas,** will be provided by National Grid, for cooking and heating; and each unit will be separately metered and billed directly.

Electricity, will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly.

Telephone service, will be provided by the Verizon Company, and each unit will be billed directly.

The entire **Sanitary** waste, will be carried from the building into the existing New York City Sewer System.

The **Storm** water runoff will be partially transported to the existing N.Y. City Sewer System and partially dissipated by means of drywells.

(e) **SUB-SOIL CONDITIONS**

The site is located in shaded Zone AE on revised preliminary FEMA Map panel number 3604970353G. The FEMA map indicates that the site is located in a special flood hazard area subject to inundation by the 1% annual chance flood.

The soil at the bottom of the footings will be Class 7 soil, as per subsurface test borings which were performed by All PhaseTesting , Inc., 3319 Merrit Avenue, Bronx, N.Y. 10475. The existing soil has a poor bearing capacity which necessitated the concrete footings to be supported on steel, helical piles.

There was ground water encountered at six feet below the normal grade level of the site as per the Soil Test Boring.

The New York City Building Code, Appendix G; and the New York City Zoning Resolution, Article VI, Chapter 4, requires that the base plane of buildings in the FEMA Zone noted above be elevated to a point, two feet above the base flood plane elevation of the site and be known as the Flood -Resistant Construction Elevation. This elevation is the point from which the height of the building and the location of cellar and basement levels are determined.

(1) Uneven foundation movement (cracking, mortar joint decay, etc.);

All foundations and footings will be new and there is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(2) Evidence of (moisture or seepage or ground water infiltration; corrective action needed);

There is currently no apparent evidence of moisture, seepage or ground water infiltration.

(3) Danger from (flooding due to water table or overflow from other bodies of water, potential for mudslides or erosion);

There is a possibility of flooding as the site is located in an area which is within the 1 % annual chance flood plain. The lowest, cellar level of the building has been designed with louvered, flood openings at the exterior walls, at a maximum height of twelve inches above the finished cellar floor as per the N.Y. City Building Code.

The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties.

The interior walls, floors and finishes within the building below the Flood-Resistant Construction Elevation shall be of flood damage resistant materials.

Foundation walls and footings shall be treated with trowelled on, mastic waterproofing at below grade surfaces. Drainage will be facilitated at the foundation walls by providing gravel fill adjacent to the perimeter of the mastic coated foundation walls.

Ad freezing stresses will be negated by the mastic coated foundation walls, gravel fill adjacent to the foundation walls and the fact that the level of the footings will be greater than the level of the frost line for the region, which is approximately three feet below the adjacent grade. In addition the cellar areas will be mostly heated in the cold season.

(f) LANDSCAPING AND ENCLOSURES

(1) Parts of the yard area to the front of each building will be covered with grass.

(2) There will be planted areas or planters at the front of the buildings.

(3) There will be two (2) trees each with a minimum caliper of three inches planted at the sidewalk area in front of the properties, as required by the N.Y. City Zoning Resolution as well as an existing street tree that will be protected during construction. The trees shall be of a species to be determined by the N.Y. City Department of Parks & Recreation.

(4) There will be a six foot high steel wire, chain link fence at the perimeter of the yard area to the rear of the buildings which will separate the rear yard areas from the adjacent properties.

(5) There will be no gates on the properties.

(6) There will be no garden walls at the open yard areas.

(7) There will be no areaways at the exterior of the building.

(8) There will be no display pools or fountains at open yard areas.

(g) BUILDING SIZE

(1) There will be one building separated into three sections and will be a total height of approximately forty feet, (40'-0"), measured from the Flood-Resistant Construction Elevation to the finished roof above the fourth floor level. The Flood-Resistant Construction Elevation supersedes the base plane in determining the height of the building and the cellar level as per Appendix G of the 2014 N.Y. City Building Code and Section 64-00 of the N.Y. City Zoning Resolution.

(2) There will be no crawl spaces in the building.

(3) There will be a cellar level below the first floor level of the building. Cellar areas will be accessory to the units located at the first floor level and shall not be used for cooking or sleeping purposes.

(4) The building will consist of a cellar, three stories and a partial fourth floor level.

(5) There will be a sprinkler equipment room, meter rooms and mechanical rooms located at the cellar floor level towards the front of the building.

(6) There will be masonry parapets, with a minimum height of three feet and six inches above the finished roof level of the third and fourth floors.

(h) **STRUCTURAL SYSTEM**

The structural system for the building will be a bearing wall type system and will consist of load bearing masonry walls and intermediate steel girders and beams which will support a poured, reinforced concrete slab on corrugated metal decking. There will also be intermediate steel tube columns and girders supporting the front and rear facades of the building at the fourth floor level.

The footings will consist helical piles and 8" pile cap around the perimeter and at the intermediate bearing walls of the buildings.

The foundation walls shall be of poured, reinforced concrete which will be tied into the pile caps with steel rebars.

The interior floor at the cellar floor level shall be a poured, 5" reinforced, concrete slab on a six millimeter vapor barrier and gravel and compacted fill.

The interior floor / ceiling assembly at the upper floors shall be a poured, reinforced concrete slab on corrugated steel decking which will be supported by the steel joists and load-bearing masonry walls. There will be a hardwood, finished flooring, supported on plywood subflooring above the concrete slab on each floor. Gypsum wallboard ceilings shall be attached to the steel beams with resilient steel channels to help provide sound insulation between floors.

The exterior walls at the cellar floor level shall be equipped with louvered, flood openings.

The roof / ceiling assembly at the roof areas shall be a five ply rubberoid type roofing finish on rigid insulation, which in turn will be supported on a poured, reinforced concrete slab on corrugated steel decking which in turn will be supported by the steel beams and the exterior load bearing masonry walls. Gypsum wallboard ceilings shall be attached to the steel beams with resilient steel channels to help provide sound insulation between floors.

The floor / ceiling assemblies and roof ceiling assemblies shall have an STC rating and an IIC rating of not less than 50 in compliance with the N.Y. City Building Code.

The structural system has been designed to withstand lateral forces due to wind, soil and earthquake in compliance with the N.Y. City Building Code.

The construction class of the building shall be noncombustible Construction Class I B as per the 2008 N.Y. City Building Code.

(1) Exterior of Building:

(i) Walls;

The exterior walls at the side lot lines and the intermediate party walls between the buildings shall be load-bearing, masonry blocks. The interior finish shall be of gypsum wallboards on steel furring channels at the inside surfaces of the load-bearing, masonry walls. The spaces between the furring channels shall be fitted with fiberglass batt insulation.

The exterior walls at the front facade of each building shall be a load bearing brick and block masonry wall. The exterior walls at the rear facade of each building shall be brick and block load bearing masonry wall. The interior face of the wall will be furred out with metal studs and the spaces between the studs will be fitted with fiberglass, batt insulation with a minimum R value of 13.

The exterior walls will have a minimum fire rating of one hour.

The exterior wall composition has been designed to comply with the New York State Energy Conservation Construction Code and the N.Y. City Energy Conservation Code.

The building will be less than six stories in height and therefore will not have to comply with Local Law 11 of 1998 which requires periodic facade inspections once construction has been completed.

(ii) Windows;

Windows are to be double-glazed and mainly of the double hung as manufactured by Andersen. Glazing shall be set in wood frames with a rigid, vinyl clad exterior finish. The perimeter of window openings shall be fitted with caulking at interior and exterior surfaces. Air infiltration rate of windows shall comply with the New York City Energy Code and the New York State Energy Conservation Construction Code. The manufacturer guarantees one year, parts and hardware and five years glazing.

The Sponsor reserves the right to provide windows by different manufacturers which are equal to or better than noted above.

Window sills shall be constructed of masonry. Lintels above window openings shall be of steel fabrication. Lintels shall be protected with wire lath and stucco finish.

Window guards shall be installed as necessary by each unit's owner. Aluminum window guards shall be installed by each unit's owner at the windows within each unit that a child of ten years old or younger will reside.

There will be no window screens provided.

There will be no lot line windows at the side lot lines .

(iii) Landmark Status;

The buildings will not be located in a Landmarks area nor will the buildings be designated Landmark Status.

(2) Parapets and Copings:

Parapet walls shall be constructed of load bearing masonry walls finished with stucco and of load bearing steel stud walls finished with stucco at the exterior surfaces of the fourth floor and stair bulkhead.

The parapet walls shall be capped with precast concrete or extruded aluminum coping, which shall be anchored to the load bearing walls with non corrosive steel dowels.

(3) Chimneys and Caps:

There will be vertical, gas flues and caps provided, for the ventilation of the equipment located in the mechanical closet the floor level of each unit. The flues will terminate at the roof above the fourth floor level. Flues shall be AmeriVent model, of double-wall construction, with an inner pipe thickness of approximately 0.014" and an outer pipe thickness of approximately 0.018", as manufactured by American Metal Products Group. Caps shall be constructed to prevent back drafts and to keep out rain and all types of debris out of the vent. Flues and caps shall be N.Y. City BS & A or MEA approved.

The Sponsor reserves the right to provide flues and caps by a different manufacturer than noted above.

(4) Balconies and Terraces:

There will be cantilevered, concrete balconies located at the second and third floor level towards the rear of the building. There will be roof terraces located to the front of the third floor level and to the front and rear of the fourth floor level of the building.

Balconies shall be of steel channels and beams and of reinforced concrete construction. Roof areas shall be a rubberoid roofing finish on exterior grade, rigid insulation, supported on a reinforced concrete slab on corrugated steel decking.

(i) Deck Finish;

The finished surfaces of the cantilevered balconies shall be a screed concrete finish. The finished surfaces of the roof terraces shall be of tile or concrete pavers supported on leveling pedestals above the rubberoid roof areas.

(ii) Balustrade;

There will be no balustrades at the perimeter of the balconies or at the roof parapets.

(iii) Railings;

Balconies shall be protected at the perimeter with wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the finished balcony level. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(iv) Coping;

The coping at the parapet walls shall be of precast concrete or extruded aluminum, anchored to the load bearing masonry or steel stud walls with non corrosive steel dowels.

(v) Soffits;

The soffit areas of the cantilevered balconies shall be finished with stucco.

(vi) Doors to balconies and terraces;

The doors to balconies shall be double glazed, sliding glass doors as manufactured by Andersen. The glass shall be set in wood framing which shall be finished with a rigid, vinyl cladding. Balcony doors shall be equipped with entry type locksets.

Balcony doors shall be equipped with a polyurethane thermal barrier if manufactured with metal frames.

The Sponsor reserves the right to provide doors to balcony areas by different manufacturers which are equal to or better than noted above.

(5) Exterior entrances:

(i) Exterior Doors and Frames;

There will be two (2) exterior entrances located at the first floor level and two exterior doors located at the cellar floor level of each building.

One of the entrances located at the cellar floor level and the entrances located at the first floor level will provide direct access to each residential unit from the exterior. The other entrance at the cellar floor level will provide access to the utility/common areas at the cellar floor level of each building.

The exterior entrance doors to the units shall be hardwood or hollow steel doors set in steel framing. The unit doors shall be equipped with a peephole or vision panel and entry type locksets. The doors to the cellar shall be a hollow core, steel door set in steel frames.

(ii) Vestibule doors and frames;

There will be no vestibule doors in the buildings.

(iii) Exterior Stairs;

There will be one shared stair providing access from grade level to the first floor level, at the exterior of buildings.

The stairs will provide direct access to the units located mainly at the first ,second, and third floor levels of the building.

The stairs shall be of steel pan construction with steel channel framing and reinforced concrete treads. Risers shall be of steel plate construction.

(iv) Railings;

There will be wrought iron railings located at the open perimeter of the stair landing at the first floor level of the buildings.

Railings shall be a minimum height of three feet and six inches (3'-6") above the finished level of the landing. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(v) Mailboxes;

U.S.P.S. approved type mailboxes will be provided for each residential unit adjacent to the exterior stairs at grade level. Mailboxes shall be, pedestal mounted, cluster box units and shall be of aluminum construction.

(vi) Lighting;

There will be wall mounted, lighting fixtures provided adjacent to the entrances at the front of the building. The lighting fixture shall be capable of providing an aggregate illumination of two hundred (200) watts incandescent illumination, or its equivalent.

Lighting requirements shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by N.Y. State licensed electricians and shall comply with the New York City Electrical Code

(6) Service entrances:

There will be no separate service entrances to the buildings therefore the following sub sections will not be applicable to this Report:

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and Roof Structures:

(i) Types:

There will be flat roof areas above the third and fourth floor levels of the building.

(i) (a) Material;

The flat roof areas shall be finished with a rubberoid type, built-up roofing membrane, as manufactured by Firestone, on rigid insulation on poured, reinforced concrete on corrugated steel decking supported by steel channel joists and girders.

(i) (b) Insulation;

The spaces between the steel joist rafters shall be fitted with fiberglass, batt insulation with a minimum R value of 30.

The roof composition shall comply with the New York State Energy Conservation Construction Code and the New York City Energy Conservation Code.

(i) (c) Surface finish;

The roof surfaces shall be finished with a rubberoid, built-up, roofing membrane as manufactured by Firestone. Areas to be used as roof terraces shall be finished with a wearing surface above the rubberoid roofing finish.

The Sponsor reserves the right to provide a roof finish by a different manufacturer which is equal to or better than noted above.

(i) (d) Bond or guarantee;

The expected life span of the roof type is ten (10) years. A ten year "No Dollar Limit Manufacturer's Warranty" will be provided by the manufacturer and a one (1) year warranty on all construction materials and workmanship will be furnished by the Sponsor.

(i) (e) Flashing materials including counter flashing;

The perimeter of the roof areas at parapet walls shall be fitted with copper or stainless steel fabric flashing and counter flashing.

Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed with galvanized steel or stainless steel base and cap flashing.

(ii) Drains:

(ii) (a) There will be cast iron, roof drains connected to vertical, cast iron leaders located at the roof areas above the third and fourth floor levels. The roof drains and leaders will be connected to the building's storm drainage system.

(ii) (b) There will be no gutters and leaders at the roof areas.

(iii) Skylights:

There will be no skylights at the roof areas.

(iv) Bulkheads:

(iv) (a) Stair material;

There will be separate stair bulkheads at the roof areas above the third floor level.

Bulkheads shall be of load bearing steel studs with exterior grade gypsum wallboards and steel wire lath and stucco at the exterior surfaces; and of one hour rated gypsum wallboards at the interior surfaces.

(iv) (b) Elevator material;

The will be no elevator bulkheads.

(iv) (c) Other;

There will be no other bulkhead areas.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs;

There will be no exterior stairs at the roof areas.

(v) (b) Vertical ladders, including gooseneck;

There will be no vertical ladder at the roof areas

(v) (c) Railings;

There will be no railings at the roof areas.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

There will be no other structures at the roof areas.

(vi) Rooftop Facilities:

There will be no rooftop facilities.

(8) Fire Escapes:

There will be no fire escapes at the exterior of the building as fire escapes are not permitted on new buildings. The following sub sections will not be applicable to this Report:

(i) Location;

(ii) Floors covered;

(iii) Drop ladder;

(iv) Type;

(v) Materials;

(9) Yards and Courts:

There will be yard areas to the front, side, and rear of each building.

The yard area to the front of the building will be approximately ten feet in depth, measured perpendicular to the front facade of the building from the front property line.

The yard area to the side of the building will be approximately nine feet in width, measured perpendicular to the side facades of the building from the side property line.

The yard to the rear of the building will have a depth of approximately thirty eight feet measured perpendicular to the rear facade of the building from the rear property line.

(i) Paving;

The yard areas to the front and rear of the building shall be partially of poured, reinforced concrete at walkways and areaways, and of compacted earth at the other areas.

(ii) Drainage;

The runoff from the front and rear yard areas will be transported via horizontal drains to drywells and to the existing New York City storm drainage system.

(iii) Railings;

There will be railings at the exterior stairs.

(iv) Stairs;

There will be steel pan stairs at the yard areas to the front of the buildings and poured, reinforced concrete stairs at the yard areas to the rear of the buildings.

(v) Fencing;

There will be a six feet high, galvanized steel, chain link fence enclosing the properties at the side and rear lot lines, which will separate the site from adjacent properties.

(vi) Walls;

There will be poured, reinforced concrete walls around the perimeter of the areaways to the rear of each building.

(10) Interior Stairs:

(i) Number and type;

There will be two common interior stairs within the building which will provide access to the residential units. There will also be three interior stairs which will provide access within the units located at the first and cellar floor levels and three interior stairs which will provide access within the units located at the third and fourth floor levels.

(ii) Enclosure;

The walls of the common interior, stair enclosure shall be constructed of steel studs with two layers of one hour rated gypsum wallboards on each side. Ceiling areas, below landings shall also be finished with gypsum wallboards which will be primed and painted.

The adjacent walls of the stairs within the units shall be of gypsum wallboards on steel studs or furring channels. The walls shall be primed and painted.

(iii) Stair construction;

The common interior stairs which will provide access to the units shall be of steel pan construction with concrete treads. The other stairs providing access between the floors within the units, shall be of wood construction.

(iv) Stringers;

The stringers of the common interior stairs and the second floor access stairs shall be steel channel stringers. The stringers of the stairs within the units shall be of wood construction.

(v) Treads;

The treads of the common interior stairs shall be of poured concrete. The treads of the stairs within the units shall be of wood construction.

(vi) Risers;

The risers at the common interior stairs shall be of steel plate construction. The risers of the stairs within the units shall be of wood construction.

(vii) Guardrails;

The common stairs shall be equipped with steel tube handrails at a minimum height of thirty inches above the treads. The stairs within the units shall be equipped with steel tube or wood railings at a minimum height of thirty inches above the treads.

The open perimeter of stair landings or stairwells shall be protected with steel tube or wood handrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(viii) Balustrade;

There will be no balustrades at stair landings.

(11) Interior Doors and Frames:

(i) Unit Entrance and Interior Doors and Frames;

The entrance doors to the units which are located at the exterior of the building shall be hardwood or hollow core steel doors. The exterior doors are not required to be fire rated.

The entrance doors to the units from the common stairwells shall be one and one half hour rated fireproof self closing, hollow core steel doors.

All unit entrance doors shall be mounted on steel frames and shall be equipped with entry type locksets and peepholes.

Interior doors within the units shall be, hollow core, wood doors, set in metal frames. Doors within the units shall be equipped with a passage type lockset.

(ii) Corridor doors and frames;

There will be no corridor doors and frames.

(iii) Stair hall doors and frames;

The stair hall doors shall be the same as the unit entrance doors as noted in section (i) above.

(iv) Roof Doors, Cellar Doors and frames;

The doors to the roof areas above the third floor from the common stair enclosures shall be, one and one half hour rated, fire proof self closing, single hinged doors, mounted on steel frames.

The doors to the cellar level of each building section, shall be a single hinged, hollow core, steel door mounted on steel frames. The doors shall be equipped with entry type locksets.

(12) Elevators. Describe:

There will be no elevators in the building. There will be a new, enclosed handicap lift which will provide access to the first floor access balcony from grade level.

(i) Number of passenger and service elevators;

There will be one, passenger, handicap lift; located centrally to the front of the building. There will be no service elevators in the building.

(ii) Manufacturer, age of each & capacity (in pounds and number of passengers);

The new handicap lift shall be model ML-102 as manufactured by FlorLift of New Jersey, Inc. The lift will be capable of supporting approximately 750 pounds or two persons at a time.

(iii) Type of Operation for each elevator by elevator number or location in building (for large numbers of elevators describe by class-passenger / freight);

The lift will be a manually operated passenger lift.

(iv) Automatic (Type of controls);

The lift will be equipped with a power on / off keyswitch and raise lower pushbutton.

(v) Floors served;

The elevator will provide access to the first floor access balcony from grade level.

(vi) Type (hydraulic, gearless);

The lift will be a hydraulic type lift.

(vii) Doors (sliding, swinging, manual, automatic);

There will be a hinged type, hollow metal, self-closing door to the shaft at grade level and at the first floor level.

(viii) Location of machine rooms;

There will be no machine room required for the lift. The pumping unit will be located adjacent to the shaft in the sprinkler mechanical room.

(ix) DC motor (manufacturer);

There will be no DC motor.

(x) AC motor generator set (manufacturer);

The lift will be powered by a 1 H.P. motor as manufactured by Imperial Electric and will be provided with a 120 / 208 volt single phase electrical supply.

(xi) Other;

The lift will operate at a speed of approximately 15 feet per minute.

The Sponsor reserves the right to provide handicap lift and related equipment by different manufacturers than noted above.

(13) Elevator Cabs:

There will be one elevator cab in the building manufactured by FlorLift.

(i) Kind (manufacturer);

The lift cab will be enclosed on the sides and at the top and bottom. The open entrance to the will be protected with a full height, EZy-Roll steel folding gate equipped with an electrical interlock to prevent operation if the unit is open. The ceiling will be equipped with a hatch and flush mounted ceiling fixture.

(ii) Floor (Material);

The cab floor shall be finished with vinyl tiles on plywood subfloor supported on a heavy gauge, steel sheet deck.

(iii) Walls (Material);

The cab walls to the rear and sides shall be finished with formica on compressed wood supported by steel channel framing.

(iv) Ceiling (Material);

The cab ceiling shall be finished with formica on compressed wood supported by steel channel framing.

(v) Lighting;

The cab lighting fixture shall be a flush, surface mounted LED fixture capable of providing the equivalent of 100 watts of incandescent illumination.

(vi) Alarm, Safety system;

The elevator cab will be equipped with emergency lighting, roof hatch and alarm system. The elevator system and cab will also be equipped with; a platform deck falling safety device, slack chain safety switch, hydraulic overload protection, emergency lowering device and adjustable lowering flow control valve, and emergency hand lowering valve and pumping unit.

The Sponsor reserves the right to provide cab finishes and related equipment by a different manufacturer than noted above.

(i) AUXILIARY FACILITIES

(1) Laundry rooms:

(i) Location and number;

There will be one laundry closet provided within each residential unit with hookups for a stackable type or side by side, domestic washer and dryer.

The Sponsor will not provide laundry equipment. The actual laundry equipment will be purchased and installed by each unit's occupant as necessary. Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary.

(ii) Clothes Washers;

Clothes washers in each unit will be provided by the unit's occupant. The Sponsor will not provide clothes washers.

(iii) Clothes Dryer;

Clothes dryers in each unit will be provided by the unit's occupant. The Sponsor will not provide clothes dryers.

(iv) Room Ventilation;

There will be no mechanical exhaust ventilation provided for the laundry closets.

(v) Dryer Ventilation

There will be a metal exhaust ventilation duct provided in the laundry room for the dryers. The exhaust vent duct will terminate at the roof above the fourth floor level.

(2) Refuse Disposal:

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no garbage compactors in the building

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required from any agencies. Residential garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Refuse disposal will be the responsibility of each individual unit's occupant. They will take their own garbage to garbage cans which will be located at the yard areas to the front of the building at grade level.

The garbage will be removed from the cans and placed close to the curb in front of the properties, by a janitorial service, on the nights before scheduled garbage collection by the N.Y. City Department of Sanitation.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is on Tuesdays and Fridays, with recycling on Tuesdays as per the New York City Department of Sanitation Website.

(j) **PLUMBING AND DRAINAGE**

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a minimum 3" combined sprinkler and domestic, copper water main conveying the water into the building. Each residential will be supplied with cold water from a minimum ¾" copper piping. Each residential unit will have its own combined boiler / hot water heater, located in a mechanical closet within the unit.

The hot and cold water piping throughout the building will be protected with a minimum ½" thick polyethylene, thermal insulation with a minimum R value of 2 as required by the N.Y. City Energy Code and the N.Y. State Energy Conservation Construction Code.

(2) Fire Protection System:

There will be a wet pipe, sprinkler system installed throughout the building.

A sprinkler application will be filed with the New York City Department of Buildings in conjunction with each the building application. The required approval and permit will be secured prior to the installation of the sprinkler system.

(i) Standpipes;

There will be no standpipes in the building. There will be a 3" diameter, sprinkler riser located within one of the mechanical closets within the units.

(ii) Hose racks, hoses and nozzle;

There will be no hose racks or hoses in the buildings.

(iii) Sprinkler heads;

Sprinkler heads shall be mainly, concealed, pendant type sprinkler heads which will be located on all floors throughout the building.

(iv) Siamese Connection;

There will be a 3" flush wall mounted, single inlet, fire department connection located adjacent to the entrance to the cellar floor level at the southerly section of the front facade of the building. The connection will be located at the first floor level at least 18" above grade.

(3) Water storage tanks and enclosures:

There will be no water storage tanks at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure;

The building will rely on normal N.Y. City water pressure to raise the water to the penthouse floor level of the building. The existing water pressure at the site is approximately 50 psi.

(5) Sanitary Sewage System:

(i) Sewage piping (materials);

Sanitary sewage piping shall be of extra hard cast iron.

(ii) Sewage pumps;

There will be no sanitary sewage pumps.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via new, extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located at the cellar floor level towards the front of the building. Beyond the house trap there will be a new 6", extra heavy cast iron, sanitary drain pipe which will be connected to the existing 8" sanitary sewer located in the roadway beneath Bay 47th Street.

(6) Permits required:

A permit for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within the building and on the site.

A Site Connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

All plumbing work shall be done by a N.Y. State licensed Plumber.

(7) Storm Drainage System:

The onsite, storm drainage system will consist of roof drains connected to vertical, internal, cast iron leaders; exterior area drains, below grade horizontal cast iron drains and a drywell.

Part of the run-off from the roof areas will be conveyed to a new 4" extra heavy, cast iron, horizontal, storm drain. The 4" storm drain will be tied into a new combined 6" site connection and to the existing 12" storm sewer, located in the roadway beneath Bay 47th. Street. The rest of the storm water runoff will be dissipated via twelve foot wide by four foot deep concrete drywell located beneath the yard area to the rear of the building.

The storm drainage system was approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) Catch Basins;

Existing catch basins are located in the public roadway along Bay 47th. Street and have been designed and installed to the standards of the N.Y. City Department of Transportation. Catch basins are constructed of concrete with steel grating covers.

(ii) Yard and Roof drains;

There will be cast iron, roof drains located at the roof above the third floor and penthouse levels.

Cast iron, area drains will be located at the cellar areaways and at grade level to the front and rear of the building.

(iii) Piping;

Interior, vertical, drain pipes and below grade horizontal piping shall be of cast iron.

(iv) Ejector or Sump pumps;

There will be no ejector pumps or sump pumps in the buildings.

(k) HEATING (SPACE HEATING AND DOMESTIC HOT WATER)

(1) Heating and Distribution of Domestic hot water & Heating System Capability:

Domestic hot water shall be provided for each residential unit by gas fired, combined heat and hot water boilers, which will be located within a mechanical closets within each residential unit. The hot water heating system shall be designed to provide peak required services to each unit.

Heating of each residential unit will be achieved by a radiant heating system. There will be baseboard radiators located within each living room, bedroom, kitchen and bathroom area within each residential unit. Heat energy shall be provided by the gas fired, combined boiler and hot water heater, located within the mechanical closets within each residential unit.

The space heating system will be designed to maintain a minimum inside temperature of 70 degrees Fahrenheit, when the outside temperature is 15 degrees Fahrenheit with a 15 mph wind (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, for New York City, JFK Airport).

(2) Number of boilers and description:

There will be a total of nine, new, gas fired, combined heat and hot water boilers in the building.

(3) Manufacturer (model, capacity):

Each boiler/ hot water heater combos shall be model number **OX-160C**, as manufactured by **Embassador Onex.** Each unit has an input rating of approximately 160,000 B.T.U per hour and an efficiency rating of approximately ninety three (93%) percent, which will be adequate to provide hot water for each residential unit.

The sponsor reserves the right to provide combined heat and hot water boilers by different manufacturers which are equal to or better than noted.

(4) Type of Controls:

The combined heat and hot water heaters shall be equipped with thermostats.

(5) Radiators, piping, etc.:

There will be baseboard radiators located throughout each building. Radiator piping shall be of cast iron.

(6) Fuel (supply system):

Gas service will be provided by, the National Grid. The gas will be used for domestic cooking and for heating and will be distributed by black iron piping.

(7) Location of oil tank:

There will be no oil tanks in the buildings.

(8) Capacity of oil tank:

There will be no oil tanks in the building.

(I) GAS SUPPLY

(1) Type;

Gas service will be provided by, National Grid for each residential unit. The gas will be used for domestic cooking, and for heating.

(2) Meters;

There will be nine new, gas meters provided at the cellar floor level of the building.

(3) Piping;

Gas piping throughout the building shall be of black iron.

(m) AIR CONDITIONING

The cooling system will be a designed to provide sufficient cooling to maintain inside conditions of 78 degrees Fahrenheit and 50% relative humidity when the outside conditions are 88 degrees Fahrenheit dry bulb and 72 degrees wet bulb (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1B, for New York City, JFK Airport). Indoor design temperatures will be in accordance with the New York State Energy Conservation Construction Code.

(1) Type of system,

Cooling of each residential unit will be achieved by the cooling cycle of a ductless, multi zoned, cooling system. There will be at least one, wall mounted, indoor, air handling unit located within each living room, bedroom and at the open cellar area within each residential unit. Air drawn from an outside condenser unit will be cooled and filtered by the air handling units and distributed to the interior spaces.

(2) Central System (manufacturer, model, capacity):

The indoor, air handler units shall be model number **PEFY-P12NMAU**, as manufactured by **MITSUBISHI**. Each air handler unit is UL approved and will have a cooling capacities of approximately 12,000 BTUs per hour. Each air handler will operate with an efficiency rating of approximately eighty (80 %) percent.

The Sponsor reserves the right to provide air handlers by a different manufacturer than noted above.

Each outdoor section (condensing unit) for each residential unit shall be model number **PUMY-P36NHMU,** as manufactured by **MITSUBISHI**. Each section shall be UL approved and will have cooling capacities of approximately 36,000 BTUs per hour. Each condensing unit will operate with an efficiency rating of approximately eighty (80 %) percent.

The Sponsor reserves the right to provide condenser units by a different manufacturer than noted above.

(3) Cooling towers, condensers (roof top, self-contained units, including number, location and description):

The condenser units will generate the energy required for cooling and will be located at the roof above the penthouse floor level. There will be nine units located at the roof above the penthouse level of the building.

There will be no steel dunnage beams at the roof areas above the penthouse floor level. The condenser units at the roof areas shall be mounted on two inch thick, outdoor, condenser, polypropylene pads as manufactured by Thermo; to prevent vibration and noise from reverberating to the unit below.

All exterior metals at the roof areas, including fasteners shall be corrosion resistant.

Rooftop piping shall be insulated with a minimum ½" thick, fiberglass, exterior pipe insulation as manufactured by Owens Corning.

(4) Individual units covered by the offer (window / sleeve- number, location, description);

There will be no window sleeves at the exterior walls of the residential units.

(n) VENTILATION

The spaces that require mechanical ventilation within the units are the interior bathrooms and toilet rooms. These spaces within the units shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm; for bathroom areas as required by the New York City Building Code.

The laundry closets shall be provided with exhaust ventilation ducts for dryers.

Bathroom exhaust fans shall be model AK50LS as manufactured by Air King Ventilation Products. Dryer vent piping shall be model number 3000 and dryer vent cap model 3CW as manufactured by Ameri-Vent.

Exhaust equipment shall be U.L. approved and New York City M.E.A. or B.S.A. approved as required by the N.Y, City Building Code.

The Sponsor reserves the right to provide approved type ventilation equipment by a different manufacturer than noted above.

(o) **ELECTRICAL SYSTEM**

(1) Service from main service switchgear;

The electrical service to the building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to the building, shall be a 400 Amp, 120 / 208 Volt, single phase, copper, three wire, service.

The electrical service will be transported throughout the building via, insulated, copper three wire cables

(2) Service to the individual units;

There will be a separate meter for each residential unit. There will be 100 Amps of service to each residential unit.

(3) Compartment switchgear;

The sectional meter boards and transformers supplying power to the meter boards will be located at the cellar floor level towards the front of the building.

(4) Unit service;

Each residential unit will be equipped with 100 Amp fuses and circuit breakers.

The electrical system will be adequate to handle modern usage and appliances such as air conditioners, dishwashers and electric dryers.

(5) Adequacy;

(i) Service;

There will be approximately six circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, dishwashers and electric dryers.

There will be no emergency generators provided in the building.

(ii) Lighting and Fixtures;

There shall be at least one centrally located, overhead, ceiling mounted, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead, ceiling mounted, fixture provided in the hallways within the units. Each lighting fixture shall be a high efficiency lighting fixture with compact fluorescent or halogen bulbs, capable of providing the equivalent of at least 60 watts of incandescent illumination.

Lighting fixtures and electrical outlets; shall be installed by a licensed Electrician, and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(iii) Convenience outlets & appliance outlets;

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, toilet room etc. within each unit. Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(p) INTERCOMMUNICATION SYSTEM

Each residential unit will be equipped with an intercom at the main entrance door, which will permit voice contact between the inside of the residential units and the main entrance door or the common exterior entrance door to the unit. The intercom shall be Model C-123L/A as manufactured by Aiphone.

The intercom system will have a one year warranty.

The building will be wired for cable. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment by a different manufacturer which is equal to or better than noted above.

(q) **PUBLIC AREA LIGHTING**

Ceiling mounted, lighting fixtures shall be provided in the common stairways and hallways. Fixtures shall be fitted with energy efficient bulbs, capable of providing the equivalent incandescent illumination of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixture shall be provided with one or more high efficiency, compact fluorescent or halogen light bulbs, providing a total of not less than the equivalent of sixty (60) watts of incandescent illumination.

Wall mounted, exterior, lighting fixtures shall be provided adjacent to the main entrances at the front of the buildings; providing an aggregate illumination equivalent to two hundred (200) watts of incandescent illumination.

There shall also be provided, at the rear facade of the building, at approximately the level of the first floor, exterior, wall mounted, lighting fixtures, each equivalent to at least sixty (60) watts of incandescent illumination. There shall be at least three lighting fixtures provided at the rear facade.

The ceiling mounted, lighting fixtures for the interior public areas, shall be flush mounted, model number 85841FTSN as manufactured by Maxim Lighting.

The lighting fixtures at the exterior entrances shall be outdoor, wall sconce, model number P6062-31 as manufactured by Progress Lighting.

The lighting fixtures at the exterior of the building shall be outdoor, wall sconce, model number P5706-30 as manufactured by Progress Lighting.

The Sponsor reserves the right provide lighting fixtures by different manufacturers than noted above.

The public area lighting will be adequate and shall be in compliance with the New York City Housing Maintenance Code, Multiple Dwelling Laws and all other applicable N.Y. City codes.

All lighting fixtures shall be installed by a N.Y. State licensed Electrician and shall comply with the New York City Electrical Code.

(r) **GARAGES AND PARKING AREAS**

There will be parking areas located in the open yard area to the rear of the building. The N.Y. City Zoning Resolution requires that eight parking spaces be provided.

(1) Location of garages:

There will be no enclosed parking garages on the site.

(2) Location of parking areas:

There will be seven open parking spaces located in the rear yard area. One of the spaces will be an accessible space. In addition there will be a single parking space located in the side yard area adjacent to the northerly, side lot line.

(3) Surfaces (materials used, lighting, fencing etc.):

Parking areas and driveways shall be of poured, concrete reinforced with welded steel wire fabric.

(4) Parking (attended or not attended):

The Sponsor will determine at a later point if time if the parking spaces will be allocated as limited common areas and if an attendant will be provided for the parking.

(5) Parking ventilation (method and equipment):

All parking spaces will be open therefore ventilation will not be required.

(s) SWIMMING POOLS

There will be no swimming pools in or at the exterior of the buildings. The following sub-sections will not be applicable to this Report:

(1) Type (concrete, material composition) and Location;

(2) Size (length, width, depth, capacity);

(3) Enclosure (material including roof);

(4) Pumping and filter system;

(5) Water heating equipment;

(6) Structural support system (roof location);

(t) TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

There will be no tennis courts or playgrounds or common recreational facilities provided in the building. The following sub-sections will not be applicable to this Report:

(1) Tennis Courts:

- (i) Type (clay, macadam, turf);
- (ii) Number and Size;
- (iii) Lighting (number and type);
- (iv) Fencing and enclosure;

(2) Playgrounds (size and location);

(3) Other Recreation facilities;

(u) PERMITS AND CERTIFICATES

All required permits and sign-offs required and a Certificate of Occupancy are to be obtained by the Sponsor.

The following permits as necessary will be obtained by the Sponsor:

PERMIT TYPE	AGENCY
Demolition	Department of Buildings
Fence	Department of Building
General Construction	Department of Buildings
Plumbing	Department of Buildings
Sprinkler	Department of Buildings
Electrical	Department of Buildings
Site Connection	Department of Environmental Protection
Builders Pavement (Construct new sidewalk)	Department of Transportation

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.
All permits issued by the New York City Department of Transportation expire on December 31st of each year and are required to be renewed.

Recurring inspections to be performed after the building is in operation shall include but not be limited to; the Handicap lift system, Sprinkler System, Fire Alarm System and Mechanical Equipment.

(v) VIOLATIONS

There are currently no open violations listed for the property as per the N.Y. City Department of Buildings Information System website.

A Certificate of Occupancy will not be issued until all violations, if any, are corrected.

(w) **UNIT INFORMATION**

The condominium will have a total of nine residential units.

The residential units will be located at the first through fourth floor levels of the building. Parts of the cellar floor level will be used in conjunction with the units located at the first floor level. The fourth floor level will be used in conjunction with the units located mainly at the third floor level of each building section.

Units 1A, 1B, and 1C; will each consist of:

Two (2) bedrooms, two (2) bathrooms, living / dining area, kitchen, laundry closet and mechanical closet and accessory cellar space;

Units 2A, 2B, and 2C; will each consist of:

Two (2) bedrooms, two (2) bathrooms, living / dining area, kitchen, laundry closet and mechanical closet;

Units 3A, 3B, and 3C; will each consist of:

Three (3) bedrooms, two (2) bathrooms, living / dining area, kitchen, laundry closet and mechanical closet;

UNIT SIZES:

The dimensions indicated are approximate and are located: horizontally; approximately to the outside face of the exterior walls of the building and approximately to the unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.

The approximate square footage for each unit are as follows:

SECTION "A":

Unit 1 A	Cellar Floor	= 954 square feet
	First Floor	= 950 square feet
		1,904 square feet
Unit 2 A	Second Floor	= 919 square feet
Unit 3 A	Third Floor	= 747 square feet
	Fourth Floor	= 366 square feet
		1,151 square feet

SECTION "B":

Unit 1 B	Cellar Floor	= 895 square feet
	First Floor	= 942 square feet
		1,828 square feet
Unit 2 B	Second Floor	= 943 square feet
Unit 3 B	Third Floor	= 777 square feet
	Fourth Floor	= 404 square feet
		1,181 square feet

SECTION "C":

Unit 1 C	Cellar Floor	= 944 square feet
	First Floor	= 955 square feet
		1,899 square feet
Unit 2 C	Second Floor	= 964 square feet
Unit 3 C	Third Floor	= 794 square feet
	Fourth Floor	= 366 square feet
		1,160 square feet

(1) **UNIT FINISHES;**

The units will be finished as described herein.

The finished floor of the living, dining and bedroom areas of the residential units shall be a hardwood finished floor of ¾ "select grade oak strips on ¾" plywood subflooring. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

The walls and ceilings of residential units shall be of gypsum wallboard. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Residential kitchens shall have ceramic tile covering the floors and gypsum wallboard walls and ceilings.

Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

When completed, the following interior finishes will be installed.

	Location	Floors	Base	Walls	Ceilings
1.	Living/Dining Room	Wood	Wood	G.W.B. Painted	G.W.B. Painted
2.	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Kitchen	Wood	Wood	G.W.B. Painted	G.W.B. Painted
4.	Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
5.	Laundry Closet	Ceramic Tile	Ceramic Tile	G.W.B. Painted	G.W.B. Painted
6.	Mechanical Closet	Ceramic Tile	Ceramic Tile	G.W.B. Painted	G.W.B. Painted
7.	Open Cellar	Vinyl Tile	Vinyl Tile	G.W.B. Painted	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

(2) **BATHROOM FIXTURE SCHEDULE;**

A. Water Closets: shall be model; Colony 2388.012 as manufactured by American Standard. Water closets shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.

B. Countertop lavatory: shall be model; Rondalyn 0491.019 as manufactured by American Standard with American Standard, model; Colony 2175.200 faucet; set in a plastic laminate finished, particle board vanity countertop.

C. Bathtubs: shall be model; Salem 0155.017 with flow outlet, showerhead and trim model; Colony R110SS as manufactured by American Standard.

The Sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than noted above.

(3) **KITCHEN EQUIPMENT SCHEDULE;**

1. Formica laminate, wall and base cabinets with single hinge doors and stainless steel hardware. Countertops shall be of formica or wood laminate.
2. Stainless steel sink by Crane, with faucet by Delta model number 400.
3. One, four burner gas range by Frigidare, model # FGF 368.
4. One, refrigerator by Frigidare, model number LGHT1837 LP.

Note:

Additional kitchen appliances and fixtures including additional gas ranges will be the responsibility of the unit owners.

The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than noted above.

(x) FINISH SCHEDULE (SPACES OTHER THAN UNITS)

The following interior finishes will be installed at the locations as indicated.

	Location	Floors	Base	Walls	Ceilings
1.	Mechanical Rooms	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
2.	Hallways	Concrete	Metal	G.W.B. Painted	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

The walls, ceilings and soffits of the common hallways shall be finished with one primer coat and one finish coat of paint;
Mechanical equipment and meter rooms shall be finished with one primer coat of paint.

(y) SAFETY AND WARNING DEVICES

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit at a maximum distance of fifteen feet from any bedroom door within the unit as required by the N.Y. City Building Code.

The smoke and carbon monoxide detectors are the fire and smoke safety devices required by the N.Y. City Building Code.

(y) SAFETY AND WARNING DEVICES

The building will be equipped with a full sprinkler system and a fire alarm system on all floors.

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit within bedrooms and at a maximum distance of fifteen feet from any bedroom door within the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detector shall be model number SC9120B as manufactured by BRK Brands Inc.

The sprinkler system, fire alarm system and the smoke and carbon monoxide detectors are the fire and smoke safety devices required by the N.Y. City Building Code.

The Sponsor reserves the right to provide a combined smoke and carbon monoxide detector by a different manufacturer which is equal to or better than noted above.

There will be a fire alarm central station located within the sprinkler mechanical room at the cellar floor level.

There will be a fire alarm gong connected to the sprinkler system located at the front facade of the building (at the cellar floor level) above the fire department, inlet connection, to the sprinkler system.

(ee) CORROSIVE MATERIALS

There will be no "Sulfide" or other known corrosive drywall materials used or scheduled to be used in the construction of the building.

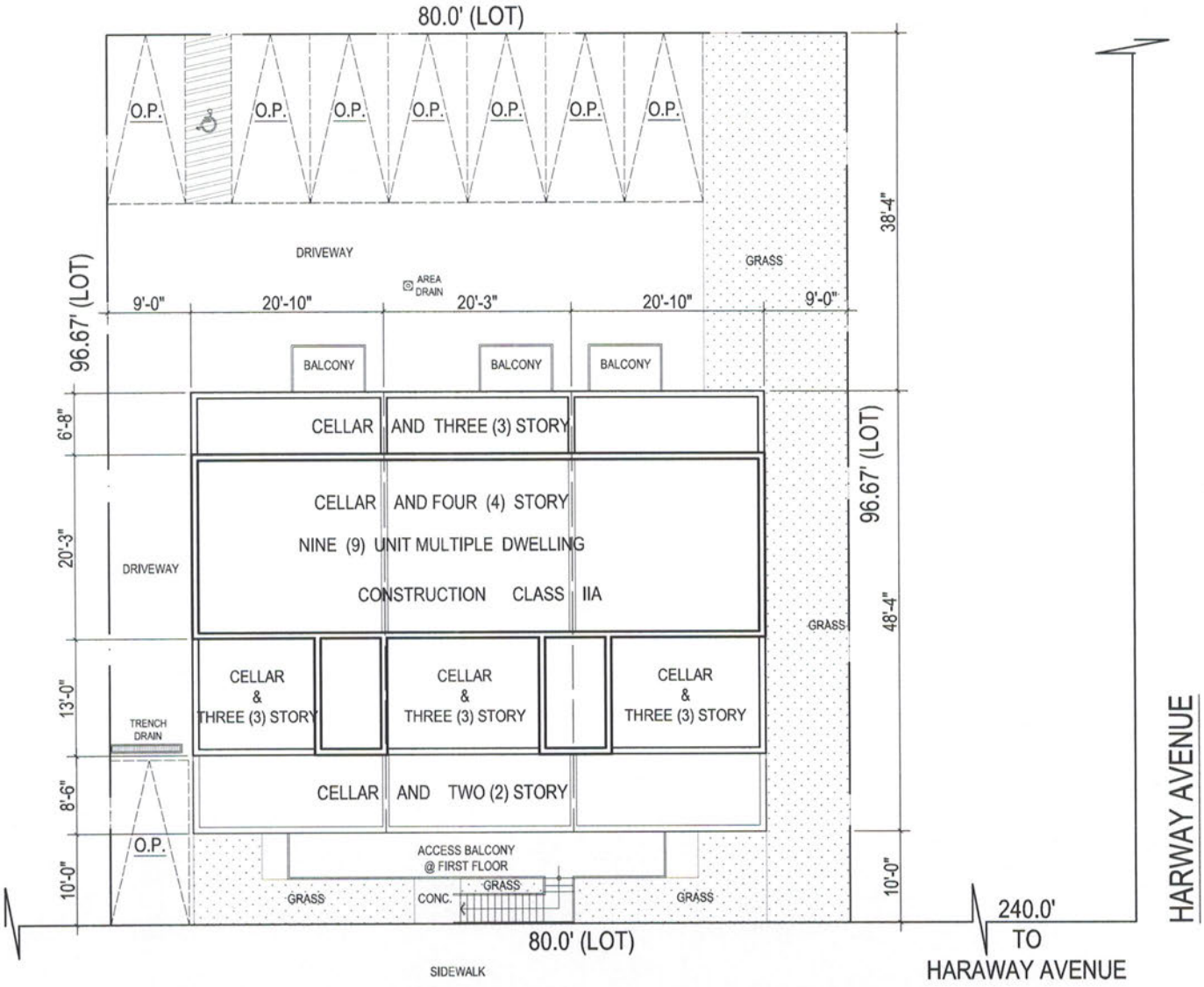
(ff) TENANT PROTECTION PLAN

The building will not be occupied by tenants and / or unit owners prior to the Sponsor obtaining the Final Certificate of Occupancy.

(gg) DOCUMENTS TO BE TRANSFERRED TO THE CONDOMINIUM MANAGEMENT

The following documents, as applicable, shall be transferred to the Condominium Management upon transfer of control:

Operation & Maintenance (O & M) manuals for mechanical equipment;
Electronic system manual;
Re-commissioning manual (as applicable);
Equipment Warranties;
Roof Warranty;
Major Equipment Start-Up Sheets;
Control System As-Built
Original Test and Balance Report for HVAC System;
Indoor Air Quality Report;
Final As-Built Drawings as maintained during construction, ie, Structural, Mechanical, Electrical, Plumbing, Shop Drawings.



PLOT PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.

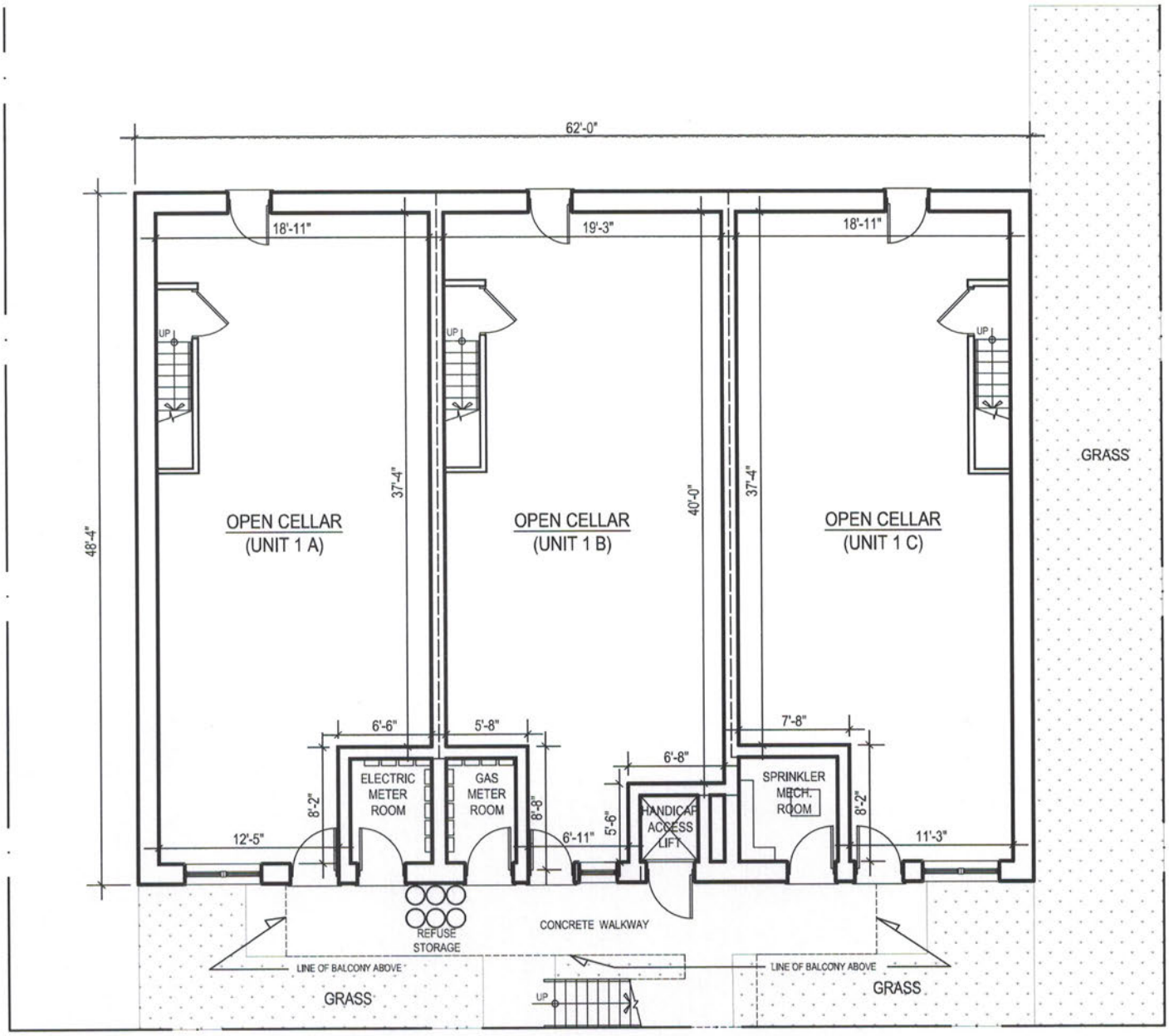
1' 3' 5' 10' 15' 20'
0' 2' 4'

BLOCK : 6902

LOT : 19

O.P. : DENOTES OPEN PARKING SPACE APPROXIMATELY 8'-6" X 18'-0" EACH

(REVISED : 03-14-2017)



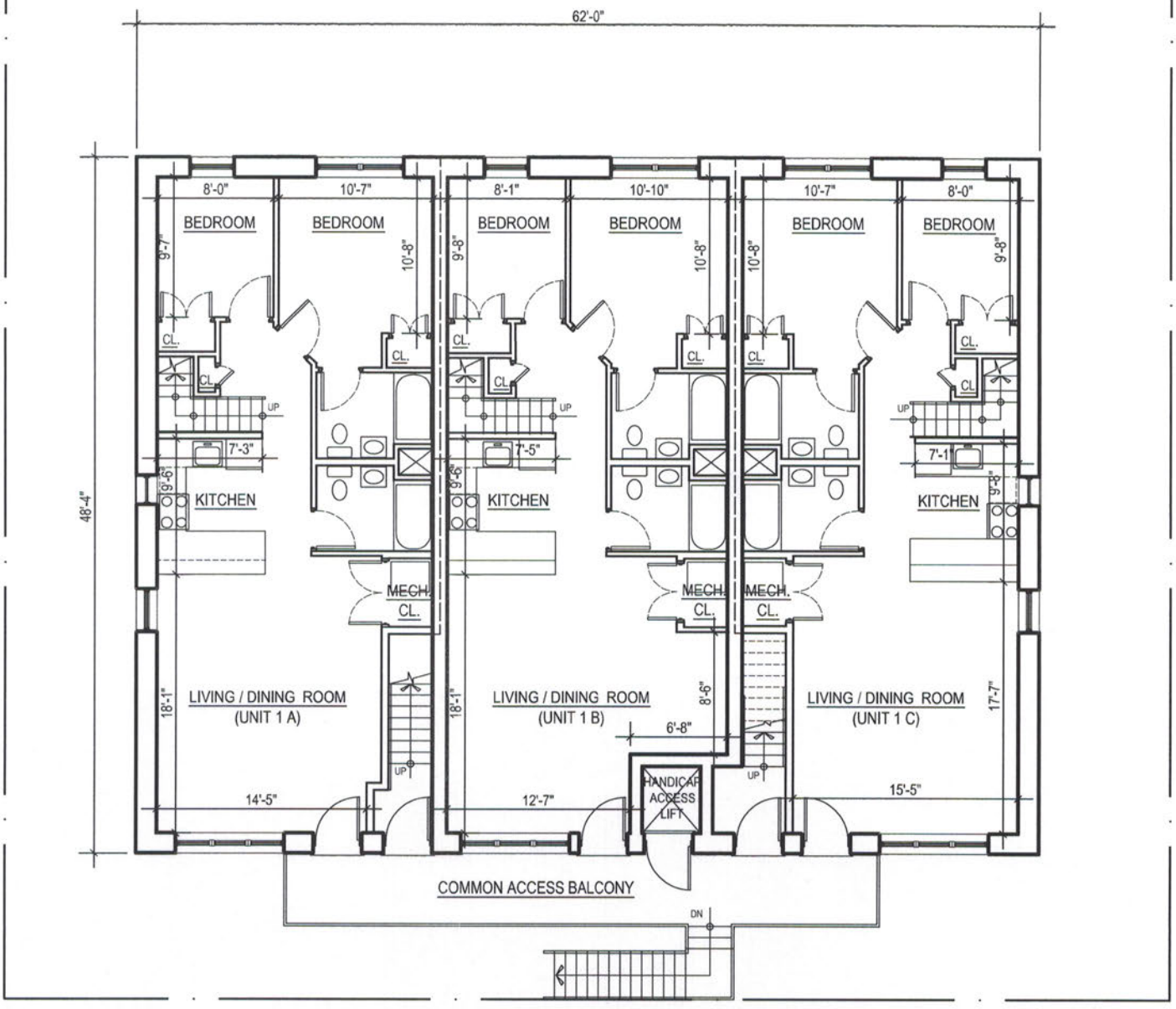
CELLAR FLOOR PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

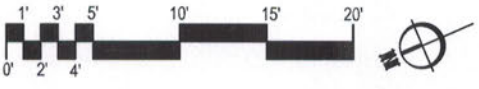
0' 2' 4'

(REVISED : 03-14-2017)

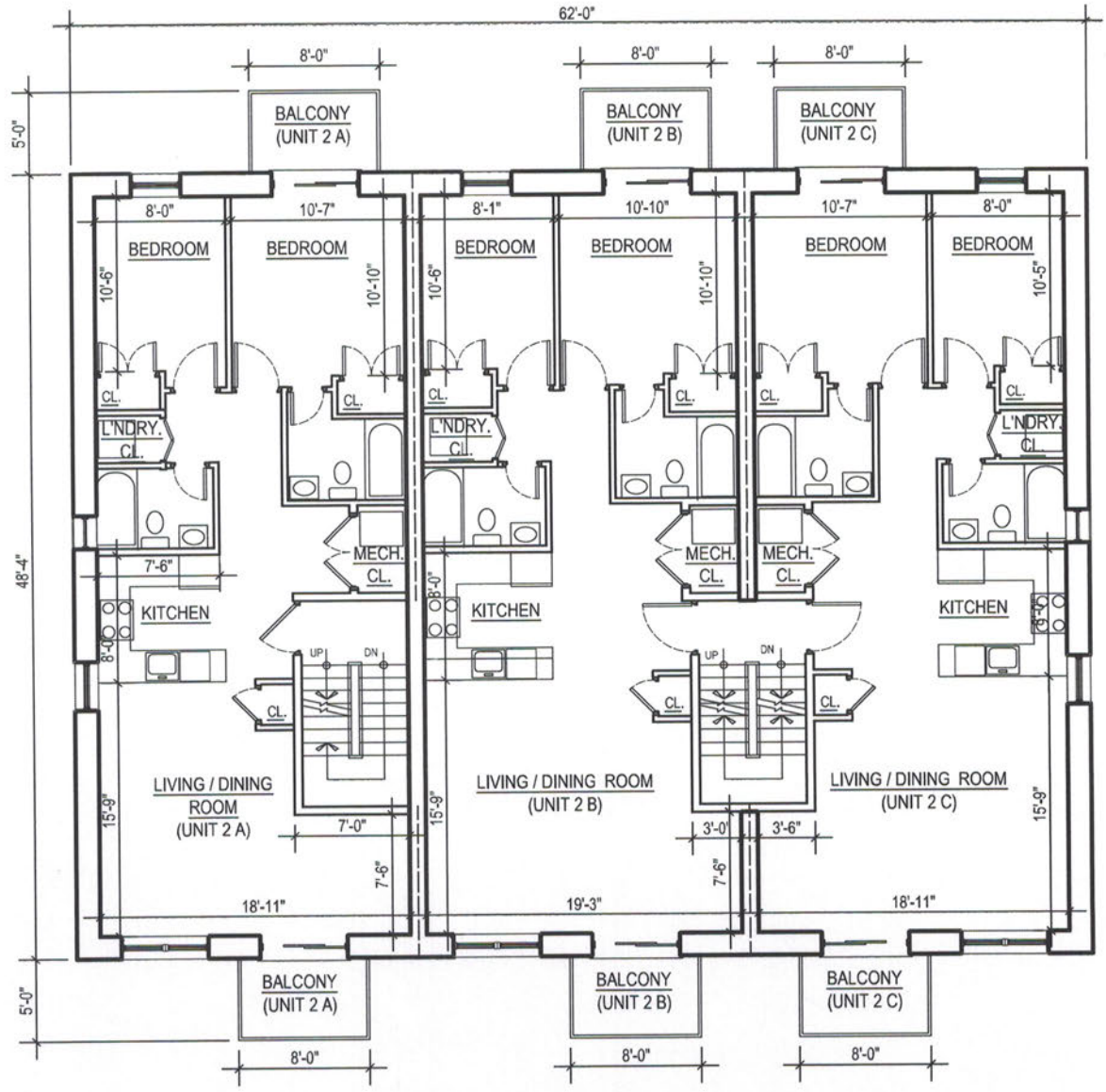


FIRST FLOOR PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.



(REVISED : 03-14-2017)

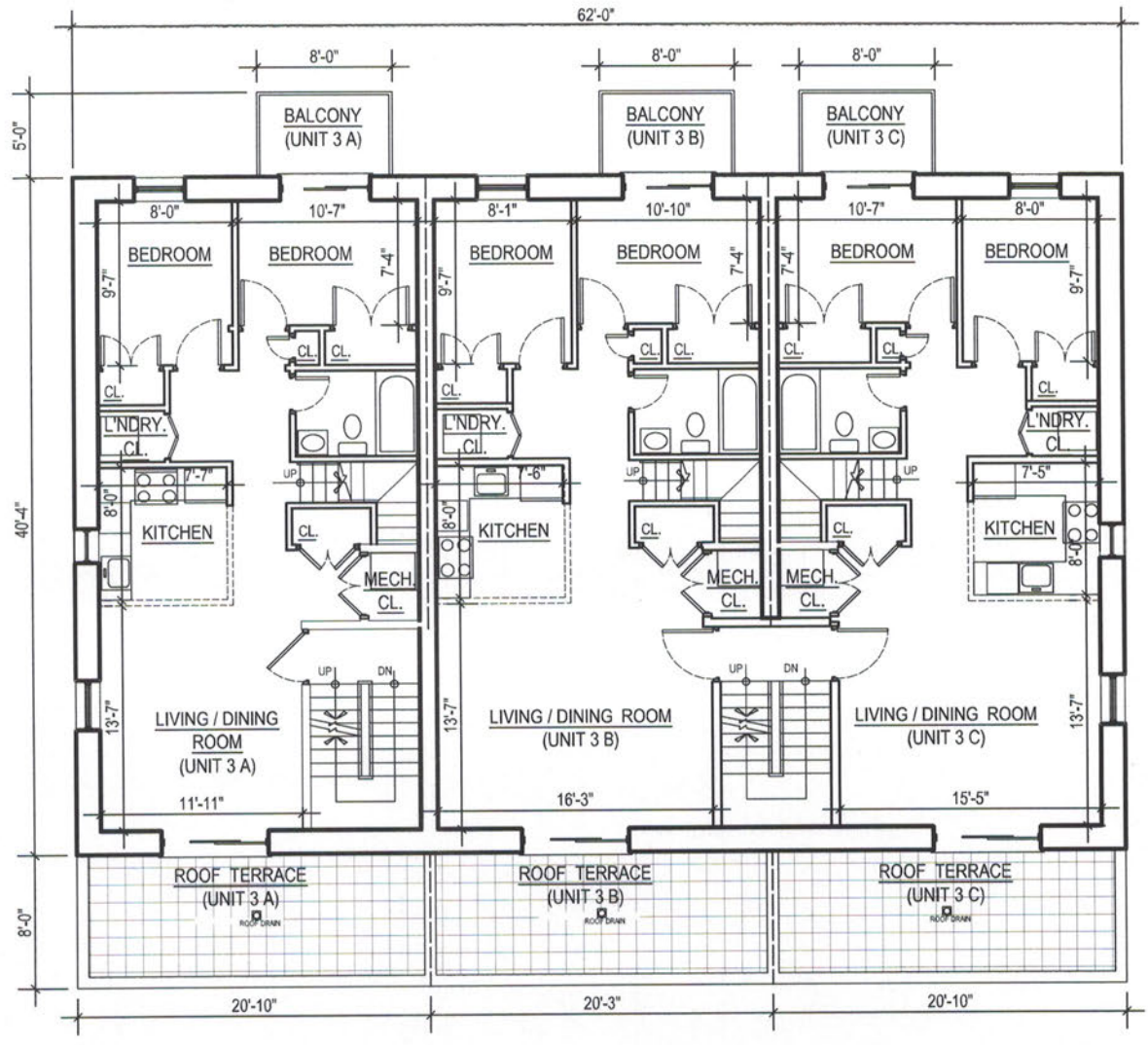


SECOND FLOOR PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'
0' 2' 4'

(REVISED : 03-14-2017)



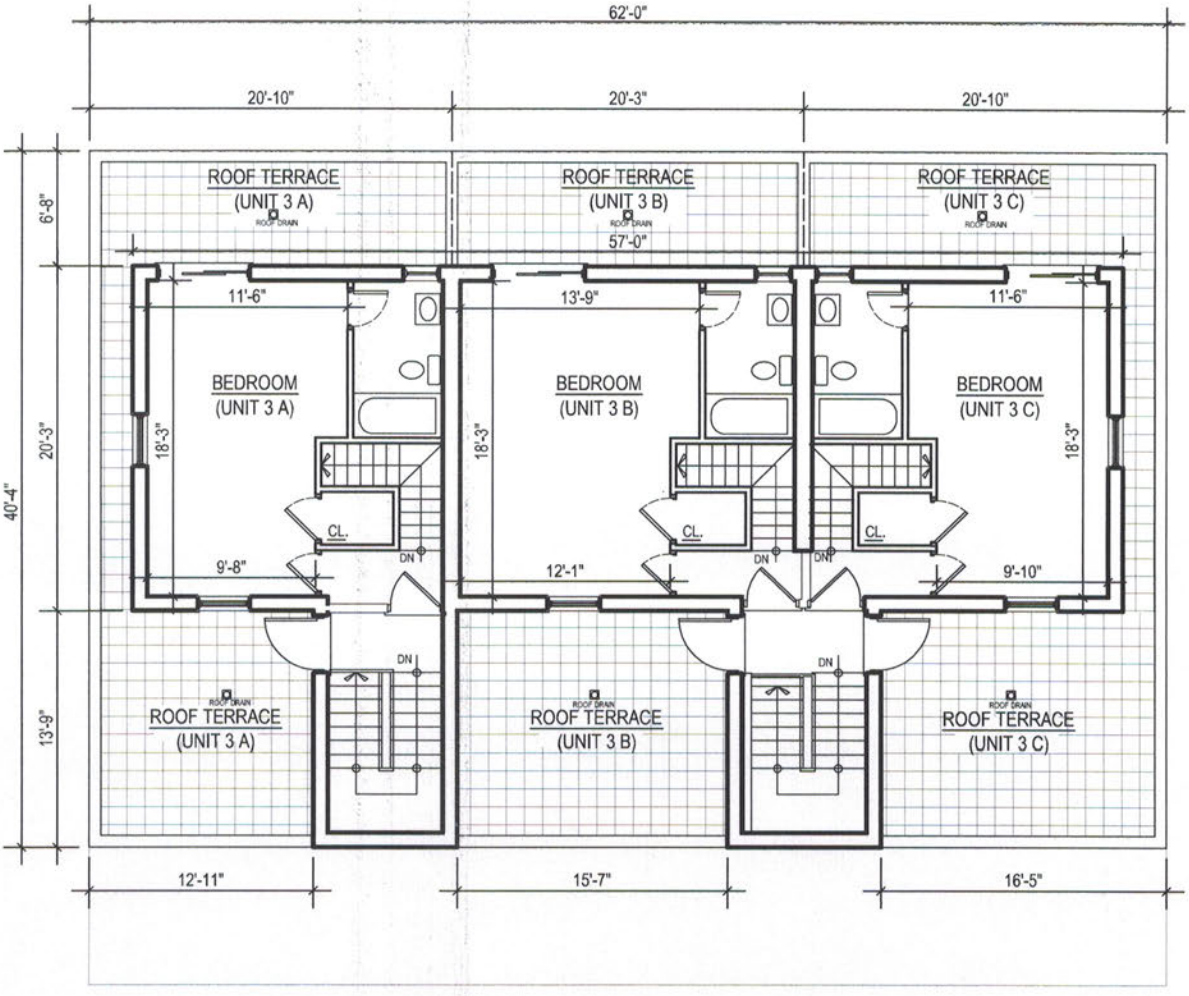
THIRD FLOOR PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

(REVISED : 03-14-2017)



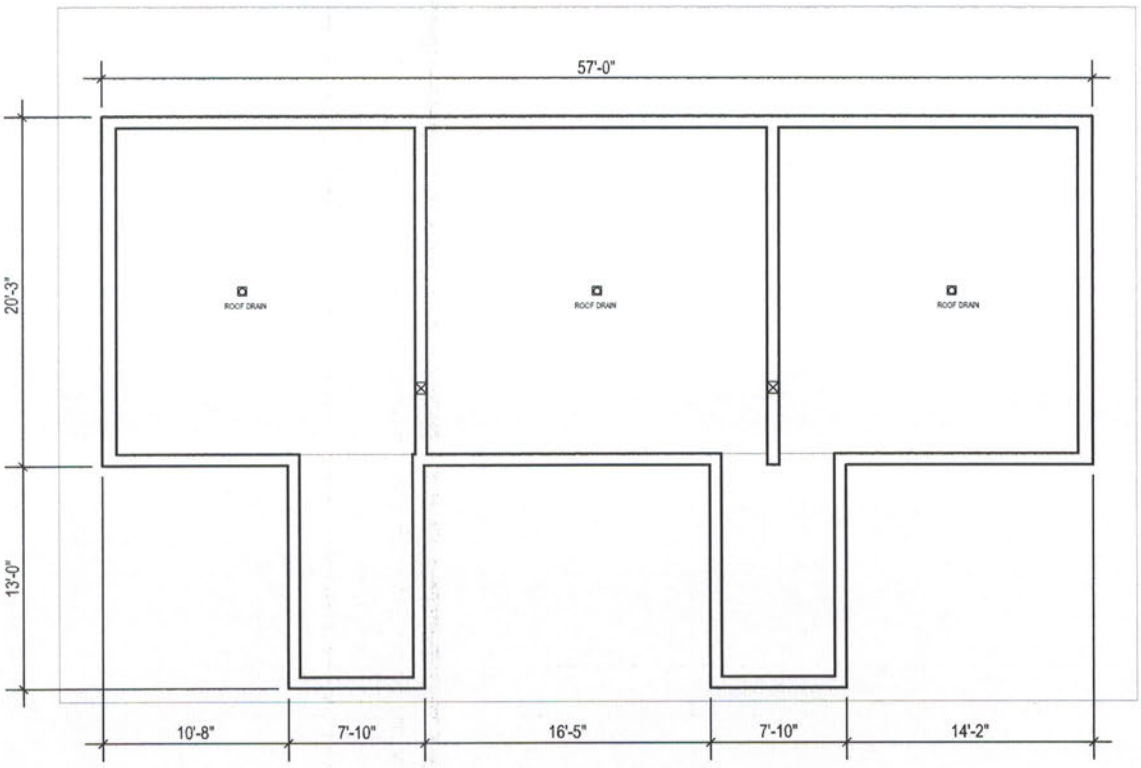
FOURTH FLOOR PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

(REVISED : 03-14-2017)



ROOF PLAN

73 BAY 47TH. STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

0' 2' 4'

(REVISED : 03-14-2017)



FRONT ELEVATION

73 BAY 47TH. STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15' 20'

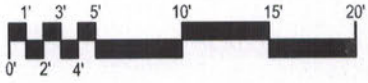
0' 2' 4'

(REVISED : 03-14-2017)



REAR ELEVATION

73 BAY 47TH. STREET, BROOKLYN, N.Y.



(REVISED : 03-14-2017)

SECTION E

DECLARATION OF THE
73 BAY 47TH STREET CONDOMINIUM

ESTABLISHING A PLAN OF A CONDOMINIUM OWNERSHIP FOR PREMISES LOCATED AT 73 BAY 47TH STREET, IN THE BOROUGH OF BROOKLYN, COUNTY OF KINGS, CITY AND STATE OF NEW YORK, PURSUANT TO ARTICLE 9-B OF THE REAL ESTATE PROPERTY LAW OF THE STATE OF NEW YORK.

NAME: 73 BAY 47TH STREET CONDOMINIUM
1152 85th Street, Brooklyn, N.Y. 11228

SPONSOR: 73 BAY 47TH LLC
1152 85th Street, Brooklyn, N.Y. 11228

DATE OF DECLARATION: March 1, 2017

THE LAND AFFECTED BY THE WITHIN INSTRUMENT LIES IN SECTION , IN BLOCK 6902, F/K/A LOT 19 N/K/A LOTS THROUGH ON THE TAX MAP OF THE BOROUGH OF BROOKLYN, COUNTY OF KINGS, CITY AND STATE OF NEW YORK.

RECORD AND RETURN

Attorney for Sponsor
Paul A. Leff, Esq.
1573 Richmond Road
Staten Island, N.Y. 10304

DECLARATION OF THE
73 BAY 47TH STREET CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK

In the Borough of Brooklyn, County of Kings, City and State of New York on this 1st day of March 2017, 73 Bay 47th LLC whose principal office is situated at 1152 85th Street, Brooklyn, New York, hereinafter referred to as the "Sponsor", does hereby state:

FIRST: Submission of Property. By this Declaration, the Sponsor submits the property described in this Declaration to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: Description of Property. The Sponsor owns all of that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, being more particularly bounded and described on Schedule "A" which is annexed hereto and made part of this Declaration.

THIRD: Definitions.

(a). The record owner of each Unit is hereinafter referred to as the "Unit Owner". Every Unit owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote as referred to in this Declaration.

(b) A "Unit" as hereinafter referred to shall be defined as follows: Each Unit shall consist of the area enclosed horizontally by the unexposed sides of the drywalls of the exterior walls of the building and by the unexposed sides of the dry wall or the exposed face of the concrete of those walls and partitions which separates the unit from the corridors, stairs, mechanical equipment spaces, and other units, and enclosed vertically by the underside of the unit's finished flooring and the exposed painted face of the concrete ceiling or the unexposed side of the unit's drywall ceiling where applicable. The Doors and windows which open from the unit shall be deemed part of the unit. No unit owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the unit, which are utilized for or services more than one unit. The description of the Units set forth herein pertains to the location of the walls, floors and ceilings of the unit as they are set forth in the building plans filed simultaneously with the recording of this Declaration.

The Condominium shall contain a total of nine residential units and seven parking units.

(c) "Party Wall" as hereinafter referred to shall be defined as a wall which is common to or separates two Units.

(d) "Condominium" as hereinafter referred to shall mean the 73 Bay 47th Street Condominium which is composed of the Unit owners.

FOURTH: The Sponsor is constructing one building to be owned as condominium Units located at 73 Bay 47th Street, Brooklyn, N.Y. according to the floor plans filed simultaneously with the recording of this Declaration in the Kings County Clerk's office which plans set forth a description of the building stating the number of stories, the number of units and the principal materials of which they are to be constructed.

The Condominium will consist of nine residential Units located in one building composed of a cellar, first, second, third and fourth floor, all as set forth in the floor plans filed as part of this Declaration. Each of the Units has access to each other Unit and the street upon which the Condominium abuts by means of hallways and staircases which form a part of the common elements of the condominium. For the purposes of describing the approximate area, type and number of rooms of each unit and the common elements to which each unit has immediate access, the units are fully described on the filed floor plans and on Schedule "B".

Each Unit will be sold to one or more owners, each owner obtaining fee ownership in and exclusive right of occupancy and possession of the Unit, together with an undivided interest in the common elements of the condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements", all of the above in accordance with Article 9-B of the Real Property Law of the State of New York.

The aforesaid condominium covers a plot area of approximately 7,733 square feet which includes the buildings and the yard areas.

FIFTH: Common Elements. The Common elements of the condominium will consist of all of the Condominium, except the Units, including without limitation, outside walls and roofs of units, the land, building and improvements (other than the units) comprising the condominium, including the land under the building and under the improvements, all utility or other pipes and material located outside of the units, grass areas and sidewalks.

The common elements shall remain undivided and no Unit owner shall bring any action for partition or division unless otherwise provided by Law. Each Unit owner shall have the right to use the common elements, other than such portions, if any, which by the terms of this Declaration or the annexed By-Laws are irrevocably restricted in use to other Unit owners, in accordance with the purpose for which such common elements are intended, without hindering the exercise of or encroaching upon the rights of the other Unit owners.

The percentages of undivided interest in the Common elements and the rights and obligations of Unit owners respecting irrevocably restricted portions of the common elements established herein shall not be changed except with the consent of all of the affected Unit owners expressed in a duly recorded amendment to this Declaration.

The undivided interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instruments.

Limited Common Elements. Each unit owner, his guest, invitees, lessees and residents of his unit shall have the exclusive right to use and possess the limited common elements of the building indicated in the attached Schedule B, subject to the following:

Each Unit Owner shall be solely responsible for the repair and maintenance of the Limited Common Elements appurtenant to his Unit including, but not limited to painting, cleaning, patching and surface repair. In the event a Unit Owner fails to properly maintain his Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas. The cost thereof shall be assessed against the Condominium Unit to which such Limited Common Element is appurtenant. To the extent that any damage to a Limited Common Element is caused by building conditions, or by other conditions for which the Condominium carries insurance, the cost to repair such damage shall be borne by the Condominium.

The Limited Common Elements of the condominium as set forth is Schedule B are the following: balconies, terraces and parking spaces.

SIXTH: Easements. All pipes, wires, conduits, cable lines, and public utility lines located within each unit shall be owned by such unit owner. Any portion of such pipes, wires, conduits, cable lines and public utility lines located in the common elements will be owned in common by the unit owners. Every unit owner shall have an easement in common with the owners of other units to maintain and use all pipes, wires, conduits, cable lines and public utility lines located in other units and servicing such owners unit. Each unit shall be subject to an easement in favor of the owners of other units to maintain and use the pipes, wires, conduits, cable lines and public utility lines servicing such other units which are located in such Unit.

The Board of Managers shall have a right of access to each unit for maintenance, repair or improvement to any pipes, wires, conduits, cable lines and public utility lines located in any unit and servicing any other unit. The cost of such repairs shall be a common expense.

The Board of Managers shall have a right of access to all common elements for maintenance, repair or improvement whether such common elements are limited or not.

The Sponsor, on behalf of itself and its successors and assigns who may take title to portions of the Condominium for purposes of development and sale, reserves the right to continue to use the common elements and any facilities, sales offices, model units, and signs located on the common elements, in it efforts to market units in the Condominium. This paragraph shall not be amended without the written consent of the Sponsor.

SEVENTH: Service of Process and Building Code Violations. Service of process on the unit owners in any action with relation to the common elements or more than one unit and with regard to any violation of local building codes, zoning ordinances and other related building and zoning laws by the Common Elements or one or more units shall be made upon the Board of Managers of the Condominium. The Board of Managers shall have the principal responsibility for curing any violations of such building and zoning laws and service upon the Board of Managers shall be deemed service upon the owner or owners of the Condominium unit or units in which any such violation exists. The provisions of this Article shall not be amended without the consent of the Department of Buildings or any city agency which is a successor thereto.

EIGHTH: Common Interest. Each Unit owner shall have a percentage interest in the Common Elements and shall bear such percentage of the common expenses of the Condominium. The percentage interest of each Unit in the common elements has been determined by the Sponsor and is set forth in the Offering Plan of the Condominium and is recorded with the Plan.

Each Unit owner shall have one vote for all voting purposes at any meeting of the Unit owners unless otherwise mandated by law or expressly provided for herein or in the By-Laws.

NINTH: Administration. The administration of the condominium and the parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto.

TENTH: Amendment and Withdrawal. The property shall not be withdrawn from condominium ownership unless at least 90% of the Unit owners in number and common interest and the first mortgagees, if any, of each of these same units agree to such removal by duly recorded instruments. Such withdrawal of the property from condominium ownership shall not take effect until the withdrawal documents are duly recorded in the office of the clerk of the county of Richmond.

Except as provided pursuant to real Property Law section 339-p, the provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of 90% of the Unit owners in number and in common interest held at a duly called meeting of the unit owners provided, however, that:

(i) No amendment shall alter the percentage interest in the common elements appurtenant to any unit or alter any rights or obligations respecting portions of the Common Elements irrevocably restricted in use to the owners of any Units without the consent of the affected unit owners and the first mortgagees, if any, of the same units, which consents shall be expressed in the instruments of amendment.

(ii) No amendment shall add any parcel of land or Unit to or divest any parcel of land or unit from the Condominium property unless 90% of the unit owners in number and common interest and the first mortgagees, if any, of each of these same units agree to such change on the instrument or amendment.

(iii) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees.

There shall be a presumption for a period of 60 days subsequent to the recording of the amendment that the vote of the unit owners was made at a duly called meeting and that the requisite voting percentages were obtained. After the 60 day period, such presumption will be deemed conclusive. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Kings County Registrar.

ELEVENTH: Subject to Declaration, By-Laws, etc. All present and future unit owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner are subject to the provisions of this Declaration, the By-Laws and Rules and regulations of the Condominium and the mere acquisition or rental of any of the Units or the mere act of occupancy of any of the said Units shall signify that the provisions of the Declaration, By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: Common Charges. All sums assessed as common charges by the Board of Managers of the Condominium but unpaid, together with interest at the maximum legal rate thereon, chargeable to any Unit owner shall constitute a lien on his Unit prior to all other liens except: (a) tax or assessment liens on the unit by the taxing subdivision of any governmental authority, including but not limited to State, City, County and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any unit. Such lien may be foreclosed, when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys fees (but such right shall not be a lien against the unit).

In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid common charges, the unpaid balance shall be charged to all Unit owners as a common expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the unit shall not be subject to a lien for the payment of common charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of common charges shall be charged to all other Unit owners as a common expense. The term "institutional

mortgage" herein shall mean a first mortgage granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, pension fund, trust company, agency of the United States Government or of the City or State of New York or other similar institutional lender or a purchase money mortgage granted by the Sponsor.

Every unit owner shall pay the common charges assessed against him when due and no Unit owner may exempt himself from liability for the payment of common charges assessed against him by waiver of the use or enjoyment of any of the common elements or by the abandonment of his Unit. However, no unit owner shall be liable for the payment of any common charges accrued subsequent to a sale, transfer or other conveyance by him of such unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

THIRTEENTH: Units acquired by the Board. In the event any Unit owner shall convey his unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit in a foreclosure sale, title to such unit or the rights to the lease of such unit shall be held by the Board of Managers or its designee on behalf of the other Unit owners.

In order to carry out the provisions of this paragraph, each Unit owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest, to the Board of Managers and their successors to acquire title or lease any such unit under whatever terms the Board may in its sole discretion deem proper and sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper.

FOURTEENTH: Encroachments. The unit owners agree that if any portion of a Unit or the common elements (whether restricted in use to an individual unit owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of construction, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the building is partially or totally destroyed as a result of fire or other casualty or a result of condemnation or eminent domain proceedings and are rebuilt, the unit owners agree that encroachments of any portion of the unit or the common elements as herein described due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed building shall stand.

FIFTEENTH: Unit Ownership. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit owner in the Condominium subject to the Declaration, By-Laws and other effective rules and regulations and shall remain such until such time as he ceases to own a Unit for any reason.

SIXTEENTH: Conveyance of a Unit. In any conveyance of a unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the grantee of the unit shall be jointly and severally liable with the Grantor for any unpaid

common charges against the Grantor assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the grantor the amount paid by the grantee therefore. Any such grantee shall be entitled to a statement from the Board of Managers setting forth the amount of unpaid common charges against the Grantor and such Grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for any unpaid common charges against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a unit at a foreclosure sale of an institutional mortgage.

SEVENTEENTH: Covenants and Restrictions. The use of the Unit by the Unit owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and rules and regulations of the Board of Managers and the following covenants and restrictions:

(a) The unit and area restricted to the unit owner's use shall be maintained in good repair and overall appearance.

(b) No alterations to the exterior of the unit or any part of the common elements may be made without the written consent of the Board of Managers. No alterations to the inside of a unit which would impair the structural soundness of the Building may be made without the written consent of the Board of Managers. Consent may be requested by mailing a letter, certified mail, return receipt requested, to the Management Agency, if any, or to the President of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have an obligation to answer within thirty days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

(c) Any Unit owner who mortgages or sells his unit shall notify the Board of Managers providing the name and address of his mortgagee or purchaser.

(d) The Board of Managers shall, at the request pf the mortgagee of the unit, report any unpaid common charges due from the Unit owner of such Unit.

(e) No nuisance shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(f) No immoral, improper, offensive or unlawful use shall be made of the property nor of any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(g) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the unit owners provided, however, that copies of such regulations are furnished to each unit owner prior to the time the said regulation becomes effective.

(h) The common charges shall be paid when due.

(i) The use for which the units are intended is residential occupancy, provided that, subject to all applicable governmental laws and regulations, any unit may be used as a professional office if the owner thereof resides therein.

EIGHTEENTH: Utilities. Gas and electricity consumed in or on the common elements and water covering the units and the common elements shall be paid for by the Board of Managers as an item of common expense, unless otherwise billed separately by the supplier. Each unit shall be individually metered for gas and electricity and the expense of such utilities consumed within the unit shall be paid for by the owner of the Unit.

The Sponsor, while in control of the Condominium, and the Board of Managers and the Unit owners thereafter shall maintain all internal sewers and drains at all times throughout the life of the Condominium. They shall be responsible for the abatement of any nuisance due to the use of the "internal drains" that would have an adverse effect on the health, safety and welfare of the City and State of New York.

The charges and assessments for maintenance and operation of internal drains, shall be a charge upon the land against which the same are made and shall be a continuing lien upon the property so charged and assessed, and in addition, that charge or assessment shall be a personal obligation of the record owner of the unit against which the same is made.

The Sponsor and/or the Board of Managers on behalf of the Condominium and each and every member thereof, shall utilize the "internal drains" in such a manner, that it will not in any way have an adverse effect on the City of New York's completed or pending sanitary and storm water drainage plans for the tributary drainage area of the separate sewer outlets.

NINTEENTH: General Provisions

A. Enforcement

The Condominium, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Condominium or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

B. Severability

Invalidation of any one of these covenants or restrictions by judgment or court order shall in no manner affect the validity of any other provision, all of which shall remain in full force and effect.

C. Amendment

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) in number and common interest of the Unit Owners, and thereafter by an instrument signed by not less than ninety percent (90%) in number and common interest of the Unit Owners. Any amendment must be recorded.

In Witness Whereof, the undersigned, being the Declarant herein, has hereunto set its hand and seal this day of , 2017.

73 Bay 47th LLC.

by_____

State of New York, County of Kings

On the day of 2017, 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 on behalf of which the individual acted, executed the instrument.

_____
Notary Public

SECTION F

BY-LAWS
OF
THE 73 BAY 47TH STREET CONDOMINIUM

ARTICLE I

Plan of Unit Ownership

Section 1. The property located at 73 Bay 47th Street, Brooklyn, New York (hereinafter called the property) has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the office of the Kings County Clerk simultaneously herewith and shall hereinafter be known as the 73 Bay 47th Street Condominium, Inc, a Condominium (hereinafter the Condominium). The residential apartments as herein sometimes called the Units.

Section 2. The provisions of these By-Laws are applicable to the property of the Condominium and to the land and the building and improvements thereon (including the units and the common elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal, or mixed, intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York.

Section 3. All present and future owners, mortgagees, lessees, tenants, their families, guests, licensees, agents and their employees, and other persons who may use the facilities of the Condominium, in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of the said Units will signify that these By-Laws, the Declaration, and the Rules and Regulations are accepted, ratified and will be complied with.

Section 4. The office of the Condominium and of the Board of Managers shall be located at 73 Bay 47th Street, Brooklyn, N.Y.

ARTICLE II

Voting

Section 1. The Condominium shall be limited to Unit owners. Unit Owners as referred to herein shall mean all of the deed owners of each Unit.

Section 2. Each Unit owner (including the Sponsor and the Board of Managers, if the Sponsor and Board of Managers shall own or hold title to one or more Units), shall be entitled to cast one vote at all Unit owners meetings for each unit owned by such unit owners, but the Board of Managers shall not cast any votes for the election of any member of the Board.

Section 3. Unit Owners who represent at least 75% of the common interest in the aggregate of all unit owners who are present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum is not present or represented at a called meeting of the Unit owners, the Unit owners present shall have the power to adjourn the meeting without notice other than an announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. When a quorum is present at any meeting, the vote of a majority of the Unit owners present in person or represented by written proxy shall decide any question brought before such meeting. Such vote shall be binding upon all Unit owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. At any meeting of unit owners, every Unit owner having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which such proxies are to be used. A notion of such proxies shall be made in the minutes of the meeting.

Section 7. Whenever the vote of Unit owners at a meeting is required or permitted by any provision of the Declaration, Statutes, or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of the unit owners may be dispensed with if all Unit owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Meetings shall be held at such suitable place convenient to the Unit owners as may be designated by the Board of Managers.

Section 9. Within thirty (30) days after the earlier of (i) two (2) years after the closing of the first unit, or (ii) whenever the unsold units constitute less than fifty percent (50%) of the common interest, the Sponsor shall call the first annual Unit Owners meeting. At such meeting a new Board of three Managers shall be elected by the unit owners and the former members of the Board shall thereupon resign. Thereafter, annual meetings shall be held on the anniversary of such date each succeeding year. At such meetings there shall be elected by ballot of the Unit owners a Board of Managers in accordance with these By-laws. The unit owners may transact such other business of the Condominium as may properly come before them.

ARTICLE III
Board of Managers

Section 1. The affairs of the Condominium shall be governed by a Board of Managers. Until the first meeting of unit owners pursuant to Section 9 of Article II, the Board of Managers shall consist of one person designated by the Sponsor of the Condominium.

After the first meeting of the Unit owners, the Board of Managers shall consist of three people elected by all Unit owners (including the Sponsor), but the Sponsor's right to elect members of the Board shall be subject to the limitations set forth in Section 1(c) of Article V of these By-Laws. The Board of Managers shall be owners-occupants or members of an owner-occupants household who are unrelated to the sponsor and its principals, or mortgagees of units, or, in the case of partnership owners or mortgagees, shall be members or employees of such partnership, or in the case of corporate owners or mortgagees, shall be officers, directors, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees shall be the fiduciaries or officers or employees of such fiduciaries, or in the case of the Sponsor, shall be designees of the Sponsor.

Section 2. Vacancy and Replacement. If the office of any Manager becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Managers though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor, who shall hold office for the unexpired term in respect of which such vacancy occurred and until his successor is duly elected and qualified. If the vacancy occurs with respect to any member of the Board of Managers who has been designated by the Sponsor, the Sponsor shall have the sole right to choose such Manager's successor to fill the unexpired portion of his term. If such appointee vacates during a period of time in which the sponsor does not have the right to appoint a member, the sponsor will not have the right to appoint a replacement.

Section 3. Removal. Managers may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Manager other than a designee of the Sponsor, shall continue to serve on the Board if, during his term of office, he shall cease to be either a Unit Owner, or a lessee or occupant entitled to the access of the Common Elements in lieu of the Unit Owner renting or permitting him to occupy the unit in which he resides.

Section 4. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute, Declaration, Certificate of Incorporation or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but shall not be limited to the following:

1. To determine and levy monthly assessments (Common Charges) to cover the cost of operating and maintaining the Common Elements, and providing repairs and maintenance, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses. Said increase can only be assessed among the unit owners pro rata to their respective common interest.

2. To collect, use and expend the assessments collected to maintain and care for and preserve the Units, building and other common elements.

3. To enter into and upon the Units when necessary and at as little inconvenience to the Unit owners as possible in connection with the maintenance, care and preservation of the property.

4. To make repairs, restore or alter any Units or the common elements after damage or destruction by a casualty or as a result of condemnation or eminent domain proceedings.

5. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts.

6. To insure and keep insured the Common Elements in accordance with Article XII of these By-laws.

7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from unit owners for violations of the house rules or rules and regulations herein referred to.

8. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the unit owners when the Board has approved them in writing and delivered a copy of such rules and all amendments to each unit owner. Such rules and regulations may, without limiting the foregoing, include reasonable limitations on access to the Common Elements.

9. To employ workmen and purchase supplies and equipment, to enter into contracts, and generally to have the powers of Managers in connection with the matters hereinabove set forth.

10. To bring and defend actions by or against more than one unit owner and pertinent to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the common charge assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of the Condominium and these By-Laws and may fund the cost of such litigation out of the common charge assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the maintenance and operation of the common elements.

11. To purchase any Unit at a foreclosure sale on behalf of all Unit owners.

12. To acquire Units in foreclosure or as a result of abandonment and to take any and all steps necessary to repair or renovate any unit so acquired and to vote as unit owner, offer such unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.

13. To grant utility or other easements as may, at any time, be required for the benefit of the Condominium and unit owners without the necessity of consent thereto, or joinder therein, by the unit owners or any mortgagee.

14. To act as an agent of each unit owner who has given his written authorization to complain or apply to the local and county real estate assessment agency board of review by filing a single complaint on behalf of all such unit owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all unit owners for which it is acting as agent and charge all such unit owners a pro rata share of expenses, disbursements, and legal fees for which charges the Board of Managers shall have a lien pursuant to these By-Laws.

15. Real estate taxes will be included in the common charges and paid by the board on behalf of the condominium until the units are separately assessed.

16. Although the board of managers has sole authority to enforce the rights of the condominium there is one exception. When it is sixty (60) days before the expiration of the statute of limitations or the board has not enforced such rights after reasonable notice and opportunity, the unit owners are empowered to enforce such rights on behalf of the condominium.

(b) The Board of Managers may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Managers or unit owners one of whom shall be a Manager, which to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business and affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, for two years after the filing of the Condominium Declaration so long as the Sponsor or its designee shall continue to own units representing 5% or more in common interest, the Board of Managers may not, without the Sponsor's prior written consent (i) make any addition, alteration or improvements to the common elements or to any units, (ii) assess any common charge for the creation of, or addition to or replacement of all or part of a reserve for contingencies provided in the estimate of receipts and expenses for the first year of operation set forth in Schedule B of the Plan of Condominium

Ownership or (iii) hire any employee in addition to the employees referred to in the Plan of Condominium Ownership or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first closing of title to a unit or (v) borrow money on behalf of the Condominium.

(d) During any period that the Sponsor controls the board, the board of managers may not enforce (as a result of sponsor's control thereof) the obligations of the sponsor under the Plan or as otherwise required by law. During the period that the Sponsor controls the board, the Sponsor agrees that it will enforce such obligations pursuant to a resolution passed by a majority of the unit owners excluding the sponsor at a special meeting called for such purpose.

Section 5. Compensation. Managers and officers, as such shall receive no compensation for their services.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacement to the common elements of the Condominium including but not limited to exterior walls, roof and roof members as well as all maintenance, repairs and replacement to any pipes, wires, conduits, cables and public utility lines, any portion of which is located in one unit and services another unit or more then one unit or so much of any pipes, wires, cables, conduits and public utility lines as are located in the common elements but service one or more units shall be made by the Board of Managers and the cost thereof shall be a common expense. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the common elements.

Except as is otherwise specifically provided, all maintenance to the units, including electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the units, and repairs and replacements to the units including windows and doors (including all glass breakage), and repairs to pipes, wires, cables and conduits located in and servicing the same unit, other than as set forth above, shall be made by the respective unit owners at their own expense.

All irrevocably restricted common elements shall be maintained and repaired by the Unit owner to whom such common element is restricted in use. However, the Board of Managers shall repair or replace any pipes, wires, conduits, cables and public utility lines located underground or overhead any irrevocably restricted common element, except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the unit owner to which the common element is restricted in use, in which event such cost and expense shall be assessed to and paid for by such unit owner. Due to the location and nature of the limited common element parking spaces, these parking spaces shall be maintained by the Condominium not the individual owners.

The Board of Managers and its agents, employees, and contractors shall have a right of access to any unit and to all portions of the common elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. All repairs, painting or maintenance, whether made by the unit owner or by the Board of Managers to the doors, windows, or the exterior surface of the building, including the roof, or to any generally visible portion of the

common elements shall be carried out in such manner as to conform to the materials, style and color initially provided by the Sponsor.

In the event that a Unit owner fails to perform any maintenance, painting or repair, which maintenance, painting or repair is necessary to protect any of the common element, any other unit, or, in the event of service of a Building Department violation notice covering the unit upon the Board of Managers, the Board of Managers shall have the right to perform such maintenance, painting or repairs (after failure of the unit owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the unit owner for the cost of all such repairs, painting and/or maintenance. In the event that the Board of Managers charges a unit owner for the painting or maintenance to any common element restricted in use to such unit owner, and the unit owner fails to make prompt payment, such charges shall be considered as additional common charges due from said unit owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board brings such a suit, the unit owner shall be liable for the reasonable attorney's fees and costs of such suit or proceeding together with interest on all sums.

Section 7. Meeting of Board of Managers

(a) The first meeting of each Board newly elected by the Unit owners shall be held immediately following the adjournment of the meeting at which they are elected, providing a quorum shall then be present or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the unit owners meetings, and immediately after the adjournment of such meeting, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Member either personally or by telephone, mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least three (3) Managers.

(d) At all such meetings of the Board, a majority of the Managers shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Managers present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or these By-Laws. If a quorum is not present at any meeting of Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before, or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time

and place thereof. If all Managers are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

(f) Managers or members of any committee of the Board of Managers may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 8. Annual Statement. The Board of Managers shall furnish to all unit owners, their mortgagees and the Department of Law of the State of New York and shall present annually (at the annual meeting) and when called for by a vote of the unit owners at any special meeting of the unit owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the unit owners and a notice of the holding of the annual meeting of Unit owners.

Section 9. Fidelity Bonds. The Board of Managers may require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense of the Condominium.

Section 10. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to all of the duties of the Board listed in this Article.

Section 11. The members of the Board of Managers shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws.

It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any unit owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interests of all unit owners in the common elements. Every agreement made by the Board of Managers or by the Managing agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability there under (except as unit owners), and that each unit owner's liability there under shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the

interest of all unit owners in the common elements. The indemnification liability of the unit owner shall be several and not join and several.

ARTICLE IV OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be either members of the Board of Managers or Unit Owners. Two or more offices may not be held by the same person.

Section 2. Election. The Board of Managers, at its first meeting after each annual meeting of Unit owners, shall elect a President, a Vice President, a Secretary and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Offices. The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office for the term to which they are elected and appointed and until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and the Board of Managers, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. The Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Unit Owners and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of Unit Owners and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the

Board of Managers or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

He shall disburse the funds of the Condominium as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Directors, at the regular meetings of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

He shall keep detailed financial records and books of accounts of the Condominium, including a separate account for each Member, which, among other things, shall contain the amount of each assessment, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V UNIT OWNERS

Section 1. (a) Within 30 days after (i) the Sponsor's conveyance of title to all units or (ii) the first anniversary of the date of filing the Declaration, whichever shall first occur, the Sponsor shall call the first meeting of unit owners for the election by all unit owners (including Sponsor) of a three member Board of Managers.

(b) Annual meetings of unit owners shall be held March 30th each year beginning in the year following the first meeting of unit owners held pursuant to Section 1(a) unless another date is chosen by the Board of Managers.

(c) So long as the Sponsor of the Condominium or its designee shall continue to own at least one unit, the Sponsor or its designee shall have the right to elect one of the two members of the Board of Managers. Members of the Board of Managers elected by the Sponsor or its designee shall serve a term of one year. All other members of the Board of Managers shall be elected by the Unit owners. The Unit owners may transact such other business at such meetings as may properly come before them.

Section 2. Meetings of the Unit owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit owners as may be designated by the Board of Managers.

Section 3. It shall be the duty of the president to call a special meeting of the Unit owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than 65% in common interest, in the aggregate, of Unit owners. The notice of special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting of the unit owners, at least ten days but not more than twenty days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record, at the building or at such other address as such unit owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least thirty days prior to such meeting. The mailing of a notice of meeting in the manner provided for in this section shall be considered service of notice.

Section 5. If any meeting of Unit owners cannot be held because a quorum has not attended, a majority in common interest of the Unit owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. The order of business at all meetings of the unit owners shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting
(c) Reading of Minutes of preceding meeting
(d) Reports of Officers
(e) Report of Board of Managers
(f) Reports of Committees
(g) Election of inspectors of election
(h) Election of Board of Managers (when so required)
(i) Unfinished business
(j) New Business

Section 7. Title to Units may be taken in the name of an individual or in the name of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation or in the name of a fiduciary.

ARTICLE VI NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers or to any Manager or Unit Owners, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letterbox in a postpaid sealed wrapper, addressed to the

Board of Managers, such Manager or owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII OPERATION OF THE PROPERTY

Section 1. The Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of common charges payable by the unit owners to meet the common expenses of the Condominium, and allocate and assess such common charges and expenses among the unit owners according to their respective common interests. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws.

The common expenses also include such amounts as the Board of Managers may deem proper of the operation and maintenance of the property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all unit owners, of any unit whose owner has elected to sell or lease such unit or of any unit which is to be sold at a foreclosure or other judicial sale.

A separate fund for future capital repairs and improvements shall be established. It will be funded yearly at 10% of the budget for that year. These funds shall be maintained in an account separate and apart from the yearly expenses. These funds shall not be used for normal yearly repair and maintenance.

The Board of Managers shall advise all unit owners, promptly, in writing, of the amount of common charges and expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of such budget on which the common charges and expenses are based, to all unit owners. Until the Sponsor has conveyed title to all the units to purchasers, the Board of Managers can reduce the amount of common charges allocated to the units and payable by unit owners (including the Sponsor or its designee as owners of any unsold units) provided that so long as the Sponsor or its designee controls the Board of Managers the common charges will not be reduced below the amount necessary to operate the Property with the services to be provided as set forth in the Plan of Condominium Ownership.

Section 2. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (i) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the building (including all of the units and the bathroom and kitchen fixtures installed therein on the date of recordation of the Declaration, partitions, flooring and ceilings within the units, but not including furniture, furnishings or other personal property provided or installed by unit owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all unit owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation; each of said policies shall contain a New York Standard mortgagees clause in favor of each mortgagee of a unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; (ii) public liability insurance; (iii) water damage legal liability insurance; (iv) rent insurance in an amount equal to the aggregate common charges and expenses payable to the Board of Managers; and (v) such other insurance as the Board of Managers may determine.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based upon co-insurance or a pro-rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of units.

Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to the expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the units and all of the common elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year.

While the sponsor controls the board of managers, the insurance coverage cannot be less that what is required by Part 20 of Title 13 NYCRR

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 insurance obtained by the Board of Managers shall not be affected or

diminished by reason of any additional insurance carried by any unit owner.

Section 3. In event of damage to or destruction of the Building as a result of fire or other casualty (unless such damage or destruction shall give a unit owner or lienor a right of partition as provided by Article 9-B of the Real Property Law of the State of New York), the Board of Managers shall arrange for the prompt repair and restoration of the building (including any damaged units, and any kitchen or bathroom fixtures installed therein on the date of the recording of the Declaration, partitions, flooring and ceilings within the units but not including any wall ceiling, or floor decorations or coverings or other furniture, furnishings fixtures or equipment installed by unit owners in the units), and the Board of Managers shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the unit owners for such deficit as part of the common charges.

If, as a result of the damage to or destruction of the Building, by fire or other casualty, the Property becomes subject to an action for partition at the suit of any unit owner or lienor as if owned in common, in accordance with the provisions of Article 9-B of the Real Property Law of the State of New York, the property will not be repaired and the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers among all the unit owners in proportion to their respective common interests, after first paying out of the share of each unit owner the amount of unpaid liens on his unit, in the order of the priority of such liens.

Section 4. All unit owners shall be obligated to pay the common charges assessed by the Board of Managers pursuant to the provisions of this Article at such time or times as the Board of Managers shall determine.

No unit owner shall be liable for the payment of any part of the common charges assessed against his unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Article IX of these By-Laws) of such unit, together with the appurtenant interests.

In addition, any unit owner may, subject to the terms and conditions specified by these By-Laws, provided that his unit is free and clear of liens and encumbrances other than a permissible mortgage and the statutory lien for unpaid common charges, convey his unit, together with the appurtenant interests to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such event be exempt from common charges thereafter assessed.

A purchaser of a unit shall be liable for the payment of common charges assessed against such unit prior to the acquisition by him of such unit, except that a mortgagee or other purchaser of a unit at a foreclosure sale of such unit shall not be liable for and such unit shall not be subject to a lien for the payment of common charges assessed prior to the foreclosure sale.

Section 5. The Board of Managers shall assess common charges against the unit owners from time to time and at least annually and shall take prompt action to collect any common charges due from any unit owner which remains unpaid for more than 30 days from the due date for payment thereof.

Section 6. In the event of default by any unit owner in paying to the Board of Managers the common charges as determined by the Board of Managers, such unit owner shall be obligated to pay interest at the legal maximum rate on such common charges from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid common charges. The Board of Managers shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such unit owner, or by foreclosure of the lien on such unit granted by section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Real Property Law on the Units in which the Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

Section 7. In any action brought by the Board of Managers to foreclose a lien on a unit because of unpaid common charges, the unit owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all unit owners, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (except that such votes shall not be cast by the Board of Managers for the election of any members of the Board of Managers), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintained without foreclosing or waiving the lien securing the same.

Section 8. The Board of Managers shall promptly provide any unit owner so requesting the same in writing, with a written statement of all unpaid common charges due from such unit owner.

Section 9. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Laws contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws: (a) to enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Managers shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 10. All maintenance of and repairs to any unit, structural or non-structural, ordinary or extraordinary, (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any and all other units and/or to the common elements, that his failure to maintain or repair may engender.

All maintenance, repairs and replacements to the common elements, whether located inside or outside of the units, shall be charged directly to the unit owners, except as the Board of Managers shall otherwise determine.

Section 11. All maintenance, repairs and replacements to the air conditioning system, the heating system and the hot water heater servicing a unit shall be made by the unit owner at the unit owner's expense.

Section 12. In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the property shall be restricted to and shall be in accordance with the following provisions:

(a) The Units shall be used by Unit owners (other than the Sponsor) for residences only and in compliance with the occupancy restrictions imposed and as amended from time to time. While the Sponsor or its designee owns a unit, it shall have the right to use such unit for general and sales office purposes and as a sales model. Except upon the prior written consent of the Board of Managers, occupants of a unit must be members of the family of the unit owner or lessee (or if the unit owner is a partnership, a corporation or a trust, members of the family of a partner or of an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), but not more than one family my occupy a unit at one time. "Members of the family" as used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren.

(b) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which unreasonably interferes with the peaceful possession or proper use of the Property by its residents or occupants.

(c) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the unit owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the property.

(d) No portion of a Unit (other than the entire unit) may be rented, and no transient tenants may be accommodated therein.

(e) Rules and regulations concerning the use of the units may be promulgated and amended from time to time by the Board of Managers provided that copies of such rules and regulations are furnished to each unit owner no less than 5 days prior to the time that they become effective.

Section 13. Whenever, in the judgment of the Board of Managers the common elements shall require additions, alterations or improvements costing in excess of $1,000. And the making of such additions, alterations or improvements shall have been approved by 66 2/3% of the unit owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws, and by the representative or representatives, if any, appointed pursuant to Section 5 of Article VIII hereof by the holders of mortgages constituting first liens upon units, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge. Any additions, alterations or improvements costing $1,000 or less may be made by the Board of Managers without approval of the unit owners, or the representative or representatives, if any, of mortgagees of units and the cost thereof shall constitute part of the common expenses.

Section 14. No unit owner shall make any structural addition, alteration or improvement in or to his unit and/or his limited common element (roof deck, balcony, rear yard, storage room), without the prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such unit owner's unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any governmental authority having or asserting jurisdiction for a permit to make an addition, alteration or improvement in or to any unit shall be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, material man, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising there from. The provisions of this section 14 shall not apply to a unit owned by the Sponsor or its designee until a deed to such unit has been delivered to a purchaser thereof.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or its designee to any unit provided, however, that neither the Board of Managers nor the unit owners other than the Sponsor or its designee shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Section 15. (a) A unit owner shall not place or cause to be placed in the common areas or common facilities, other than the areas designated as storage areas, any furniture, packages or objects of any kind.

(b) The common elements and facilities shall be used only for those purposes for which they are reasonably suited and capable. No unit owner shall make any addition, alteration, improvement or change in or to any common element without the prior written consent of the Board of Managers.

(c) While the Sponsor or its designee owns any unit, it shall have the right to maintain general and sales offices on or about the Property, to have its employees present on the Property, to use the common elements and to do all things necessary and appropriate to sell units, to complete construction of the Building and to comply with its obligations under the Plan of Condominium Ownership, including but without being limited to, the right to erect and maintain signs on the common elements. Sponsor shall be obligated to repair and maintain the portions of the Property used by it for such purposes so long as such use by the Sponsor shall continue.

Section 16. A unit owner shall grant a right of access to his unit to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager of the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another unit or the common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another unit, providing that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the unit owner and further provided that such right shall be exercised in such manner as will no unreasonable interfere with the use of the units for residential purposes. In case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

Section 17. Rules and regulations concerning the use of the units and the common elements may be promulgated and amended by the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Managers to each unit owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers, are annexed hereto and made a part hereof as Schedule A.

Section 18. Electricity shall be supplied by the public utility company serving the area directly to each unit through a separate meter and each unit owner shall be required to pay the bills for electricity consumed or used in his unit directly to the utility company. The cost of electricity for the public spaces outside the units, including but not limited to the hallways and walkways, as measured by one or more building meters, will be borne by the unit owners and will be included in the common charges.

Section 19. The condominium offering plan allows the sponsors and purchasers to rent the units. Therefore, there might be a number of Unit owners who do not occupy their dwelling units. The provisions of Real Property Law Section 339-kk applies in such circumstances.

ARTICLE VIII MORTGAGES

Section 1. A unit owner who mortgages his unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. The Board of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 2. The Board of Managers, whenever so requested in writing by a mortgagee of a unit, shall promptly report any unpaid common charges due from, or any other default by, the owner of the mortgaged Unit.

Section 3. The Board of Managers, when giving notice to a unit owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Managers.

Section 4. Each unit owner and each mortgagee of a unit shall be permitted to examine the books of account of the condominium at reasonable times, on business days, but not more than once a month.

Section 5. The holders of mortgages constituting first liens on the units may, at their election, appoint one or more (but not more than three) representatives who shall be empowered to act on behalf of all mortgagees (first or subordinate) with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. If such representative or representatives are appointed and written notice thereof given to the Board of Managers the act of such representative or representatives shall be deemed binding upon the holders of all mortgages which are liens on units. If no such representative shall be appointed or written notice of the appointment shall not be given to the Board of Managers then notwithstanding any other provision of the Declaration of these By-Laws, the consent of mortgagees shall not be required to any act of the Board of Managers or the unit owners.

Section 6. Mortgagees and guarantors of the mortgage on any unit in the condominium project will receive timely written notice of the following:

a. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing the mortgage;
b. Any 60 day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage;
c. A lapse, cancellation, or material modification of any insurance policy maintained by the condominium association;
d. Any proposed action that requires the consent of a specified percentage of mortgagees.

ARTICLE IX

Sales, Leases and Mortgages of Units

Section 1. (a) No unit owner may sell his unit or any interest therein except by complying with the following provisions:

Any unit owner who receives a bona fide offer (hereinafter called an "Outside Offer") for the sale of his unit together with: (i) the undivided interest in the common elements appurtenant hereto; (ii) the interest of such unit owner in any units theretofore acquired by the Board of Managers, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such unit owner in any other assets of the Condominium (hereinafter called the "Appurtenant Interests"), which he intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, and such other information as the Board of Managers may reasonably require.

Such deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and regulations as the same may be amended from time to time.

(b) No unit owner may lease his unit except by complying with the following provisions:

Any unit owner who receives a bona fide offer for a lease of his unit which he intends to accept shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, references and such other information as the Board of Managers may reasonably require.

Any such lease shall be consistent with theses By-Laws.

The Board of Managers shall have the right to terminate the lease on not less than 30 day's prior written notice upon the foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York. Except as hereinbefore set forth, the form of any such lease shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. With such modifications as shall be approved in writing by the Board of Managers.

Any purported lease of a unit in violation of this section shall be voidable at the election of the Board of Managers and if the Board should so elect, the unit owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant in the name of the said unit owner as the purported landlord.

Any purported sale of a unit in violation of this Section shall be voidable at the election of the Board of Managers.

Section 2. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interest, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any unit may be sold, transferred or otherwise disposed of , except as part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all units.

Section 3. Any unit owner shall be free to convey or transfer his unit by gift, or to devise his unit by will, or to pass the same by intestacy, without restriction.

Section 4. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his unit unless and until he shall have paid in full to the Board of Managers all unpaid common charges and expenses theretofore assessed by the Board of Managers against his unit and until he shall have satisfied all unpaid liens against such unit, except permitted mortgages.

Section 5. Each unit owner shall have the right to mortgage his unit without restriction provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be necessary in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional lender to make the mortgage loan.

Section 6. This article IX of the By-laws shall not apply to sales or rentals made by the Sponsor. The Board of Managers shall not have any control over the sale, rental or other disposition of Sponsor owned Units.

ARTICLE X
Condemnation

In the event of a taking in condemnation or by eminent domain of part or all of the common elements, the award made by such taking shall be payable to the Board of Managers. If 75% or more in number and common interest of the Unit owners duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall arrange for the repair and restoration of such common elements, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments.

In the event that 75% or more in number and common interest of the Unit owners do not duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds when there is no repair or restoration of the damage as provided by these By-Laws.

Notwithstanding the above, any action to terminate the legal status of the project after substantial destruction or condemnation occurs or for any other reason, mortgagees that represent at least 51% of the votes of the unit estate that are subject to mortgages must agree to such action being taken.

No provision of the condominium project documents gives a unit owner or any other party priority over any rights of the first mortgagee of the condo unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of condo units and/or common elements.

ARTICLE XI Records

The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of meetings of the Board of Managers, minutes of the meetings of unit owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account of each unit, which among other things, shall contain the amount of each assessment of common charges against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid.

An annual report of the receipts and expenditures of the Condominium audited by an independent certified public accountant shall be rendered by the Board of Managers to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year and no later than March 31 of the subsequent year. The cost of such report shall be paid by the Board of Managers as a common expense.

ARTICLE XII AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of unit owners, provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment and (2) that the amendment shall be approved by vote of seventy-five percent (75%) of the Unit owners in number and common interest; and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the unit owners' interests and the interests of holders of a mortgage encumbering a unit or Units.

Implied approval of a mortgagee is assumed when a mortgagee of a unit fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

The provisions of the By-Laws affecting the Sponsor and the Sponsors rights may not be amended without the consent in writing of the Sponsor or its designee so long as the Sponsor or its designee shall be the owner of one (1) or more Units.

ARTICLE XIII GENERAL PROVISIONS

Section 1. All notices hereunder shall be sent by registered or certified mail to the Board of Managers c/o the Managing agent, or if there is no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time, by notice in writing to all unit owners and to all mortgagees of units.

All notices to unit owners shall be sent by registered or certified mail to the Building or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices to mortgagees of units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers.

All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of the Statute or the Declaration, the provision of the Statute or of the Declaration, whichever the case may be, shall control.

SECTION G

NEW WARRANTY LAW

General Business Law Article 36-B

WARRANTIES ON SALES OF NEW HOMES

Section 777. Definitions
777-a. Housing Merchant Implied Warranty
778-b. Exclusion or Modification of Warranties

Section 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building Code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and use of materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevent specific standard, such term means that workmanship and use of materials meet or exceed the standards of locally accepted building practice.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit which the builder has resided in or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each succcessor in title to the home and any mortgagee in possession. Owner does not include the builder of the of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. In the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. In the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. In the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

Section 777-a. Housing Merchant Implied Warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. One year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. Two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such system in a skillful manner; and

c. Six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. Any defect that does not constitute (i) defective workmanship by the builder or an agent, employee, or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. Any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder, or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness, and all other implied warranties with respect to goods shall be governed by the part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test, and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes of modifies a

housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

777-b. Exclusion or Modification of Warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. An housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the hmoe must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof".

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. That the warranty is a limited warranty which limits implied warranties on the slae of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. The identification of the names and addresses of all warrantors;

c. The identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. A statement of the products or parts covered by the limited warranty;

e. The clear and conspicuous identification of any parts or portions of the home or premises that are excepted oe excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. Any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. Any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. What the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. The term of the warranty coverage and when such term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-A of this article;

h. Step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. Any limitations on or exclusions of consequential or incidential damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately

caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

SECTION H

ESCROW AGREEMENT

AGREEMENT made this day of 2017, by and among _____ ("PURCHASER"), 73 Bay 47th LLC ("SPONSOR") as sponsor of the 73 bay 47th Street Condominium offering plan ("Plan") and Paul A. Leff, Esq. ("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 73 Bay 47th Street, Brooklyn, 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") Section 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 shall establish 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 number (the "Purchase Agreement") at TD Bank located at 8201 Fifth Avenue, Brooklyn, N.Y. , a bank authorized to do business in the State of New York. The escrow account will be entitled "Paul A. Leff, Esq. Attorney Escrow Account IOLA".

1.2 ESCROW AGENT has designated the following attorney to serve as signatory: Paul A. Leff, Esq. The designated signatory is admitted to practice law in the State of New York.

The signatory on the Escrow Account have an address of 1573 Richmond Road, Staten Island, N.Y. 10304, and a telephone number of (718) 667-7111.

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 the term is defined in the Plan), or any principal thereof, or having any beneficial interest in any of the foregoing.

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

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 Paul A. Leff, Esq., as ESCROW AGENT, 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 in 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 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. 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 Sections 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 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. RECORD KEEPING

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 the 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 sections 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 SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by PURCHASER, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and statutory obligations as set forth in GBL sections 352-e(2-b) and 352-(h) and the New York State Department of Law regulations.

6.3 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 THIS AGREEMENT

7.1 This agreement shall remain in effect unless and until it is cancelled 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;

13. ENTIRE AGREEMENT

This agreement, read together with GBL Sections 352-e (2-b) and 352-(h) and the New York State Department of Law's regulations, constitute 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
By_____
Paul A. Leff, Esq.

SPONSOR

73 Bat 47th LLC

by_____
, member

PURCHASER

BY_____

SECTION I

OCCUPANCY AGREEMENT
Interim Lease

AGREEMENT dated ,2017 by and between 73 Bay 47th LLC, Sponsor of the 73 Bay 47th Street Condominium with a principal place of business at 1152 85th Street, Brooklyn, New York and residing at the Purchaser under a contract to purchase a residential unit at the 73 Bay 47th Street Condominium.

WITNESSETH

Whereas, the undersigned are the parties reflected in a certain written Purchase Agreement for the sale of unit ("the Unit"), in the 73 Bay 47th Street Condominium, dated the day of ,2017: and

Whereas, the purchasers wish to occupy the premises prior to closing of title and simultaneously with the execution of the Agreement or as of the day of ,2017; and

Whereas, the Sponsor is willing to grant such permission upon the terms and conditions set forth herein:

NOW, THEREFORE, in consideration of allowing occupancy prior to closing of title and until such closing of title or termination of contract, the Purchaser agrees as follows:

1. The purchasers shall be allowed to occupy the unit for a term commencing on the day of 2017, and expiring on the date of closing of title or termination of contract, whichever is sooner (the "Term").

2. The purchaser shall be solely responsible for payment of all utilities consumed within the Premises during the Term.

3. During the Term, purchasers shall be solely responsible for the payment of Sponsors' carrying costs for the unit which includes maintenance or common charges as listed in the Offering Plan or subsequent amendment which the parties agree will be $ per day and a proportionate share of the interest on Sponsor's mortgage, and the real estate taxes attributable to the Unit which the parties agree will be $ per day.

Purchasers are hereby delivering to Sponsor the sum of $ to be credited towards per diem occupancy. A final adjustment by way of refund of excess or additional per diem payment will be made at closing or upon termination of contract.

Nevertheless, Purchasers shall carry their own tenants or occupants insurance coverage from the date of occupancy.

4. Purchasers understand and agree that, in the event that Closing of Title pursuant to the Purchase Agreement does not occur resulting in cancellation or termination of the Purchase Agreement, purchasers will immediately vacate the premises. Purchasers agree in addition to any costs incurred by Sponsor in causing purchasers to vacate the premises, purchasers will pay to the Sponsor an additional occupancy fee of $300 for each day or portion of a day the purchasers hold over after termination of contract.

5. Purchasers warrant and represent that they have inspected the Unit and appliances just prior to taking occupancy, accept the same in their "as is" condition and at their sole cost and expense, shall keep the appliances, plumbing, heating, air conditioning and electrical systems in working order subject to reasonable wear and tear until the end of the Term of this Agreement.

   Purchasers further agree that in the event of Termination of Purchase agreement resulting in their vacating the Unit, the Unit shall be delivered back to the Sponsor vacant, broom clean/vacuumed and with all appliances emptied and cleaned and all debris removed.

   Purchasers further agree that since the premises has been delivered to purchasers with new appliances and heating/air conditioning systems, the purchasers shall be liable for any damage to the appliances or systems.

6. Sponsor has agreed to allow the Purchasers to occupy the premises prior to Closing of title merely as an accommodation. No landlord tenant relationship has been created but rather a use and occupancy. No rental protection laws are applicable to this interim occupancy agreement.

7. An uncured default under the purchase agreement is a default under the lease and an uncured default under the lease is a default under the purchase agreement. Before 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.

8. The interim lessee shall have 30 days to vacate the unit after a default under the purchase agreement or rescission agreement by the lessee.

9. Purchasers hereby hold the Sponsor harmless and shall indemnify them from and against any and all claims, demands, losses or damages arising from the purchaser's occupancy of the Unit. This paragraph shall survive expiration of the Term.

10. This Agreement constitutes the entire understanding of the parties and may not be changed orally.

11. This Agreement shall be binding upon the heirs, executors, administrators and assigns of the parties hereto and shall be construed in accordance with the laws of the State of New York.

In WITNESS Whereof, the parties hereto have executed this Agreement on the day of 2017.

_____ _____

Purchaser Sponsor

SECTION J

Certification of Sponsor Pursuant to Section 20.4(b) of the Regulations issued Pursuant to General Business Law Article 23-A, as Amended.

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Investment Protection Bureau

RE: The 73 Bay 47th Street Condominium

The undersigned, 73 Bay 47th LLC, and Francesco Mancini hereby certify as follows:

We are the sponsor and principal of the sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law; the regulations promulgated by the Department of Law in Part 20, and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

73 Bay 47th LLC

by _____
Francesco Mancini, member

INDIVIDUALS:

_____
Francesco Mancini

Sworn to before me this
18th day of November, 2016

_____
Notary Public

PAUL A. LEFF
Notary Public, State of New York
No. 02LE5050680
Qualified in Nassau County
Commission Expires August 5, 2018

SCHNEIDER ASSOCIATES

866 Johnston Drive
Watchung, N.J. 07069
Phone : (908) 755-0059

CERTIFICATION BY SPONSOR'S ENGINEER
PURSUANT TO PART 20.4 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED

Department of Law of
The State of New York
120 Broadway, 23rd Floor
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 73 Bay 47th Street
Brooklyn, New York

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction of the property (hereinafter "the Report"). I visually inspected existing portions of the property, if any on September 21st., 2016. I examined the building plans and specifications, prepared by Bricolage Architecture & Design PLLC, 6321 New Utrecht Avenue, Brooklyn, N.Y. 11219; dated November 11th, 2014, and prepared the original Report dated, October 26th, 2016. I also prepared the amended Report dated March 14th, 2017, a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely thereupon.

I am a licensed Engineer, registered in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20, insofar as they are applicable to this "Report".

I have read the entire Report and investigated the facts set forth therein and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. I certify that the Report does:

(i) set forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications which I examined.

(ii) in our professional opinion, afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction provided that construction is in accordance with the plans and specifications which I examined.

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, or suppression;

(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 statement or representation which is false, where I:
(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statements made.

I further certify that I am not owned or controlled by, and have no beneficial interest, in the Sponsors, and that my compensation for preparing the Report is not contingent on the conversion of the property to condominium ownership, 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.



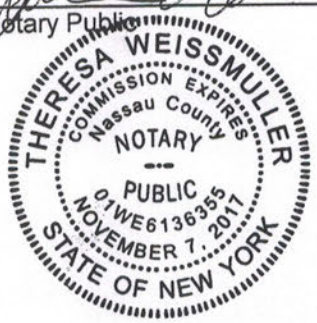
Steven I. Schneider, P.E.

SCHNEIDER ASSOCIATES
866 Johnston Drive
Watchung, N.J. 07069
Phone # (908) 775-0059

Sworn to before me this

15TH day of MARCH, 2017

Notary Public



FLAGG ABSTRACT, INC.
1573 RICHMOND ROAD
STATEN ISLAND, NEW YORK 10304
(718) 667-7111
Flagg100@aol.com

THE 73 BAY 47TH STREET CONDOMINIUM

April 7, 2017

STATE OF NEW YORK)
) SS:.
COUNTY OF RICHMOND)

The Sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B and Schedule B-1 containing projections of income and expenses for the first year of condominium operation.

Our experience in this field includes over twenty years and the current management of five buildings and the sale of numerous condominiums. We are familiar with the prices, practices and procedures in the area of this condominium.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed the Schedules and investigated the facts set forth in the Schedules, and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i)set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income 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 the General Business Law and Penal Law.

DATED: 4/7/17

FLAGG ABSTRACT, INC.

By: Paul A. Leff
Paul A. Leff, president

STATE OF NEW YORK)
) SS.:
COUNTY OF RICHMOND)

Sworn to before me this 7th day
of April, 2017

Genevieve DeSimone
NOTARY PUBLIC

GENEVIEVE DeSIMONE
Notary Public, State of New York
No. 43-4730590
Qualified in Richmond County
Commission Expires Jan. 31, 2019