

CONDOMINIUM OFFERING PLAN

THE 67 LIVINGSTON STREET CONDOMINIUM

Property Located at:
67 Livingston Street
Brooklyn, New York 11201
Kings County

THE OFFERING PRICE OF:

THE TWENTY-TWO (22) RESIDENTIAL UNITS IS \$68,595,000.00

FOR A TOTAL INITIAL OFFERING PRICE OF \$68,595,000.00

The Condominium will consist of Twenty-Two (22) Residential Units which are being offered for sale pursuant to this offering.

SPONSOR

67 LIVINGSTON LLC
40 WEST 57TH STREET, 29TH FLOOR
NEW YORK, NEW YORK 10019

SELLING AGENT

Bold New York
632 BROADWAY, 6TH FLOOR
NEW YORK, NEW YORK 10012

The Date of Acceptance for Filing is _____. This Plan may not be used after _____, unless extended by amendment.

THIS OFFERING PLAN IS THE SPONSOR'S 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 APPROVED THIS OFFERING.

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

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE i.

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SPECIAL RISKS

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

1. Sponsor reserves the right to control the Condominium Board of Managers for a period of time until the earlier to occur of (a) one hundred twenty (120) days after the date by which one hundred percent (100%) of the Units have been conveyed to Unit Purchasers; or (b) three (3) years after the date the first Unit has been conveyed to a Unit Purchaser (the “**Sponsor Control Period**”). Sponsor reserves the right to relinquish control of the Board prior to the expiration of the Sponsor Control Period.

Because Sponsor is reserving the right to rent rather than sell Units, there is no commitment to sell more than the 15% necessary to declare the plan effective, and owner occupants may never gain effective control and management of the Condominium. Since the By-Laws do not require that a majority of the Board of Managers be owner-occupants who are unrelated to Sponsor after Sponsor relinquishes control of the Board, Purchasers for their own occupancy may never gain control of the Board. Owner-occupants and non-resident owners, such as Sponsor may have inherent conflicts on management of the Condominium.

2. Sponsor is retaining the right, subject only to the approval of the Construction Lender, to rent Units in the Building after consummation of the Plan that are being offered herein. Unless this Plan is abandoned, Sponsor will endeavor in good faith to sell fifteen percent (15%) of the Units but makes no representation that it will execute Purchase Agreements to sell more than fifteen percent (15%) of the Units. For this plan, four (4) Units constitute fifteen percent (15%) of the Units offered. As Sponsor’s right to rent Units is only conditional upon the approval of the Construction Lender, this Offering Plan may not result in the creation of a condominium in which a majority of the Units are owned by owner-occupants or investors unrelated to Sponsor. See the CONTROL BY SPONSOR section in Part I of the Plan.
3. This is an existing Building. Sponsor is rehabilitating the vacant existing Building to create the Condominium. The Building consists of twenty-nine (29) floors. The Building had a permanent Certificate of Occupancy No. 302059938F dated February 27, 2006. The Building is vacant at the time of presentation of this Plan and will be sold vacant. Sponsor is undertaking complete and extensive renovation work on all floors and in all Residential Units pursuant to New York City Department of Building ALT-1 and ALT-2 approved applications. A new Certificate of Occupancy will be issued for the Building reflecting the planned alterations. See the RIGHTS AND OBLIGATIONS OF THE SPONSOR section in Part I, and DESCRIPTION OF PROPERTY AND BUILDING CONDITION, FLOOR PLANS and DECLARATION in Part II of the Plan.

4. Sponsor has obtained construction financing from Melody Business Finance, LLC to renovate the Building (the “**Construction Lender**”). The liens held by the Construction Lender shall be subordinate to the Declaration. Each Unit being conveyed at a Closing and such Unit’s appurtenant Common Interest will be released from the Construction Lender’s mortgage upon tender of the minimum release price; the construction loan documents set the release price of each Unit as the greater of 98% of the net sales proceeds or the designated release price as agreed to between Sponsor and Construction Lender. The Construction Lender has not imposed a requirement regarding the number of Units in contract before the Plan can be declared effective, but Construction Lender approval is required before Sponsor can rent instead of sell Units. See the INTRODUCTION and RIGHTS AND OBLIGATIONS OF THE SPONSOR sections in Part I of the Plan.
5. 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 CONTROL BY SPONSOR in Part I of the Plan.
6. The unused floor area development rights that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution (the “Development Air Rights”) shall be retained by Sponsor or any entity to whom Sponsor conveys said Development Air Rights for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement (“ZLDA”) or similar and related agreements. Sponsor or any entity to whom Sponsor conveys Development Air Rights shall have the right to amend the Declaration and any ZLDA that exists pertaining to the Building, in order to convey Development Air Rights (the “Air Rights Amendment”). Sponsor or any entity to whom Sponsor conveys the Development Air Rights shall have the right to complete and file the Air Rights Amendment with the City of New York without the consent of the owners of the Condominium Units or the Board of Managers or any parties in interest to the Common Elements. The owners of the Condominium Units, the Board of Managers and/or any parties in interest to the Common Elements shall be deemed to have consented to the transfer of Development Air Rights as described in the Air Rights Amendment and shall execute any documents evidencing said consent as are reasonably requested by Sponsor. In the event Development Air Rights are transferred to an adjoining premises, the light, air and views from the Building may be negatively impacted. Notwithstanding the foregoing, neither Sponsor nor any entity to whom Sponsor conveys the Development Air Rights may utilize the Development Air Rights to increase the size, height, bulk or density of any portion of the Property. See the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR and RESERVATION OF AIR AND DEVELOPMENT RIGHTS sections of the Plan in Part I and the DECLARATION in Part II.

7. Prospective Purchasers will be required to execute, in duplicate, a Purchase Agreement substantially in the form set forth in Part II of this Plan, and deliver the Purchase Agreement to Sponsor together with a check equal to the sum of ten percent (10%) of the purchase price. All funds received from Purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by Purchaser to the order of “Marans Weisz & Newman LLC as Escrow Agent.” See the section of the Plan entitled PROCEDURE TO PURCHASE and the PURCHASE AGREEMENT in Part II.
8. Prospective Purchasers are advised that all deposits and Down Payments will be held in the escrow account maintained by Marans, Weisz & Newman LLC, as escrow agent at Capital One Bank, 299 Park Avenue, New York, New York 10017 (the “**Escrow Account**”). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Purchasers making Down Payments in excess of \$250,000 are advised that FDIC deposit insurance does not cover deposited monies in excess of this amount. Prospective Purchasers are also advised that if Purchasers have an account at the escrow bank, then the Purchaser’s account balance factors into the \$250,000 FDIC insurance limit. See the section of the Plan entitled PROCEDURE TO PURCHASE.
9. Sponsor anticipates that the first closing of a Unit will occur by November 1, 2018. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than October 31, 2019, twelve (12) months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date. However, if the first closing occurs before November 1, 2019, Sponsor may schedule the closings of title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See the section of the Plan entitled PROCEDURE TO PURCHASE.
10. The First Year of Condominium operation is estimated to commence November 1, 2018. As in any construction project, given the vagaries of the construction process, it is difficult to predict with precision the date Sponsor will first be able to close title to the Residential Units. Accordingly, it is a special risk of this Offering Plan that the First Residential Closing may occur sooner or later than the projected First Year of Condominium operation, and closing to certain Residential Units may occur substantially before or after closing for other Residential Units. See the section of the Plan entitled PROCEDURE TO PURCHASE.

11. There are numerous time constraints imposed in the Purchase Agreement set forth in Part II of this Offering Plan. **TIME IS OF THE ESSENCE** as to all such time constraints. This means that if the Purchaser fails to pay all sums due to Sponsor, perform his obligations under the Purchase Agreement, exercise the right to terminate the Agreement pursuant to the limited financing contingency, cure a default, or provide Sponsor with notice of a claim under the Limited Warranty, within the applicable time frame, he may waive substantive rights, or incur a forfeiture of substantial sums of money. Thus, for example, a purchaser who fails to cure a default within thirty (30) days after receipt of written notice of said default, will both have the Contract canceled, and lose his down payment. Purchasers are advised to consult with their attorney concerning all terms of this offering. Please see the section of the Plan entitled PROCEDURE TO PURCHASE in Part I and the PURCHASE AGREEMENT set forth in Part II for a statement of all applicable time limitations.
12. A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation whatsoever as to the terms or availability of any mortgage or other financing. Prospective purchasers who require financing are advised to consult with a lending institution before executing a Purchase Agreement. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling, or adjournment of closing beyond the expiration of a loan commitment. See the section of this Plan entitled PROCEDURE TO PURCHASE in Part I and the PURCHASE AGREEMENT set forth in Part II.
13. Purchaser may not assign the Purchase Agreement without first obtaining the prior written consent of Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. Purchaser will be required to pay to Sponsor's attorneys a fee in the amount of \$1,000.00 for each assignment or change permitted by Sponsor. See the section of the Plan entitled PROCEDURE TO PURCHASE.
14. Pursuant to the Geographic Target Order (the "**Order**") issued by the Director of the Financial Crimes Enforcement Network ("**FinCEN**"), title companies are now required to collect and report information regarding purchasers in transactions where: (1) the purchaser is a legal entity as defined in the Order; (2) the purchaser purchases residential real property located in the Boroughs of Brooklyn, Queens, Bronx, Manhattan and Staten Island; (3) the total purchase price is in excess of Three Million Dollars (\$3,000,000.00) in the Borough of Manhattan or the total purchase price is in excess of One Million Five Hundred Thousand Dollars (\$1,500,000.00) for the Boroughs of Brooklyn, Queens, Bronx or Staten Island; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, or a funds transfer. This affects all residential real property closings meeting the above criteria and occurring on or after September 22, 2017 for so long as the Order remains in

effect. A copy of the Order is available here:

<https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20Order%20-%2008.22.17%20Final%20for%20execution%20-%20Generic.pdf>.

See the PROCEDURE TO PURCHASE section in Part I of the Plan.

15. Each Purchaser will be required to pay certain fees to Sponsor's attorneys including, but not limited to, a fee of \$2,500.00 and ACRIS preparation fee of \$250.00 for the Purchaser's Unit which will cover the legal and other fees and expenses of processing the sale of the Unit. In the event the closing of title to a Purchaser's Unit does not take place on the Closing Date, for any reason other than circumstances completely within Sponsor's sole control, (i) the apportionment of those items set forth in the Purchase Agreement shall be made as of the originally established Closing Date rather than as of the date the Closing actually occurs, (ii) Purchaser shall pay Sponsor at Closing interest on the unpaid balance of the purchase price from the originally established Closing Date to the actual Closing Date an amount equal to 0.04% 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, which is 14.6% per annum, and (iii) Purchaser shall pay Sponsor's counsel \$250.00 for each adjournment. Nothing herein shall be construed to mean that the Sponsor must grant an adjournment of title when requested to do so. See the section of the Plan entitled UNIT CLOSING COSTS AND ADJUSTMENTS.
16. Seller is transferring its statutory obligation, to pay New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes, to Purchaser. For purposes of calculating the taxes payable, the amounts of such taxes together with any other payments made by a Purchaser with respect to any obligations of Sponsor will be included in the consideration subject to such tax. Purchasers shall also be obligated to pay the so-called "Mansion Tax," currently (as of the filing of this Plan) one percent (1%) of the total consideration paid when such consideration is \$1,000,000.00 or more. Sponsor makes no representation regarding the calculation of the Mansion Tax or of the "consideration" upon which the New York State taxing authorities may base the Mansion Tax and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors. See the Section of the Plan entitled UNIT CLOSING COSTS AND ADJUSTMENTS.
17. Purchasers will be required to pay at Closing an amount equal to two (2) months of common charges as a contribution to the Working Capital Fund. See the section of the Plan entitled UNIT CLOSING COSTS AND ADJUSTMENTS in Part I.
18. Other than a sale or lease by Sponsor or a successor of Sponsor, or a sale or lease from a Unit Owner to an immediate family member, or a sale or lease from an ownership entity to an affiliate of said ownership entity, any lease or sale of a Residential Unit shall be subject to the Board's right of first refusal. Any contract to sell a Residential Unit, together with the Appurtenant Interests, and any lease of any Residential Unit ("**Sale Agreement**" or "**Lease Agreement**") shall contain the following language: "This agreement and the rights and obligations of the parties hereunder are hereby made expressly subject to the rights if any, of the Board of Managers of the Condominium with respect to the transaction embodied herein

pursuant to the terms of the by-laws of the Condominium, as the same may have been amended.” This right of first refusal does not apply to any Sponsor-held Units. See RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS in Part I and BY-LAWS in Part II of the Plan for more information.

19. No bond or other security has been furnished to secure Sponsor’s obligations under the Plan, including without limitation those obligations specified in the “RIGHTS AND OBLIGATIONS OF SPONSOR” section hereof.

Sponsor reserves the right to delay the collection of Common Charges for so long as Sponsor pays the actual Condominium expenses, in lieu of Common Charges. In the event that Sponsor makes such election: i) Common Charges will not be assessed by the Board of Managers to any Unit Owners, ii) Sponsor shall disclose such information in an amendment to the Plan, and shall set forth the anticipated length of such delay period; iii) Sponsor shall provide at least thirty (30) days written notice of the expiration of the delay period and shall disclose such notice in an amendment to the Plan; (iv) during any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments; (v) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (vi) the Sponsor shall remain obligated to update the budget for the Condominium, as provided in the governing regulations. Any budget line items that are funded solely through the collection of Common Charges will only commence to be funded on such date that the Common Charge Delay Period expires. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR.

20. Each Residential Unit is measured horizontally from the exterior side of exterior walls (perimeter columns and mechanical pipes, ducts and shafts are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, and other mechanical equipment spaces or any Common Elements or Limited Common Elements and include the elevator and one half of the total egress stairs on that Unit’s floor. Notwithstanding the foregoing, any Common Elements located within this described form of measurement shall not be considered part of such Unit. Each Unit will be measured vertically from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Since the area calculations are not based upon measurements from interior surfaces of interior walls, the usable floor area of each Unit is significantly less than the area listed in Schedule A. Measurements are approximate and are within reasonable tolerances. See section of the Plan entitled SCHEDULE A in Part I.

21. Limited Common Elements consist of the portions of the Property (other than the Units and the Common Elements) existing for the sole use and enjoyment of certain Unit Owners to the exclusion of all other Unit Owners. The Limited Common Elements in this Building are as follows:

- There are balconies on the south façade on Units 3 through 8, Units 10 through 22, PH23 and PH24. These balconies are allocated to their appurtenant Unit as a Limited Common Element.

- Unit 9 will have a terrace allocated as a Limited Common Element on the south side of the Building.
- Unit SKY PH will have a terrace located at the lower level at the south side of the Building, and two terraces located at the upper level at each of the north and south sides of the Building, allocated as Limited Common Elements.

No structures of any kind may be erected on these Limited Common Elements without the express written permission of the Board of Managers, except for temporary structures. Each Unit Owner of a Unit to which a Limited Common Element is appurtenant shall be responsible for the cost and performance of all painting, decorating and non-structural ordinary maintenance, repairs, cleaning and replacements to such Limited Common Element. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Limited Common Element, unless the need for such repair or replacement was caused by the negligent act or omission of the Unit Owner of the Unit to which it is appurtenant, shall be allocated to all Unit Owners as a Common Expense. The Board of Managers shall have the right of access in and through these areas for the purpose of doing building maintenance inspections. Notwithstanding anything herein to the contrary, a Unit Owner who wishes to paint, decorate or make any other changes to a Limited Common Element appurtenant to their Unit, and which change deviates from the Limited Common Element as it was originally delivered by Sponsor, must first obtain express written permission from the Board of Managers. Please see the sections of the Plan entitled DESCRIPTION OF PROPERTY AND IMPROVEMENTS, SCHEDULE A and FOOTNOTES thereto set forth in Part I of the Plan, and the DESCRIPTION OF PROPERTY AND BUILDING CONDITION, FLOOR PLANS, and the DECLARATION set forth in Part II.

22. Purchasers should note that the square footages listed on Schedule A include space designated as Residential Common Elements, including but not limited to all or portions of the public stairways and elevator shafts. Notwithstanding the foregoing, repairs and maintenance of the Residential Common Elements are the responsibility of the Condominium, and the costs of such repairs and maintenance shall be a common expense to be borne by, and apportioned among all of the Unit Owners according to their Percentage of Common Interest. See the sections of the Plan entitled DESCRIPTION OF PROPERTY AND IMPROVEMENTS, SCHEDULE A and NOTES TO SCHEDULE A in Part I.
23. Prospective Purchasers are advised that all of the Common Elements in the Building may not be available for use at the time of the First Unit Closing. While Sponsor will attempt to provide all Common Elements within a reasonable time, Sponsor reserves the right to complete all Common Elements within twelve (12) months of the First Unit Closing. However, the Building will be fully staffed as of the First Closing. Purchasers will not be entitled to any credit or abatement against the Purchase Price or the Common Charges if any of the Common Elements are not available for use on or after a Purchaser's Closing. Notwithstanding the foregoing, the Condominium Board of Managers shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such Common Elements are not available. While Sponsor has a majority vote on the Condominium Board of Managers, Sponsor may exercise the right to issue a refund provided, however, such refund may only be

effectuated if an independent certified accountant, as part of its preparation of the yearly annual statement for the Condominium, has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. The amount of funds considered to be “over budget” will be refunded to Unit Owners on a pro rata basis in accordance with each Unit’s Common Interest Percentage and for so long as the Unit Owner has been a Unit Owner in the Condominium, except for the reserve fund line item in the Condominium budget, which shall not be reduced. Notwithstanding the foregoing, the contingency fund will also not be reduced during the First Year of Operations, but if such a refund as described herein occurs during the second year of operations or later, than the contingency fund shall be like every other line item in the budget except for the reserve fund, and be refunded to Unit Owners based on Common Interest Percentages. If the contingency fund is reduced after the First Year of Operations, less funds will be available for future repairs, and as such, additional assessments and/or increases in Common Charges may be necessary. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR. Refunding Common Charges may cause Unit Owners to be subject to assessments in the future. See the sections of the Plan entitled DESCRIPTION OF PROPERTY AND IMPROVEMENTS and RIGHTS AND OBLIGATIONS OF THE SPONSOR in Part I.

24. At closing, the Sponsor will adjust with the Condominium certain ongoing costs that have been prepaid by the Sponsor for the First Year of Condominium Operation, such as insurance for the Condominium. The Condominium will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund. If the Working Capital Fund is not sufficient, an assessment may be issued. See the sections of the Plan entitled SCHEDULE B and FOOTNOTES TO SCHEDULE B in Part I.
25. All Residential Units will have lot line windows located at the west façade of the Building. Characterization of a window as a lot line window generally means that depending on the proximity and height of improvements on the adjacent property, the lot line window is required by law to be protected against fire occurring in the improvements on adjacent lots in a manner satisfactory to the Department of Buildings. Such fire protection can include sealing the window completely, sprinklering it, using glass block instead of ordinary window glass, or using windows made of steel with wire mesh. Consequently, prospective Purchasers should be aware that in the event that the adjacent property is renovated, reconstructed or enlarged at any time in the future, the lot line windows on this façade of the Building may be required to be in-filled with fire-rated construction. If certain of these windows remain open, they may be required to have sprinkler heads installed and their surrounding walls in-filled with fire-rated construction. The cost of any necessary construction, sprinklering or other work to be done pertaining to lot line windows as a result of an adjacent building being built taller shall be allocated to all Unit Owners affected by such an event as a Common Expense. See the DESCRIPTION OF PROPERTY AND SPECIFICATIONS and FLOOR PLANS in Part II of this Plan.
26. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any window, portion of the façade or curtain wall, and/or terrace in the Building. See “LOCATION AND AREA INFORMATION” in Part I of this Plan.

27. The Housing Merchant Implied Warranty does not apply to this offering; Sponsor is rehabilitating a vacant existing building to create a condominium greater than five stories. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR.
28. If a Purchaser takes possession of a Unit prior to closing title through an Interim Lease, he or she will assume the risk of loss and the obligation to repair damage not covered by insurance already in place. Purchasers must obtain casualty insurance pursuant to the terms hereof. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR and RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS.
29. In the event a Purchaser takes possession of a Unit prior to Closing pursuant to an Interim Lease, upon an uncured default by Purchaser under the terms of the Interim Lease which is not cured within 30 days after notice thereof, or immediately after Purchaser exercises any right of rescission with respect to the Purchase Agreement, Purchaser's right to occupy the apartment will terminate, and PURCHASER must vacate the Apartment. Purchaser shall pay to Sponsor \$500.00 per day for each day he remains in possession following the periods set forth above. Notwithstanding the foregoing, Sponsor will not seek or accept release of any portion of a defaulting Purchaser's Deposit until consummation of the Plan. Nothing contained herein shall be construed so as to limit Sponsor's ability to have Purchaser evicted from the premises and to pursue any other legal remedy available to Sponsor, nor shall anything herein be construed as a waiver by the Sponsor of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement. Pursuant to the terms of the Interim Lease, in the event of Purchaser's default under the terms of the Interim Lease, Sponsor may direct the Escrow Agent to pay any use and occupancy fees and/or per diem fees due by Purchaser from Purchaser's Deposit. Sponsor may utilize a default under the Interim Lease to declare a default under the Purchase Agreement, however, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser, unless the Purchaser has vacated the unit. Nevertheless, Sponsor may utilize a default under the Purchase Agreement to declare a default under the Interim Lease without an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser. See the INTERIM LEASE set forth in Part II of the Plan.
30. The Condominium Board will have right of access to all roof areas including setback roofs and including any and all private terraces and balconies for necessary inspection, maintenance or repairs. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS in Part I of the Plan, and the Condominium BY-LAWS in Part II of the Plan.
31. A twenty (20) Year Watertight Warranty will cover every component of the Insulated Roof Membrane Assembly. To insure that the warranty on the roof of the Building is not violated, and in furtherance of the Board of Managers' right to determine rules applicable to the Common Elements, no Unit Owner may place any objects directly upon the surface of the roofs nor shall any structure be built or placed upon the roofs without the prior written consent of the Board of Managers. Purchasers are advised that additions and improvements or repairs to their Unit, including the Limited Common Elements appurtenant to them, cannot be made without the prior written approval of the Board of Managers. See the section of the

Plan entitled RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS.

32. New York City's Façade Inspection Safety Program ("FISP"), formerly known as Local Law 11/98 applies to this Building. FISP requires that owners of buildings, with six or more stories above grade, have their exterior walls and appurtenances inspected periodically. The next FISP report is due in five (5) year cycles. The next cycle will be between February 2022 and August 2022. Unless Sponsor still controls the Board at such time, the obligation to comply with FISP shall be solely on the Unit Owner-controlled Board. Sponsor shall have no responsibility or obligation to organizing such inspections after the termination of the Sponsor Control Period. In the same fashion, the Condominium Board will be responsible for maintaining the sidewalk(s) in accordance with the requirements of the Department of Transportation.
33. A twenty (20) Year Watertight Warranty covering every component in the Insulated Roof Membrane Assembly will be provided by the manufacturer. Notwithstanding the foregoing, this warranty cannot and does not purport to or allow Sponsor to warrant the Units at an level below that prescribed by GBL Article 36-B or as otherwise required by law. Regardless of any limitations in the warranty or in this offering plan, Sponsor shall construct the premises in accordance with all applicable codes and filed plans and specifications, and any conflict between any disclaimers and 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. See the DESCRIPTION OF PROPERTY AND SPECIFICATIONS set forth in Part II of the Plan.
34. The By-Laws do not include a provision limiting the number of Unit Owners who may purchase for investment rather than for personal occupancy, and as a result, there may always be a substantial percentage of Owners who are non-residents. Owner-occupants and non-resident Owners may have inherent conflicts on how the Condominium should be managed because of their different reasons for owning. See the BY-LAWS section in Part II of the Plan.
35. Purchaser acknowledges that Purchaser has not relied upon any sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefore, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and filed in the City

Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this paragraph shall survive the closing of title or the termination of this Agreement.

36. Purchasers waive their right to trial by jury in any lawsuit arising out of Purchase Agreement. Any lawsuit arising out of the Purchase Agreement shall be governed by the laws of the State of New York and shall be brought in Kings County, the county in which the Building is located. See Section of the Plan entitled PROCEDURE TO PURCHASE set forth in Part I of the Plan.
37. Principals of Sponsor have executed the Certification of Sponsor and Principals set forth in Part II of the Plan solely for Martin Act purposes. Consistent with a First Department decision in Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, *et.al.*, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013), the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory.
38. 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. In the event of rescission or abandonment, 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.
39. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Unless the existence of mold occurs within one (1) month or earlier of Closing (unless there is a latent defect due to faulty construction by Sponsor so that mold could not be discovered within one (1) month of Closing), and is caused by faulty construction by Sponsor, Sponsor will not be liable to Purchaser with respect to the presence and/or existence of molds, mildew and/or microscopic spores. This provision shall survive closing of title. See the FORM PURCHASE AGREEMENT set forth in Part II of the Plan.
40. No birds, animals or reptiles, except dogs or cats, shall be permitted in any Unit unless the same shall have been expressly permitted in writing by the Board of Managers or the Managing Agent, and such permission shall be revocable at any time by the Board of Managers or Managing Agent in their sole discretion. In no event shall more than two (2) animals shall be permitted in any Unit. No pet shall be permitted in the Common Elements, including dogs and cats, unless carried or on a leash.

41. The existing neighboring building located at 58 Court Street has a pre-existing egress easement with the condominium for use in the event of a fire. There are two existing hollow metal doors along the exterior perimeter brick wall that are to remain and will be locked at all times and provided with an emergency panic push-bar on the adjacent property's side tied into a localized audible alarm. These doors will remain locked from the Condominium's side and accessible with a key. The rear door leading from rear yard into the rear amenity lounge will have an emergency panic push-bar on the exterior side of the door tied into a localized audible alarm providing access in the Condominium building for egress through the Building to street. In addition, a key fob will be provided for residential access in and out of the rear yard to bypass the alarm system.
42. There is one (1) existing non-complying inner court at the North façade beyond an existing thirty-foot rear yard. At the time of construction, before a rezoning of the neighborhood, this was a compliant condition. The inner court is an existing condition to remain as is and will not in any way negatively impact the Condominium. If the Building suffers a severe casualty whereby the existing structure is destroyed or needs to be demolished, the Condominium may not be able to restore the Property to its current condition.
43. Pursuant to Local Law 11/98, Sponsor obtained that certain "Critical Examination of Exterior Walls and Appurtenances" report, referred to hereinafter as the "Façade Report" (said Façade Report being annexed to the Description of Property and Specifications set forth in Part II of the Plan). The Façade Report indicates certain unsafe conditions on the Building's exterior walls revealed during a Local Law 11 inspection. Sponsor is in the process of remediating any unsafe conditions stated in the Façade Report. The Building will require future inspections in accordance with Local Law 11/98, with the first façade inspection expected to occur during the 2020-2022 cycle. Since Sponsor will be required to complete all remediation set forth in the Façade Report in order to obtain a TCO, Sponsor will complete the remediation prior to the First Unit Closing. Purchasers should note that although not budgeted for the First Year of Operation, the cost of any future additional inspections, if any, required by Local Law 11 and any amendments thereto, shall be a Common Expense of all Unit Owners. Additionally, if Sponsor has relinquished control of the Board of Managers at such time of the next inspection, the Unit Owner-controlled Board will be responsible for the coordination of such inspection and all future subsequent inspections. Since Sponsor is completing all remediation required as set forth in the Façade Report, it is not anticipated that the Board will have substantial work to complete upon each inspection; as such, Sponsor projects the cost of an engineer to perform the inspection to cost no more than \$3,000.00 per inspection. See the DESCRIPTION OF PROPERTY and RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS in Part I of the Plan, and the DESCRIPTION OF PROPERTY AND SPECIFICATIONS set forth in Part II of the Plan.

INTRODUCTION

Sponsor and Offer of Sale

67 LIVINGSTON LLC (the “**Sponsor**”), a limited liability company organized under the laws of the State of New York, presents this Offering Plan (the “**Plan**”) for the establishment of condominium ownership of the land (the “**Land**”) consisting of approximately 11,811 square feet in the City and State of New York, located at 67 Livingston Street, Brooklyn, New York and upon presentation of this Plan known as Block 265, Lot 5, as shown in the Kings County Tax Map, and a building (the “**Building**”) existing on the Land to be called The 67 Livingston Street Condominium (the “**Condominium**”). Sponsor acquired the Property on January 17, 2017 by deed from GC Livingston LLC, recorded in the Kings County office of the City Register on February 8, 2017 as CRFN 2017000055302.

This Plan sets forth all the material terms of the offer to sell Units in the Condominium. The Condominium is subject to and will comply with the New York Condominium Act. The Plan may be amended from time to time by amendment duly filed with the New York State Department of Law and served pursuant to 13 NYCRR § 20.1(d). The Plan, including Part II, constitutes the entire offer of the Sponsor. Copies of the Plan and all Exhibits submitted to the Department of Law in connection with the filing of this Plan will be available for inspection without charge by prospective Purchasers or their attorneys and copying at a reasonable charge at the Building after the on-site sales office is open.

The Building was a student dormitory for the Art Institute of New York City and the school vacated the premises when their lease expired in 2016. Sponsor is converting the Building to a Condominium. The Building consists of a twenty-nine (29) floors. The Building had a permanent Certificate of Occupancy No. 302059938F dated February 27, 2006. The Building is vacant at the time of presentation of this Plan and will be sold vacant. Sponsor is undertaking complete and extensive renovation work on all floors and in all Residential Units pursuant to New York City Department of Building ALT-1 and ALT-2 approved applications. A new Certificate of Occupancy will be issued for the Building reflecting the planned alterations. The Building will be constructed by Sponsor in accordance with all applicable law. The Sponsor expects that construction will be complete on or about November 2018. On completion of construction, the Building will consist of twenty-nine (29) floors. The Building will be divided into twenty-two (22) Residential Condominium Units.

Sponsor has obtained construction financing from Melody Business Finance, LLC, 60 Arch Street, Second Floor, Greenwich, CT 06830 to renovate the Building (the “**Construction Lender**”). The liens held by the Construction Lender shall be subordinate to the Declaration. Each Unit being conveyed at a Closing and such Unit’s appurtenant Common Interest will be released from the Construction Lender’s mortgage upon tender of the minimum release price; the construction loan documents set the release price of each Unit as the greater of 98% of the net sales proceeds or the designated release price as agreed to between Sponsor and Construction Lender.. The Construction Lender has not imposed a requirement that more than fifteen percent

(15%) of the Units be in contract before the Plan can be declared effective. The renting of any Units after consummation of the Plan will require the approval of the Construction Lender.

Sponsor will be offering for sale pursuant to this Plan the twenty-two (22) Residential Condominium Units in accordance with the schedule of sales prices (Schedule A) set forth in Part I. These prices have been set by Sponsor and are not subject to approval by the Department of Law or any other governmental agency. Sponsor will endeavor in good faith to sell units rather than rent after the plan has been consummated.

Sponsor is retaining the unconditional right to rent rather than sell Units after the Plan has been declared effective and the First Unit Closing has occurred, except pursuant to an Interim Lease for so long as a Purchase Agreement is in effect. Unless this Plan is abandoned, Sponsor will endeavor in good faith to sell, but makes no representation that it will execute Purchase Agreements to sell fifteen percent (15%) of the Units. In the event Sponsor has rented a Unit and, subsequently, sells the Unit pursuant to this Plan, such sale of the Unit will provide that it will be sold in “as is” condition, except for any applicable warranties expressly provided in this Plan.

If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor Sponsor will be bound by Sponsor’s representations regarding its commitment to sell Units. In the event Sponsor has rented a Unit and, subsequently, sells the Unit pursuant to this Plan, such sale of the Unit will provide that it will be sold in “as is” condition, except for any applicable warranties expressly provided in this Plan.

On the Effective Date of this Offering Plan as hereinafter described, Sponsor will, by Declaration of Condominium recorded in the Office of the City Register of the City of New York, submit the Property to Article 9-B of the Real Property Law of the State of New York (as amended, the “Condominium Act”). The proposed Declaration is set forth in Part II of this Plan. The Declaration, together with the By-Laws of the Condominium, will be recorded by Sponsor at its sole cost and expense prior to its conveyance of title to the first Unit.

The unused floor area development rights that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution (the “Development Air Rights”) shall be retained by Sponsor or any entity to whom Sponsor conveys said Development Air Rights for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement (“ZLDA”) or similar and related agreements. Sponsor or any entity to whom Sponsor conveys Development Air Rights shall have the right to amend the Declaration and any ZLDA that exists pertaining to the Building, in order to convey Development Air Rights (the “Air Rights Amendment”). Sponsor or any entity to whom Sponsor conveys the Development Air Rights shall have the right to complete and file the Air Rights Amendment with the City of New York without the consent of the owners of the Condominium Units or the Board of Managers or any parties in interest to the Common Elements. The owners of the Condominium Units, the Board of Managers and/or any parties in interest to the Common Elements shall be

deemed to have consented to the transfer of Development Air Rights as described in the Air Rights Amendment and shall execute any documents evidencing said consent as are reasonably requested by Sponsor. In the event Development Air Rights are transferred to an adjoining premises, the light, air and views from the Building may be negatively impacted. Notwithstanding the foregoing, neither Sponsor nor any entity to whom Sponsor conveys the Development Air Rights to may utilize the Development Air Rights to increase the size, height, bulk or density of any portion of the Property.

In 1985, documents were recorded evidencing that former tax lot 5 and tax lot 154 along with adjacent tax lots 52 and 53 of block 265 were to be a single zoning lot. However, a zoning lot development agreement (“ZLDA”) which would specifically refer to a transfer of additional development rights to 67 Livingston from lots 52 and 53 was never entered into or recorded at this time. Nonetheless, development rights from lots 52 and 53 were utilized to construct the existing building at the Property, and a Certificate of Occupancy was issued by DOB for the existing building in 1991. This Certificate of Occupancy contained a note that *“these premises had been declared to be part of a single zoning lot as per Section 12-10 of the Zoning Resolution. Zoning lot is comprised of Block 265, Lots 5, 54, 52 and 53.”* Further, in 1999, the owner of former tax lot 5 and tax lot 154 and the then owner of tax lots 52, 53 and 54 executed a Merger of Zoning Lots and Declaration of Restrictions that *“benefits 67 Livingston Street by increasing the Development Rights...that pertain thereto by 14,707.5 square feet of floor area.”* This Merger of Zoning Lots and Declaration is recorded against tax lot 5, but not the adjacent parcel formerly known as block 265, tax lot 52, now consisting of tax lots 1001-1036. On April 12, 2018, a ZLDA was executed by the appropriate parties of all three lots in order to reflect this transfer of development rights that were used at that time to construct the existing building. The ZLDA that now accurately shows on all three lots the merged zoning lots and transfer of development rights to the premises can now be found recorded on the New York City Department of Finance Office of the City Register.

The Plan delivered to prospective purchasers contains all the material terms of the transaction, and is presented in two Parts in one volume. Part I sets forth a general description of the Plan, including the relevant provisions of various agreements known as the Project Documents. Part II contains a detailed physical description of the Condominium, together with copies of the forms of many of the documents that will affect the use, resale, or mortgaging of each Unit. Both Parts, including all schedules and exhibits, constitute the entire offer of Sponsor. These documents should be reviewed carefully by each prospective Purchaser and his or her attorney prior to signing a Purchase Agreement. Copies of the Plan, all exhibits to the Plan, and Project Documents are available for inspection by prospective purchasers and their attorneys at the on-site offices of the Sponsor, and are also available for inspection and copying at a reasonable fee at the New York State Department of Law, 28 Liberty Street, New York, NY.

Features of Condominium Ownership

The ownership of a Unit in the Condominium is similar in many respects to the

ownership of a private one-family home. Each Unit Owner owns his or her Unit outright (in fee simple absolute) and is generally is entitled to its exclusive possession and to its use for any legal purpose, subject to the provisions of the Declaration, By-Laws of the Condominium, and any Rules and Regulations promulgated by the Condominium, which each Unit Owner is obligated to comply with. A Unit Owner is also the owner, in common with all other Unit Owners, of all remaining parts of the Property, except for the Units themselves (collectively, called “**Common Elements**”). Common Elements are those areas intended to be devoted to the common use and enjoyment of all Unit Owners, including the land; the foundations, columns, girders, beams, supports, exterior walls of the Building, and all joists; the central and appurtenant installations and equipment for services such as power, light, telephone, hot and cold water, sewer and fire safety, the meter rooms, the stairwell from the cellar to the roof and the roof deck; roof and the bulkhead roof. Each Unit Owner’s proportionate share (“**Common Interest**”) of the Common Elements has been determined pursuant to Condominium Act Section 339-i. Elements which are for the use of a specified Unit (or Units) to the exclusion of all others are known as “**Limited Common Elements**.” Limited Common Elements are those Common Elements that a Unit Owner or Unit Owners will have the exclusive right to use. See SCHEDULE A in Part I of the Plan.

Sponsor is retaining the unconditional right to rent Units in the Building that are being offered under this Plan after the Plan is consummated. Additionally, the By-Laws have no restriction on the number of Purchasers that can purchase for purposes other than home occupancy. As a result, there may always be a substantial percentage of owners who are non-residents. 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 owning; i.e., purchase of a Unit as a home as opposed to an investment.

A Unit Owner may sell or lease their Unit subject to the terms and restrictions set forth in the Declaration and By-Laws, including, but not limited to, the Board’s right of first refusal.

Each Unit may be separately mortgaged and the Unit Owner will be responsible for interest and amortization payments on the mortgage, if any encumbering such Unit Owner’s Unit. A Unit is not subject to the lien of any mortgage placed by other Unit Owners on their Units.

Each Unit Owner will be assessed and taxed separately for real estate tax purposes and, therefore, no Unit Owner will be liable for the payment of real estate taxes on any other Unit. In the opinion of counsel for Sponsor, payments of real estate taxes and interest on any mortgage affecting the Owners Unit, will be deductible for federal, state, and local income tax purposes (see Counsel’s Tax Opinion set forth in Part I) subject to the conditions contained in such opinion.

Each Unit Owner, at the Unit Owner’s sole cost, may decorate and alter the interior of the Unit Owners Unit in any way that the Unit Owner desires, subject to the provisions of the By-

Laws and the Rules and Regulations promulgated by the Condominium and all applicable Laws. Each Unit Owner will be solely responsible for the cost, ordinary and extraordinary, of maintenance of and repairs to the Unit Owner's Unit and all plumbing, heating, telecommunications, sanitary, and electrical systems, fixtures and equipment located within the Unit and connections to common lines which exclusively serve such Unit Owner's Unit, and for the cost of all utilities that are individually metered to a Unit Owner's Unit.

Sponsor reserves the right to control the Condominium Board of Managers for a period of time until the earlier to occur of (a) one hundred twenty (120) days after the date by which one hundred percent (100%) of the Units have been conveyed to Unit Purchasers; or (b) three (3) years after the date the first Unit has been conveyed to a Unit Purchaser (the "Sponsor Control Period"). Sponsor reserves the right to relinquish control of the Board prior to the expiration of the Sponsor Control Period. The Board of Managers will be elected by the Unit Owners after the Sponsor Control Period, and will be charged with the primary obligation for operating the Property. The By-Laws do not provide that after the Sponsor relinquishes control of the Board that Board members be owner-occupants. Each Unit Owner's vote will be weighed in accordance with the Owner's percentage interest in the Common Elements. A description of the Unit Owners right to vote for and to serve as a member of the Board of Managers, and a description of the rights and obligations of the Board Managers is contained in the Section entitled "Rights and Obligations of the Board of Managers" in Part I of the Plan and in the Condominium By-Laws.

The Board of Managers will make most decisions concerning the manner in which the Condominium will be maintained. This will include making decisions regarding hiring of a management company to manage the day-to-day operations of the Condominium, preparing budgets, entering into service contracts, and the making of repairs and improvements, all of which may impact the amount of the Common Charges.

The Board of Managers will be responsible for paying, among other things, the cost of utilities consumed in the Common Elements of the Building, repairing, maintaining, and making necessary replacements to the Common Elements and insurance against casualties causing damage to the Building and Common Elements and certain other potential liabilities. See the Schedule B and the notes thereto which more fully discuss the Common Expenses which will be paid by the Board of Managers, and see Schedule B-1 regarding estimated energy and utility costs to be paid by each separate Unit Owner.

A Unit Owner must obtain at the time of Closing "interior unit coverage", which is "walls-in" coverage also referred to as an HO-6 policy insurance. See the section of the Plan entitled RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS for more details on insurance policies required to be obtained by Unit Owners.

Each Unit Owner must pay monthly Common Charges in accordance with the Declaration, the By-Laws, and the applicable provisions of the Condominium Act, in order to fund payment of the Common Expenses incurred in the operation of the Property and the

maintenance of the Common Elements. The Board of Managers will assess Common Charges against each Unit Owners in accordance with its Common Interest based on the Board's estimate of Common Expenses which is based on the projected budget for each twelve (12) month period. The estimated Common Charges for each Unit for the First Year of Operations are set forth in the Schedule A contained in Part I of the Plan.

This offering is made only to individuals aged 18 years or older, and entities qualified to do business in the State of New York who are competent to own real estate in the State of New York.

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

DEFINITIONS

The following terms used in this Plan and in Article 9-B of the Real Property Law (the “Condominium Act”), have the following meanings:

- Board of Managers (also “Condominium Board” or “Board”): The governing body of the Condominium initially comprised of three (3) managers appointed by Sponsor.
- Building (also “Premises” or “Property”): The structure containing the Units and the Common Elements of the Condominium (other than the land under the Building).
- By-Laws: One of the documents governing the operation of the Condominium, the form of which is set forth in Part II of the Plan.
- City Register’s Office: The Office of the City Register of The City of New York.
- Closing: Including words of similar import are used synonymously and mean the payment of the purchase price, and the transfer of legal ownership of a Unit pursuant to this Plan and the Purchase Agreement.
- Closing Date (or “Date of Closing”): The date scheduled for the closing of title to a Unit by Sponsor as same may be adjourned in accordance with the terms of the Purchase Agreement.
- Common Charges: Assessments payable to the Board of Managers by each Unit Owner for the purpose of meeting Common Expenses.
- 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, including any reserve established in anticipation of the aforesaid costs and expenses.
- Common Interest (also “Common Interest Percentage” or “Percentage of Common Interest”): The proportionate, undivided interest in fee simple absolute in the Common Elements pertaining to each Unit set forth in the Declaration. Such interest is expressed as a numerical percentage. The total of all Common Interest percentages pertaining to all Units equals 100%. The Common Interest of the Unit is the basis for determining, among other things, a Unit Owner’s (a) proportionate share of the Common Expenses and (b) proportionate share of any distributions upon termination of the Condominium.
- Condominium: The Units and Common Elements comprising the Property. The words “Property”, “Condominium”, “Premises” and “Building” are used interchangeably in this Plan.
- Construction Lender: Melody Business Finance, LLC, together with its successors and/or

assigns.

- Condominium Act: Article 9-B of the New York State Real Property Law.
- Declaration: The recorded instrument by which the Property is submitted to the provisions of the Condominium Act, as such instrument may be amended from time to time, consistent with law and the By-Laws. The By-Laws, which govern the operation of the Condominium, are part of the Declaration.
- Department of Building: The Department of Buildings of the City of New York.
- Department of Law: The New York State Department of Law of the New York State Office of the Attorney General, Real Estate Finance Bureau.
- Deposit: The payment or payments required to be paid by Purchaser at the time a Purchase Agreement is tendered to Sponsor or at the time or times prior to Closing as provided in the Purchase Agreement.
- Escrow Agent: Marans Weisz & Newman, LLC
- Equal or Better Quality: Comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.
- FHA: Federal Housing Administration
- FHLMC: Federal Home Loan Mortgage Corporation
- First Unit Closing (also “First Closing” or “First Residential Closing”): Closing of the first Unit in the Condominium to a bona fide Purchaser under the Plan.
- First Year Budget: The projected budget for the Condominium for the First Year of Operations.
- First Year of Operations: The projected date range for the first year of operations for the Condominium, as set forth in the Plan.
- Floor Plans: Floor plans prepared by Sponsor’s architect showing the division of the Property into the Units and Common Elements and to be filed with the Condominium Declaration.
- FNMA: Federal National Mortgage Association
- General Common Elements (or “Common Elements” or “Residential Common Elements”): Those areas intended to be devoted to the common use and enjoyment of all Unit Owners as set forth in the Declaration.

- HUD: United States Department of Housing and Urban Development
- Insurance Trustee: A bank or trust company in the State of New York from time to time appointed to serve as such by the Condominium Board. Sponsor's Registered Mortgagee shall serve as the Insurance Trustee for such time as Sponsor has a mortgage loan encumbering any Unsold Units. The Construction Lender shall be the initial Insurance Trustee, and shall remain the Insurance Trustee until such time that the Construction Lender's mortgage lien is satisfied.
- Land: The parcel of land on which the Building will be situated, as more particularly described in the Declaration.
- Limited Common Elements ("or "Residential Limited Common Elements"): Those Common Elements for which a Unit Owner will have the exclusive right to use. Some examples of Limited Common Elements are rear yards, terraces and balconies accessed through particular Units.
- Managing Agent: The managing agent or manager of the Building at the time in question.
- Permitted Encumbrances: Encumbrances to the title to a Unit that a Purchaser agrees to take title subject to, as more particularly itemized on Schedule A annexed to the form of the Purchase Agreement contained in Part II of the Plan.
- Permitted Mortgage: A mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of the By-Laws.
- Plans and Specifications: The plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings and which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of this Plan.
- Property: The Land, the Building and other improvements thereon, and all easements, rights and appurtenances belonging thereto.
- Purchase Agreement: The agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.
- Purchaser: A purchaser of a Unit pursuant to a Purchase Agreement.
- Registered Guarantor: A guarantor on a Registered Mortgage who has registered with the Board of Managers by supplying the Board with the name and address of the guarantor.
- Registered Mortgagee: The holder of a Registered Mortgage and shall include, without limitation, banks, financial institutions, and/or other lenders such as the Construction Lender,

its successors, assigns, and/or affiliates, as well as any lender that has provided mezzanine financing or preferred equity financing to Sponsor and/or Declarant.

- Registered Mortgage: A first mortgage permitted to be placed upon a Unit pursuant to the By-Laws, the Construction Loan for so long as the Construction Loan encumbers such Unit, and/or any mezzanine finance loan or preferred equity loan provided to Sponsor and/or Declarant so long as such loan encumbers such Unit.
- Residential Unit: The space to be exclusively owned and occupied by a Purchaser.
- Residential Unit Owner (also “Residential Owner”): A Unit Owner who has purchased a Residential Unit.
- Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws. The rules and regulations, which will apply unless and until amended by the Board of Managers, are set forth as an addendum to the By-Laws in Part II.
- Schedule A: The section of Part I of the Plan entitled “Purchase Price and Related Information for the Projected First Year of Condominium Operation”.
- Selling Agent: The selling agent disclosed in the Identity of Parties section of Part I of the Plan, or at any given time in question.
- Sponsor: The person, partnership, joint venture, corporation, company, trust, association or other entity which is offering the Units in this Condominium to the public at the given time in question. Sponsor is sometimes referred to herein as “Declarant”.
- Sponsor Designee (or “Designee of Sponsor”): Sponsor or any affiliate of Sponsor. An affiliate shall be deemed to be any person or entity designated by Sponsor to acquire title to one or more Units. Designees of Sponsor shall have the right to designate a person or entity, whether related or unrelated to Sponsor, to succeed to their rights and any such person or entity shall also be deemed a designee of Sponsor.
- Unit Deed: A bargain and sale deed with covenant against grantor’s acts, from Sponsor to a Purchaser, conveying title to the Unit and its appurtenant Common Interest.
- Unit Owner: An owner of any Unit. Two or more of such owners are collectively referred to as “Unit Owners.”
- Unsold Units: Any Units owned by Sponsor or its designee, other than any Unit purchased by and for the use of Sponsor or its designee, until such time as the same have been sold.
- VA: Veterans Administration.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Property has a land area of approximately 11,811 square feet. The site will contain one fully renovated building (the “**Building**”) when construction is completed. The street address of the Property is 67 Livingston Street in the Borough of Brooklyn, New York. The Building is located on Livingston Street between Court Street and Clinton Street. The entrance to the Residential Units is via the Building lobby entrance located on Livingston Street.

The Condominium shall consist of twenty-two (22) Residential Units. The Building is an existing building which contains twenty-nine floors above grade. Purchasers should note that the second floor is sometimes referred to in the Description of Property and Specifications set forth in Part II of the Plan (hereinafter referred to as the “Architect Report”) as the “Amenities” floor. For marketing purposes, units on the 13th floor of the Building are referred to as the “14th” floor units, and therefore all units above shall follow a similar designation (i.e., Units designated as on the 15th floor are actually on the 14th floor, Units designated as on the 16th floor are actually on the 15th floor, etc). Construction floor 22 is referred to herein as PH 23rd Floor, construction floor 23 is referred to herein as PH 24th Floor, construction floor 24 is referred to herein as SKY PH-2 Floor and construction floor 25 is referred to herein as SKY PH-1 Floor. For a full list showing the difference between the construction floors and what the marketing designation of each floor is, see the Architect Report, Section F(3). The Building was previously used as a student dormitory. The Building was built as Construction Class 1C, which denotes a 2 hour resistance rating (1968 Code Designation), conforming to all applicable regulations of the Building Code of the City of New York. The Building was constructed prior to the adoption of the 1995 Building Code of the City of New York which provides safeguards from seismic activity (i.e. earthquakes, tremors, etc.). Two (2) passenger elevators shall serve the entire building from ground floor to roof. Both elevators will be completely refurbished and modernized with emergency power operation and security card readers inside the elevator. The existing façade of the Building will remain, while there will be extensive renovation and alterations throughout the interior of all areas of the Building. A schedule of approved New York City Department of Building (DOB) plans for the work, including ALT-1 and ALT-2 DOB applications, is specified in the Architect Report.

The Building had a permanent Certificate of Occupancy No. 302059938F dated February 27, 2006. A new Certificate of Occupancy will be issued reflecting the planned renovations. The Building is currently vacant and will remain unoccupied throughout construction, which is expected to be substantially completed on or about November 1, 2018.

In 1985, documents were recorded evidencing that former tax lot 5 and tax lot 154 along with adjacent tax lots 52 and 53 of block 265 were to be a single zoning lot. However, a zoning lot development agreement (“ZLDA”) which would specifically refer to a transfer of additional development rights to 67 Livingston from lots 52 and 53 was never entered into or recorded at this time. Nonetheless, development rights from lots 52 and 53 were utilized to construct the existing building at the Property, and a Certificate of Occupancy was issued by DOB for the

existing building in 1991. This Certificate of Occupancy contained a note that *“these premises had been declared to be part of a single zoning lot as per Section 12-10 of the Zoning Resolution. Zoning lot is comprised of Block 265, Lots 5, 54, 52 and 53.”* Further, in 1999, the owner of former tax lot 5 and tax lot 154 and the then owner of tax lots 52, 53 and 54 executed a Merger of Zoning Lots and Declaration of Restrictions that *“benefits 67 Livingston Street by increasing the Development Rights...that pertain thereto by 14,707.5 square feet of floor area.”* This Merger of Zoning Lots and Declaration is recorded against tax lot 5, but not the adjacent parcel formerly known as block 265, tax lot 52, now consisting of tax lots 1001-1036. On April 12, 2018, a ZLDA was executed by the appropriate parties of all three lots in order to reflect this transfer of development rights that were used at that time to construct the existing building. The ZLDA that now accurately shows on all three lots the merged zoning lots and transfer of development rights to the premises can now be found recorded on the New York City Department of Finance Office of the City Register.

The existing neighboring building located at 58 Court Street has a pre-existing egress easement with the condominium for use in the event of a fire. There are two existing hollow metal doors along the exterior perimeter brick wall that are to remain and will be locked at all times and provided with an emergency panic push-bar on the adjacent property’s side tied into a localized audible alarm. These doors will remain locked from the Condominium’s side and accessible with a key. The rear door leading from rear yard into the rear amenity lounge will have an emergency panic push-bar on the exterior side of the door tied into a localized audible alarm providing access in the Condominium building for egress through the Building to street. In addition, a key fob will be provided for residential access in and out of the rear yard to bypass the alarm system.

There is one (1) existing non-complying inner court at the North façade beyond an existing thirty-foot rear yard. At the time of construction, before a rezoning of the neighborhood, this was a compliant condition. The inner court is an existing condition to remain as is and will not in any way negatively impact the Condominium. If the Building suffers a severe casualty whereby the existing structure is destroyed or needs to be demolished, the Condominium may not be able to restore the Property to its current condition.

Pursuant to Local Law 11/98, Sponsor obtained that certain “Critical Examination of Exterior Walls and Appurtenances” report, referred to hereinafter as the “Façade Report” (said Façade Report being annexed to the Description of Property and Specifications set forth in Part II of the Plan). The Façade Report indicates certain unsafe conditions on the Building’s exterior walls revealed during a Local Law 11 inspection. Sponsor is in the process of remediating any unsafe conditions stated in the Façade Report. The Building will require future inspections in accordance with Local Law 11/98, with the first façade inspection expected to occur during the 2020-2022 cycle. Since Sponsor will be required to complete all remediation set forth in the Façade Report in order to obtain a TCO, Sponsor will complete the remediation prior to the First Unit Closing. Purchasers should note that although not budgeted for the First Year of Operation, the cost of any future additional inspections, if any, required by Local Law 11 and any amendments thereto, shall be a Common Expense of all Unit Owners. Additionally, if Sponsor

has relinquished control of the Board of Managers at such time of the next inspection, the Unit Owner-controlled Board will be responsible for the coordination of such inspection and all future subsequent inspections. Since Sponsor is completing all remediation required as set forth in the Façade Report, it is not anticipated the Board will have substantial work to complete upon each inspection; as such, Sponsor projects the cost of an engineer to perform the inspection to cost no more than \$3,000.00 per inspection.

Each Unit will have a refrigerator/freezer, dishwasher, and range with oven and hood, washer and ventless dryer to be supplied by Sponsor to be located in a laundry closet installed within the Unit. Sponsor anticipates providing appliances in each of the Units manufactured by the manufacturers set forth in the Architect Report. The Sponsor reserves the right to provide fixtures and appliances from a variety of manufacturers of Equal or Better Quality than those set forth in the Architect Report. "Equal or Better Quality" shall mean materials, appliances, equipment and/or fixtures that have substantially the same life expectancy, warranty, basic performance, and maintenance expectations.

Refuse will be collected at the compactor room located at the ground floor.

Electricity is provided by Consolidated Edison Company ("**Con Ed**"). The electricity to the Residential Units will be separately metered by Con Ed and will be paid for by the owner of such Unit. The electricity consumed in the Common Elements will be borne by the Unit Owners as a Common Charge and be allocated to each Residential Unit in proportion to their Common Interest Percentage.

Gas is provided by Con Ed. The gas consumed in the Residential Units for cooking and generation of centralized domestic hot water will be collectively metered and allocated to each Unit Owner in proportion to their Common Interest Percentage. Gas for emergency power generation will be separately metered as well, and the cost of which will also be allocated to each Unit Owner in proportion to their Common Interest Percentage.

All Residential Units will be pre-wired for telephone service. Each Unit Owner will have the option to obtain service from any provider granted access to the Building by the Sponsor or Condominium Board. Every Unit Owner will be required to pay their associated telephone charges and initial charges for activating individual outlets in the Unit. While Sponsor will wire each Unit for such use, it is the responsibility of each Unit Owner to facilitate the installation of telephone service in their Unit. Sponsor makes no representations regarding which service providers will be available to the Building at any given time.

All Residential Units will be pre-wired for cable television service. Each Unit Owner will have the option to obtain service from any provider granted access to the Building by the Sponsor or Condominium Board. Every Unit Owner is required to pay the cable service provider for installing appropriate outlets and activating the wiring in the Unit. While Sponsor will wire each Unit for such use, it is the responsibility of each Unit Owner to facilitate the installation of

cable television service in their Unit. Sponsor makes no representations regarding which service providers will be available to the Building at any given time.

All Residential Units will be pre-wired for internet service. Each Unit Owner will have the option to obtain service from any provider granted access to the Building by the Sponsor or Condominium Board. Every Unit Owner will be required to pay the service provider directly for their internet service. While Sponsor will wire each Unit for such use, it is the responsibility of each Unit Owner to facilitate the installation of internet service in their Unit. Sponsor makes no representations regarding which service providers will be available to the Building at any given time.

All fixtures and equipment described in this Plan are included in the offering prices listed in Schedule A.

Building residents and their guests, subject to any rules which the Board may promulgate, will have certain facilities and amenities available for use as Residential Common Elements. There is an existing inner court at the north façade beyond an existing thirty-foot rear yard. There is an existing front yard. All Residential Unit Owners will have access to a lounge area and to a children's playroom located on the second floor of the Building, which will be accessible via the elevator and the interior staircase and corridor of the Building. There will also be a bicycle room located on the first floor of the Building to accommodate bike storage by Residential Unit Owners on a first-come, first-served basis. There will be space for approximately 11 bicycles, or 9 square feet per space.

New York City's Façade Inspection Safety Program ("FISP"), formerly known as Local Law 11/98 applies to this Building. FISP requires that owners of buildings, with six or more stories above grade, have their exterior walls and appurtenances inspected periodically. The next FISP report is due in five (5) year cycles. The next cycle will be between February 2022 and August 2022. Unless Sponsor still controls the Board at such time, the obligation to comply with FISP shall be solely on the Unit Owner-controlled Board. Sponsor shall have no responsibility or obligation to organizing such inspections after the termination of the Sponsor Control Period. In the same fashion, the Condominium Board will be responsible for maintaining the sidewalk(s) in accordance with the requirements of the Department of Transportation.

Purchasers are advised that all of the Common Elements in the Building may not be available for use at the time of the First Unit Closing. While Sponsor will attempt to provide all Common Elements within a reasonable time, Sponsor reserves the right to complete all Common Elements within twelve (12) months of the First Unit Closing. However, the Building will be fully staffed as of the First Closing. Purchasers will not be entitled to any credit or abatement against the Purchase Price or the Common Charges if any of the Common Elements are not available for use on or after a Purchaser's Closing. Notwithstanding the foregoing, the Condominium Board of Managers shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such Common Elements are not available.

Limited Common Elements consist of the portions of the Property (other than the Units and the Common Elements) existing for the sole use and enjoyment of certain Unit Owners to the exclusion of all other Unit Owners. Refer to Schedule A for the amount of Limited Common Elements available to each Unit Owner. The Limited Common Elements in this Building are as follows:

- There are balconies on the south façade on Units 3 through 8, Units 10 through 22, PH23 and PH24. These balconies are allocated to their appurtenant Unit as a Limited Common Element.
- Unit 9 will have a terrace allocated as a Limited Common Element on the south side of the Building.
- Unit SKY PH will have a terrace located at the lower level at the south side of the Building, and two terraces located at the upper level at each of the north and south sides of the Building, allocated as Limited Common Elements.

No structures of any kind may be erected on these Limited Common Elements without the express written permission of the Board of Managers, except for temporary structures. Each Unit Owner of a Unit to which a Limited Common Element is appurtenant shall be responsible for the cost and performance of all painting, decorating and non-structural ordinary maintenance, repairs, cleaning and replacements to such Limited Common Element. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Limited Common Element, unless the need for such repair or replacement was caused by the negligent act or omission of the Unit Owner of the Unit to which it is appurtenant, shall be allocated to all Unit Owners as a Common Expense. The Board of Managers shall have the right of access in and through these areas for the purpose of doing building maintenance inspections. Notwithstanding anything herein to the contrary, a Unit Owner who wishes to paint, decorate or make any other changes to a Limited Common Element appurtenant to their Unit, and which change deviates from the Limited Common Element as it was originally delivered by Sponsor, must first obtain express written permission from the Board of Managers.

All Residential Units will have lot line windows located at the west façade of the Building. Characterization of a window as a lot line window generally means that depending on the proximity and height of improvements on the adjacent property, the lot line window is required by law to be protected against fire occurring in the improvements on adjacent lots in a manner satisfactory to the Department of Buildings. Such fire protection can include sealing the window completely, sprinklering it, using glass block instead of ordinary window glass, or using windows made of steel with wire mesh. Consequently, prospective Purchasers should be aware that in the event that the adjacent property is renovated, reconstructed or enlarged at any time in the future, the lot line windows on this façade of the Building may be required to be in-filled with fire-rated construction. If certain of these windows remain open, they may be required to have sprinkler heads installed and their surrounding walls in-filled with fire-rated construction. The cost of any necessary construction to in-fill the lot line windows shall be allocated to all Unit Owners affected by such

an event as a Common Expense.

The Building is not a designated landmark nor is it in a landmark district.

Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including without limitation, changing materials, appliances, equipment, fixtures and other construction details) and to substitute in place of any materials, appliances, equipment, and fixtures set forth therein, materials, appliances, equipment and of a substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction is first obtained.

LOCATION AND AREA INFORMATION

Location

The Building is located on the north side of Livingston Street between Court Street and Clinton Street on the block bounded by Joralemon Street and Schermerhorn Street. The Building is in the Brooklyn Heights section of the Borough of Brooklyn. Directly across the East River Manhattan and connected to it by subways and regular ferry service, Brooklyn Heights is also easily accessible from downtown Brooklyn. The neighborhood stretches from Old Fulton Street near the Brooklyn Bridge south to Atlantic Avenue, and from the Brooklyn-Queens Expressway to Court Street and Cadman Plaza West. Adjacent neighborhoods are Dumbo, downtown Brooklyn, Cobble Hill and Boerum Hill.

The Sponsor has no other development projects in the immediate vicinity of this project.

Educational Institutions

The Building is located in school district number 15.

Grade Schools:

- | | |
|---------------------------------|--------------------|
| ▪ P.S. 261 Philip Livingston | 314 Pacific Street |
| ▪ P.S. 287 Bailey K. Ashford | 50 Navy Street |
| ▪ P.S. 29 John M. Harrigan | 425 Henry Street |
| ▪ P.S. 307 Daniel Hale Williams | 209 York Street |

Intermediate/Junior High Schools:

- | | |
|--------------------------------------|-------------------|
| ▪ Brooklyn School for Global Studies | 284 Baltic Street |
| ▪ School For International Studies | 284 Baltic Street |
| ▪ Satellite West Middle School | 209 York Street |

High Schools:

- | | |
|--|-------------------------|
| ▪ Brooklyn Frontiers High School | 112 Schermerhorn Street |
| ▪ Brooklyn International High School | 49 Flatbush Avenue Ext. |
| ▪ Cobble Hill School of American Studies | 347 Baltic Street |
| ▪ Urban Assembly School for Math & Science | 283 Adams Street |
| ▪ Urban Assembly School for Law & Justice | 283 Adams Street |

Sponsor, however, makes no guarantee or representation as to which school a child residing at the Building may be able to actually attend.

Zoning and Use

The Building is located in Zoning District C5-2A, within the Special Downtown Zoning District (DB). A C5 district is a central commercial district which allows retail frontage intended for offices and retail establishments that serve the area. The Special Downtown Brooklyn District is a unique mixed use area functioning as the economic, civic and retail center of the borough. , The district includes a hub of office buildings, courthouses and government buildings, major academic and cultural institutions, and active retail corridors. It is surrounded by historic residential neighborhoods. Use Groups 1-6 and 9-11 permit both residential and non-residential uses within the immediate area.

Municipal Services

Transportation:

The nearest subway lines are the 4, 5, 2 and 3 trains all stopping at the Borough Hall station. The N and R lines have stops nearby at Court Street and at Jay Street / Metrotech. The A, C and F lines also stop at the Jay Street / Metrotech station.

There are many different bus routes in the vicinity of the Building as follows:

B37: 3rd Avenue and 15th Street

B63: 5th Avenue and 15th Street

B103-LTD: 4th Avenue and 10th Street

Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance:

These services are provided by the City of New York and all charges (except water) are incorporated into City taxes. The property is located within the 84th Police Precinct located at 301 Gold Street, Brooklyn, New York 11201. The property is located within Engine 224 Firehouse located at 274 Hicks Street, Brooklyn, New York 11201.

Public Library:

The Brooklyn Public Library branch serving the area is the Brooklyn Heights Branch located at 280 Cadman Plaza West, Brooklyn, New York 11201.

Mailing Address and Postal Services:

The mailing address of the Property will be “67 Livingston Street, Brooklyn, New York 11201”. The post office servicing the Property is the General Post Office Station located at 271 Cadman Plaza East, Brooklyn, New York 11201.

Medical Facilities

- | | |
|--|--------------------|
| ▪ The Long Island College Hospital | 339 Hicks Street |
| ▪ The Brooklyn Hospital Center – Downtown Campus | 121 Dekalb Avenue |
| ▪ New York Downtown Hospital | 170 William Street |
| ▪ New York Methodist Hospital | 170 Sixth Street |

Religious Institutions

There are houses of worship of most major denominations in the vicinity of the Property.

After the date of submission of this Offering Plan to the Department of Law, Sponsor makes no guarantee or representation as to the continued operation of any of the services or amenities disclosed in this section of the Plan.

67 LIVINGSTON STREET CONDOMINIUM
SCHEDULE A FIRST YEAR OF CONDOMINIUM OPERATION
NOVEMBER 1, 2018 - OCTOBER 31, 2019

Unit	Bdrms	Baths	Unit Square Footage (1)	Limited Common Element Square Footage *	Offering Price (2)	% of Common Interest (3)	Estimated Monthly Common Charges (4)	Estimated Annual Common Charges (4)	Estimated Monthly Real Estate Taxes (5)	Estimated Annual Real Estate Taxes (5)	Estimated Monthly Total Carrying Charges
3	2	3	2050	33	\$ 2,550,000.00	3.7175%	\$ 645.64	\$ 7,747.68	\$ 1,799.17	\$ 21,590.09	\$ 2,444.81
4	2	3	2050	33	\$ 2,625,000.00	3.8268%	\$ 664.62	\$ 7,975.47	\$ 1,852.07	\$ 22,224.87	\$ 2,516.70
5	2	3	2050	33	\$ 2,700,000.00	3.9361%	\$ 683.61	\$ 8,203.27	\$ 1,904.97	\$ 22,859.65	\$ 2,588.58
6	2	3	2050	33	\$ 2,775,000.00	4.0455%	\$ 702.61	\$ 8,431.27	\$ 1,957.92	\$ 23,495.01	\$ 2,660.52
7	2	3	2050	33	\$ 2,850,000.00	4.1548%	\$ 721.59	\$ 8,659.06	\$ 2,010.82	\$ 24,129.79	\$ 2,732.40
8	3	3	2050	33	\$ 2,950,000.00	4.3006%	\$ 746.91	\$ 8,962.92	\$ 2,081.38	\$ 24,976.55	\$ 2,828.29
9	2	2	1681	346	\$ 2,995,000.00	4.3662%	\$ 758.30	\$ 9,099.64	\$ 2,113.13	\$ 25,357.54	\$ 2,871.43
10	2	2	1681	19	\$ 2,395,000.00	3.4915%	\$ 606.39	\$ 7,276.67	\$ 1,689.80	\$ 20,277.55	\$ 2,296.18
11	2	2	1681	19	\$ 2,495,000.00	3.6373%	\$ 631.71	\$ 7,580.53	\$ 1,760.36	\$ 21,124.31	\$ 2,392.07
12	2	2	1681	19	\$ 2,595,000.00	3.7831%	\$ 657.03	\$ 7,884.40	\$ 1,830.92	\$ 21,971.07	\$ 2,487.96
14	2	2	1672	19	\$ 2,695,000.00	3.9289%	\$ 682.35	\$ 8,188.26	\$ 1,901.49	\$ 22,817.83	\$ 2,583.84
15	2	2	1672	19	\$ 2,795,000.00	4.0746%	\$ 707.66	\$ 8,491.91	\$ 1,972.00	\$ 23,664.01	\$ 2,679.66
16	2	2	1672	19	\$ 2,895,000.00	4.2204%	\$ 732.98	\$ 8,795.78	\$ 2,042.56	\$ 24,510.77	\$ 2,775.55
17	2	2	1672	19	\$ 3,020,000.00	4.4027%	\$ 764.64	\$ 9,175.71	\$ 2,130.79	\$ 25,569.52	\$ 2,895.44
18	3	2	1672	19	\$ 3,145,000.00	4.5849%	\$ 796.29	\$ 9,555.44	\$ 2,218.97	\$ 26,627.68	\$ 3,015.26
19	2	2	1666	25	\$ 3,295,000.00	4.8036%	\$ 834.27	\$ 10,011.23	\$ 2,324.82	\$ 27,897.82	\$ 3,159.09
20	2	2	1666	25	\$ 3,370,000.00	4.9129%	\$ 853.25	\$ 10,239.02	\$ 2,377.72	\$ 28,532.60	\$ 3,230.97
21	2	2	1666	25	\$ 3,445,000.00	5.0222%	\$ 872.23	\$ 10,466.82	\$ 2,430.62	\$ 29,167.38	\$ 3,302.85
22	2	2	1666	25	\$ 3,520,000.00	5.1316%	\$ 891.23	\$ 10,694.82	\$ 2,483.56	\$ 29,802.74	\$ 3,374.80
PH 23	2	2	1662	25	\$ 3,570,000.00	5.2045%	\$ 903.90	\$ 10,846.75	\$ 2,518.84	\$ 30,226.12	\$ 3,422.74
PH 24	2	2	1662	25	\$ 3,620,000.00	5.2774%	\$ 916.56	\$ 10,998.68	\$ 2,554.13	\$ 30,649.50	\$ 3,470.68
SKY PH	4	3.5	2938	465	\$ 6,295,000.00	9.1769%	\$ 1,593.81	\$ 19,125.67	\$ 4,441.38	\$ 53,296.59	\$ 6,035.19
TOTAL			40,310	1,311.00	\$ 68,595,000.00	100.00000%	\$ 17,367.58	\$ 208,411.00	\$ 48,397.42	\$ 580,769.00	\$ 65,765.00

* Limited Common Elements include balconies and terraces appurtenant to a Unit. This exterior space may not be legally used as a bedroom or living room.

NOTES TO SCHEDULE A

1. Floor Plans depicting layouts of Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the sellable square footage of each Unit, as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan are approximate. The square footage calculations of the Units in Exhibit B to the Declaration set forth in Part II of this Plan are also approximate. Each Residential Unit is measured horizontally from the exterior side of exterior walls (perimeter columns and mechanical pipes, ducts and shafts are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, and other mechanical equipment spaces or any Common Elements or Limited Common Elements and include the elevator and one half of the total egress stairs on that Unit's floor. Notwithstanding the foregoing, any Common Elements located within this described form of measurement shall not be considered part of such Unit. Each Unit will be measured vertically from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Since the area calculations are not based upon measurements from interior surfaces of interior walls, the usable floor area of each Unit is significantly less than the area listed in Schedule A. Because dimensions listed are based on this method of measurement, they do not accurately represent the interior space in the Units and substantially exceed the actual floor area. Floor area may include columns, mechanical pipes shafts, shaftways chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit also includes the interior doors and walls and all plumbing, gas and electrical fixtures, lines, conduits and equipment such as refrigerators, dishwashers, panel boxes, ranges and other appliances, as may be affixed, attached or appurtenant to said Unit, not including the Building heating equipment and system, plumbing, gas and electrical fixtures and equipment as used in the preceding sentence include exposed and unexposed (to the extent solely serving or benefiting the Unit) gas and water pipes attached to the fixtures, appliances and equipment fixtures, appliances and equipment, and appliances and any special equipment, fixtures or facilities affixed, attached, or appurtenant to the Unit. Since the area calculations are not based upon measurements from interior surfaces of interior walls, the usable floor area of the Units is substantially less than the area listed in Schedule A. Measurements are approximate and are within reasonable tolerances.

Limited Common Elements consist of the portions of the Property (other than the Units and the Common Elements) existing for the sole use and enjoyment of certain Unit Owners to the exclusion of all other Unit Owners. The Limited Common Elements are appurtenant to specified Units and may not be legally used as a bedroom or living room and using the space for such purposes may result in building code violations. The Limited Common Elements in this Building are as follows:

- There are balconies on the south façade on Units 3 through 8, Units 10 through 22, PH23 and PH24. These balconies are allocated to their appurtenant Unit as a Limited Common Element.
- Unit 9 will have a terrace allocated as a Limited Common Element on the south side

of the Building.

- Unit SKY PH will have a terrace located at the lower level at the south side of the Building, and two terraces located at the upper level at each of the north and south sides of the Building, allocated as Limited Common Elements.

No structures of any kind may be erected on the Limited Common Elements without the express written permission of the Board of Managers, except for temporary structures. Each Unit Owner of a Unit to which a Limited Common Element is appurtenant shall be responsible for the cost and performance of all painting, decorating and non-structural ordinary maintenance, repairs, cleaning and replacements to such Limited Common Element. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Limited Common Element, unless the need for such repair or replacement was caused by the negligent act or omission of the Owner of the Unit to which it is appurtenant, shall be allocated to all Unit Owners as a Common Expense. The Board of Managers shall have the right of access in and through these areas for the purpose of doing building maintenance inspections. Notwithstanding anything herein to the contrary, a Unit Owner who wishes to paint, decorate or make any other changes to a Limited Common Element appurtenant to his or her Unit, and which change deviates from the Limited Common Element as it was originally delivered by Sponsor, must first obtain express written permission from the Board of Managers.

2. The Purchase Prices of Units may be negotiated by Sponsor and therefore, may be changed. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other monetary terms of sale, including granting a mortgage loan contingency in a Purchase Agreement in an amount agreed to by Sponsor, without filing an amendment to the Plan at any time during the offering period, if such a decrease in the Purchase Price, modification of other monetary terms of sale, or mortgage loan contingency does not constitute a general offering or an advertised price, but is rather the result of an individually negotiated transaction. See “Changes in Prices and Units” and “Unit Closing Costs and Adjustments” in Part I of the Plan, for a more detailed description of purchase prices and closing costs.

3. The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(iv) of the Condominium Act, is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, as well as, the uniqueness of the Unit. The Common Interest is the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit.

4. The projected monthly Common Charges provide for the maintenance of the Property outlined in Schedule B. The actual first year of operation may be earlier or later than the projected annual period. In addition to these estimated charges, each Unit Owner will be responsible for paying the following charges pertaining to their Unit:

- (i) mortgage debt payments under any loan or loans obtained to finance the acquisition of a Unit;
- (ii) the cost of electricity, gas, cable, or internet service supplied to the Unit, which will be separately metered or measured by, and will be payable directly to, the utility company or provider of such services as and when billed; See “Budget for Individual Energy Costs Schedule B-1” in Part I of the Plan for a more detailed description of the projected cost of electricity and gas supplied to the Unit.
- (iii) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit (including, without limitation, the equipment and appliances contained therein); and
- (iv) the cost of insurance that the Unit Owner covering (a) furniture, belongings, equipment and other personal property and (b) The Unit Owner’s liability to others for personal injury or property damage as a result of occurrences in the Unit. Common Expenses are allocated only among the Unit Owners in accordance with their Common Interest.

5. Upon substantial completion of construction, the Property will be classified by the New York City Department of Finance (“**DOF**”) as a Tax Class 2 property. The policy of DOF is to apportion each Unit’s real estate taxes based on its Common Interest, in relation to the assessed value of the entire property. However, Sponsor makes no representation that DOF will actually apportion the real estate taxes for each Unit based on Common Interest.

Sponsor retained Metropolitan Realty Exemptions, Inc., (“**MRE**”) to provide an opinion on the projected real estate taxes payable by Residential Unit owners. MRE has determined that upon substantial completion of construction, the DOF will classify the Condominium as a Tax Class 2 and levy the assessed value on a 45% rate of the market value. The First Year of Operations is estimated to be November 1, 2018 through October 31, 2019. Taxes for the First Year of Operations has been projected to be a blended rate of a portion of the taxes projected to be due at the rate during the 2018-2019 tax year (July 1, 2018 – June 30, 2019); and a portion of the taxes projected to be due at the rate during the 2019-2020 tax year (July 1, 2019 – June 30, 2020). MRE estimates the assessed value of the Condominium will be \$3,023,370 for the 2018-2019 tax year, and \$7,651,730 for the 2019-2020 tax year, which results in a blended assessed value for the first year of Condominium operation estimated to be \$4,566,157. The estimated real estate tax liability for the Condominium is therefore estimated to be \$580,769 for all Condominium Units. Real estate tax projections were based on the tax rate of 12.719%.

After the Condominium is divided into individual tax lots by the Department of Finance, each Unit will be taxed as a separate tax lot for real estate tax purposes, and individual Unit Owners will not be responsible for, nor will the Unit be subject to, any lien arising from the nonpayment of taxes on other Units.

No warranty, guarantee or assurance is given that:

- (i) any projected or estimated amount set forth above including, without limitation, the estimates of the Property's assessed valuation during the first year of Condominium operation; the estimates of the portions of such assessed valuations that will be allocable to the Units; the tax rate that will be in effect during the first year; will approximate the actual amount; or
- (ii) DOF will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used by MRE for such purpose, or that DOF will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above.

See "Real Estate Taxes" in Part I of this Plan and the opinion of Metropolitan Realty Exemptions, Inc., dated March 14, 2018, both of which are set forth in Part I of the Plan.

6. The total monthly carrying charges do not reflect the after tax cost of the carrying charges. A non-corporate Residential Unit Owner who itemizes their deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to their Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed \$750,000.00, or \$375,000 in the case of a married individual filing a separate return, and (d) the Unit is a "qualified residence." The Federal limitation on the deduction for real estate taxes applies in the aggregate to, and is inclusive of, state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local taxes combined is \$10,000 (\$5,000 in the case of a married individual filing a separate return). The amount of any available deductions may vary due to changes in the interest rate, the allocation of constant debt service payments to interest, and state and local taxes. For some taxpayers, the foregoing deductions may also be impacted by the alternative minimum tax. No opinion is expressed as to the taxation of Unit Owners who are not New York State residents or not individuals. Please consult Counsel's Income Tax Opinion in Part I of this Plan for all conditions of deductibility. Purchasers are strongly encouraged to consult with their own tax professionals to ascertain the tax costs and benefits, if any, of ownership of a Unit.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL CARRYING CHARGES OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS STATED, OR THAT SUCH CARRYING CHARGES OR EXPENSES WILL NOT VARY FROM THE AMOUNTS SHOWN IN SCHEDULE A.

67 LIVINGSTON STREET CONDOMINIUM

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION (See Note 1) November 1, 2018 to October 31, 2019

ESTIMATED INCOME

Common Charges (Note 1) \$218,187.00

Total Income: \$218,187.00

ESTIMATED EXPENSES:

Labor and Related Expenses (Note 2)	\$ 55,000.00
Electricity (Note 3)	\$ 27,500.00
Gas (Note 4)	\$ 4,884.00
Water and Sewer Charges (Note 5)	\$ 6,643.00
Repairs, Maintenance and Supplies (Note 6)	\$ 10,000.00
Service Contracts (Note 7)	\$ 11,310.00
Insurance (Note 8)	\$ 38,000.00
Management Fee (Note 9)	\$ 38,000.00
Legal and Audit Fees (Note 10)	\$ 5,000.00
Reserve (Note 11)	\$ 12,074.00
TOTAL	\$208,411.00

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from November 1, 2018 to October 31, 2019. The actual First Year of Condominium Operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by twenty-five percent (25%) or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their down payments returned, together with interest earned thereon.

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

FOOTNOTES TO SCHEDULE B

1. These amounts represent the total Common Charges to be levied against and collected from the Unit Owners during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Common Expenses are allocated among the Units on the basis of percentage of Common Interest.

No warranty is made with respect to the amount of any budget item. The projected budget has been reviewed by the Sponsor's budget expert, Marc Kotler of First Service Residential. Based upon the consumption and related building maintenance information that the Sponsor has provided to Mr. Kotler, the budget is believed to be reasonable.

2. Labor: \$55,000.00

The Sponsor anticipates the buildings' staff will consist of one part-time Superintendent working twenty (20) hours per week with an annual salary of \$25,000.00 and one part-time Doorman working twenty (20) hours per week with an annual salary of \$30,000.00. Payroll taxes, unemployment, disability and worker's compensation insurance benefits are estimated at approximately twenty percent (20%) of salary. The base wages and employer costs for the part-time Superintendent position is projected as follows:

Part-time Superintendent at approximately \$24.00 per hour	\$20,000.00
Part-time Doorman at approximately \$29.00 per hour	\$24,000.00
FICA (approximately 8% of wages)	\$4,400.00
Worker's Compensation Insurance	\$6,600.00
Total	\$55,000.00

The part-time Superintendent duties will include the following: (i) cleaning and maintaining the sidewalks in front of the Buildings, the lobby, halls and cellar spaces which are General Common Elements, and bag and put out refuse on curb side for pick up in accordance with the schedule provided by the Department of Sanitation; and (ii) monitoring contractors making repairs to the General Common Elements, such as, the roof, exterior walls, foundations, incoming water and sewer lines, etc. The part-time Doorman duties will include the following: maintain lobby desk, announce guest, sign for and handle packages and deliveries. The above budget allocation is based upon ordinary operations. In the event major capital improvements are needed, the Board of Managers will determine any change needed in the budget allocation.

All wages meet State and Federal minimum wage laws. Such level of staffing complies with all applicable housing labor laws.

No warranty is given that the actual wages and related taxes during the First Year of Condominium Operation will not exceed the budgeted amounts. However, the projected

expenses for wages are based on current wage rates and payroll tax rates, adjusted for reasonably anticipated increases.

Sponsor anticipates using non-union labor staff.

Notwithstanding anything to the contrary stated herein, janitorial services will be available for the building on a twenty-four hour per day basis in compliance with Section 27-2054 of New York City Administrative Code.

3. Electricity: \$27,500.00

The amount set forth is the estimate for the electricity consumed only by the Common Elements, since the electricity for Units is individually metered by Consolidated Edison of New York. Electricity will be used to operate the elevators, any water pumps, building equipment air conditioning, fans, and lighting throughout the interior and exterior of the Common Elements areas of the Building. Allocation of the electricity consumed with respect to the Common Elements is based on a master meter from Consolidated Edison explicitly for the Common Elements.

The projected Common Element electricity cost of \$27,500.00 is based on a consumption of 110,000 KWH of electricity at an average cost of \$0.25 including tax, per KWH. The foregoing estimate is based upon the opinion letter dated July 19, 2017, from ATOZ Consulting Engineers, PC whose address is 363 Seventh Avenue, 3rd floor New York, NY 10001

It is impossible to predict whether the budgeted figure will reflect the actual cost of electricity during the First Year of Condominium Operation. This cost will vary with both the level of consumption and the rate charged by the utility company.

See Schedule B-1 for the projected costs associated with individual electric consumption.

4. Gas for cooking and hot water. \$4,884.00

The amount set forth is the estimate for the domestic hot water and cooking gas for the Condominium. The budget amount is for the first year of operation of the entire residential portion and is based on estimated total consumption of, 4,070 therms/year, at an estimated cost of \$1.20 per therm or an estimated cost of \$4,884.00 including tax, for gas usage. The foregoing estimate is based upon the opinion letter dated July 19, 2017, from ATOZ Consulting Engineers, PC whose address is 363 Seventh Avenue, 3rd floor New York, NY 10001

It is impossible to predict whether the budgeted figure will reflect the actual cost of gas during the First Year of Condominium Operation. This cost will vary with both the level of consumption and the rate charged by the utility company. The level of consumption of gas in particular will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating and lowering the temperature of the heat, etc.) adopted by the Board.

5. Metered Water and Sewer Charges: \$6,643.00

The budgeted amount of \$6,643.00 constitutes a projection of the water and sewer charges that will be payable by the Condominium during the First Year of Condominium Operation. It is based upon an estimated consumption of 67,340 cubic feet of water at a rate of \$3.81 per 100 cubic foot and sewer at a rate of 159% of applicable water charge. Water usage will be metered for the entire building. The foregoing estimate is based upon the opinion letter dated July 19, 2017, from ATOZ Consulting Engineers, PC whose address is 363 Seventh Avenue, 3rd floor New York, NY 10001

It is believed that the budgeted amount should be sufficient to cover any reasonable increase in the cost of water and sewer charged during the First Year of Condominium Operation. However, no budget item is warranted as to its accuracy, sufficiency or otherwise.

6. Repairs, Maintenance and Supplies: \$10,000.00

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting of the Common Elements at such intervals as the Board of Managers determines to be appropriate, and supplies, such as, cleaning supplies, lubricants, light bulbs, fixtures, hardware, garbage bags, etc. used in connection with the operation of the Common Elements.

7. Service Contracts: \$11,310.00

All service contracts entered into by the Sponsor may be terminated by the Condominium within thirty (30) days by giving written notice to the service provider. The Sponsor anticipates that the Condominium will enter into the following maintenance service contracts during the First Year of Condominium Operation:

- (a) An extermination contract with Positive Pest Management having an address at P.O. BOX 570165, Whitestone, NY 11357 at an estimated annual cost of \$1,110, paid in equal monthly installments.
- (b) An Elevator Contract with Unitec Elevator having an address at 97-20 99th Street, Ozone park, NY 11416 at an estimated annual cost of \$10,200.00 paid in equal monthly installments.

All of the foregoing service contract estimates are based upon current service contract rates.

During the First Year of Condominium Operation, Sponsor reserves the right to enter into service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium. However, Sponsor will not enter into any service or maintenance contract that will materially increase Common Expenses for the first year or that will bind the Condominium for more than two (2) years, unless disclosed in this Plan by way of amendment.

8. Insurance: \$38,000.00

The insurance premiums are based on a letter, dated June 9, 2017, from Brian Wilkins of NFP, having an address at 45 Executive Drive Plainview, New York 11803-1703 setting forth the following coverage:

PROPERTY:

▪ Building Replacement Cost Value:	\$ 22,254,300
▪ General Aggregate Liability:	\$ 2,000,000
▪ Personal and Advertising Injury:	\$ 1,000,000
▪ Each Occurrence:	\$ 1,000,000
▪ Boiler & Machinery:	Insured to Value
▪ Officers and Director's Liability	\$1,000,000
Premium	\$21,500.00

Coverage for the following items is not included in the budget, but may be available at an extra cost: water damage; elevator collision; and excess liability. The coverage does not include claims for personal injury or property damage resulting from occurrence in individual Units, nor does it include coverage of the furniture or personal property of Units Owners.

This is a one-year policy with no specific prohibitions against renewal.

In the opinion of Mr. Wilkins, the foregoing coverage is sufficient to replace the Buildings in the event of a total loss during the First Year of Condominium Operation.

This quotation is a projection of rates for the First Year of Condominium Operation. However, because conditions in the insurance marketplace are volatile, it is not possible to predict exactly what the premiums will be during this time. Purchasers should be aware of the possibility of rate increases.

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

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

Insurance expenses for the Condominium have been allocated among the Units on the basis of percentage of Common Interest. Individual Unit Owners must procure additional insurance at their own expense to cover such risks as fire and casualty losses to Unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the Unit, or (where applicable) on Limited Common Elements.

9. Management Fee: \$38,000.00

The management fee is based on the management agreement to be entered into with FirstService Residential New York LLC having an address 622 Third Avenue, New York, New York, 10017. Based on the opinion of the Sponsor's budget expert, FirstService Residential, the

fee for the managing agent for the First Year of Condominium Operation is comparable to the fees charged for such services at comparable buildings. FirstService Residential is not affiliated with Sponsor. Reference should be made to the summary of the Management Agreement in Section 28, entitled "Management Agreement and Other Contractual Obligations."

10. Legal and Audit Fees: \$5,000.00

Based upon the estimate of Roy K. Danischewski, Certified Public Accountants, located at 361 Edison Street, Lower Level Office Suite, Staten Island, New York, 10306, \$3,500 has been budgeted for fees to be incurred in connection with the preparation of the book keeping services and for the preparation of form 1120H, for the First Year of Condominium Operation and its Federal and New York State income tax returns. The balance of the budgeted amount (\$1,500) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

Legal and audit fees have been allocated among all Units on the basis of percentage of Common Interest.

11. Reserve: \$12,074.00

Reserves are intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses and is to be used at the discretion of the Board of Managers. The reserve does not include a reserve for major capital replacements, for which no provision is made under this budget. The amount of the Reserve Fund for the First Year of Operations was determined by a reserve study of the Building dated October 9, 2018 performed by Strategic Inspections, LLC. This report projected the capital repair and replacement reserve for thirty (30) years and determined that the amount set forth in this First Year Budget is an adequate figure for the First Year of Operations of the Condominium.

IN THE OPINION OF FIRSTSERVICE RESIDENTIAL NEW YORK INC. THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING NOVEMBER 1, 2018. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium upon commencement of condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the

Condominium for a period of more than two (2) years, unless the Plan is amended.

Special Note re: Closing adjustments: At closing, the Sponsor will adjust with the Condominium certain ongoing costs that have been prepaid by the Sponsor for the First Year of Condominium Operation, such as insurance for the Condominium. The Condominium will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund. If the Working Capital Fund is not sufficient, an assessment may be issued.

SCHEDULE B-1

November 1, 2018 to October 31, 2019

ESTIMATED UTILITY COSTS FOR RESIDENTIAL UNITS

The figures set forth on Schedule B-1 for the estimated costs of electricity usage are based upon a quotation provided by Sponsor's consultant, by ATOZ Consulting Engineers, PC, 363 Seventh Avenue, 3rd Floor, New York, New York 10001.

ELECTRICITY COSTS FOR INDIVIDUAL UNITS			
<u>Unit</u>	<u>Total Annual kWh</u>	<u>Estimated Annual Electric Charges</u>	<u>Estimated Monthly Electric Charges</u>
2	11,632	\$2,908.00	\$242.33
3, 4, 5, 6, 7, 8	19,635	\$4,908.75	\$409.06
9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22 23, PH23 and PH 24	17,385	\$4,346.25	\$362.19
SKY PH	25,884	\$6,471.00	\$539.25

The electric cost projections presume standard usage of heating, air conditioning, lighting, refrigerator, dishwasher, clothes washer, clothes dryer, hot water heater and other standard household appliances. These estimates of electricity costs are based upon a projected rate of \$0.25 per kWh. The estimates include service charges, taxes and allow for a reasonable inflation factor over current rates.

The costs of providing electricity is based on normal estimated use and are highly dependent on the number of people residing in a Unit and their pattern of usage. These costs are also subject to market variations which may result in unanticipated large cost increases. Consumption will be affected by various and unpredictable factors including conservation measures (if any) adopted by the Condominium Board. Electricity prices fluctuate are volatile due to various political and economic considerations, and future costs cannot be accurately predicted and are inherently uncertain.

Gas, Water, and Sewer Charges are commonly metered. The cost of gas for cooking and hot water as well as the water and sewer charges will be borne to Unit Owners as part of Common Charges. See Schedule B.

In the opinion of First Service Residential New York Inc. retained by Sponsor (see Certification of Budget in Part II of the Plan), the amounts set forth in Schedule B-1 appear reasonable and adequate under existing circumstances to meet the reasonably anticipated costs to provide utility services to the Units. However, no budget item is warranted as to its accuracy, sufficiency or otherwise.



PART 20: LETTER TO ATTORNEY GENERAL
RE: REAL PROPERTY LAW SECTION 339-i.1 COMPLIANCE

September 14, 2017

New York State Department of Law
28 Liberty Street, 21st Floor
New York, New York 10005
Attn: Real Estate Finance Bureau

Re: Condominium Offering Plan
67 Livingston Street Condominium
67 Livingston Street
Brooklyn, New York 11201 ("Property")

Dear Sir/Madam:

67 Livingston LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained FirstService Residential New York, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over twenty-five (25) years and have been actively associated with sale and management of condominium and cooperative buildings.

The Firm has been advised by Sponsor that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i.1 based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

In the Firm's opinion, within the framework of Real Property Law Section 339-i.1, this method of determining Common Interest is reasonable and equitable.

The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter and the First year's budget set forth in Schedule B to the Offering Plan. The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

All capitalized terms not defined in this letter shall have the meaning ascribed to them in the Offering Plan.

Very truly yours,

FirstService Residential New York, Inc.

By:



Name: Marc Kotler

Title: Senior Vice President

New Development Group

CHANGES IN PRICES AND UNITS

Changes in Prices

The Units will be offered at the prices set forth in Schedule A. Offering prices may be changed by a duly filed amendment to the Plan when the change in price is an across-the-board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. However, prices and specified terms of sale may be negotiated on an individual basis and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at lower prices than those set forth in Schedule A, provided that in the case of a price increase to an individual Purchaser an amendment containing the new price will be submitted to the Department of Law prior to a contract being entered into at a higher price. In the case of an individual price decrease, no amendment shall be necessary for the price to be effective. If an amendment whose sole purpose is to effect a change in price is submitted to the Department of Law for filing, and no prior amendment has been submitted to but not yet filed by the Department of Law, the amendment shall be deemed filed when submitted.

Changes in Units

Site conditions may cause variations in walls, ceilings, heights and other dimensions from those included in the Floor Plans or otherwise described in this Plan. If the layout and dimensions of a Unit does not materially deviate from the Plans and Specifications, subject to Sponsor's right to make changes necessitated by site conditions, a Purchaser will not be excused from purchasing the Unit for such reason and will not have any claim against Sponsor as a result of such non-material deviation. Sponsor will have no liability to any Purchaser nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for Purchaser's Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of an immaterial inaccuracy or error in the Floor Plans as determined by the reasonable person standard.

In order to meet the possible varying demand for number and type of Units, or to meet the particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right at any time, both before and after recording the Declaration and without the consent of Purchasers, Unit Owners or the Board of Managers, with respect to Units owned by Sponsor and for which no Purchase Agreement has been executed, to (i) change or reverse the layout of any Unit and make adjustments in interior dimensions of Units, (ii) change the number of rooms in any Unit, (iii) change the size and/or number of Units by subdividing one or more such Units into two or more separate Units, combining separate Units into one or more Units, altering boundary walls of Units, or otherwise, including, without limitation, incorporating any wall, hallway or portion thereof, space, or other area abutting a Unit or Unit(s) owned by Sponsor into one or more of said Units or otherwise, and (iv) if appropriate, reapportion the Common Interest among the Units affected by such change.

In the event Sponsor changes the size and/or number of Units, Sponsor shall increase or decrease the Common Interests appurtenant to such affected Units accordingly; however, the aggregate amount of the Common Interests of all of the Units shall remain at 100%. As a result of such a reapportionment of Common Interests of affected Units, the amount of the Common Charges and the real estate taxes and assessments payable by the Owners of such affected Units will be increased or decreased in direct proportion to changes made to Common Interests. However, the amount of the Common Charges and real estate taxes and assessments payable by the Owners of Units unaffected by these changes and for whom there has been no change in Common Interest will not be varied. Common Interest need not be reapportioned if a portion of the public hallway is incorporated into a Unit or Units as described above.

Any material change in size, dimension, floor space, Common Interest or layout of a Unit will be disclosed in an amendment to the Offering Plan. Unless all Purchasers consent, no material change will be made in unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit, and no material adverse change will be made in the quality of the common elements.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, nor may the Common Interest of any Unit be changed materially in size or in quality, unless the Plan is amended and if applicable, the Declaration is amended and such amendment is duly recorded; provided however, that any such alteration of the boundary walls shall not prevent necessary ingress and egress to any Unit or to any portion of any Common Elements for common use nor eliminate Building amenities such as the entrance lobby and the mailbox room. Notwithstanding anything in this Offering Plan to the contrary, if Sponsor must make material changes to size, dimension, Common Interest, floor space or layout of Units or to size, dimension, layout, quantity or quality of Common Elements, due to site conditions, governmental requirements or other unforeseen circumstances, Sponsor will amend the Plan accordingly to disclose the changes. Any Purchaser under contract to purchase a Unit whose purchase would be materially and adversely affected by such changes, will be given the right to rescind the Purchase Agreement and at least fifteen (15) days within which to exercise this right, and if rescission is exercised, will receive back the Down Payment made thereunder together with any interest earned thereon.

The provisions of the Declaration concerning combination and/or partitioning of any Unit by the Sponsor or its designee may not be modified or deleted by amendment without the written consent of the same. Sponsor shall have the power to execute any documents on behalf of the Condominium required in connection with any amendment to the Declaration or By-Laws permitted or required above or to any application or other documents required in connection with any such amendment by any administrative agencies asserting jurisdiction there over, including, without limitation, any application or documents required by the Building Department and/or the Real Estate Assessment Bureau in connection with designations of separate tax lots for the affected Units or otherwise. Nonetheless, the Unit Owners not involved in any such change and the Board of Managers shall execute promptly and without charge any documents or applications

necessary or convenient in connection with the effectuation of the provisions hereof, and by accepting the deed for his or her Unit a Unit Owner grants to the Sponsor and its designees an irrevocable power of attorney coupled with an interest to execute, deliver and/or record any amendment to the Declaration and the By-Laws and any and all documents and applications necessary or convenient to effectuate the foregoing. The form of said Power of Attorney is contained in Part II of the Plan.

No material change will be made in the size and no material adverse change will be made in the quality of the Common Elements unless all Purchasers have consented, and the Plan is amended to reflect such change.

INTERIM LEASES

Unsold Units may be leased to Purchasers who have executed a Purchase Agreement for such Unit at any time, both before and after the First Closing. Once a Purchase Agreement is accepted for a vacant Unit, however, and for so long as such Purchase Agreement is in effect, such Unit may only be leased to the Purchaser thereof pursuant to a lease (an "Interim Lease") on the terms set forth in this Section. The form of the Interim Lease is located in Part II of the Plan. Any Interim Lease shall be subordinate to the mortgage held by the Construction Lender. The Agreement shall be deemed invalid and of no force and effect without the prior written consent of Sponsor's Mortgagee (a/k/a the Construction Lender).

Interim leases will not be subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, or the New York City Rent Stabilization Code, as such laws are presently in effect. The term of each such Interim Lease shall expire on the earliest to occur of (i) the date of Closing of Title to the Unit covered by such Interim Lease, (ii) the date fixed in the Interim Lease for the expiration of the term, (iii) the date upon which the Interim Lease is terminated at the option of Sponsor by reason of a default by the Purchaser-tenant under the Interim Lease or a casualty or condemnation affecting the Unit or (iv) the date upon which the Interim Lease is terminated by the Purchaser-tenant or Sponsor as provided below. The rent payable under the Interim Lease shall be negotiated by the parties but shall in no event exceed the maximum legal rent, if any, permitted under Applicable Laws.

In the event a Purchaser takes possession of a Unit prior to Closing pursuant to an Interim Lease, upon an uncured default by Purchaser under the terms of the Interim Lease which is not cured within 30 days after notice thereof, or immediately after Purchaser exercises any right of rescission with respect to the Purchase Agreement, Purchaser's right to occupy the apartment will terminate, and Purchaser must vacate the Apartment. Purchaser shall pay to Sponsor \$500.00 per day for each day he remains in possession following the periods set forth above. Notwithstanding the foregoing, Sponsor will not seek or accept release of any portion of a defaulting Purchaser's Deposit until consummation of the Plan. Nothing contained herein shall be construed so as to limit Sponsor's ability to have Purchaser evicted from the premises and to pursue any other legal remedy available to Sponsor, nor shall anything herein be construed as a waiver by the Sponsor of his right to retain, as liquidated damages, the Deposit deposited upon execution of the Purchase Agreement. Pursuant to the terms of the Interim Lease, in the event of Purchaser's default under the terms of the Interim Lease, Sponsor may direct the Escrow Agent to pay any use and occupancy fees and/or per diem fees due by Purchaser from Purchaser's Deposit. Sponsor may utilize a default under the Interim Lease to declare a default under the Purchase Agreement, however, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser, unless the Purchaser has vacated the unit. Nevertheless, Sponsor may utilize a default under the Purchase Agreement to declare a default under the Interim Lease without an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser.

In no event will any portion of the rental paid under an Interim Lease be credited towards the Purchase Price of the Unit subject to the Interim Lease unless such term is negotiated by Sponsor and Purchaser.

If the Plan is abandoned, a Unit occupied pursuant to an Interim Lease shall be subject to the provisions of any Applicable Rent Laws that may be in effect with respect to such Unit at the time of such abandonment.

A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be doubly insured. The risk of loss is assumed by a Purchaser who has taken possession of the Unit prior to closing to the extent that such loss is not covered by Sponsor's insurance.

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 or other grounds prohibited by law.

If there are any inconsistencies between the Interim Lease and the Plan, the terms of the Plan shall govern.

PROCEDURE TO PURCHASE

Purchase Agreement

A person desiring to purchase a Unit will be required to execute, in quadruplicate, a Purchase Agreement substantially in the form set forth in Part II of this Plan, and deliver the Purchase Agreement to Sponsor together with a check equal to the sum of ten percent (10%) of the purchase price. Said check shall be drawn to the order of “Marans Weisz & Newman LLC, as Escrow Agent.” All funds received from Purchasers, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by Purchaser to the order of Marans Weisz & Newman LLC as Escrow Agent.

Purchasers will be afforded at least three (3) business days to review the Plan and all filed amendments thereto prior to executing a Purchase Agreement. In the event a Purchaser has not had at least three (3) business days to review the Plan and all filed amendments prior to signing and delivering a Purchase Agreement, the Purchaser may rescind within seven (7) days of delivery of an executed Purchase Agreement together with the required Deposit by giving the Sponsor written notice of such rescission by personal delivery (or if sent by mail such notice must be postmarked within the seven-day period).

If the Sponsor elects to accept the Purchase Agreement, one counterpart thereof signed by the Sponsor or a pdf version of the Purchase Agreement signed by Sponsor if the Agreement allows for same, will be returned to the Purchaser or Purchaser’s counsel within thirty (30) days of delivery of the same to the Sponsor. If the Purchase Agreement is not accepted by Sponsor by the end of such period it will be deemed rejected. Sponsor may reject any Purchase Agreement, without cause or explanation, so long as such rejection is not based upon race, creed, color, sex, national origin, ancestry, or any other ground proscribed by law. In the event of such rejection, the Purchaser’s Deposit will be promptly refunded. The Purchase Agreement will not be binding upon Sponsor until a copy executed by or on behalf of the Sponsor is delivered to the Purchaser or Purchaser’s counsel.

The Purchase Agreement is contingent upon effectiveness of the Plan. If the Plan is abandoned, Purchase Agreements will be terminated, and all monies held by Sponsor shall be returned to Purchasers and neither party shall have any further rights or obligations arising thereunder or relating thereto. The relevant escrow trust fund provisions are included in Paragraph 3 of the Purchase Agreement. The Escrow Agent shall execute the Purchase Agreement, solely as to Paragraph 3 of the Purchase Agreement, prior to delivering the Purchase Agreement, fully executed, to Purchaser.

A complete copy of the form of Purchase Agreement is included in Part II of the Plan.

Purchase Agreement is Not a Lien

Neither the Purchase Agreement nor the Deposit or any payment given for special work is a lien against the Property or the Unit. Purchaser may not record the Purchase Agreement and will be in default if Purchaser attempts to record it.

Conflicts between Plan and Purchase Agreement

Any conflict between the Plan and the Purchase Agreement will be resolved in favor of the Plan. However, this shall only be applicable to initial Purchasers who purchase their Unit from Sponsor.

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 General Business Law.

A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation whatsoever as to the terms or availability of any mortgage or other financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment. Prospective purchasers who require financing are advised to consult with a lending institution before executing a Purchase Agreement.

Purchaser Financing

The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by Sponsor as to the availability of such financing.

Notwithstanding and without limiting the foregoing, and solely for informational purposes, Sponsor has selected Wells Fargo Home Mortgage as Sponsor's preferred lender/broker for purchaser financing (the "Sponsor Designated Lender/Broker"). For further information on financing, Purchasers are advised to reach out to the Sponsor Designated Lender/Broker by contacting either (i) Andrew Mendelsohn, Email: Andrew.E.Mendelsohn@wellsfargo.com, Tel: 212-214-7765; or (ii) Scott van der Marck, Email: Scott.Vandermarck@wellsfargo.com, Tel: 212.214.7894. If Purchaser obtains financing through the Sponsor Designated Lender/Broker, the fee to Sponsor's counsel pertaining to a Purchaser

obtaining financing shall be waived.

Purchasers should note that even if Purchaser submits an application to the Sponsor Designated Lender/Broker, Purchaser's obligation to purchase shall not be contingent on obtaining such financing.

The Sponsor Designated Lender/Broker is not affiliated with nor is a principal of Sponsor, and Sponsor will not receive any compensation for any commitments issued by the Sponsor Designated Lender/Broker. The Sponsor Designated Lender/Broker charges prevailing rates and offers prevailing terms.

A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation whatsoever as to the terms or availability of any mortgage or other financing. Prospective purchasers who require financing are advised to consult with a lending institution before executing a Purchase Agreement. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling, or adjournment of closing beyond the expiration of a loan commitment.

Balance of Purchase Price and Closing Documents

After the Plan has been declared effective, Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser that the Plan was declared effective on a certain date and setting such Purchaser's Closing Date. Such notice will be served in compliance with the regulations promulgated by the New York State Department of Law no less than thirty (30) days before the date set for the Closing of the Units. Purchasers may waive this thirty (30) day notice provision in a writing addressed to Sponsor.

Sponsor anticipates that the first closing of a Unit will occur by November 1, 2018. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than October 31, 2019, twelve (12) months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date. However, if the first closing occurs before November 1, 2019, Sponsor may schedule the closings of title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

TIME IS OF THE ESSENCE with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under the Purchase Agreement. Upon the occurrence of an Event of Default as defined in the Purchase Agreement, Purchaser shall have thirty (30) days from the giving of written notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon terminate the Purchase Agreement. If Sponsor so elects to terminate, the Purchase Agreement shall be deemed terminated, and Sponsor shall have the right to retain, as and for liquidated damages, the Deposit (and any interest earned of the Deposit, if any) plus the costs incurred by Sponsor for any special work, if any, in the Unit ordered by the Purchaser. Upon the termination of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations under the Plan and the Agreement, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without accounting to Purchaser for any of the proceeds for such sale.

If at a Purchaser's request Sponsor grants an adjournment or adjournments of the Closing in excess of five (5) days in the aggregate, Sponsor has the option of collecting an additional five percent (5%) of the purchase price of the Unit as an additional Deposit. See the PURCHASE AGREEMENT set forth in Part II of the Plan.

At the Closing Purchaser shall be required to sign and deliver a Power of Attorney to the Board of Managers of the Condominium covering the Unit in the form contained in Part II of the Plan and pay certain closing fees, costs and adjustments (see the section entitled "Unit Closing Costs and Adjustments"). The Purchaser will also be required to pay the New York State and New York City real property transfer tax returns, mortgage recording taxes and Sponsor's and Purchaser's attorney fees covering the sale of his or her Unit, any real estate reporting return and statement required by the Internal Revenue Code or the regulations thereunder, all other documents required by law, and all other documents reasonably required by Sponsor or required under Purchaser's Purchase Agreement. The balance of the Purchase Price is also payable at Closing. This amount shall be paid by a bank, cashier's check or certified check, drawn on or issued by a New York bank, trust company or other New York lending institution which is a member of the New York Clearing House Association, payable to Sponsor (or to any one Sponsor designates or directs in writing).

Default by Purchaser

If a Purchaser defaults in making any payments due under the Purchase Agreement or fails to execute and deliver documents, make the payments described above, or perform any of his other obligations under the Purchase Agreement, then Sponsor may at its option give written notice of default under the Purchase Agreement to Purchaser. If the default is not cured within thirty (30) days after written notice thereof, then the Purchase Agreement shall be deemed terminated and Sponsor shall be entitled to the payment due under the Purchase Agreement and any payments made thereunder including any costs for any special work ordered by Purchaser

together with interest earned thereon, if any, as and for liquidated damages. Termination of a Purchase Agreement will permit Sponsor to sell the Unit to others as though the Purchase Agreement had never been made and the Purchaser shall not have any further rights against or obligations to Sponsor, the Condominium or others purchasing such Unit.

In the event the Sponsor cannot convey title to the Unit by reason other than the default of the Purchaser, all monies deposited by the Purchaser shall be returned to the Purchaser. However, Sponsor may attempt to cure its inability to convey title and if it does so, Sponsor shall be entitled to an adjournment of the Closing Date for a reasonable period of time.

The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by the prospective Purchaser and his or her legal or financial representative before being executed. The terms of sale and other provisions of an actual Purchase Agreement entered into between Sponsor and any Purchaser may vary from the provisions contained in the form of Purchase Agreement contained in Part II of the Plan. However, such variations shall have no effect on the provisions of any other Purchase Agreement theretofore or thereafter entered into between Sponsor and any other Purchaser nor shall such variations materially or adversely affect Sponsor's obligations as set forth in the Plan. Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control. However, this shall only apply to initial Purchasers who purchase a Unit from Sponsor.

The Escrow Agent

The law firm of Marans Weisz & Newman LLC, with an address at 29 Broadway, Suite 2400, New York, New York 10006, telephone number 212-968-0244, shall serve as escrow agent ("**Escrow Agent**") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Richard Marans, Daniel Weisz, Richard Newman, and Stavroula Tsohis. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account

The Escrow Agent has established the escrow account at Capital One Bank, 299 Park Avenue, New York, New York 10017, in the State of New York ("**Bank**"), a bank authorized to do business in the State of New York. The escrow account is entitled The 67 Livingston Street Condominium Escrow Account ("**Escrow Account**"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in excess of \$250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Marans Weisz & Newman LLC, 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.

A complete copy of the Purchase Agreement is located in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 4 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser

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

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Release of Funds

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money,

and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

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

The Escrow Agent shall release the Deposit if so directed:

- (a) pursuant to terms and conditions set forth in the Purchase Agreement upon closing of title to the Unit; or
- (b) in a subsequent writing signed by both Sponsor and Purchaser; or
- (c) by a final, non-appealable order or judgment of a court.

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

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

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or
- (b) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

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

Waiver Void

Any provision in the Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto. However, this shall only apply to initial Purchasers who purchase their Unit from Sponsor.

Lawsuits

Any lawsuit arising out of the Purchase Agreement shall be governed by the internal laws of the State of New York, shall be brought in Kings County and shall be determined by the judge presiding at the trial without a jury (which the parties waive).

Risk of Loss

The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or the taking of possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. The risk of loss is assumed by a Purchaser who has taken possession of the Unit prior to closing to the extent that such loss is not covered by Sponsor's insurance. In the event of damage or destruction of the Unit, due to fire or other casualty, prior to the closing of title, and the election by Sponsor to repair or restore the Unit to its original condition immediately prior to the fire or other casualty, the Purchase 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 Condominium Board and other Unit Owners if the Declaration has theretofore been recorded and any mortgagee of Sponsor, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor.

In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title Sponsor shall notify the Purchaser within sixty (60) days of the damage to the Unit that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if 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 or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser thereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under the Plan and the Purchase Agreement, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for

liquidated damages. If a Purchaser takes possession of a Unit prior to closing title, i.e., via an interim lease, he or she will assume the risk of loss and the obligation to repair any damage not covered under insurance already provided by the Sponsor; therefore it is advisable that Purchaser obtain casualty insurance at such time. An interim lessee assumes the risk of loss for the property that is not covered by the insurance for the Unit.

Section 71-a(3) of the Lien Law provides protections for Purchasers where the contract of sale by its terms provides for or is incidental to a contract providing for the construction of the subject building, or where a Deposit pursuant to a contract of sale is not deposited or kept in an escrow account as mandated by law. Sponsor will not use any Deposit towards the construction of the Building and will deposit and maintain all Deposits in the Escrow Account as described above in this Procedure to Purchase section, and therefore be in compliance with Section 71a(3) of the Lien Law and any other provision of law applicable to Purchasers' Deposits.

Delay in First Closing

Sponsor anticipates that the First Unit Closing will occur on or about November 1, 2018. Purchasers should note that even if the first closing occurs on or before November 1, 2018 (or such other date projected as the date of commencement of the operation at the time the purchase agreement was 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 such case, provided that 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, 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 PURCHASES 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 first Unit before a date that is twelve (12) months from the projected date of the First Unit Closing as set forth herein, as such date may be amended from time to time, affected purchasers will be afforded the right of rescission. If the first closing occurs before November 1, 2019, Sponsor may schedule the closings of title to other units later than such date.

As in any construction project, given the vagaries of the construction process, it is difficult to predict with precision the date Sponsor will first be able to close title to the Residential Units. Accordingly, the First Residential Closing may occur sooner or later than the projected First Year of Operation, and closing to certain Residential Units may occur substantially before or after closing for other Residential Units.

The First Year of Condominium operation is estimated to be November 1, 2018 through October 31, 2019. As in any construction project, given the vagaries of the construction process, it is difficult to predict with precision the date Sponsor will first be able to close title to the

Residential Units. Accordingly, it is a special risk of this Offering Plan that the First Unit Closing may occur sooner or later than the projected First Year of Condominium operation, and closing to certain Residential Units may occur substantially before or after closing for other Residential Units.

FinCEN Geographic Targeting Order

Pursuant to the Geographic Target Order (the “**Order**”) issued by the Director of the Financial Crimes Enforcement Network (“**FinCEN**”), title companies are now required to collect and report information regarding purchasers in transactions where: (1) the purchaser is a legal entity as defined in the Order; (2) the purchaser purchases residential real property located in the Boroughs of Brooklyn, Queens, Bronx, Manhattan and Staten Island; (3) the total purchase price is in excess of Three Million Dollars (\$3,000,000.00) in the Borough of Manhattan or the total purchase price is in excess of One Million Five Hundred Thousand Dollars (\$1,500,000.00) for the Boroughs of Brooklyn, Queens, Bronx or Staten Island; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier’s check, a certified check, a traveler’s check, a personal check, a business check, or a money order in any form, or a funds transfer. This affects all residential real property closings meeting the above criteria and occurring on or after September 22, 2017 for so long as the Order remains in effect. A copy of the Order is available here:

<https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20Order%20-%208.22.17%20Final%20for%20execution%20-%20Generic.pdf>.

Any conflict between the Plan and the Purchase Agreement will be resolved according to the terms of the Plan. However, this shall only apply to initial Purchasers who purchase their Unit from Sponsor.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser may not assign the Purchase Agreement without first obtaining the prior written consent of Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. If a Purchaser desires to assign its rights under the Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of \$1,000.00 made payable to Marans Weisz & Newman LLC (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's Closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the Closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to terminate the Purchase Agreement or excuse Purchaser from any of its obligations under the Purchase Agreement or give rise to any claim for damages against Sponsor. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser; entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

Notwithstanding the provision above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under the Purchase Agreement to a "Purchaser Affiliate" or to member(s) of Purchaser's "Immediate Family Members", provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in herein. For purposes of this provision: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing is controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parent, grandparent, brothers or sisters, stepchildren and/or stepparent; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

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 or other grounds prohibited by law.

EFFECTIVE DATE

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and compliance with the relevant conditions and time periods set forth in the Plan.

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 13 NYCRR Section 20.1 (d) stating that the Plan is declared effective and submitting an amendment conforming to Section 20.5 (e) to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. Closing of the first Unit shall not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The Plan may not be declared effective until bona fide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Units offered under the Plan. For this plan, four (4) Units constitute fifteen percent (15%) of the Units offered.

The Plan will not be declared effective based on (i) Purchase Agreements signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) Purchase Agreements where the Purchaser was not afforded the seven (7) days period to rescind the Purchase Agreement or the three (3) business day period to review the Plan and all filed amendments in accordance with the provisions set forth above in the section of the Plan entitled "Procedure to Purchase"; or (iii) Purchase Agreements with any Purchaser who is the Sponsor, the selling agent, the managing agent or is a principal of the Sponsor, the selling agent, the managing agent or is related to the Sponsor, the selling agent, the managing agent or to any principal of the Sponsor or the managing agent by blood, marriage or adoption or as a business associate, an employee, a member, 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 are executed and accepted by Sponsor for eighty percent (80%) or more of the Units offered under the Plan. Eighteen (18) Units constitute approximately eighty percent (80%) of the 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 Declaration has been recorded.

The Plan may be abandoned by Sponsor, at its sole option, at any time before it is declared effective. If the Plan is to be abandoned after filing and the Sponsor has accepted Purchase Agreements, the Sponsor shall promptly submit an amendment to the Department of

Law together with form RS-3 as promulgated by the Department of Law. If payments under Purchase Agreements have been received, the amount of such funds shall be returned to the Purchasers by the Escrow Agent within five (5) business 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 Department of Law.

Once the Plan has been declared effective or executed Purchase Agreements for eighty percent (80%) of the Units have been executed and accepted by Sponsor, the Plan may not be abandoned unless one of the following events occur:

- (i) There is a title defect which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one-half (1/2) of one percent (1%) of the total offering amount;
- (ii) Substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than a stated amount which shall not be less than one-half (1/2) of one percent (1%) of the total offering amount; or
- (iii) The taking of any material portion of the Property by condemnation or eminent domain. In calculating such amount Sponsor shall not include attorney's fees or title defects or determinations of any authority or regulatory association existing on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

TERMS OF SALE

The terms "Closing of Title" or "Closing" as used herein means the transfer of ownership of a Condominium Unit from Sponsor to the Purchaser(s) thereof.

The Purchase Agreement is contingent upon the effectiveness of the Plan. If the Plan is abandoned, all Purchase Agreements will be cancelled and all Down Payments, together with any interest earned, will be refunded.

Once the Plan has been declared effective, the Sponsor will fix the 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 will be served no less than thirty (30) days before the date set for the Closing of each Unit.

At Closing, Sponsor will execute and deliver to each Purchaser a bargain and sale deed with covenant against grantor's acts substantially in the form set forth in Part II of the Plan and in proper form for recording. Each Unit and its appurtenant Common Interest will be conveyed free and clear of all liens, encumbrances and title exceptions other than those described below and the proposed Unit Deed contained in Part II of the Plan.

Permitted Exceptions

Title to each Unit will be subject to the following exceptions (the "Permitted Exceptions"):

1. Rights of tenants or persons in possession, if any;
2. Standard exceptions contained in the title report;
3. Taxes, tax liens, tax sales, water rates, sewer rents and assessments set forth herein.
4. AS TO THE BUILDING: Any statement of facts which a subsequent survey of would disclose provided that such additional statement of facts do not render title unmarketable;

AS TO THE UNIT: With respect to Condominium Unit No. ____ the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

5. Covenants, conditions, easements, leases, agreements of record, etc., more fully

set forth herein:

- A. None.
6. The following Mortgages affect the property:
- A. Between W Financial Fund, LP as Mortgagee and 67 Livingston LLC as Mortgagor dated 1/30/2017 and recorded 2/8/2017 in CRFN 2017000055303 in the amount of \$4,323,985.
 - B. Agreement between W Financial Fund, LP as Mortgagee and 67 Livingston LLC as Mortgagor dated 1/30/2017 and recorded 2/8/2017 in CRFN 2017000055304 in the amount of \$17,000,000.
7. The following collateral Assignments of Leases and Rents affect the property:
- A. Between W Financial Fund, LP as Mortgagee and 67 Livingston LLC as Mortgagor dated 1/30/2017 and recorded 2/8/2017 in CRFN 2017000055305 in the amount of \$17,000,000.
8. The following UCC-1 Financing Statements affect the property:
- A. UCC-1 Financing Statement between and W Financial Fund, LP as Secured Party and 67 Livingston LLC as Debtor, dated 1/30/2017 and recorded 2/8/2017 in CRFN 2017000055306.

Some permitted exceptions to title shown in a recent title report at the time of submission of this Plan to the Department of Law include, without limitation:

- A. Right of Way Reservation as contained in a deed made by Faflich Associates to Living Landmarks Development Corp dated 7/3/1984;
- B. Waiver of Legal Grade made by Watchtower Bible and Tract Society of New York, Inc. to the City of New York dated 8/17/1990;
- C. Merger of Zoning Lots and Declaration of Restrictions made by and among The Watchtower Bible and Tract Society of New York, Inc., Court Living Corp. and 62-64 Court Associates, Inc. dated 5/21/1999;
- D. Zoning Lot Description and Ownership Statement dated 5/5/1985;
- E. Zoning Lot Certification dated 6/10/1985;
- F. Waiver of Declaration of Restrictions made by Commercial Trust Company of New York

dated 6/10/1985;

G. Waiver of Declaration of Restrictions made by Court Living Corp. dated 6/10/1985.

Purchasers are urged to review the title report they receive prior to Closing with their attorney to properly understand all exceptions to title that may be included in such report.

A Closing will take place only after the issuance of a temporary or permanent Certificate of Occupancy for the entire project.

Purchasers shall be given an opportunity to inspect the Unit prior to Closing. Any work remaining to be done in the Unit pursuant to the Plan and/or the Purchase Agreement shall be itemized on an "Inspection Statement," a form of which is contained in Part II of the Plan, signed by both Sponsor and Purchaser. Sponsor shall be obligated to complete the items on the Inspection Statement within a reasonable time after Closing. However, if Sponsor agrees in writing to complete any items on the Inspection Statement prior to Closing, Purchaser must re-inspect the Unit on the day prior to Closing to inspect and sign off on all items Sponsor agreed to complete. No open items of work will be discussed at the Closing itself.

With the exception of items Sponsor agrees in writing to complete prior to the Closing, Sponsor's failure to complete any of the items listed on the Inspection Statement shall not be grounds to cancel or postpone the Closing.

Purchasers may not add any additional work items to the Inspection Statement after the final inspection of the Unit has occurred, and neither Sponsor nor its contractors, subcontractors, principals, managers or members shall have any obligation to perform any such additional work items. Notwithstanding anything to the contrary set forth above, neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates assumes any responsibility and will not be liable to repair or replace any of the following:

- any condition resulting from normal wear and tear or natural deterioration from the normal movement, settlement and shrinkage or expansion of the residential units or the Building generally and/or building materials;
- defects of an insubstantial nature such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, protruding dry wall fastenings, ridging on gypsum board, lumber or minor floor shrinkage or gapping, door or window sticking due to weather, door warpage including, without limitation, warpage of any doors, minor scratches or chips in plastic, glass, metal, wood, vitreous china, stainless steel, tile porcelain or stone surfaces, bathroom finish, cracked grouting, adjustment or bi-fold door, walls not square, electrical plates or signs not straight, slight discoloration, expansion or shrinkage, slight separation between base and floor or differing coloration of any and all concrete, ceramic or stone tiles in gardens or kitchens;

- normal settlement and deflection or any minor consequential damage resulting therefrom including, without limitation, cracks in roof ballast or concrete cracks which do not reduce the structural integrity of the building generally;
- non-material deviations in the level of ceilings and non-material imperfections in ceiling finishes;
- non-material imperfections in painting finishes including, but not limited to, variances in color or texture;
- non-material deviations in the floors' levelness, buckling, gapping or sinking due to expansion and/ or shrinkage and/ or movement;
- slight misalignment of bathroom finishes and minor variation in grouting or tile thickness;
- minor noise, vibrations or odors from normal plumbing, heating, ventilation, air-conditioning and elevator operation, including cellar boilers, condensing units, exhaust fans, elevator machine rooms and equipment;
- potential bathroom vents and ducts on the mechanical terraces, regardless of height, and any noise emanating from such vents and ducts shall be in accordance with permissible decibel levels pursuant to any rules and/or regulations governing noise levels in New York City;
- negligible floor noises and creaking;
- minor carpet or floor discoloring or stretching;
- non-material variations in width, length, thickness, finish, gaps or color range of wood flooring;
- minor chips, scratches, mars, breaks, dents, cracks, imperfections, or other minor defects in each of the following: windows, window glass, frames and hardware; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, backsplashes and countertops; vanity tops and cabinets; all tile, stone or marble floors; saddles, all appliances; woodwork, millwork and doors; mirrors; all hardware; appliance cabinets; ceilings and flooring;
- after the closing of title to a unit, paint touch ups, repair dented appliances or replace light bulbs;
- non-material variations in tone or color of marble or stone or slight floors; saddles, all appliances; woodwork, millwork and doors; mirrors; all hardware appliance; appliance cabinets; ceilings and flooring;

- leaching or minor color variation in exterior color mortar and colored stone or brick, slight dimensional variations in brick joints, and mortar dropping on bricks and window surfaces;
- minor ponding and/or controlled drainage on terraces or balcony surfaces;
- television, radio or other telecommunications reception;
- slight discoloration to hardware or plumbing finishes;
- minor stains, runs, lumps, shags or imperfections in weave and fabric panels;
- terrace tile or pavers not laid flat, or slight color variation in tiles, pavers or mortar, or stained tiles or pavers;
- non-material scratches on window frames or glass;
- any other minor imperfection or minor defect, except as expressly warranted pursuant to this Plan, provided it is indicated on written inspection statement and delivered to and acknowledge by Sponsor.

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 Sponsor is included in the conveyance unless specifically excepted in the Plan.

The Declaration, By-Laws and Floor Plans for the Condominium and such other documents, as required by law, will be recorded or filed (as the case may be) in the New York City Register prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act and any other applicable State and local law.

In the event the Closing does not take place on the Closing Date, for any reason other than circumstances completely within Sponsor's sole control (i) the apportionment of those items set forth in the Purchase Agreement shall be made as of the originally established Closing Date rather than as of the date the Closing actually occurs, (ii) Purchaser shall pay Sponsor at Closing interest on the unpaid balance of the purchase price from the originally established Closing Date to the actual Closing Date an amount equal to 0.04% 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), which is 14.6% per annum; and (iii) Purchaser shall pay Sponsor's counsel \$500.00 for each adjournment. Nothing herein shall be construed to mean that the Sponsor must grant an adjournment of title when requested to do so.

In the event of a default by Purchaser in Purchaser's obligations under the Purchase Agreement, not cured within any applicable grace period, the Down Payment and any interest thereon may be retained by Sponsor as liquidated damages.

Seller is transferring its statutory obligation, to pay New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes, to Purchaser. Purchasers will be

required to pay all transfer taxes due at Closing and comply with the requirements of the New York State Department of Taxation and Finance. The New York City Real Property Transfer Tax (the “RPT”) for the purchase of a single residential unit is currently one percent (1%) of the purchase price if such purchase price is \$500,000.00 or less, and 1.425% if such purchase price is over \$500,000.00 or more. The New York State Real Estate Transfer Tax (the “NYS Tax”) for the purchase of a single residential unit is currently \$2.00 for every \$500.00 (or part thereof, rounded up to the nearest \$500.00) of the purchase price. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax.

At Closing, each Purchaser will execute a Power of Attorney in the form provided in Part II of the Offering Plan (and deliver said instrument to the Sponsor or Purchaser’s title company for recording), designating the Board of Managers as his or her Attorney in fact, coupled with an interest for, but not limited to, the purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any Unit 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. The execution of a Power of Attorney is required to effectuate the Closing. The failure of Purchaser to execute a Power of Attorney at Closing shall constitute a default under the Purchase Agreement.

At Closing, Sponsor will deliver and assign to Purchaser any manufacturers’ warranties (to the extent available and assignable) with respect to any equipment and appliances installed by Sponsor in the Unit and the receipt by Purchaser of any subcontractors’ warranty certificates for heating and plumbing relating solely to the Unit, if any, to the extent made by such subcontractors and to the extent such warranties are available. Sponsor will also assign to the Board of Managers any warranties available and assignable with respect to all equipment and appliances and heating, plumbing and roofing installed in the Common Elements.

Sponsor has obtained financing from Melody Business Finance, LLC to renovate the Building (the “**Construction Lender**”). The liens held by the Construction Lender shall be subordinate to the Declaration. Each Unit being conveyed at a Closing and such Unit’s appurtenant Common Interest will be released from the Construction Lender’s mortgage upon tender of the greater of 98% of the net sales proceeds or the designated release price as agreed to between Sponsor and Construction Lender.

If ordered by Purchaser, the issuance at Closing of a commitment by a title insurance company licensed to do business in the State of New York, will insure that the Condominium was validly formed pursuant to the Condominium Act and that the Purchaser has good and insurable fee title in the Unit, free and clear of all liens and encumbrances, except as set forth herein and except for any mortgage that a Purchaser obtains to purchase the Unit, and subject to the provisions of the Declaration and By-Laws. See the next section of this Plan for the estimated cost of such title insurance.

UNIT CLOSING COSTS AND ADJUSTMENTS

At Closing, each Purchaser shall be required to pay certain costs and expenses. The following is a list of the types and amounts of costs and expenses Purchasers should expect to pay. Estimates for title expenses are provided by Lincoln Land Services, LLC and are based (as are all of the following items), on current rates and charges which are subject to change without prior notice:

Title Insurance

If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor which will vary depending upon the purchase price and whether or not a mortgage title policy is obtained simultaneously with the fee title policy. Title insurance rates are set by the New York Board of Title Underwriters and filed with the New York State Insurance Department. The Purchaser is free to obtain title insurance from any company of their choice without incurring a penalty.

For illustrative purposes only, a Purchaser buying a Unit for \$500,000.00 would pay a premium of \$1,499.00. If that Purchaser obtained a mortgage in the principal amount of \$450,000.00, there would be an additional charge of \$405.00 for a total of \$1,904.00.

The current rate for fee title insurance alone for a Unit (i.e., no mortgage title insurance) is pursuant to the bulk rate schedule applicable to new condominium projects filed with the New York State Department of Insurance, which is seventy (70%) percent of the Zone 2 Basic Rate for Owner's Policies:

The Owner's Policy Basic Rate is \$402.00 for the first \$35,000.00 of fee insurance. Basic Premiums then increase as follows:

<u>Fee Amount</u>	<u>Premium</u>
\$35,001 – \$50,000	\$6.67/\$1,000
\$50,001 – \$100,000	\$5.43/\$1,000
\$100,001 – \$500,000	\$4.36/\$1,000
\$500,001 – \$1,000,000	\$3.98/\$1,000
\$1,000,001 – \$5,000,000	\$3.66/\$1,000
\$5,000,001 – \$10,000,001	\$3.25/\$1,000
\$10,000,001 – \$15,000,000	\$3.07/\$1,000
\$15,000,001 – up	\$2.76/\$1,000

If a Purchaser elects to obtain mortgage title insurance simultaneously with a policy for fee title insurance, the premium for the mortgage policy will be at "simultaneous rate" with the premium for the mortgage title insurance computed using the "Bulk Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the fee policy is

calculated at 30 percent (30%) (the “simultaneous rate”) of seventy percent (70%) (the “bulk” rate) of the Basic Zone 2 – Loan Policy scheduled as described below. The premium for the first \$35,000.00 of mortgage insurance up to the amount of fee policy is \$344.00. The “Bulk Rate” Premiums then increase as follows:

<u>Fee Amount</u>	<u>Premium</u>
\$35,001 – \$50,000	\$5.55/\$1,000
\$50,001 – \$100,000	\$4.54/\$1,000
\$100,001 – \$500,000	\$3.64/\$1,000
\$500,001 – \$1,000,000	\$3.31/\$1,000
\$1,000,001 – \$5,000,000	\$3.05/\$1,000
\$5,000,001 – \$10,000,001	\$2.71/\$1,000
\$10,000,001 – \$15,000,000	\$2.55/\$1,000
\$15,000,001 – up	\$2.31/\$1,000

Purchasers are free to use the title company of their choice at no additional cost. Lincoln Land Services, LLC at 324 South Service Road, Suite 302, Melville, New York 11747, has updated the title search and submitted the title report to the Attorney General of the State of New York with respect to this Offering Plan. There is no relation between the principals of Downtown Abstract Corp. and the Sponsor or Attorney for the Sponsor.

Transfer Taxes and Recording Fees

Fees for recording the Unit Deed, the Power of Attorney in favor of the Board of Managers and any mortgage the Purchaser obtains to finance the purchase of his or her Unit are stated in this section. The current recording fees of \$42.00 for each instrument including the first page, plus \$5.00 per each additional page including cover sheets, a filing fee of \$125.00 for the accompanying RP5217NYC form, and any service fees charged by Purchaser’s title insurance company in connection with such recordings and filings shall be payable by Purchaser.

Seller is transferring its statutory obligation, to pay New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes, to Purchaser. Purchaser shall be responsible for the payment at closing of all New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax. The New York City Real Property Transfer Tax (the “RPT”) for the purchase of a single residential unit is currently one percent (1%) of the purchase price if such purchase price is \$500,000.00 or less, and 1.425% if such purchase price is over \$500,000.00 or more. The New York State Real Estate Transfer Tax (the “NYS Tax”) for the purchase of a single residential unit is currently \$2.00 for every \$500.00 (or part thereof, rounded up to the nearest \$500.00) of the purchase price. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. In order to compute the transfer taxes payable:

- (i) Multiply the purchase price by the RPT tax rate to compute the tentative RPT tax

- due;
- (ii) Multiply the purchase price by the NYS tax rate to compute the tentative NYS tax due;
- (iii) Add the tentative RPT tax and tentative NYS tax to the purchase price;
- (iv) Multiply (iii) by the RPT tax rate to determine the RPT tax payable;
- (v) Multiply (iii) by the NYS tax rate to determine the NYS tax payable.

Mansion Tax

Purchasers are advised that New York State imposes an additional transfer tax upon Purchasers in an amount equal to 1% of the consideration for a Unit where the consideration for the Unit is \$1,000,000 or more (the “**Mansion Tax**”). Purchasers of Units where the consideration (including the purchase price itself plus the aggregate Transfer Taxes payable by Purchaser) is \$1,000,000 or more thus will be obligated to pay the Mansion Tax at closing. Sponsor makes no representation regarding the calculation of the Mansion Tax or of the “consideration” upon which the New York State taxing authorities may base the Mansion Tax and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

Mortgage Related Costs

Purchasers obtaining mortgage loans are also advised that they will be responsible for the payment of all closing costs and expenses in connection therewith in amounts determined by the lender. These costs customarily include origination fees (or “points”), commitment fees, fees for credit checks, mortgage title insurance, lender’s attorneys’ fees and appraisal fees. Also a Purchaser obtaining a mortgage may be required by the lending institution to deposit monthly with the lending institution, commencing with the Closing Date, an escrow for the payment of annual real estate taxes and insurance premiums. The amount of such escrow deposit to be made at Closing 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 custom and practice of the particular lender involved.

To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Unit or the Property, including but not limited to the construction loan mortgage, the Purchaser shall pay to Sponsor at the Closing for such Unit the amount of any such credit, if applicable. If the Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act. If Purchaser Lender assumes or consents to the assignment of a mortgage lien encumbering only such Purchaser’s Unit and as a result is entitled to an exemption of all or a portion of the mortgage tax which would have been available to the Purchasers and shall pay to Sponsor the amount of such exemption.

At the request of Sponsor, Purchasers shall fully cooperate with Sponsor in all respects in connection with the severance and assignment of a portion of the mortgage indebtedness encumbering the Property (the “Existing Indebtedness”) in an amount not to exceed such Purchaser’s loan amount, and the assignment of the severed portion to Purchaser’s lender and the consolidation of such severed portion of the Existing Indebtedness with Purchaser’s mortgage. Purchasers shall use all reasonable efforts to cause Purchaser’s lender to accept assignment of such severed portion of the Existing Indebtedness and the consolidation thereof with Purchaser’s mortgage. At the Closing, Purchaser shall reimburse Seller for the full amount of the mortgage recording tax savings resulting from such severance and assignment. In no event will the amount payable by Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser if such mortgage tax credit or exemption had not been available to Purchaser.

Common Charge and Real Estate Tax Adjustments

All real estate taxes and Common Charges attributable to a Unit paid by Sponsor for any period of time during which the Unit Owner will own the Unit, shall be adjusted between Sponsor and Purchaser as of the Closing Date.

If a Unit closes during the 2018/2019 tax year (i.e., the tax year running from July 1, 2018 to June 30, 2019), it is possible the Unit will not be separately assessed for real estate taxes for that tax year by that Unit’s closing date. In such event, the adjustment for real estate taxes will be based on the Unit’s proportionate share of the real estate taxes for the Property, which shall be obtained by multiplying the taxes payable on account of the Property for that year by the Common Interest attributable to the Unit.

If separate tax assessments have not been made for individual units prior to the closing of title to a Unit, Sponsor will collect from each Purchaser at closing, and will place in escrow in a separate account established by the Sponsor for that purpose, an amount equal to the Unit’s estimated proportionate share of the real estate taxes projected to be due for the entire Property for the half of the tax year next commencing after the closing of said Unit (i.e., for either the first half or second half, depending on when the Unit closes), based on the method of allocation described above. If the tax assessor indicates that more than one half of a tax year may elapse before the Units are individually assessed, Sponsor shall collect at closing Purchaser’s proportionate share of taxes for the upcoming half and shall deposit the same in the account described above. With respect to the balance of the estimated taxes due for the next applicable tax period, the Board of Managers is authorized by Article III, Section 6. of the By-Laws, and shall be obligated to collect monthly escrows from Unit Owners with their Common Charges based upon the estimated tax bill for the entire Property and the then current tax rate deposit the same in the tax escrow account. At the time taxes are due and payable, Sponsor shall pay out of Sponsor’s own funds, Sponsor’s proportionate share of the Property tax bill allocable to the Unit(s) Sponsor then owns, based on the allocation method described above, and the Board of Managers shall be obligated to cause the release to Sponsor of the appropriate amount of escrowed tax funds in the tax escrow account for Sponsor’s use in paying the share of taxes attributable to Units that have been sold and closed to other Unit Owners.

If the actual taxes due for any period for which Sponsor collected escrows are higher than the amount collected and held in escrow, the Board of Managers shall pay the difference and shall bill Unit Owners for their proportionate share of any necessary reimbursement, as a Special Assessment. Sponsor will remain liable for all real estate taxes attributable to Sponsor's Units until Sponsor sells and conveys those Units. If any Unit Owner fails to pay a Unit's pro rata share of real estate taxes when due, by Common Charge billing, special assessment billing, or both, the Board of Managers will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges.

If the actual taxes due for any period for which Sponsor collected escrows are lower than the amount collected and held in escrow, the Board of Managers shall pay the Unit Owners their proportionate share of any excess. If the Sponsor collected then Sponsor has to pay or if the Board collected then the Board has to pay.

Until the Units have been separately assessed, all post-closing amendments shall disclose the amount of the funds deposited in escrow for the payment of real estate taxes for the unsold Units.

Closing Counsel Fees

Sponsor's Condominium Counsel's legal fee in the amount of \$2,500.00 per Unit must be paid by all Purchasers. Purchasers will also pay \$250.00 for the preparation of ACRIS New York City and State transfer tax forms.

The following additional charges may apply:

- i. \$500.00 if the Closing is not held at Sponsor's attorneys' offices.
- ii. \$500.00 for each adjournment of the Closing.
- iii. \$500.00 if the Closing is held outside New York City.
- iv. \$1,000.00 to attorneys for Sponsor for the preparation of a letter of default.
- v. \$350.00 if a Purchaser shall obtain mortgage financing through a lender to defray the additional costs associated therewith.
- vi. \$1,000.00 for an assignment agreement, if requested by Purchaser and provided Sponsor has consented thereto.
- vii. \$1,000.00 for preparation of Interim Lease Agreement.

Professional Fees

Purchaser shall have sole responsibility for payment of all professionals, including

attorney(s), employed or retained by Purchaser.

Working Capital Contribution

Purchasers shall also be required to pay at Closing two (2) months of common charges as a contribution to the Working Capital Fund. This fund shall be used to create an account to set aside funds for future capital expenses.

Example of Typical Closing Costs

The following is a numerical example of all closing costs for Unit 17A based on the presumptions set forth below and assuming current rates and charges:

Assuming that a Purchaser closes timely and incurs no penalties under the Purchase Agreement, the closing costs for Unit 17A with a purchase price of \$3,020,000.00 and assuming a mortgage of \$2,416,000.00 will be approximately:

Title Insurance Fee:	\$ 11,327.10
Loan Premium:	\$ 7,606.05
Recording Fees:	\$ 850.00
Transfer Taxes - New York City:	\$ 43,820.39
Transfer Taxes - New York State:	\$ 12,300.46
Mansion Tax:	\$ 30,751.15
Mortgage Recording Tax:	\$ 46,478.00
Working Capital Fund:	\$ 1,501.86
Sponsor's Attorney's Closing Fee:	\$ 2,500.00
Sponsor's Attorney's Purchaser Financing Fee:	\$ 350.00
ACRIS Preparation Fee:	\$ 250.00
Total Estimated Closing Costs:	\$ 157,735.01

The entire contents of this section entitled "Unit Closing Costs and Adjustments" as the same may be revised or amended shall be deemed incorporated in the Purchase Agreement for each Unit.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

Sponsor is retaining the unconditional right to rent rather than sell Units in the Building that are being offered under this Plan after the Plan is consummated. Sponsor will endeavor in good faith to sell at least fifteen percent (15%) of the Units, but makes no representation that it will execute Purchase Agreements to sell more than fifteen percent (15%) of the Units.

Indemnification

Sponsor is obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions under the Plan and applicable law with respect to the Offering. Sponsor will indemnify and hold the Board of Managers and the Unit Owners harmless from any such suits or proceedings.

The Condominium shall assume the performance of all obligations under the labor, service, and maintenance agreements (including payment obligations) of the Sponsor, if any, accruing on or after the date of closing of title to the first Unit pursuant to the Plan, in effect on such date which have been assigned to the Condominium pursuant to the Plan, and shall indemnify and hold Sponsor harmless from and against any and all claims, liabilities, costs and expenses arising of or with respect to such agreements or with respect to the Property accruing on or after such date.

Sponsor's Obligations Survive

All representations under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan that are to be performed subsequent to the Closing Date will survive delivery of the deed.

The obligations set forth in this section contain all the obligations of Sponsor under the Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers relative to their Units under their respective Purchase Agreements. Sponsor makes no warranties other than as set forth in this section. The obligations of Sponsor under this section shall survive the delivery of the Unit Deeds to the respective Unit Owners for the respective time periods indicated herein. Sponsor shall not be liable for, nor obligated to defend, any suits or claims with respect to any Unit, arising out of any occurrence taking place on or after the date of the closing of title to such Unit, or the leasing thereof to any Purchaser or, with respect to the Common Elements or Limited Common Elements, Sponsor shall not be liable for, nor obligated to defend, any action arising out of any occurrence taking place on or after the date of the First Unit Closing, except for suits or claims arising out of the acts or omissions of Sponsor or the representations made by Sponsor in the Plan. Sponsor will indemnify and hold the Board of Managers and the Unit Owners harmless from any such suits or proceedings.

The obligations of Sponsor under this section with respect to the Condominium, the Common Elements or the Limited Common Elements shall be enforceable only by the Board of

Managers on behalf of all Unit Owners. In no event shall any obligations of Sponsor be enforceable by individual Unit Owners unless the Board of Managers fails to give written notice to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Board of Managers.

Operating Expenses

Sponsor agrees to pay all Common Charges, special assessments and real estate taxes with respect to all Unsold Units imposed by Board of Managers in accordance with this Plan. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Sponsor expects to fund its financial obligations to the Condominium from the income from projected sales and if necessary, from the personal financial assets of Sponsor's principal. Except as specifically set forth herein, no bond or other security has been furnished to secure Sponsor's obligations hereunder, including, but not limited to, Sponsor's obligations to obtain a permanent Certificate of Occupancy. Nothing herein shall prevent an individual Unit Owner from bringing an action in the nature of a derivative action against the Board of Managers. Sponsor agrees that during the Sponsor Control Period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

Notwithstanding any disclosure to the contrary in this Plan, Sponsor is reserving the right to delay the collection of Common Charges until such time into the future. During any such period of delay, the Sponsor will timely pay all expenses of the Condominium, including, but not limited to, insurance premiums and any reserve fund payments required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers. Any budget line items that are funded solely through the collection of Common Charges will only commence to be funded on such date that the Common Charge Delay Period expires.

Sponsor reserves the right to use its majority vote on the Board to cause a refund to be issued to Unit Owners, including Sponsor, for Common Charges collected pursuant to an annual Condominium operating budget which are in excess of actual Condominium operating expenses.

While Sponsor has a majority vote on the Condominium Board of Managers, Sponsor may exercise the right to issue refunds, provided, however, such refund may only be effectuated if an independent certified accountant, as part of its preparation of the yearly annual statement for the Condominium, has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. The amount of funds considered to be “over budget” will be refunded to Unit Owners on a pro rata basis in accordance with each Unit’s Common Interest Percentage and for so long as the Unit Owner has been a Unit Owner in the Condominium, except for the reserve fund line item in the Condominium budget, which shall not be reduced. Notwithstanding the foregoing, the contingency fund will also not be reduced during the First Year of Operations, but if such a refund as described herein occurs during the second year of operations or later, than the contingency fund shall be like every other line item in the budget except for the reserve fund, and be refunded to Unit Owners based on Common Interest Percentages. Purchasers should note, however, that refunding Common Charges may cause Unit Owners to be subject to assessments in the future. If the contingency fund is reduced after the First Year of Operations, less funds will be available for future repairs, and as such, additional assessments and/or increases in Common Charges may be necessary.

Casualty Insurance

Sponsor shall procure fire and casualty insurance, as set forth in Schedule B, pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in Schedule B. Such insurance will provide that each Unit Owner is an additional insured and that there will be no cancellation without thirty (30) days’ notice to the Board of Managers and Unit Owners. The insurance policies will also contain waivers of subrogation, waivers of invalidity due to acts of insured and Unit Owners and waivers of pro rata reduction of liability of the insurer due to other insurance carried by individual Unit Owners. Prior to the First Unit Closing, the entire building will be insured by the Sponsor. After the First Unit Closing, the entire building will be insured by the Condominium. A person who takes possession pursuant to an Interim Lease prior to closing assumes the risk of loss not covered by the condominium. Sponsor shall be reimbursed for the cost of such insurance premium(s) by the Condominium.

Restoration after Casualty

The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or the taking of possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit, due to fire or other casualty, prior to the closing of title, and the election by Sponsor to repair or restore the Unit to its original condition immediately prior to the fire or other casualty, the Purchase 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 Condominium Board and other Unit Owners if the Declaration has theretofore been recorded and any mortgagee of Sponsor, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor.

In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, to notify the Purchaser within sixty (60) days of the damage to the Unit, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if 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 or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser thereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under the Plan and the Purchase Agreement, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages. If a Purchaser takes possession of a Unit prior to closing title, i.e., via an Interim Lease, he or she will assume the risk of loss and the obligation to repair any damage not covered under insurance already provided by the Sponsor; therefore it is advisable that Purchaser obtain casualty insurance at such time. An interim lessee assumes the risk of loss for the property that is not covered by the insurance for the Unit.

Dissolution of Sponsor

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

Construction Financing

Sponsor obtained construction financing for the construction of the Building from the Construction Lender. Sponsor will pay, satisfy and otherwise comply with the terms of the construction loan documents. The Construction Lender must consent to the formation of the Condominium, agree to subordinate its liens to the Condominium Declaration, and acknowledge that its mortgage liens will be limited to Unsold Units. In addition, the Unit and each subsequent Unit being conveyed and its appurtenant Common Interest will be released from a lender's mortgage on the Property by partial release upon payment of the minimum release price; the construction loan documents set the release price of each Unit as the greater of 98% of the net sales proceeds or the designated release price as agreed to between Sponsor and Construction Lender. Sponsor may not rent Units after consummation of the Plan without the approval of the Construction Lender, which will not be unreasonably withheld by the Construction Lender.

Sponsor will endeavor in good faith to sell units rather than rent after the plan has been consummated.

Completion of Construction

Sponsor is obligated to build and complete the Condominium in accordance with the Building Plans and Specifications identified in the Plan, subject to Sponsor's right to substitute equipment or materials of equal or better quality for construction and design and make modifications in layout or 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 of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change.

Sponsor will install carbon monoxide detectors as required in all New York City multiple dwellings.

Certificate of Occupancy

Prior to the closing of title to the first Unit, Sponsor shall have obtained a temporary or permanent Certificate of Occupancy for the entire Condominium. Sponsor anticipates on being able to obtain a permanent Certificate of Occupancy (“**PCO**”) and all necessary permits for all elements of the Condominium within two (2) years of closing of title to the first Unit and, prior to the issuance of a PCO will cause any expiring temporary Certificate of Occupancy (“**TCO**”) to be extended. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final Certificate of Occupancy covering the entire building but with only a TCO, and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York State Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs 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. All TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, 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 (2) 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 PCO within such two (2) 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 PCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit Owners and the Board of Managers shall be obligated to cooperate with 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.

In the event any closing of title occurs before the issuance of a permanent Certificate of Occupancy covering the Unit, Sponsor shall maintain all Deposits and funds received from the Purchasers of Units in a special escrow account as required by Section 352-e(2-b) of the General Business Law, unless Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work needed to obtain a permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by such engineer or architect may be released to Sponsor from the special escrow account. Alternatively, Sponsor may deposit with an Escrow Agent any one or a combination of the following: cash or an unconditional, irrevocable letter of credit, or Sponsor may post a surety bond. In such case, Sponsor shall have the right to draw down remaining portions of said letter of credit or cash available to Sponsor for construction purposes, provided the unfunded portion of such remaining cash and/or letter of credit in the aggregate is, at all times no less than the amount that Sponsor's architect, engineer or construction manager certified is adequate to complete the work necessary to obtain a permanent Certificate of Occupancy. In the event Sponsor desires to post a bond pursuant to this paragraph, prior to posting such bond Sponsor will file an amendment to the Plan disclosing same.

In certain circumstances, funds held by a sponsor's lender may be acceptable as an alternative form of collateral, so long as the lender is obligated to advance or escrow funds needed to procure a PCO, notwithstanding that a sponsor may have defaulted on the terms of its loan agreement(s). The acceptability of this form of collateral will be determined by the Department of Law upon application by a sponsor. The Department of Law must be furnished with appropriate documentation establishing a lender's agreement and obligation to advance or escrow such funds to satisfy 13 NYCRR § 20.3(t)(13).

The amount retained in escrow pending the delivery of a permanent Certificate of Occupancy and the architect's certification certifying such amounts will be included in the initial post-closing amendment and all subsequent amendments to the Plan until the PCO is obtained. The use of any alternative security will be previously disclosed in an amendment to the Plan.

Warranties of Construction

The Housing Merchant Implied Warranty (General Business Law Article 36-B) does not apply to this offering because that statute applies only to new single family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to Purchasers under a cooperative or condominium regime. As the Building contains twenty-nine (29) floors, this statute is not applicable. Sponsor has the obligation nevertheless, to construct the Building in accordance with applicable Law, codes, regulations, filed plans and specifications, and locally accepted building practices for items which are not covered by codes.

Sponsor shall not be obligated to correct or cause to be corrected any latent or patent defects in construction of a Residential Unit or the Common Elements, or in the installation or operation of any mechanical equipment therein. However, in the event correction of a defect is covered under any guarantee or warranty given to Sponsor by the construction consultant, general contractor or construction manager (collectively the "General Contractor") engaged by Sponsor to complete construction of the Building (or by any contractor or subcontractor engaged by the General Contractor or Sponsor), Sponsor may, but shall not be obligated to, apply to the General Contractor to correct the defect. In order for Sponsor to consider bringing the defect to the attention of the General Contractor, Sponsor must be notified in writing (i) by the Unit Owner to whom Sponsor sold a Residential Unit, within six (6) months following the closing of the sale of the Unit to the Unit Owner if the defect concerns that Residential Unit (or if Sponsor permits occupancy of the Unit by a Purchaser under an interim lease, then within six (6) months after the commencement date of the interim lease), or (ii) by the Board of Managers, within the later of twelve (12) months from (a) the issuance of a TCO covering the entire Building, or (b) the first Residential Unit Closing if the defect concerns the Common Elements. If Sponsor is not notified within these time periods, Sponsor shall not have any obligation to consider causing remediation of the problem. In no event, however, shall Sponsor be obligated to compel, or to take action to compel, the General Contractor (or any contractor or subcontractor) to perform under any guarantee or warranty given by it in connection with work performed at the Property.

Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, in its or their sole discretion, shall select the method of correcting any defect to be corrected under this subparagraph 2. On seven (7) days' notice, or sooner if Unit Owner permits, from Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, the Unit Owner, Purchaser, or the Board of Managers, as applicable, shall allow Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Unit or area in question on any day to inspect and/or correct such defect. The quality of construction shall be comparable to local construction standards customary in the particular trade in question in accordance with the Plans and Specifications.

Sponsor shall be deemed to have discharged any commitment it may have made or be deemed to have made with respect to curing defects, if (i) Sponsor is not notified of the defect, or (ii) the Unit Owner, Purchaser or Board, as applicable, prevents Sponsor, Sponsor's contractors, agents or licensees and/or Managing Agent access to the Building and/or the Unit where

corrective work has been requested, or (iii) Sponsor shall have corrected or caused to be corrected the defect in accordance with the practice of the industry as said practice is determined by Sponsor's General Contractor or architect or engineer, in its sole discretion.

Notwithstanding the foregoing, Sponsor shall not be responsible for correcting or repairing any defects in construction or defects in the installation or operation of any appliances (including, without limitation, kitchen appliances and washers and dryers), equipment or fixtures with respect to which warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others, are delivered and/or assigned to either a Unit Owner or the Board of Managers. Also, Sponsor's undertaking to correct defects as described above, runs only to Unit Owners who have purchased a Unit from Sponsor. It does not run to Owners who purchased Units on resale by other Unit Owners.

In addition, in no event shall Sponsor be responsible for any immaterial condition resulting from normal wear and tear or natural deterioration of from the normal shifting or settling of the Building, or for any defects of insubstantial nature, including but not limited to partial or total death of any landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, tile, marble and granite grouting, separation in joints of tile, marble, granite or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air filtration from windows, and consequential damage resulting from settlement or normal plumbing, heating and air conditioning, noises, or carpet discoloration and stretching. In addition, Sponsor shall not be responsible for paint touch-ups, or for repair of chips, mars, breaks or other defects in window sashes, electric fixtures, interior painted surfaces, sinks, tubs, bowls, bidets (if any), cabinets, countertops, vanity tops and bases, doors, mirrors, hardware, flooring or appliance cabinets, unless notified of any such defect therein prior to closing of title to the Unit in question or the leasing of the Unit to the Purchaser thereof and Sponsor agreed to repair such items. Sponsor has no obligation to make any repair to the Units or the Common Elements, except as expressly set forth in this Offering Plan. Nothing contained herein shall be construed to render Sponsor liable for consequential damages, whether based on negligence, breach of contract, warranty or otherwise (except as Sponsor may be liable for by law).

Except as expressly set forth herein, Sponsor has no obligation to correct or repair any defect or condition in any Unit, the Common Elements, or the Building or in any installation, apparatus, fixture or appurtenance. The foregoing provisions set forth Sponsor's entire responsibility with respect to corrections and repairs and none other shall be implied.

Notwithstanding anything to the contrary in the foregoing discussion, both Unit Owners and the Board of Managers shall be obligated to permit Sponsor and its contractors and agent's access to Units and the Common Elements at the request of Sponsor and/or its contractors and agents, in order for Sponsor to complete construction in accordance with this Plan.

References in this Section or elsewhere this Plan to excluded repairs or excluded conditions with respect various items listed shall not be construed to imply an obligation on the part of Sponsor to do any work, renovation or rehabilitation or to install any equipment, fixtures or appliances or other items except, in each case, as expressly provided in "Description of Property and Specifications or Building Conditions."

The Sponsor reserves the right to amend the Plans and Specifications and to make changes in the materials, appliances equipment and fixtures if (a) required or approved or accepted by governmental authorities having jurisdiction over the Property or by the Sponsor's architect; or (b) required by job conditions, local shortages or unavailability of materials; or (c) ordered by the Purchaser for his Unit without affecting Units previously sold. Changes or substitutions in materials, appliances, fixtures and equipment may also be made by the Sponsor provided that such substitutions are of equal or better quality. However, the Sponsor may not change the size, the location of the Building, other capital improvements, or the Common Elements if any such change materially adversely affects the value of any Unit either to which title has closed, or for which a Purchase Agreement has been executed and is in effect, unless all of the directly affected Unit Owners consent in writing to such change and all directly affected contract vendees are given the right to rescind and receive a refund of their Down Payments. All the foregoing amendments, modifications and changes to the Plans and Specifications may not be made without a duly filed amendment to this Plan.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of immaterial variations in the dimensions or arrangement of rooms, walls or other areas within Units, or in the Plans and Specifications, or in the description of the Building or a Unit set forth in the Plan.

Except as otherwise provided in this Plan, where alternatives are specified or where a particular practice, method, or design of construction, equipment, material or supply is not specified, the choice and decision of the Sponsor shall be determinative.

Inspection Statements

Purchasers may not add any additional work items to the Inspection Statement after the final inspection of the Unit has occurred, and neither Sponsor nor its contractors, subcontractors, principals, managers or members shall have any obligation to perform any such additional work items. Notwithstanding anything to the contrary set forth above, neither Sponsor nor its principals, managers, members, agents, designees, employees or affiliates assumes any responsibility and will not be liable to repair or replace any of the following:

- any condition resulting from normal wear and tear or natural deterioration from the normal movement, settlement and shrinkage or expansion of the residential units or the Building generally and/or building materials;

- defects of an insubstantial nature such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, protruding dry wall fastenings, ridging on gypsum board, lumber or minor floor shrinkage or gapping, door or window sticking due to weather, door warpage including, without limitation, warpage of any doors, minor scratches or chips in plastic, glass, metal, wood, vitreous china, stainless steel, tile porcelain or stone surfaces, bathroom finish, cracked grouting, adjustment or bi-fold door, walls not square, electrical plates or signs not straight, slight discoloration, expansion or shrinkage, slight separation between base and floor or differing coloration of any and all concrete, ceramic or stone tiles in gardens or kitchens;
- normal settlement and deflection or any minor consequential damage resulting therefrom including, without limitation, cracks in roof ballast or concrete cracks which do not reduce the structural integrity of the building generally;
- non-material deviations in the level of ceilings and non-material imperfections in ceiling finishes;
- non-material imperfections in painting finishes including, but not limited to, variances in color or texture;
- non-material deviations in the floors' levelness, buckling, gapping or sinking due to expansion and/ or shrinkage and/ or movement;
- slight misalignment of bathroom finishes and minor variation in grouting or tile thickness;
- minor noise, vibrations or odors from normal plumbing, heating, ventilation, air-conditioning and elevator operation, including cellar boilers, condensing units, exhaust fans, elevator machine rooms and equipment;
- potential bathroom vents and ducts on the mechanical terraces, regardless of height, and any noise emanating from such vents and ducts shall be in accordance with permissible decibel levels pursuant to any rules and/or regulations governing noise levels in New York City;
- negligible floor noises and creaking;
- minor carpet or floor discoloring or stretching;
- non-material variations in width, length, thickness, finish, gaps or color range of wood flooring;
- minor chips, scratches, mars, breaks, dents, cracks, imperfections, or other minor defects in each of the following: windows, window glass, frames and hardware; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, backsplashes and countertops; vanity tops and cabinets; all tile, stone or marble floors; saddles, all appliances; woodwork,

millwork and doors; mirrors; all hardware; appliance cabinets; ceilings and flooring;

- after the closing of title to a unit, paint touch ups, repair dented appliances or replace light bulbs;
- non-material variations in tone or color of marble or stone or slight floors; saddles, all appliances; woodwork, millwork and doors; mirrors; all hardware appliance; appliance cabinets; ceilings and flooring;
- leaching or minor color variation in exterior color mortar and colored stone or brick, slight dimensional variations in brick joints, and mortar dropping on bricks and window surfaces;
- minor ponding and/or controlled drainage on terraces or balcony surfaces;
- television, radio or other telecommunications reception;
- slight discoloration to hardware or plumbing finishes;
- minor stains, runs, lumps, shags or imperfections in weave and fabric panels;
- terrace tile or pavers not laid flat, or slight color variation in tiles, pavers or mortar, or stained tiles or pavers;
- non-material scratches on window frames or glass;
- any other minor imperfection or minor defect, except as expressly warranted pursuant to this Plan, provided it is indicated on written inspection statement and delivered to and acknowledge by Sponsor.

Completion Free of Liens

Sponsor will pay or cause payment to all contractors, subcontractors, materialmen, and all others involved in the construction, establishment, and sale of the Units for all authorized and proper work performed and fixtures, material, and equipment supplied or installed in the construction of the Building, and will cause all mechanics liens arising out of the construction of the Building or the furnishing or installation of fixtures or equipment to be discharged or bonded promptly after any lien is filed.

Sponsor Documents to be delivered to the Board of Managers:

So long as Sponsor is in possession of the below listed documents, drawings and/or reports, Sponsor shall provide each to the Board of Managers on or before termination of the Sponsor Control Period:

- Final as-built drawings;
- Operations and maintenance manuals for mechanical equipment;
- Electronic system manual;

- Re-commissioning manual;
- Equipment warranties;
- Manufacturer's roof warranty;
- Major equipment start-up sheets and control system as-built;
- Original test and balance report for HVAC system; and
- Post-construction indoor air quality report.

Plan, Exhibits, Documents

Sponsor agrees to keep copies of the Plan, exhibits and documents referred to in the Plan on file at its office or at another designated place for a period of six (6) years from the date the Declaration is recorded.

Sponsor's Rights of Access; Alterations

Sponsor reserves to itself, its successors, assigns, designees, invitees, contractors, agents, employees and tenants, any and all easements and rights of access, in and to Units and Common Elements, to complete construction in a manner consistent with the purposes of this Plan and to ensure Sponsor's rights and obligations hereunder. Sponsor is obligated to repair any damages caused as the result of the foregoing work to the extent it is obligated under the warranties provided under this Plan, if notified during the warranty period described below. Sponsor will not interfere with a Unit Owner's reasonable use of his or her Unit during any work period. However, there may be a temporary limitation as to use of the public areas. Sponsor's reservation and rights shall include, but not be limited to:

- (i) The right to maintain general, sales and leasing office(s) and personnel on the Premises, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection and display of vacant or licensed Units, as well as all Common Elements, to prospective Purchasers or lessees; and
- (ii) Right of access in and to Units and Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing and similar work.

The quality of construction shall be comparable to construction standards customary in the particular trade and in accordance with the Plans and specifications. Notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in the operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings are assigned to the Board of Managers or Unit Owners. In addition, in no event shall Sponsor be responsible for any immaterial condition resulting from normal wear and tear or natural shifting or settling of the Building, or for any defects of immaterial nature, including but not limited to nail pops, ridging on sheet rock walls, lumber shrinkage, any consequential damage resulting from settlement or normal plumbing and heating noises. Subsequent to the

conveyance of title to a Unit, other than those items listed in the Inspection Statement which Sponsor will be obligated to repair in a reasonable amount of time after closing, Sponsor shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or Formica chips and scratches in tubs, vanities or countertops. Sponsor has no obligation to make any repair to the Units or the Common Elements, except as expressly set forth in this Offering Plan. Sponsor's obligation, regardless of any limitation set forth in any warranty or in this Offering Plan, is to construct the Building in accordance with all applicable codes and filed plans and specifications, and any conflict between such disclaimers and Sponsor's obligation to construct the Building in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

Condominium and Sales Costs and Expenses

Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with establishment of the Condominium, and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium, whenever such costs or expenses are incurred, or in connection with the sale of all Units held or owned by Sponsor (except for costs specifically made payable by Purchasers under this Plan), and will pay all selling expenses including, but not limited to, advertising and printing costs, architect and engineering fees, and costs of filing this Plan and amendments thereto.

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to Units not sold to Purchasers (for so long as Sponsor owns the same), and for its obligations with respect to relinquishing control of the Board of Managers, as hereafter set forth, the foregoing Section sets forth the entire extent of the obligations of Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements.

Interim Leasing, Renting and Use of Unsold Units by Sponsor

Sponsor reserves the right, following the recording of the Declaration of Condominium and prior to the closing of title to any Unit, to lease such Unit to a prospective Purchaser who has executed a Purchase Agreement and paid the requisite Deposit, pursuant to an Interim Lease between Sponsor and Purchaser. Any such Interim Lease will provide that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the Interim Lease will constitute a default under the license entitling Sponsor, at its sole option, to immediately terminate the license. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any Interim Lease with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to immediately terminate such Purchase Agreement and exercise any remedies provided therein.

Sponsor is retaining the unconditional right to rent rather than sell units after the Plan has

been consummated. Therefore there is no commitment on the part of the Sponsor to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

Sponsor or its designee may use or occupy for itself or its agents, or (after the First Unit Closing) to rent or license to a tenant who is not a Purchaser for such fee and upon such terms as are agreed to between the parties, any Unit not conveyed or with respect to which a Purchase Agreement is not then outstanding. Sponsor will notify Purchasers of Units that have been previously occupied or that are then occupied, of such occupancy, prior to the execution of a Purchase Agreement. Such Unit will be delivered at the Closing, free and clear of any occupants and licenses, unless the tenant or occupant is the Purchaser or unless the Purchase Agreement indicates that the Unit shall be sold subject to a license, a copy of which shall be annexed to the Purchase Agreement. There shall be no obligation of Sponsor or its designee to decorate, refurbish or in any way repair such Unit.

CONTROL BY THE SPONSOR

Sponsor reserves the right to control the Condominium Board of Managers for a period of time until the earlier to occur of (a) one hundred twenty (120) days after the date by which one hundred percent (100%) of the Units have been conveyed to Unit Purchasers; or (b) three (3) years after the date the first Unit has been conveyed to a Unit Purchaser (the “**Sponsor Control Period**”). Sponsor reserves the right to relinquish control of the Board prior to the expiration of the Sponsor Control Period. A meeting will be held to elect the new board members that are unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor Control Period.

Since the Condominium By-Laws do not require that a majority of the Board be owner-occupants who are unrelated to Sponsor after Sponsor relinquishes control, Purchasers for their own occupancy may never gain control of the Board and owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on the management of the Condominium.

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 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.

Sponsor may not exercise veto power over expenses described in Schedule B of Part I of the Plan, without the consent of a majority in aggregate Common Interest of all Unit Owners (other than Sponsor voting as a Unit Owner) present at a duly called meeting of the Unit Owners or expenses required:

- (i) to comply with applicable laws or regulations; or
- (ii) to remedy any notice of violation; or
- (iii) to remedy any work ordered by an insurer; or
- (iv) any matter affecting the health or safety of the occupants of the Building.

Sponsor may exercise veto power over expenses other than those described above for a period ending not more than five (5) years after the closing of the first unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner.

As long as Sponsor or a Sponsor-designee shall own one or more Units, the Board may not, without the prior written consent of Sponsor or the Sponsor-designee, in the sole discretion of the Sponsor or the Sponsor-designee: (i) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or a Sponsor-designee; or (ii) interfere with the offer, sale or leasing of Units, or construction within the Unit or Units belonging to Sponsor or a Sponsor-designee, operation of general or sales and leasing offices on the Property, or with any actions necessary or desirable for construction, renovation, repair, or correction of the Property or any Unsold Unit, as determined by Sponsor or a Sponsor-designee, as the case may be.

Notwithstanding anything to the contrary contained herein, for a maximum of two (2) years from the date of the recording of the Declaration in the Kings County Clerk's Office, as long as the Sponsor continues to hold fifty-one percent (51%) or more in number of the Units, the Sponsor's prior written consent shall be required in order to amend either this Declaration or the By-Laws. Furthermore, so long as Sponsor or its designee shall own one or more Units or for a period of five (5) years after closing of title to the first Unit, whichever is sooner, the Board of Managers may not, without the prior written consent of the Sponsor, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund (provided, however, Sponsor will not unreasonably withhold consent to additions to the replacement Reserve Fund to the extent assessments are necessary to make expenditures required by law), or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient), or (iv) provide for new or additional services other than those provided for in Schedule B hereof. Sponsor shall have the right to withhold its consent to any of the foregoing actions except where otherwise noted. Notwithstanding the above, Sponsor's consent shall not be withheld for expenses required to comply with applicable law, to remedy any notice of violation, or to comply with any work order of an insurer. While Sponsor has voting control of the Board of Managers, Sponsor will not reduce or eliminate the services to be provided to the Condominium as set forth in this Plan.

BOARD OF MANAGERS

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of three (3) persons. However, the Board will initially consist of three (3) persons designated by Sponsor. The initial members of the Board will be Joshua Schuster, who is the principal of Sponsor, and two persons to be designated by Sponsor at a later date. No later than the Post Closing Amendment, Sponsor shall disclose the identity and relationship to Sponsor of the remaining two persons.

The first annual meeting of the Unit Owners shall be called for a date which is no more than one year after the First Unit Closing. At the end of the Sponsor Control Period, the initial members designated by the Sponsor shall resign and the Board of Managers will consist of three (3) persons elected by the Unit Owners. However, as long as Sponsor or a Sponsor-designee owns a Unit, it will be entitled to appoint one (1) member of the Board. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote for each .01% of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners.

The Unit Owners' annual meetings shall be held on or about the anniversary of the date of the first annual meeting. Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than thirty (30) days before such meeting. Minutes of all meetings of Unit Owners and all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

Special meetings of the Board of Managers shall be held when called by the President of the Board of Managers as directed by the Board of Managers or upon a petition signed by Unit Owners representing a majority in interest of the Common Elements having been presented to the Secretary of the Board.

After the Sponsor Control Period, each of the members of the three (3) member Condominium Board will serve until the next regular annual meeting of Unit Owners and until a successor is elected and qualified. Members of the Board of Managers, except for those members elected by the Sponsor, must be either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner to be eligible for election. Except for a member of the Board of Managers designated by Sponsor or a Sponsor-designee, members of the Board may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of fifty percent (50%). Board members elected by the Sponsor or a Sponsor-designee may only be removed for cause by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of

fifty percent (50%), excluding Sponsor's vote. In the event of such removal, the Sponsor or Sponsor-designee shall have the exclusive right to designate a replacement for such removed member of the Board of Managers.

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

The Board will be responsible for management and maintenance of the Condominium. It will have the powers and duties necessary for the administration of the affairs of the Condominium and may perform any act necessary to accomplish this, as long as it is consistent with the Declaration, By-Laws, and applicable law. Such acts include (a) determination, collection, and enforcement of the obligations of Unit Owners to pay Common Charges; (b) employment and dismissal of personnel; (c) providing for insurance with respect to Common Elements; (d) adoption of rules relating to use and operation of the Property; (e) hiring of a managing agent and contractors and service companies in connection with the performance of the Board's responsibilities; (f) establishing an operating budget for the Condominium; (g) maintaining and making all required repairs and replacements to the portions of the Property which is the responsibility of the Board to maintain and replace; and, (h) on behalf of the Unit Owners, incurring debt on such terms and conditions as the Board will agree to provide for major and minor maintenance, repairs, additions, improvements, replacements, working capital, bad debts and unpaid Common Expenses, insurance, depreciation, obsolescence and similar purposes (the repayment of any and all such debt may be secured and paid as provided in Section 339-jj of the New York Real Property Law).

Members of the Board will have no liability to the Unit Owners or third parties for errors of judgment, negligence, or otherwise, except for errors constituting willful misconduct or bad faith. The Unit Owners will severally indemnify the members of the Board against any liability or claims except those arising out of their bad faith or willful misconduct, but the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. In order to limit the liability of the Unit Owners and the members of the Board, any contract or other commitment made by the Board will state that it is made by the Board only as agent for the Unit Owners, that the members of the Board will have no personal liability on any such contract or commitment (except as Unit Owners), and that the liability of any Unit Owner on any such contract or commitment will be limited to such proportionate share of the total liability thereunder as the Common Interest such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

Since the Condominium By-Laws do not require that a majority of the Board be owner-occupants who are unrelated to Sponsor after Sponsor relinquishes control, Purchasers for their own occupancy may never gain control of the Board and owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts on the management of the Condominium.

Officers

The principal officers of the Condominium shall be a President, Secretary and Treasurer, all of whom shall be elected by the Board.

The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners.

The Secretary shall be empowered to take and keep minutes and of all meetings and to keep the books and records of the Condominium.

The Treasurer shall be responsible for overseeing the finances of the Condominium and for keeping the financial records and books of the Condominium.

The Board of Managers, in its discretion shall delegate such powers to the officers as it sees fit to execute agreements, contracts, deeds, leases and checks etc. on behalf of the Condominium.

Amendments to Declaration and By-Laws; Termination of Condominium

The By-Laws may be amended at any Unit Owners' meeting provided (a) the notice of meeting contains a full statement of the proposed amendment, (b) the amendment is approved by sixty-seven percent (67%) of the Unit Owners in number and in Common Interest at a duly called meeting of Unit Owners and (c) the amendment is duly recorded as an amendment to the Declaration and By-Laws; provided, however, that any amendment to the By-Laws that is material in nature must be approved by at least fifty-one (51%) of the Registered Mortgagees. No amendment may affect a Unit Owner's interest or the interest of a mortgage holder in a Unit or adversely affect the Sponsor's rights.

The Declaration may be amended by the Board of Managers upon a vote of sixty-seven percent (67%) of the Unit Owners in number and in Common Interest held at a duly called meeting of Unit Owners provided, however, that any amendment to the Declaration that is material in nature must be approved by at least fifty-one (51%) of the Registered Mortgagees.

The Condominium may not be terminated unless at least sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and at least fifty-one (51%) of the Registered Mortgagees, if any, of the same Units agree to the withdrawal of the Property from the provisions of Article 9-B of the Real Property Law. The Sponsor or its nominee will not cast any of its votes for withdrawal unless sixty-seven percent (67%) or more of the Unit Owners and at least fifty-one (51%) of the Registered Mortgagees other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

Notwithstanding anything to the contrary contained herein, approval of the Registered

Mortgagees or Registered Guarantors may be implied when the Registered Mortgagee or Registered Guarantor fails to submit a response to any written proposal for an amendment within sixty (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.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sale or Lease of Units by Unit Owners Subject to Right of First Refusal

Tenants of any lease of a Unit will not be subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law or the New York City Rent Stabilization Code, as such laws are presently in effect.

Other than a sale or lease by Sponsor or a successor of Sponsor, any lease or sale of a Unit shall be subject to the Board's right of first refusal. See Article XI of the By-Laws.

Any contract to sell a Unit, together with the Appurtenant Interests, and any lease of any Unit ("**Sale Agreement**" or "**Lease Agreement**") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Unit Owner executing the same ("**Offeree Unit Owner**") shall send written notice thereof to the Condominium Board by certified or registered mail, or overnight mail, which notice shall be accompanied by a copy of the fully executed Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("**Outside Offeror**"). The sending of this notice shall constitute an offer by the Offeree Unit Owner to sell the Unit, together with its appurtenant interests, or to lease the Unit, as the case may be, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand, the Offeree Unit Owner shall submit to the Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Board may reasonably request.

The right of first refusal held by the Board is more fully described in the By-Laws set forth in Part II of the Plan.

Mortgaging of Units by Unit Owners

Each Unit Owner has the right to mortgage his or her Unit, provided that (i) the mortgage shall be substantially in the form of the New York statutory form of mortgage, (ii) the Board of Managers is notified in writing of the making of the mortgage and receives a conformed copy of the mortgage and note, (iii) the mortgage states that if consent by the mortgagee is required to any amendment to the Condominium Declaration and By-Laws such consent will not be unreasonably withheld or delayed, and (iv) the Unit Owner making such mortgage first pays all

assessments and Common Charges previously assessed by the Board of Managers against the Unit, and satisfies all unpaid liens against the Unit, except for the lien of a Permitted Mortgage. Notwithstanding the foregoing, the Sponsor and Sponsor's designee shall have the right to mortgage their Units without restriction or limitation, but any such mortgage shall contain the representations in clauses (iii) and (iv) of this paragraph (if applicable). The Unit Owner will be responsible for interest and amortization payments on the mortgage encumbering such Unit Owner's Unit. A Unit will not be subject to the lien of any mortgage placed by other Unit Owners on their Units.

Common Charges and Assessments

The Board of Managers will prepare and furnish its budget to the Unit Owners from time to time and at least once a year. Based upon such budget and any modifications 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 of interest in the Common Elements. 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. Such Common Charges shall be paid by the Unit Owners and by Sponsor as Owner of Units that have not been sold to bona fide Purchasers. Each Unit Owner will be responsible to pay the Common Charges allocable to his or her Unit monthly in advance on the first day of each month, commencing with the closing of title to his or her Unit. Common Charges assessed during the month in which title closes shall be adjusted between the Purchaser and the Sponsor as of the Closing Date, if collection of Common Charges has commenced on or before said date.

The Common Charges assessed by the Board of Managers, in addition to covering the cost of repairing and maintaining the Common Elements including but not limited to, fire and liability insurance covering the Condominium, electricity for the Common Elements, water, audit and legal expenses and reserves for capital expenditures, may include, in the discretion of the Board of Managers, other reserves, working capital and other sums necessary to carry on the affairs of the Condominium.

The Common Charges will not include maintenance, repairs or decoration of any Units or portions thereof (except for structural repairs), payments required pursuant to the terms of any Unit Owner's mortgage, or real estate taxes covering the individual Units.

The liability of each Unit Owner for the payment of the Common Charges thereafter assessed or becoming due against his or her other Unit, shall terminate upon a permissible sale, transfer or other conveyance of such Unit together with the appurtenant interest in the Common Elements made by him or her in accordance with the applicable provisions of the By-Laws. In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, convey his or her Unit together with the appurtenant interest to the Board of Managers or its nominee on behalf of all other Unit Owners, without any compensation, and in such event shall

be exempt from Common Charges thereafter assessed. A Purchaser of a Unit shall be required by the Board of Managers to pay unpaid Common Charges assessed against the Unit prior to his or her acquisition, except that a mortgagee acquiring title to the mortgaged Unit or a Purchaser at a foreclosure sale shall not be liable for such charges and the Unit shall not be subject to a lien for the payment of the Common Charges assessed prior to the acquisition of title thereto by a mortgagee or Purchaser at a foreclosure sale. However, such mortgagee or Purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title. After the Board of Managers files a lien for unpaid Common Charges and in the event the lien is foreclosed by the Board of Managers, if the proceeds of the foreclosure sale shall not be sufficient for the payment of such unpaid Common Charges or if a Unit is acquired by a mortgagee or Purchaser in foreclosure, the unpaid balance shall be charged to all Unit Owners as a Common Expense. If there is any surplus remaining from the proceeds of a foreclosure sale after payment of the indebtedness and all the expenses of the sale, the surplus shall be paid to the Unit Owner.

Pursuant to Section 339-z of the Condominium Act, the Board of Managers, on behalf of the Unit Owners, will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Under Section 339-aa of the Condominium Act, a lien for non-payment of Common Charges will be subordinate only to liens for real estate taxes and to sums unpaid on a first mortgage of record on the Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the office of the County Clerk in Kings County, and until all sums secured thereby, with the interest accrued thereon at twelve percent (12%) per annum shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever is earlier. The lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners, similar to a foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the unpaid Common Charges, without necessarily filing the lien. Sponsor will cause the Board of Managers to file a lien, as provided in Section 339-aa of the Condominium Act, on Units in which a Purchaser is more than ninety (90) days in arrears of Common Charges while it is in control of the Board of Managers. Sponsor will cause the Board of Managers to file a lien, as provided in section 399-aa of the Condominium Act, on Units in which Sponsor is more than thirty (30) days in arrears of common charges while it is in control of the Board of Managers.

Pursuant to Section 339-kk of the Condominium Act, if a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon notice in writing, all rental payments from the tenant shall be directly payable to the Condominium Association.

If the Common Charges, assessments or late fees due for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board of Managers shall provide a timely written notice to the tenants, the non-occupying owner,

the Registered Mortgagee, and the Registered Guarantor, 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 of Managers may elect not to require that rental payments be made payable to the Condominium. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Condominium'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 (30) days of the date that such Board receives notice that such owner seeks to dispute such claim. Nothing in this section shall limit any rights of Unit Owners or of the Board of Managers existing under any other law or agreement. 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.

Notwithstanding the foregoing, any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for the Unit's unpaid regularly budgeted dues or charges accrued before acquisition of the title to the Unit by the mortgagee. If the Condominium Associations lien priority includes costs of collecting unpaid dues, the lender will be liable for any fees or costs related to the collection of the unpaid dues.

Sponsor reserves the right to delay the collection of Common Charges for so long as Sponsor pays the actual Condominium expenses, in lieu of Common Charges. In the event that Sponsor makes such election: i) Common Charges will not be assessed by the Board of Managers to any Unit Owners, ii) Sponsor shall disclose such information in an amendment to the Plan, and shall set forth the anticipated length of such delay period; iii) Sponsor shall provide at least thirty (30) days written notice of the expiration of the delay period and shall disclose such notice in an amendment to the Plan; (iv) during any such delay period, the Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments; (v) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (vi) the Sponsor shall remain obligated to update the budget for the Condominium, as provided in the governing regulations. Any budget line items that are funded solely through the collection of Common Charges will only commence to be funded on such date that the Common Charge Delay Period expires.

Repairs

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, in or to (a) any Unit including Limited Common Elements to the Unit (other than to the Common Elements contained therein), will be made by the Unit Owner at the Unit Owner's sole cost and expense; and (b) in or to the Common Elements will be made by the Board of Managers and the cost thereof will be a Common Expense.

All maintenance, repairs and replacement of the Common Elements of the Property, including, but not limited to, exterior walls, roof and roof members as well as all maintenance, repairs and replacements to any pipes, wires, conduits 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 serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Expense, except where such repair or replacement is necessitated by the negligence, misuse or neglect of a Unit Owner to whom the Common Element is restricted in use, in which event the cost and expense shall be assessed to and paid for by such Unit Owner. All repairs, replacements, painting or maintenance, whether made by the Unit Owner or by the Board of Managers to the doors, windows, or the exterior surface of any Building, including roofs, or to any generally visible portion of the Common Elements, shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor. In the event that a Unit Owner fails to make any maintenance replacements or repair, which maintenance, replacements or repair is necessary to protect any of the Common Elements, 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 make such maintenance, replacements or repair (after the 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, replacements, and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs, replacements or maintenance to his Unit or for repairs to any Common Elements 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 to compel payment. In the event the Board of Managers brings a suit, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

The interior glass surfaces of all windows located in the Units are to be cleaned at the Unit Owner's expense. The exterior surfaces of all Unit windows shall be cleaned by the Board of Managers and the cost shall be a Common Expense. Broken window glass in a Unit shall be replaced by the Unit Owner at the Unit Owner's sole cost and expense, unless such breakage was caused by the Board of Managers or its agents, in which case replacement shall be made by the Board of Managers at its sole cost and expense. Entrance doors to Units and the roof of the Building shall be maintained and repaired by the Board of Managers unless the damage thereto was caused by a Unit Owner in which case the Board of Managers shall make the repair and

charge the Unit Owner accordingly.

The Board of Managers and/or any agent of the Board of Managers shall have the right of access (which right shall be an easement) to inspect any Unit for the purpose of making any repairs or replacements to any of the Common Elements contained in such Unit or appurtenant to such Unit, or elsewhere in the Building, or to remedy any condition which would result in damage to any other Unit or to the Common Elements, or which would violate the provisions of any mortgage covering another Unit, or for the purpose of removing violations or curing defaults by Unit Owners, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use for which the Unit was intended. No prior notice shall be required if the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property or its residents or to avoid the suspension of any necessary service.

Additions, Alterations and Improvements

No Unit Owner may make any addition, alteration or improvement to the Common Elements.

No Unit Owner shall make any structural addition, alteration, repair or improvement in his or her Unit, Limited Common Elements, or to the Common Elements appurtenant to his or her Unit, without the prior written approval of the Board of Managers, which approval will not be unreasonably withheld, provided that the addition, alteration, repair or improvement may be made while retaining the structural integrity of the Building. Notwithstanding anything to the contrary contained herein, Sponsor shall be permitted to make any lawful alterations to Unsold Units without the consent of the Board of Managers except for structural alterations that would have a material effect on the structural integrity of the Building. In addition, no such additions, alterations or Unit Owner's improvements may be made unless the consent of the Unit mortgagee (if any) is obtained, if such consent is required under the terms of the Unit Owner's mortgage. Except as otherwise provided with respect to alterations by the Sponsor or Sponsor's designee, no application shall be filed with the New York City Buildings Department or with any other governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit unless approved in writing executed by the Board of Managers. Such execution shall not subject the Board of Managers or any of its members to any liability to any contractor, subcontractor, material man, architect or engineer, by reason of such addition, alteration or improvement or to any person having any claim for injury to person or damage to Property arising therefrom. If requested by the Board of Managers, a Unit Owner shall indemnify the Board of Managers for loss, damage or liability resulting in any way from execution of any such documents executed by the Board of Managers or any of its Members.

Prior to and as a condition of granting consent to the making of a structural alteration, addition, repair or improvement to a Unit, the Board of Managers may require the Unit Owner to

deliver plans and specifications to the Board of Managers and to execute an agreement in the form required by the Board of Managers, setting forth the terms and conditions under which the proposed work is to be done, including, without limitation the days and hours during which the work is to be done. The Unit Owner shall also provide the Board of Managers, if required, with a copies of all insurance policies in the form required by the Board of Managers insuring all work to be performed by the Unit Owner and naming the Condominium and mortgagee, if applicable, as an additional insured.

Notwithstanding the foregoing, there are no additional requirements in the by-laws regarding aesthetic controls or architectural restrictions for additions, alterations or improvements to individual units.

Local Law 11/98

Pursuant to Local Law 11/98, Sponsor obtained that certain “Critical Examination of Exterior Walls and Appurtenances” report, referred to hereinafter as the “Façade Report” (said Façade Report being annexed to the Description of Property and Specifications set forth in Part II of the Plan). The Façade Report indicates certain unsafe conditions on the Building’s exterior walls revealed during a Local Law 11 inspection. Sponsor is in the process of remediating any unsafe conditions stated in the Façade Report. The Building will require future inspections in accordance with Local Law 11/98, with the first façade inspection expected to occur during the 2020-2022 cycle. Since Sponsor will be required to complete all remediation set forth in the Façade Report in order to obtain a TCO, Sponsor will complete the remediation prior to the First Unit Closing. Purchasers should note that although not budgeted for the First Year of Operation, the cost of any future additional inspections, if any, required by Local Law 11 and any amendments thereto, shall be a Common Expense of all Unit Owners. Additionally, if Sponsor has relinquished control of the Board of Managers at such time of the next inspection, the Unit Owner-controlled Board will be responsible for the coordination of such inspection and all future subsequent inspections. Since Sponsor is completing all remediation required as set forth in the Façade Report, it is not anticipated the Board will have substantial work to complete upon each inspection; as such, Sponsor projects the cost of an engineer to perform the inspection to cost no more than \$3,000.00 per inspection.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance, including water damage, insuring the Building, including all of the Units and the bathroom and kitchen equipment initially installed therein by the Sponsor, together with all heating, air conditioning equipment and other service machinery contained therein (but not including wall, ceiling or floor decorations or coverings, or furniture, furnishings, fixtures, equipment or other personal property supplied or installed by Unit Owners), covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to the full replacement value of the Building (exclusive

of the cost of excavations, pilings and foundations). Each of such policies shall contain a New York Standard Mortgagee Clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payable provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth, and such other insurance as the Board of Managers may determine.

The amount of fire insurance to be maintained on the Building upon the transfer of title to all Units and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will not be less than one hundred percent (100%) of replacement value of the Building. The Board of Managers shall review the amount of fire insurance annually. Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy.

The Board of Managers will arrange for repair of the Units in the event of a casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Units, the balance of the cost of such repairs will be assessed against all Unit Owners. For further provisions regarding repair or reconstruction of Units after fire, casualty or condemnation see Article Seven of the By-Laws which provides, among other things, for Unit Owners' approval to reconstruct in the event seventy-five percent (75%) or more of the Units are destroyed or substantially damaged. In the event of a casualty loss, the Unit Owner will continue to pay the Common Charges on his Unit.

The proceeds of all policies of physical damage insurance carried by the Board of Managers shall be payable to the Board of Managers in the event of a casualty loss amounting to \$100,000 or less, and to the "Insurance Trustee" if the loss shall amount to more than \$100,000 to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners, as hereinafter set forth. The Insurance Trustee shall be designated by the Board of Managers and shall be a bank or trust company located in the State of New York. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law. Until such time that the mortgage lien held by the Sponsor's remains outstanding, the Construction Lender shall act as Insurance Trustee.

The comprehensive general liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners, will have a limit of \$1,000,000, covering all claims arising out of any one occurrence in the Common Elements and a limit of \$2,000,000 in the aggregate, a portion of which may be covered via an umbrella policy.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense. The Board of Managers may also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all officers and employees of the Condominium who handle Condominium funds; (2) worker's

compensation insurance; and (3) in order to limit the liability of Unit Owners for personal injury and tort, comprehensive general liability insurance covering each Member of the Board of Managers and each Unit Owner for such amounts as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year. See Schedule B for the estimated cost of insurance for the Condominium for the first year of operations.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or the invalidity arising from any acts of the insured or any Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the Unit Owners, and Registered Mortgagees and Registered Guarantors. 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 expiration of the current policies.

In addition to the insurance set forth herein, Unit Owners must obtain supplemental or additional insure their personal effects and the interior of the Unit itself for fire and liability. Such insurance commonly referred to as an "HO-6 Policy," will be paid for by the Purchaser. Unit Owners shall 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.

Restrictions on Occupancy and Use

Restrictions on and conditions for occupancy of Units, including aesthetic controls and limitations on business and professional use, appear in the House Rules appended to the Condominium By-Laws in Part II of the Plan. In addition, the Units will be restricted to residential uses as well as "home occupation" uses as defined in the Zoning Resolution in Section 12-10. Home occupations cannot have more than one (1) employee and not more than twenty-five percent (25%) of a Unit's space may be dedicated to such use.

A summary of some of the rules governing the occupancy and use of Units follows:

Owners of a Unit, members of their families, their employees, guests and their pets shall not use or permit the use of the Premises in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium. Sponsor shall not use or permit the use of the Premises in any manner which would be illegal.

No Unit Owner shall paint the exterior surfaces of the windows and doors opening out of his or her Unit.

No Unit Owner or any of his or her 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 normal household use.

No Unit Owner shall make or permit any disturbing noises in his or her Unit, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a computer for purposes of listening to music, phonograph, tape, radio or television set or similar loud device in such Owner's Unit between the hours of 12:00 Midnight and the following 7:00 A.M. if the same shall reasonably disturb or annoy other occupants of the Building and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.

No garments, rugs, etc., shall be hung from the windows or from any part of the Building or balconies or clotheslines strung, on, across or over the Common Elements or the Limited Common Elements (including any irrevocably restricted areas).

No sign of any kind shall be displayed to the public view on or in any Unit.

No birds, animals or reptiles, except dogs or cats, shall be permitted in any Unit unless the same shall have been expressly permitted in writing by the Board of Managers or the Managing Agent, and such permission shall be revocable at any time by the Board of Managers or Managing Agent in their sole discretion. In no event shall more than two (2) animals shall be permitted in any Unit. No pet shall be permitted in the Common Elements, including dogs and cats, unless carried or on a leash.

No Unit Owner shall leave or permit any personal property (i.e., bicycles, carriages, etc.) to be left in the hallways, corridors, lobby or other common areas or to be left on the terraces, unless in a place specifically designated for same, by the Board of Managers or the Managing Agent.

Limited Common Elements consist of the portions of the Property (other than the Units and the Common Elements) existing for the sole use and enjoyment of certain Unit Owners to the exclusion of all other Unit Owners. The Limited Common Elements in this Building are as follows:

- There are balconies on the south façade on Units 3 through 8, Units 10 through 22, PH23 and PH24. These balconies are allocated to their appurtenant Unit as a Limited Common Element.
- Unit 9 will have a terrace allocated as a Limited Common Element on the south side of the Building.
- Unit SKY PH will have a terrace located at the lower level at the south side of the

Building, and two terraces located at the upper level at each of the north and south sides of the Building, allocated as Limited Common Elements.

The Building is located in Zoning District C5-2A, within the Special Downtown Zoning District (DB). A C5 district is a central commercial district which allows retail frontage intended for offices and retail establishments that serve the area. The Special Downtown Brooklyn District is a unique mixed use area functioning as the economic, civic and retail center of the borough. The district includes a hub of office buildings, courthouses and government buildings, major academic and cultural institutions, and active retail corridors. It is surrounded by historic residential neighborhoods. Use Groups 1-6 and 9-11 permit both residential and non-residential uses within the immediate area.

The provisions set forth above shall not be applicable to the Sponsor. The Sponsor and its nominees and agents shall have the right and privilege to maintain general and local sales offices in and about the Condominium, including any model Units located within 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 incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to market and sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. The Sponsor shall have the right to use Common Elements and Limited Common Elements in the construction, repair or otherwise in connection with the building and maintenance of the Building.

The Board of Managers shall sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by Sponsor or its designee to any Unit, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the signing of the application or such other document. A copy of any such application or other document will be furnished to the Board of Managers. However, Sponsor shall not make any material changes to the Condominium without a duly filed amendment to the Plan.

Compliance with By-Laws and Rules and Regulations

Rules and regulations concerning the use of the Property and 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 prior to the time that they become effective.

The initial Rules and Regulations of the Condominium are contained in Part II of the Plan.

Each Unit Owner must comply strictly with the By-Laws and the rules, regulations, resolutions and decisions adopted pursuant thereto. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, by the Board of Managers or in a proper case, an aggrieved Unit Owner. In the case of flagrant or repeated violation the Board of Managers may ask the offending Unit Owner for sufficient surety for future compliance.

A Manager may be removed for cause by a majority vote of the Unit Owners.

The powers of the Board of Managers are set forth in Article III of the By-Laws. Among those powers and duties necessary for administration of the affairs, which generally include all powers and duties relating to the Property and business affairs of the Condominium other than that specifically directed or required to be done by the Unit Owners personally, including, without limitation, the following:

- (i) To determine the amount of, collect and disburse the Common Charges, including the right to accumulate a reserve for capital replacements.
- (ii) To make reasonable Rules and Regulations in addition to those set forth in the By-Laws and to enforce them.
- (iii) To employ others, including a management agent, and to delegate powers.
- (iv) To maintain, make repairs to and replacements of the Common Elements and Limited Common Elements including exterior walls, roofs, pipes, wire conduit and public utility lines, any of which is located in one Unit and services another Unit, and painting of exterior surfaces of doors and windows which open from a Unit. However, a Unit Owner shall be responsible for the maintenance of his Unit including electric repairs, plumbing stoppage, window cleaning, painting and decorating in the Unit, all glass breakage, pipes, wires and conduits in and servicing the same Unit and repairs and replacements to the Unit.
- (v) To choose officers of the Condominium which officers shall include a President who shall be the chief executive officer of the Condominium, shall preside at all meetings of the Unit Owners and Board of Managers and be an ex-officio member of all committees; a Secretary who shall record all votes and take and keep minutes of all meetings of the Unit Owner and Board of Managers; and a Treasurer who shall be responsible for overseeing the finances of the Condominium funds and for keeping the financial budget and record of the Condominium or overseeing them if kept by the Managing Agent.
- (vi) To maintain Condominium bank accounts.

- (vii) To bring and defend actions on behalf of the Condominium including foreclosure of liens for unpaid Common Charges.
- (viii) To acquire title to any abandoned Unit or Units under foreclosure.
- (ix) To make repairs, restore or alter any Unit or the Common Elements after damage by fire or other casualty or condemnation.
- (x) To enter a Unit when necessary for the maintenance, care and preservation of the Property.
- (xi) To furnish annually, at the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement certified by an independent public accountant, a statement regarding any taxable income attributable to the Unit Owners and a notice of the holding of the annual Unit Owners meeting. A Unit Owners, his/her representatives and mortgagee may examine the Condominium books and records upon reasonable notice and during normal business hours.
- (xii) To act as an agent of those Unit Owners, if any, who give their written authorization to apply to the New York City real estate tax assessment agency by filing a single protest or 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 whom it is acting as agent and charge those Unit Owners a pro-rata share of expenses, disbursements and legal fees.

Right of Action

The Board and any aggrieved Unit Owner shall have the right of action against Unit Owners or the Board for failure to comply with the Declaration, By-Laws, or decisions of the Board.

Enforcement of Sponsor's Obligations

Nothing herein shall prevent an individual Unit Owner from bringing an action in the nature of a derivative action against the Board. Sponsor agrees that during the Sponsor Control Period it will in its capacity as the Board enforce such obligation when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

Voting

Each Unit Owner, or some person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to the Unit Owner's Unit at all meetings of Unit Owners. The total number of votes of all Unit Owners shall be 10,000 and each Unit Owner shall be entitled to cast one vote at all meetings of the Units Owners for each 0.01 percent of interest in the Common Elements applicable to the Unit Owner's Unit.

Notices to Registered Mortgagees and Registered Guarantors

The Registered Mortgagee and Registered Guarantors will be notified within ten (10) days by certified or registered mail, with a "return receipt" requested in the event of the following:

- (i) Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- (ii) Any 60-day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
- (iii) A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium Association; and
- (iv) Any proposed action that requires the consent of fifty-one percent (51%) of the Registered Mortgagees and Registered Guarantors.

Replacement Reserve

The Board of Managers, at all times shall maintain a Replacement Reserve in an amount as set forth in the Budget of the Condominium. The funds in the Replacement Reserve shall be used for the maintenance, repair and replacement of the Common Elements of the Building, including, but not limited to, systems such as plumbing, electrical, structural, roofing and heating.

Insurance

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death, or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time and (b) owner's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements, and betterments and loss due to water damage). The

insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) day's written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery. In the event a Unit Owner fails to obtain the requisite insurance or deliver evidence of same to the Condominium Board, as required, the Condominium Board may, in its sole and absolute discretion, (i) obtain such insurance on behalf of said defaulting Unit Owner or (ii) impose such fines and penalties as the Condominium Board may determine in its sole discretion, including without limitation, a per diem penalty for each day that the Unit Owner does not provide evidence of coverage and in either event such sums shall, for all purposes, constitute Common Charges payable by such Unit Owner. Sponsor will maintain commercially reasonable insurance coverage for each of the Units owned by Sponsor after closing.

Smoking Policy:

Smoking and using electronic cigarettes is prohibited in any common area within the interior of the Building as required by all applicable laws. Smoking and using electronic cigarettes is permitted in any of the Units by the Unit Owners and their occupants. Smoking and using electronic cigarettes is permitted in all outdoor common areas.

THE FOREGOING SUMMARY IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF THE BY-LAWS OR DECLARATION. PROSPECTIVE PURCHASERS OR THEIR ATTORNEYS OR ADVISORS SHOULD REVIEW THE BY-LAWS, DECLARATION AND OTHER IMPORTANT DOCUMENTS SET FORTH IN PART II OF THE PLAN.

REAL ESTATE TAXES

Real estate taxes are assessed and collected by the City of New York. The Property is currently classified as a Tax Class 2 property (residential condominium building with one to three units) upon completion of the improvements.

Once Units are separately assessed for real estate taxes, each Unit Owner will be responsible only for payment of the tax bill attributable to Unit Owner's Unit, and will not be responsible for paying the tax bill attributable any other Unit. Likewise, with separate assessments, one Unit cannot be subject to a tax lien arising out of another Unit Owner's failure to pay the taxes due on that other Unit Owner's Unit.

Certain Purchasers of Residential Units, including senior citizens and veterans, may be exempt, in whole or in part, from real estate taxes. Each potential Purchaser should consult his or her own tax advisor as to the availability of such exemptions.

Submission of the Declaration and Tax Lot Drawings to the New York City Real Property Assessment Bureau for review is one of the first steps in the process by which the Units will become separate tax lots. The timing of this submission generally depends upon the date the Plan is declared effective, as typically the submission is not made until that time. As of the date of this Plan, Sponsor has no reason to anticipate any delay other than normal governmental processing time in effectuating creation of separate tax lots and individual Unit assessments.

Purchasers are advised, however, that due to the City's schedule in assessing real property generally, it is possible that separate assessments of Units may not be made for six to twelve months after separate tax lots legally are established. That is, separate tax lots may be established (thereby enabling Sponsor to convey Units to Purchasers), but separate assessments may follow some months later. Thus, for a period of time following establishment of separate tax lots, one tax bill may still be rendered for the entire Property. Details of how the tax bill will be paid under these circumstances and Purchasers' responsibilities for contributing their proportionate share of same, are included in Part I of this Plan, entitled "Unit Closing Costs and Adjustments."

Assessment and Tax Certiorari Proceedings

The Board of Managers shall have the right accorded condominium boards of managers in Section 339-y of the Condominium Act, on behalf of and as agent for any Unit Owner who has given written authorization to the Board of Managers, to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Unit, as set forth in the By-Laws. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom. The Board of Managers may retain legal counsel on behalf of 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 as if for Common Charges, pursuant to Section 339-z of the Condominium Act. If any Unit Owner seeks individually, to have the assessed value of said Owner's Unit reduced, by bringing a separate tax certiorari proceeding, the Board of Managers, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing such reduction, provided such Unit Owner indemnifies the Board of Managers and all other Unit Owners from all costs, claims and expenses (including, without limitation, reasonable attorney's fees and expenses), resulting from such proceedings.

There are no tax certiorari proceedings currently pending for the Property.

Real Estate Tax Projection

The New York City Department of Finance (“**DOF**”) assesses the values on all New York City residential and commercial properties annually. The Department of Finance releases tentative assessments of the property value of every property in January of every year and final assessments every May, prior to the beginning of each tax year, which begins July 1. Real Property tax rates, set each year by the City Council are applied to these property values to determine each homeowner's annual tax liability.

The property tax assessment process commences when the city's assessors determine the *market value* of the property. Despite the given name “*market value*”, this value has little to do with the actual value of the property (what someone would actually pay for acquisition of the property). In some neighborhoods the *market values* are close to actual property values. In others they can be as little as 5% of true values. Even within neighborhoods there can be wide variations. Property tax is only levied on a portion of the *market value*. This portion is called the *assessed value*. In regard to Condominiums with more than three (3) dwelling units, taxes are levied on 45% of the *market value*.

Sponsor retained Metropolitan Realty Exemptions, Inc., (“**MRE**”) to provide an opinion on the projected real estate taxes payable by Residential Unit owners. MRE has determined that upon substantial completion of construction, the DOF will classify the Condominium as a Tax Class 2 and levy the assessed value on a 45% rate of the market value. Taxes for the First Year of Operations has been projected to be a blended rate of a portion of the taxes projected to be due at the rate during the 2018-2019 tax year (July 1, 2018 – June 30, 2019); and a portion of the taxes projected to be due at the rate during the 2019-2020 tax year (July 1, 2019 – June 30, 2020). MRE estimates the assessed value of the Condominium will be \$3,023,370 for the 2018-2019 tax year, and \$7,651,730 for the 2019-2020 tax year, which results in a blended assessed value for the first year of Condominium operation estimated to be \$4,566,157. The estimated real estate tax liability for the Condominium is therefore \$580,769 for all Condominium Units. Real estate tax projections were based on the tax rate of 12.719%. Sponsor has not applied for real estate tax benefits under the 421-a tax exemption program, or other tax exemption or abatement programs.

The policy of DOF is to apportion each Unit's real estate taxes based on its Common Interest. However, the City of New York is not bound by the allocation of Common Interests and may allocate on a different basis. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS, OR THE TAX RATE WILL NOT BE CHANGED.

There is no assurance the taxing authority will allocate taxes based on relative apartment size, apartment height, and unit-specific features, as provided in the analysis by MRE. It is therefore possible that owners of Units having the same percentage of Common Interest will pay different amounts of real estate taxes.

No representation or warranty can be made as to (a) whether there will be (i) a further increase in the actual valuation of the Property during the projected budget year or (ii) an increase in the assessed valuation of the Property by reason of the condominium conversion or otherwise, or (b) the method of determining the assessed valuation (whether on a rent roll, market or other basis) or (c) the amount of any increase in the assessed valuation of the Property.

If separate tax assessments have not been made for individual units prior to the closing of title to a Unit, Sponsor will collect from each Purchaser at closing, and will place in escrow in a separate account established by the Sponsor for that purpose, an amount equal to the Unit's estimated proportionate share of the real estate taxes projected to be due for the entire Property for the half of the tax year next commencing after the closing of said Unit (i.e., for either the first half or second half, depending on when the Unit closes), based on the method of allocation described above. If the tax assessor indicates that more than one half of a tax year may elapse before the Units are individually assessed, Sponsor shall collect at closing Purchaser's proportionate share of taxes for the upcoming half and shall deposit the same in the account described above. With respect to the balance of the estimated taxes due for the next applicable tax period, the Board of Managers is authorized by Section 2.10(r) of the By-Laws, and shall be obligated to collect monthly escrows from Unit Owners with their Common Charges based upon the estimated tax bill for the entire Property and the then current tax rate deposit the same in the tax escrow account. At the time taxes are due and payable, Sponsor shall pay out of Sponsor's own funds, Sponsor's proportionate share of the Property tax bill allocable to the Unit(s) Sponsor then owns, based on the allocation method described above, and the Board of Managers shall be obligated to cause the release to Sponsor of the appropriate amount of escrowed tax funds in the tax escrow account for Sponsor's use in paying the share of taxes attributable to Units that have been sold and closed to other Unit Owners.

If the actual taxes due for any period for which Sponsor collected escrows are higher than the amount collected and held in escrow, the Board of Managers shall pay the difference and shall bill Unit Owners for their proportionate share of any necessary reimbursement, as a Special Assessment. Sponsor will remain liable for all real estate taxes attributable to Sponsor's Units until Sponsor sells and conveys those Units. If any Unit Owner fails to pay a Unit's pro rata

share of real estate taxes when due, by Common Charge billing, special assessment billing, or both, the Board of Managers will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges.

Prospective Purchasers are advised to read the full text of the real estate tax analysis by MRE on the following page for details about the projected real estate tax assessments.

Metropolitan Realty Exemptions, Inc.
118 Middleton Street Brooklyn, NY 11206
Telephone: (718) 387-3004 Facsimile: (718) 228-3503
Email: martin@mretax.com

March 14, 2018

67 Livingston LLC
10 Cutter Mill Road, Suite 400
Great Neck, NY 11021

RE: 67 Livingston Street
Brooklyn, NY
Block & Lot: 265-5
Twenty two (22) Residential Condo units

Dear Sir:

You have requested us to advise you with our opinion in respect to determining the projected Annual Assessment and tax liabilities in regard to the above captioned real property according to our experiences.

The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year, which commences July 1st.

Real Property tax rates set each year by the City Council are applied to these property values, to determine each homeowner's annual tax liability.

The property tax assessment process commences when the city's assessors determine the market value of the property. In regard to one-, two- and three-family homes (tax class 1), Finance estimates market values based on comparable sales. Finance's records indicate that the assessor's assessment on market values, only deviate from actual sales prices by 15 percent or less.

Property tax is only levied on a portion of the market value. This portion is called the assessed value. In regard to 1-3 family homes and Condominiums with no more than three (3) stories, provided such property was previous classified as class one (1), the assessed values are levied on 6% of the market value. In regard to all other properties, taxes are levied on 45% of the market value.

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

Metropolitan Realty Exemptions, Inc.

In reference to the subject premise, the proposed is to construct a residential building comprised of twenty two (22) condo units. Based on assessment guidelines, The NYC Department of Finance Surveyor's Office shall class the proposed structures as a tax class two (2) and thus levy the assessed value on a 45% rate of the market value.

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

The first year of condominium operation will begin in November 2018 and end in November 2019. Taxes for the first year of condominium operation will be as follows:

ESTIMATED FULL TAX LIABILITY 2018/2019 AND 2019/2020 TAX YEARS

	Assessed Value	Tax Rate	Real Estate Tax
2018/2019 TAX YEAR	\$3,023,370	12.719%	\$384,542
2019/2020 TAX YEAR	\$7,651,730	12.719%	\$973,224

ESTIMATED TAXES FIRST YEAR OF CONDOMINIUM OPERATION

	Assessed Value	Tax Rate	Real Estate Tax
66.67% of year 2018/2019	\$2,015,580	12.719%	\$256,362
33.33% of year 2019/2020	<u>\$2,550,577</u>	12.719%	<u>\$324,408</u>
First year of condo	\$4,566,157		\$580,769

The first year of condominium operation will begin in November 2018 and end in November 2019. Taxes for the first year of condominium operation will be comprised of the taxes due for the 2018/2019 tax year (8 months) and 33.33% of the taxes due for the 2019/2020 tax year.

The blended tax for the first year of condominium operation is forecasted at \$580,769 for all units.

You are advised that this projection is an estimate. The actual assessment and real estate tax liability may be more or less than the total assessment and tax liability amount shown.

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

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

Abatement percentages are shown in the following table:

Metropolitan Realty Exemptions, Inc.

Average Assessed Value	Benefit Amount Per Year
\$50,000 or less	28.1%
\$50,001 - \$55,000	25.2%
\$55,001 - \$60,000	22.5%
\$60,001 and above	17.5%

Requirements

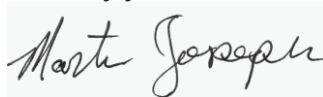
- The co-op or condo unit must be the owner's primary residence.
- You must have purchased the unit on or before January 5 to qualify for the abatement for the upcoming tax year. If the unit was purchased after January 5, you can apply for the next tax year.
- Co-op or condo owners cannot own more than three residential units in any one development and one of the units must be the owner's primary residence.
- Property must be classified as a Class 2 property.
- Co-op or condo owners cannot be receiving any of the following exemptions or abatements:
 - J-51
 - 420c, 421a, 421b, or 421g
 - Cooperative properties are not eligible for the Clergy exemption

The co-op or condo property cannot be:

- a Housing Development Fund Corporation (HDFC);
- a Limited Divided Housing Companies, Redevelopment Company;
- a Mitchell-Lama Building or
- in the Division of Alternative Management Programs (DAMP) Program.
- Units owned by a business (LLC) are not eligible.
- Units held by sponsors or their successors in interest are not eligible.
- Units owned by a trust are eligible only if the unit is the primary residence of the beneficiary of the trust, trustee, or life estate holder.

This letter was prepared at the Sponsor's request. However, we make no representation that the tax rates set each year by the City Council, or the assessed valuation determined by the city's assessors will reflect our projected estimate. In no event will my firm, the Sponsor, the Sponsors' counsel, the Condominium Board or any other person be accountable if the assessed valuation when actually made is lesser or greater than predicted.

Sincerely yours,



Martin Joseph

Metropolitan Realty Exemptions, Inc.

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

Deductibility of Mortgage Interest and Real Estate Taxes

A Unit Owner will own his or her Unit in fee simple and each Unit will be a separate tax lot for real estate tax purposes. Therefore, each Unit Owner may mortgage his or her Unit with an institutional lender and will be liable for payment of mortgage interest and principal and any real estate taxes assessed against the Unit.

A non-corporate Residential Unit Owner who itemizes their deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to their Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed \$750,000.00, or \$375,000 in the case of a married individual filing a separate return, and (d) the Unit is a “qualified residence.” The Federal limitation on the deduction for real estate taxes applies in the aggregate to, and is inclusive of, state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local taxes combined is \$10,000 (\$5,000 in the case of a married individual filing a separate return). The amount of any available deductions may vary due to changes in the interest rate, the allocation of constant debt service payments to interest, and state and local taxes. For some taxpayers, the foregoing deductions may also be impacted by the alternative minimum tax. No opinion is expressed as to the taxation of Unit Owners who are not New York State residents or not individuals.

A Unit Owner who uses a Unit for professional or business use or for the production of income, should be entitled, under present law, to a deduction for Federal and New York State income tax purposes for the real estate taxes paid on the Unit and for the interest paid on any mortgage covering the Unit.

Tax Status of Condominium

The Condominium will be managed by the Board of Managers, which shall collect the Common Charges on behalf of the Condominium. Although it is not clear whether the Condominium would be treated as an association taxable as a corporation for Federal tax purposes, there is substantial authority for such treatment. Assuming that it is a taxable entity, the Condominium will file tax returns and be subject to the regular corporate income tax on its taxable income, and its taxable income would be computed as the excess of its gross income over its deductible expenses. However, any portion of the Common Charges that is segregated and used to finance specified capital expenditures should not be included in gross income.

Notwithstanding the foregoing, the Condominium should qualify under Section 528 of the Internal Revenue Code to be exempt from tax on certain income. If the Condominium meets

all applicable requirements and properly makes the election, it may be exempt from tax on membership fees, dues and assessments from the Condominium Unit Owners.

No warranty is or can be made by Sponsor or any other person that the United States Treasury Department or the New York State Department of Taxation will allow the aforementioned deductions and no representation or warranty is or can be made that the tax law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, may not change so as to disallow the deductions in whole or in part. Neither Sponsor nor its counsel shall be liable if it is held that the Unit Owners are not entitled to such income tax deductions or to special exemptions as aforesaid due to changes in applicable law, regulation or decisional law. Neither counsel nor Sponsor shall have any liability should Unit Owners not be entitled to deductions if facts represented by Sponsor are not true.

TAX OPINION OF COUNSEL

MARANS WEISZ & NEWMAN LLC

29 BROADWAY · SUITE 2400 · NEW YORK, NY 10006 · 212 968-0244

March 6, 2018

67 LIVINGSTON LLC
40 West 57 Street, 29th Floor
New York, NY 10019

Re: Offering Plan for: The 67 Livingston Street Condominium
Premises: 67 Livingston Street, Brooklyn, New York

To Whom It May Concern:

You have requested our opinion with regard to certain income tax matters relating to the Offering Plan (the “Plan”) for The 67 Livingston Street Condominium (the “Condominium”) including specifically the availability of certain deductions for federal, New York State and New York City income tax purposes with respect to payments of mortgage interest and real estate taxes by individual Unit Owners and the tax treatment to be received by the Condominium.

All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan.

You have advised us that the Sponsor will apply to the Department of Law of the State of New York to convert the premises located at 67 Livingston Street, Brooklyn, New York to condominium ownership pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York. The Condominium shall consist of twenty-two (22) Residential Units. Each Unit Owner will hold title to his or her Unit in fee simple plus an undivided interest in the Common Elements. Each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage in accordance with the By-laws and the Plan, on his or her Unit and, by doing so incur direct liability for the interest payable on such mortgage. The Condominium will be operated by a Board of Managers which, pursuant to the By-Laws, will act as the agent of the Unit Owners. The primary function of the Board of Managers will be to collect the Common Charges and use such funds to supervise the maintenance and operation of the Common Elements.

In connection with this opinion, we have reviewed various documents included in the Plan, or as exhibits to the Plan, relating to the Condominium including the Declaration and By-Laws.

As part of this opinion, we hereby adopt the opinion of FirstService Residential which opined that the allocation of Common Interests (as such term is defined in the plan) assigned to each unit under this plan is consistent with Real Property Law 339-(i)(1)(iv), and as adopted is

hereby incorporated into this opinion. The percentage of Common Interest allocated to each Unit is based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. We also hereby adopt the opinion of Metropolitan Realty Exemptions, Inc. regarding the Condominium's projected real estate tax liabilities. The opinions as adopted are hereby incorporated into this opinion.

A non-corporate Residential Unit Owner who itemizes their deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to their Unit in the year paid provided that (a) the indebtedness is incurred in acquiring, constructing or improving the Unit, (b) the indebtedness is secured by the Unit, (c) the indebtedness does not exceed \$750,000.00, or \$375,000 in the case of a married individual filing a separate return, and (d) the Unit is a "qualified residence." The Federal limitation on the deduction for real estate taxes applies in the aggregate to, and is inclusive of, state and local income taxes paid as well. Thus, the maximum amount a Residential Unit Owner may deduct for real estate taxes and state and local taxes combined is \$10,000 (\$5,000 in the case of a married individual filing a separate return). The amount of any available deductions may vary due to changes in the interest rate, the allocation of constant debt service payments to interest, and state and local taxes. For some taxpayers, the foregoing deductions may also be impacted by the alternative minimum tax. No opinion is expressed as to the taxation of Unit Owners who are not New York State residents or not individuals.

A Condominium under New York State law is not a corporation but an unincorporated association ("Association"). We have been requested to opine as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Section 528 of the Internal Code, it must meet the following six (6) conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income must be derived from the payment of dues or fees from the Unit Owners in their capacity as owner-members rather than in the capacity as customers for services.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be used for the acquisition, construction, management, maintenance and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any individual.

(5) The Association must qualify as a "Condominium management association," which is an organization meeting the requirements of condition (1) above with respect to a Condominium substantially all of which units are used by individuals as residences.

(6) The Association must properly and timely elect to have Section 528 of the Internal Revenue Code apply for the taxable year.

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. “Substantially all” the Units will be considered used by individuals for residences if at least eighty-five percent (85%) of total square footage of all units within the project is used, or is intended to be used by individuals for residential purposes or purposes auxiliary to residential use, such as storage rooms, laundry and areas used by maintenance personnel. As there are no non-residential Units in the Condominium, you have advised me that that you anticipate that greater than eighty-five percent (85%) of the square footage of the Units will be used for residential purposes. Therefore, the “substantially all” test should be deemed met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above to qualify for exemption. Therefore, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as note below.

This opinion only relates to the specific tax matters discussed above which do not necessarily comprise all tax matters that may be of significance to the Purchasers of the Units. We express no view as to any federal, New York State or New York City tax consequences other than as explicitly discussed in the opinion or as to the tax status or tax consequences of the Plan under the laws of the United States or any foreign jurisdiction. Therefore, it is strongly recommended that each prospective Purchaser of a Unit consult with his or her own tax advisor concerning the federal, New York State and New York City tax consequences of the purchase and ownership of a Unit in the Condominium. In no event will the Sponsor, Sponsor’s counsel, the Board of Managers, counsel to the Board of Managers or any other person be liable if by reason of changes in fact or applicable law, regulations decisional law or Internal Revenue Service rulings, the tax consequences described above should change. No warranties are made that the tax laws upon which counsel bases this opinion will not change and no one else has been authorized to make any representations other than those contained herein.

This opinion has been prepared with the knowledge that it will be incorporated into the Plan.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Richard Marans', written in a cursive style.

By: Richard Marans
Marans Weisz & Newman LLC

WORKING CAPITAL FUND

The Purchaser of each Unit shall be required to make a contribution at the Closing to the working capital fund of the Condominium (the “Working Capital Fund”) in an amount equal to two (2) times the monthly Common Charges due with respect to such Unit as of the Closing. In addition, any contingency budgeted and collected by the board will be deposited in the Working Capital Fund. Sponsor will not be obligated to make any contributions to the Working Capital Fund, except to the extent it is funded by payment of Common Charges. The Working Capital Fund will be held and used for working capital, closing costs and adjustments, unanticipated increases in budgeted or additional Common Expenses, capital repairs or replacement or for such other appropriate purposes as will be determined by the Board of Managers. While Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Common Charges. The Board will be able to utilize the money in the Working Capital Fund at any time and accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time; provided, however, that in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

Neither the Department of Law nor any government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

A reserve fund is being established for the Condominium for the renewal or replacement of building components or systems or the remedy of major building defects (the “Reserve Fund”). The amount set forth in the budget for the Condominium, \$12,074.00, will be deposited into the Reserve Fund through the collection of Common Charges from Unit Owners commencing when Common Charges are assessed against all Unit Owners. The amount of the Reserve Fund for the First Year of Operations was determined by a reserve study of the Building dated October 9, 2018 performed by Strategic Inspections, LLC. This report projected the capital repair and replacement reserve for thirty (30) years and determined that the amount set forth in this First Year Budget is an adequate figure for the First Year of Operations of the Condominium. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may, in its discretion, decide in future years to increase or decrease the reserve fund line item in the Condominium’s annual budget. While the Sponsor is in control of the Board, Sponsor will not use Reserve Fund monies to reduce common charges. Since the Building is being newly constructed, it is anticipated that the reserve fund as it accumulates will be sufficient to pay for the replacement of any capital items likely to be needed within the first five (5) years of Condominium operation.

No representation or warranty is made that the Working Capital Fund or Reserve Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium Operation.

Neither the Department of Law nor any government agency has passed upon the adequacy of the Reserve Fund.

MANAGEMENT AGREEMENT, CONTRACTS AND LICENSES

The Condominium will enter into a one-year management agreement with First Service Residential New York Inc. effective as of the first Unit closing and shall continue in force until one (1) year from such date. First Service Residential is not an affiliate of Sponsor. The annual fee due the Managing Agent under the management agreement is \$38,000.00 to be paid in monthly installments of \$3,166.66 each month. In the event of a sale, lease or demolition of the Property, the Board of Managers may terminate the management agreement at the end of any calendar month on not less than sixty (60) days previous notice in writing to the Managing Agent without penalty. Additionally, either the Board of Managers or the Managing Agent may terminate the Management Agreement at any time upon at least thirty (30) days prior written notice to the other party without penalty. Purchasers should note, however, that during the Sponsor Control Period, it is highly unlikely Unit Owners will manage the Condominium or enter into a contract with an independent management company.

Further information concerning the Managing Agent appears in Part I, "Identity of Parties."

The Managing Agent will perform the following duties, among others:

- (a) Provide routine supervision of all persons necessary to be employed in order to properly maintain and operate the Property (the "building services employees"), who, in each instance shall be the Owner's and not the Agent's employees. Any and all decisions as to hiring, firing and disciplinary actions and terms and conditions of employment of the building services employees shall be made by the Owner with such consultation with Agent as Owner deems appropriate. Agent shall promptly implement all decisions of Owner.
- (b) Through the use of the building services employees and independent contractors retained on behalf of Owner, cause the Property to be maintained in such condition as may be deemed advisable by the Owner, including interior and exterior cleaning, and cause repairs and alterations of the Property to be made including, but not limited to, electrical, plumbing, steam fitting, carpentry, masonry, elevator, decorating, and such other incidental alterations or changes therein as may be proper, subject only to the limitations contained in this Agreement or in any corporate documents or other agreement with any Unit Owner or tenant. Ordinary repairs or alterations involving an expenditure of over \$2,500 for any one item, which is not part of a previously approved operating budget or capital budget of Owner, shall be made only with the approval of the Owner, but emergency repairs, i.e., those immediately necessary for the preservation of the Property, or for the safety of the Unit Owners, the occupants of the Property, or other persons, or required to avoid the suspension of any necessary service at the Property, may be made by the Agent irrespective of the cost thereof, without the prior approval of the Owner, after consultation, to the extent feasible considering the nature of the emergency, with the president, vice president or treasurer of the Owner (in the order given). Agent shall notify Owner of any emergency repairs promptly after such emergency. If the Owner

undertakes any capital improvement, major repair or extensive reconstruction or rehabilitation of the Property (a "Major Project"), the Agent's responsibility shall be limited to seeing that the work is done with as little interference or interruption of services to the Property as possible, and for seeing that all reasonable precautions are taken to preserve and protect the Property and the property of the Unit Owners and the occupants of the Property. The Agent shall not be required to perform supervisory or project management responsibilities for a Major Project as part of this Agreement.

Except for emergency repairs, whenever practical or at the request of Owner, all repairs costing more than \$2,500 shall only be undertaken after obtaining competitive proposals from at least two (2) independent contractors.

- (c) Recommend and, with the approval of the Owner, cause all such acts and things to be done in or about the Property as shall be necessary or desirable to comply with any laws, statutes, ordinances, rules, orders or violations affecting the Property, as a result of any action by any federal, state, or municipal authority having jurisdiction there over, or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body (collectively, the "laws"). If failure promptly to comply with the laws would or might expose the Owner or the Agent to liability, the Agent may cause such order or violation to be complied with without prior approval of Owner and without regard to the anticipated cost of such actions, but after consultation to the extent feasible considering the nature of the potential liability, with the president, vice-president or treasurer of the Owner (in the order given). In order to obtain prompt notice of actions of the Department of Buildings and other New York City agencies that post information on public web sites, Agent has engaged a service to deliver all such notices related to properties it manages to Agent on a continuous basis. The cost of this service, which shall be billed back to Owner, is \$30/month for each building identification number. The Owner shall be responsible for the cost of complying with any order that may be issued in respect of the Property. Within sixty (60) days of the commencement of this Agreement, Agent, shall obtain a search of the records of the local authorities having jurisdiction over the Property for any violations of record at the Property and shall present this report to the Owner. The cost of obtaining such reports shall not exceed \$100 unless there are extensive violations involving research of the records, in which case Agent shall obtain Owner's approval before incurring any additional expense. Agent shall not be liable to Owner for the consequences of any violations contained in such report. Agent, at its expense, may engage an outside service to assist in the compliance with the laws related to distribution of annual safety notices (window guard, fire safety, lead paint, etc.).

Notwithstanding anything contained in this Agreement to the contrary, the Owner hereby acknowledges that i) in no event shall the Agent be liable for the failure of any of the Owner, the Unit Owners and occupants of the Property to comply with the laws, the corporate documents, or the house rules; and ii) Agent does not have the authority to provide and shall not be responsible for providing legal advice to the Owner regarding the

interpretation or application of the laws, corporate documents or house rules.

- (d) Enter into contracts in the name of the Owner for electricity, gas, steam, air-conditioning, water treatment, elevator, telephone, window cleaning, rubbish removal, fuel oil, security services, vermin extermination, other essential services, or such of them as shall be advisable, but any such contract having a term longer than one (1) year or requiring annual payments in excess of \$2,500 must be authorized by Owner unless it is part of a previously approved operating budget or capital budget of Owner.
- (e) On behalf of the Owner, purchase all supplies as shall be necessary to properly maintain and operate the Property; make all such contracts and purchases either in the Owner's name or the Agent's; and credit to the Owner any discounts or commissions (other than insurance commissions) obtained for purchases or otherwise.
- (f) Through an insurance broker selected by Owner, upon approval of Owner, take such administrative actions as required to cause to be effected and/or maintained, in such amounts and with such carriers as the Owner and broker shall designate or approve, fire, rent, plate glass, boiler, water damage, liability, workers' compensation, disability, directors' and officers' liability coverage and any other insurance coverage/policies as the broker recommends and the Owner may elect to carry. Agent may cause an Affiliate (as hereinafter defined) to participate in providing an insurance proposal, in which such Affiliate may receive a commission on the placement of Owner's insurance provided that in all such instances, Agent shall disclose to Owner the Affiliate's participation.
- (g) Check all bills received for services, work, and supplies ordered in connection with maintaining and operating the Property; pay or cause to be paid all such bills, as well as payroll, payroll taxes, union dues, ground rent (if any), mortgage interest, mortgage amortization, water charges, sewer rent, assessments, real estate taxes, utilities, insurance premiums, monthly contracted charges, corporate income taxes and governmental charges assessed against the Owner or the Property as and when the same shall become due and payable, provided that Owner's operating account has sufficient funds to meet such obligations.
- (h) In a timely manner, bill or cause to be billed, Unit Owners for common charges or other charges and if applicable, tenants or sub-tenants of Owner for rent or other charges; use commercially reasonable efforts to collect such common charges, rent and other charges; and, when and if directed by the Owner, at Owner's sole cost and expense, engage an attorney, approved by Owner, to (i) serve notice upon Unit Owners, tenants or sub-tenants to quit and surrender space occupied by them (ii) sue for common charges, rent and other charges, which may at any time be or become due to the Owner from any Unit Owner, tenant or sub-tenant in respect of space at the Property, and (iii) institute such other appropriate proceedings to recover possession of such space. .

If Owner has bulk or master billing for electric and/or cable television/internet/telephone services, which billing is then billed back to each of the Unit Owners as other charges on the bills, Agent shall perform all the services necessary (the “pass through services”) to coordinate the accurate and timely billing of the charges to the Unit Owners, to respond to questions regarding the accuracy of such bills and to reconcile the master billing with the amounts billed to the Unit Owners.

- (i) Consider and, when reasonable, attend to complaints of the Unit Owners and lawful tenants and occupants. If the Agent shall deem any such complaint unreasonable, it shall advise the Owner of the complaint and the reason for its opinion that the complaint is unreasonable.
- (j) If Owner determines to list or offer for sale, lease or sublease space at the Property that Owner acquires or has authority to so offer for sale or lease, Agent or an Affiliate shall be available to serve as the exclusive broker to market such space, but only if Owner and Agent enter into a separate agreement on the terms of such engagement, including but not limited to the rate of commission.
- (k) Cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of the building services employees and maintenance and operation of the Property required by any federal, state or municipal authority. Agent, at Owner’s expense, may engage a payroll service company for the preparation and filing of payroll and payroll related forms.
- (l) Not later than the twentieth day of each month, render, or cause to be rendered regular, monthly statements to each member of the Board, detailing the amounts collected during the previous month and disbursements made on behalf of and for the account of the Owner on a cash basis and in the standard form used by Agent for reporting to its clients (copy of which is available to Owner to review).
- (m) Set up and keep in good order a separate, accurate income and operating expense statement maintained on a cash basis (other than books of account maintained by the Owner's accountants) and maintain orderly files containing rent records, insurance policies, correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the Property or the operation thereof. In the event that Owner notifies Agent of any error in bookkeeping, billing or payment of expenses, Agent shall use its best efforts to correct such error immediately.
- (n) Cooperate with the Owner's accountants in performing the annual audit of the books of account of the Owner, including the annual report of the operations of the Owner for the year then ended. Agent shall send a copy of such annual report to each Unit Owner after receipt from accountant.

- (o) Cooperate with the Owner's accountants in their preparation and filing of the Owner of federal, state, city and other income and other tax returns required by any governmental authority.
- (p) Assist the Board in preparing an operating budget prior to the last meeting of the Board held in each fiscal year of Owner, setting forth the anticipated income and expenses for the Owner for the ensuing year, a comparison of said budget to the income and expenses of the preceding and current years, and any reasonably required explanations with respect thereto.
- (q) Arrange a suitable place at its offices for meetings of the Board and a suitable place for annual and special meetings of Unit Owners; and send notices to members of the Board and Unit Owners, prepare agendas for, and cause the Property Manager or other executive to be a representative of its organization to attend, the annual meeting of the Unit Owners and meetings of the Board (one per month) provided that such meetings are held at reasonable times and reasonable advance notice of the meetings is given to Agent. Agent shall maintain a record of the minutes of such meetings prepared by a representative of Owner unless Agent is specifically authorized to do so, in which case the Property Manager shall prepare the minutes. It is Agent's policy to bring such administrative assistants as in Agent's reasonable judgment are necessary to adequately run any annual or special meeting of Unit Owners. Owner shall reimburse Agent for reasonable costs related to the administrative assistant attendance at such annual and special meetings.
- (r) Prepare, type, and send out all letters and reports as the Board may request. In addition, at Owner's request and expense, Agent shall coordinate the production and distribution of periodic newsletters to the Unit Owners. The cost of producing any such newsletter shall be borne by Owner, subject to Owner's advance approval.
- (s) Notify Owner's insurance broker of any insurance claims for losses sustained by Owner at the Property promptly after Agent becomes aware of such claim. Agent shall cooperate in its role as Managing Agent, making all relevant records and information available to the insurance carrier and/or any party authorized by Owner to act on its behalf to negotiate such insurance claims. Agent shall not negotiate the settlement of any insurance claim unless authorized in advance by Owner and at a separate fee to be agreed upon, and if so authorized, shall not settle without the consent of Owner.
- (t) If requested by Owner, act as Owner's mortgage broker to procure a new mortgage, refinance an existing mortgage or obtain unsecured financing for Owner. For any such loan procured through the efforts of Agent, Owner shall pay Agent, upon the closing of the mortgage or loan, a loan coordination fee equal to one percent (1%) of the principal amount of the mortgage or loan, except if the loan is a refinancing of a mortgage with an existing mortgagee, Owner shall pay Agent upon such refinancing a loan coordination fee equal to one-half of one percent (1/2%) of the principal amount of the mortgage.

In the event Agent is not requested to serve as Owner's mortgage broker on any mortgage, loan, or refinance, Agent shall cooperate in its role as Managing Agent, making all relevant documents and information generally maintained by Agent in the performance of its duties available to any party authorized by Owner to act on its behalf in obtaining and negotiating such mortgage, loan or refinance. If Agent is required to prepare reports or provide information not generally maintained by Agent in the performance of its duties or is required to supervise inspections of the Property, Owner shall pay Agent a loan coordination fee at a rate of \$85.00 per hour. No loan coordination fee shall be payable if Agent earns a commission in connection with the mortgage, loan or refinance.

(u)

- (1) Accept applications and references from all prospective Residential Unit Owners, tenants of Residential Unit Owners, obtain a basic consumer report relating to such prospective Residential Unit Owners and tenants; obtain from Residential Unit Owners proposing to sell their Residential Units ("Apartment Sale") such record searches as the Owner may require, and submit same to the Owner; including collecting and organizing of all necessary documents required to be reviewed by the Board and the scheduling of interviews, if any. Agent shall cooperate with Owner's counsel when requested. Upon approval of any Apartment Sale (or waiver of the Owner's right of first refusal), Agent shall act as Owner's representative at the closing of the Apartment Sale.
- (2) Coordinate through the building services employees at the Property the scheduling of the moving in and out of Unit Owners, tenants and subtenants so that there will be a minimum of disturbance to the operation of the Property and of inconvenience to other Unit Owners, tenants or sub-tenants.
- (3) Accept applications from Residential Unit Owners to perform alterations to their Residential Units, including (i) obtaining copies of the plans for the alterations; (ii) if directed by Owner, and at the expense of the Residential Unit Owner, engage an architect, engineer or other professional to review the plans on behalf of the Owner, provide recommendations on feasibility of such plans, and supervise the work for conformance to the approved plans; (iii) obtain a signed alteration agreement on a form approved by Owner; (iv) submitting completed applications to Owner for review; and (v) after consent by the Owner to an alteration, coordinate through the building services employees with the Residential Unit Owner the work so that there will be a minimum of disturbance to the operation of the Property and inconvenience to other Unit Owners, tenants or sub-tenants. Other than as provided in subparagraph (v)(3)(v), Agent shall not be responsible for the supervision of the alterations by the Residential Unit Owner or for verifying that the alterations are performed in accordance with the plans approved by Owner or in accordance with applicable building codes or other applicable laws. Agent may charge Residential Unit Owners for Board processing such requests as described herein a fee in the amount of \$300.00 for regular alterations and \$1,000.00 for major alterations. For the purposes of this Agreement, a major alteration is any alteration for

which a building permit is required to be obtained by the Residential Unit Owner prior to commencing the alteration. All other alterations shall be considered regular alterations.

- (v) Cooperate with the Owner's tax certiorari attorneys in ascertaining the tentative assessed valuations of the Property, in notifying Owner of such assessments, and in the preparation of an application for correction of the assessed valuation to be filed with the Tax Commission of the City of New York. If the Owner has not retained an attorney for such purpose, retain special counsel (with Owner's approval and at Owner's expense) to prepare such application (with the Agent's cooperation) and to institute tax certiorari proceedings.
- (w) Generally, do all things reasonably deemed necessary or desirable by the Board for the proper management of the Property.
- (x) Agent shall have the authority to prepare and secure signs at the Property with Agent's name thereon.
- (y) Agent has developed a proprietary communications program, First Service Residential Connect ("Connect") which includes features that are used by Agent in the performance of its duties as described in the Agreement. It is expressly understood by Owner that Connect was created with proprietary software that is the property of Agent and it may not be copied, duplicated or otherwise utilized by Owner without the express written consent of Agent.

There are presently no contracts or licenses binding on the Condominium.

IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is 67 LIVINGSTON LLC, New York limited liability company. Sponsor's office address is 40 West 57th Street, 29th Floor, New York, New York 10019. Sponsor has not been the sponsor of any other cooperative or condominium conversion plan within the last five (5) years. The principal of the Sponsor is Joshua Schuster, having an office address at 40 West 57th Street, 29th Floor, New York, New York 10019.

Joshua Schuster founded Silverback Development in 2016, real estate developer, owner and investment firm. Mr. Schuster has more than 10 years of experience in the construction and development of real estate in New York City. He has developed roughly one million square feet of best-in-class mixed-use residential, retail, affordable, and hospitality properties. Mr. Schuster has completed approximately \$500,000,000 in residential mixed-use development to date. Prior to founding Silverback Development, Mr. Schuster was a principal at DHA Capital LLC, and prior to that, a founder of Northpark Development LLC, a full-service real estate development company based in Manhattan, which focused on developing residential mixed-use apartment buildings. Mr. Schuster is Founder and Chairman of the Bicol Clinic Foundation, Inc., a non-profit organization that constructs free medical clinics in developing countries. He also serves on the Board of the Baruch College Steven L. Newman Real Estate Institute, and is the youngest member ever admitted. Among his other affiliations are the American Real Estate and Urban Economics Association, Urban Land Institute, and the New York Private Equity Network. Mr. Schuster is a graduate of Tulane University.

Joshua Schuster was also the Principal of the Sponsor in the following prior offering during the past five (5) years.

Condominium Plan	File No.	Date of Filing
The 12 East 13th Street Condominium 12 East 13th Street New York, NY 10003	CD13-0140	11/05/2013
The 50 Clinton Street Condominium 50 Clinton Street New York, NY 10002	CD14-0375	4/03/2015
The 75 Kenmare Street Condominium 75 Kenmare Street New York, NY 10012	CD16-0113	2/1/2017

Mr. Schuster is current on his financial obligations to the above listed public offerings.

There are no other cooperative, condominium or homeowners association that the Sponsor or principal of Sponsor owns ten percent (10%) or more of the unsold share or units.

Neither the Sponsor nor the principal of Sponsor have any prior bankruptcies, convictions, injunctions and judgments against the Sponsor, the principal of the Sponsor, and/or entities in which the principal of the Sponsor was a principal that would be material to the Offering Plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of this Plan.

Attorney for Sponsor

The Sponsor has retained the law firm of Marans Weisz & Newman LLC, 29 Broadway, Suite 2400, New York, New York 10006 (212-968-0244) to represent it in the preparation and consummation of the Offering Plan. The principal attorney who is responsible for this matter is Richard Marans, Esq. The attorney who prepared the Plan is Jason Nazinitsky, Esq. This firm drafted the Declaration, the By-laws, this Plan, the form of Purchase Agreement, the form of Unit Deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto. No separate counsel has been retained to represent the Condominium. Marans Weisz & Newman LLC has no financial relationship, past or present, in the Property or to the Sponsor, except that it is being paid a fee for its services.

Managing Agent

Sponsor intends to retain First Service Residential New York Inc. to manage the Building. First Service has its offices at 622 Third Avenue, New York, New York 10017. The Managing Agent has experience in the management of real estate properties in New York City for over twenty-five (25) years. A list of properties which have been managed by the Managing Agent include: The Plaza Condominium (1 Central Park South), the One Lincoln Square Condominium (150 Columbus Avenue, The Devonshire (28 East 10th Street), Philips House (141 East 88th Street), Morton Square Condominium (One Morton Street), The Grand Madison (225 Fifth Avenue Condominium), Greenwich Club Condominium (88 Greenwich Street), and the 515 East 72nd Street Condominium (515 East 72nd Street). First Service Residential manages over 500 properties, 70,000 units, made up of rental, cooperative and condominium ownership. The Managing Agent has no financial relationship, past or present, to the Sponsor. It will be paid a fee for its services.

Selling Agent

Bold New York, having a business office at 632 Broadway, 6th Floor, New York, New York 10012 is a licensed real estate broker in the State of New York and is the Selling Agent retained by Sponsor in connection with the offering of the Units. Founded in 2010, Bold New York specializes in both residential leasing and marketing new developments. The firm closed over \$30MM in sales volume in 2013, and over the past 5 years, has made a substantial footprint

in the luxury sales market. There were no prior convictions, injunctions or judgments against Bold New York or any of its principals that may be material to this Plan or to an offering of securities generally. Bold New York has no financial relationship, past or present, to the Sponsor.

Architect

The Sponsor has retained H. Thomas O'Hara, Jr., R.A, Managing Member of HTO Architect PLLC, having an office at 370 7th Avenue, Suite 220, New York, New York 10001, to prepare the Description of Property and Specifications, located in Part II of the Plan. HTO Architect PLLC also prepared the Building Plans submitted to the New York City Department of Buildings. HTO is a full service architectural firm based in Manhattan, specializing in the design of high-rise residential, hospitality, and mixed-use buildings in New York City and beyond. The team works across all areas of architectural design, including master planning, ground-up construction, renovations, restorations, landmark preservations, zoning analysis, layouts, and interior design. Some of their prior work include 1 Hanson Place, 2300 Fredrick Douglas Blvd, 325 Lexington Avenue, 325 West Broadway. Sponsor's architect has no financial relationship, past or present, to the Property or to the Sponsor, except in its capacity as architect, and is being paid a fee for its services.

REPORTS TO UNIT OWNERS

The Board of Managers shall furnish to all Unit Owners, their mortgagees and the Department of Law of the State of New York (if and when required by law) 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. The Board of Managers, at least annually, shall fix and determine the annual budget and send a copy of the budget and any supplement to every Unit Owner and mortgagee. The total annual requirement shall be assessed as a single sum against all Units and prorated against each of the Unit according to the respective Common Interest apportioned to each Unit.

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

- (i) a financial statement of the Condominium prepared by a certified public accountant or public accountant within four (4) months from the end of such fiscal year; such statement shall be certified while the Sponsor is in control of the Board of Managers;
- (ii) prior notice of the annual Unit Owners' meeting; and;
- (iii) a copy of the proposed annual budget of the Condominium within four (4) months from the end of such fiscal year prior to the date set for adoption thereof by the Board of Managers. Such statement shall be certified while the Sponsor is in control of the Board of Managers.

DOCUMENTS ON FILE

Copies of this Plan and all exhibits or documents submitted to the Department of Law in connection with the filing of the plan shall be made available for inspection by prospective Purchasers and by any person who shall have purchased a Unit offered under this Plan, or shall have participated in the offering of such Unit, at the office of Sponsor during convenient weekday hours, and shall remain available without charge and copying at reasonable charge for a period of six (6) years from the date of the First Unit Closing. Sponsor shall, within 180 days after the First Unit Closing, deliver to the Condominium Board a copy of all documents filed with the appropriate recording officer at the time of the closing of the first Unit.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all of the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents.

There are no lawsuits or administrative or other proceedings against Sponsor or the principals of Sponsor, the outcome of which may materially affect this offering, the Property, the Condominium, the operation of the Condominium or Sponsor's capacity to perform its obligations under the Plan, which have not been disclosed herein.

In accordance with the provisions of the laws of the United States and the State of New York, Sponsor represents that Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law in the sale of the Units offered by Sponsor pursuant to this Plan.

The property was not the subject of any prior cooperative or condominium offerings. Other than the No-Action Letter as described herein, no contracts or agreements have been entered into, and no deposits or advances of funds have been accepted, for any Unit offered pursuant to this Plan as of the date this Plan is accepted for filing by the Department of Law.

All Units offered pursuant to this Plan are vacant as of the date this Plan is accepted for filing by the Department of Law and will be sold vacant. The Building was a student dormitory for the Art Institute of New York City and the school vacated the premises when their lease expired in 2016.

Sponsor reserves the right, from time to time prior to the Closing Date, without obtaining the consent of Purchasers, to revise the terms and conditions on which the Units offered hereby are sold, including changes affecting the rights, obligations, and liabilities of Purchasers. All material revisions will be contained in a duly filed amendment to this Plan. If a material revision adversely affects the rights, obligations, or liabilities of the existing Purchasers, Purchasers will be given the right to rescind their Purchase Agreements and to receive a refund of their down payment (with interest, if any earned thereon) within fifteen (15) days after the presentation of the amendment.

RESERVATION OF AIR AND DEVELOPMENT RIGHTS

The unused floor area development rights that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution (the “Development Air Rights”) shall be retained by Sponsor or any entity to whom Sponsor conveys said Development Air Rights for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement (“ZLDA”) or similar and related agreements. Sponsor or any entity to whom Sponsor conveys Development Air Rights shall have the right to amend the Declaration and any ZLDA that exists pertaining to the Building, in order to convey Development Air Rights (the “Air Rights Amendment”). Sponsor or any entity to whom Sponsor conveys the Development Air Rights shall have the right to complete and file the Air Rights Amendment with the City of New York without the consent of the owners of the Condominium Units or the Board of Managers or any parties in interest to the Common Elements. The owners of the Condominium Units, the Board of Managers and/or any parties in interest to the Common Elements shall be deemed to have consented to the transfer of Development Air Rights as described in the Air Rights Amendment and shall execute any documents evidencing said consent as are reasonably requested by Sponsor. In the event Development Air Rights are transferred to an adjoining premises, the light, air and views from the Building may be negatively impacted. Notwithstanding the foregoing, neither Sponsor nor any entity to whom Sponsor conveys the Development Air Rights to may utilize the Development Air Rights to increase the size, height, bulk or density of any portion of the Property. See the INTRODUCTION and the RIGHTS AND OBLIGATIONS OF THE SPONSOR sections of the Plan in Part I and the DECLARATION in Part II.

In 1985, documents were recorded evidencing that former tax lot 5 and tax lot 154 along with adjacent tax lots 52 and 53 of block 265 were to be a single zoning lot. However, a zoning lot development agreement (“ZLDA”) which would specifically refer to a transfer of additional development rights to 67 Livingston from lots 52 and 53 was never entered into or recorded at this time. Nonetheless, development rights from lots 52 and 53 were utilized to construct the existing building at the Property, and a Certificate of Occupancy was issued by DOB for the existing building in 1991. This Certificate of Occupancy contained a note that *“these premises had been declared to be part of a single zoning lot as per Section 12-10 of the Zoning Resolution. Zoning lot is comprised of Block 265, Lots 5, 54, 52 and 53.”* Further, in 1999, the owner of former tax lot 5 and tax lot 154 and the then owner of tax lots 52, 53 and 54 executed a Merger of Zoning Lots and Declaration of Restrictions that *“benefits 67 Livingston Street by increasing the Development Rights...that pertain thereto by 14,707.5 square feet of floor area.”* This Merger of Zoning Lots and Declaration is recorded against tax lot 5, but not the adjacent parcel formerly known as block 265, tax lot 52, now consisting of tax lots 1001-1036. On April 12, 2018, a ZLDA was executed by the appropriate parties of all three lots in order to reflect this transfer of development rights that were used at that time to construct the existing building. The ZLDA that now accurately shows on all three lots the merged zoning lots and transfer of development rights to the premises can now be found recorded on the New York City Department of Finance Office of the City Register.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the Architect's Description of Property and Specifications set forth in Part II of this Plan. Sponsor represents that, to the best of its knowledge, H. Thomas O'Hara, Jr., R.A, Managing Member of HTO Architect PLLC, 370 7th Avenue, Suite 220, New York, New York 10001, registered architects in the State of New York, accurately states the description of the Property and its specifications, as it will be built, upon the plans that it has examined.

THE 67 LIVINGSTON STREET CONDOMINIUM

OFFERING PLAN

PART II

FORM OF PURCHASE AGREEMENT

Purchaser(s)

With

67 LIVINGSTON LLC

Sponsor/Seller

Unit Number ____

The 67 Livingston Street Condominium
67 Livingston Street
Brooklyn New York 11201

PURCHASE AGREEMENT

Unit Number ____
The 67 Livingston Street Condominium
67 Livingston Street
Brooklyn, New York 11201

(to be executed in duplicate)

THIS PURCHASE AGREEMENT (this "Agreement"), made as of the ____ day of ____, 201____, between 67 LIVINGSTON LLC, a New York limited liability company, having an office at 40 West 57th Street, 29th Floor, New York, New York 10019 (hereinafter, "Sponsor"), and _____, having an address at _____ (hereinafter, "Purchaser").

WITNESSETH:

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for the 67 Livingston Street Condominium (the "Condominium") (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Residential Unit. Sponsor hereby agrees to sell to Purchaser and Purchaser hereby agrees to acquire from Sponsor Condominium Unit No. ____ (the "Unit") at the Condominium (as designated in the Declaration), together with the undivided percentage of common interest in the Common Elements as set forth in the Schedule B to the Declaration and as set forth in the Offering Plan, upon and subject to the terms and conditions set forth herein.

3. Purchase Price.

3.1 The purchase price for the Residential Unit is \$_____ (the "Purchase Price") payable as follows:

(a) \$_____ (the "Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged; and

(b) \$_____ (the "Balance"), constituting the balance of the Purchase Price, payable at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank that is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Marans Weisz & Newman LLC, as escrow agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of "67 LIVINGSTON LLC"

(or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent (as defined in Article 4) is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (including without limitation, suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default). Notwithstanding anything to the contrary stated herein, Sponsor shall have the right to have Purchaser pay the Balance in the form of wire, certified check, bank check or any other form of payment in Sponsor's sole and absolute discretion.

4. Deposit.

4.1 The law firm of Marans, Weisz & Newman, LLC, with an address at 29 Broadway, Suite 2400, New York, New York 10006, telephone number 212-968-0244, shall serve as escrow agent (the "Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated Richard Marans, Esq., Daniel Weisz, Esq., Richard Newman, Esq. and Stavroula Tsolis, Esq. to serve as signatories on the "Escrow Account", as defined below. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in the in any of the foregoing.

4.2 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 Purchase Agreement or otherwise concerning the release of the Deposit from escrow.

4.3 The Escrow Agent has established the escrow account at Capital One Bank, 299 Park Avenue, New York, New York 10017, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled the 67 Livingston Street Condominium Escrow Account ("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. Within five (5) business days after this Purchase Agreement has been executed by Purchaser, Seller, and Escrow Agent, Escrow Agent shall place the Deposit into the Escrow Account. Within ten (10) business days after the Deposit has been placed into the Escrow Account, Escrow Agent shall sent written notice to the Purchaser and Seller. The notice shall provide the account number and the initial interest rate to be earned by the Deposit.

4.4 All Deposits received from Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Marans Weisz & Newman, LLC, as Escrow Agent.

4.5 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.

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

4.7 The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

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

4.10 The Escrow Agent shall release the Deposit if so directed:

- (a) Pursuant to terms and conditions set forth in the Purchase Agreement in Section 4 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 4.10 (a-c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs

4.10 (a) through 4.10 (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.

4.11 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 acceptance 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.

4.12 Any provision of the Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto. However, this shall only apply to initial Purchasers who purchaser their Unit from Sponsor.

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

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

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

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

4.17 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.

4.18 Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

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

5. Closing Date and Place.

5.1 The closing of title shall be held at the offices of Marans Weisz & Newman LLC, 29 Broadway, Suite 2400, New York, New York 10006 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set for a closing, once set, for more than twelve (12) months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying fee simple title to the Unit to Purchaser, which deed shall be in substantially the form contained in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board, prepared by Sponsor and in substantially the form contained in Part II of the Plan.

6.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

6.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Internal Revenue Service and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with Internal Revenue

Code §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

7. State of Title.

7.1 At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances, subject only to the Permitted Exceptions contained in the Plan. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the title insurance company referenced in Part I of the Plan would be willing to do so at its regular rates and without additional premium.

7.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in the Permitted Exceptions. However, if such defect existed at least ten (10) days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage that would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Article 7.3 shall survive the closing of title.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(a) Real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

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

(c) Accrued fees and any other charges pursuant to an Interim License or Use and Occupancy Agreement, if any, covering the Unit.

8.2 If the 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 tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in the By-Laws and in Part I of the Plan. In addition, if separate assessments have not been made prior to the closing of title, the Board of Managers will collect from Purchaser at Closing and will place in escrow an amount equal to the Unit Owner's estimated proportionate share of the real estate taxes, if any, projected to be due for the entire Property for the half of the tax year next commencing after the Closing of said Unit (i.e., for either the first half or second half, depending on when the Unit closes).

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) the apportionment of those items set forth in this Article 8 shall be: (i) made as of the originally established closing date rather than as of the date the closing actually occurs, (ii) an amount equal to 0.04%, which is 14.6% per annum, (or such lower rate per day which is the legal limit of 16% per annum, if 0.04% per day exceeds the legal limit) 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); and (iii) Purchase shall pay Sponsor's counsel \$250.00 for each adjournment. Nothing herein shall be construed to mean that the Sponsor must grant an adjournment of title when requested to do so. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

8.5 If at a Purchaser's request Sponsor grants an adjournment or adjournments of his or her closing of title in excess of five (5) days in the aggregate, the Sponsor has the option of collecting an additional five percent (5%) of the purchase price of the Unit as an additional Deposit.

8.6 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may

be. The “Customs in Respect to Title Closings” recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as aforesaid and as otherwise provided herein or in the Plan.

8.7 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

9. Closing Costs.

Purchaser shall be required to pay certain costs in connection with the purchase of the Unit, in addition to any net credit in favor of Sponsor that may result from the closing adjustments and any interest or late closing charge described in Article 8. Other than any such net credit in favor of Sponsor that may result from the closing adjustments (or certain other fees which may be payable prior to the closing, as described below), all such closing costs shall be paid by Purchaser, at closing, by Purchaser’s unendorsed, personal certified check or by official bank check, in either event drawn only upon a bank that is a member of the New York Clearing House Association. Such closing costs will include the following, the amounts of which (where applicable) are based on rates in effect on the date hereof and are subject to change without prior notice:

9.1 If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance purchased.

9.2 Purchaser will pay a fee to the City Register for recording the deed and the power of attorney, and will pay a filing fee for the RP-5217 form. In addition, Purchaser’s title insurance company may charge various fees and service charges in connection with such recordings and filings, all of which shall be payable by Purchaser.

9.3 If Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to, the following:

- (a) a fee and service charge for recording the mortgage;
- (b) a mortgage recording tax in the amount provided for by law,
- (c) to Sponsor, a sum equal to the full amount (but not in excess thereof) of the partial mortgage recording tax credit provided by Section 339-ee(2) of the New York Condominium Act, to the extent the same is or becomes available, as a reimbursement for the mortgage recording taxes previously paid (such credit is based, in general, on the Common Interest of the Units being purchased multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Property), if applicable;
- (d) the premium for mortgage title insurance, if required by Purchaser’s lender;
- (e) such other costs and expenses in connection with such loan as determined by Purchaser’s lender.

9.4 Purchaser will be required to pay the amount of \$2,500.00 to Marans Weisz & Newman LLC, Sponsor's counsel, for each Unit purchased hereunder, in order to defray Sponsor's legal fees for services in connection with preparing the deed and power of attorney and for coordinating and attending the closing. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's counsel or if Purchaser otherwise requests that the Closing occur other than at the office of Sponsor's counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor in its sole discretion consents to such request, the closing may be held elsewhere in New York City, provided that Purchaser shall pay Sponsor's counsel a travel fee of \$500.00 and an additional \$500.00 if the Closing is held outside New York City. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement (or Purchaser otherwise exercises its limited right with respect to an assignment as provided in Section 23.4 hereof), a fee of \$500.00, shall be payable by Purchaser to Sponsor's counsel, for preparation of an assignment agreement. Purchaser may be required to pay more than one fee pursuant to the preceding sentence and forgoing provisions with respect to a single Unit. At Sponsor's option in its sole discretion, any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser in advance, prior to closing, upon notice to Purchaser. In the event Purchase is in default hereunder and Sponsor requests its counsel to send a default letter, Purchaser shall be obligated to pay \$1,000.00 to attorneys for Sponsor for the preparation of a letter of default. Notwithstanding the foregoing, Purchaser is responsible for all fees described herein and in the Closing Costs and Adjustments section of the Plan, whether or not such costs are set forth in this Agreement.

9.5 Purchaser shall make a contribution to the Working Capital Fund of the Condominium, payable to the Board, in the sum of two months common charges then in effect for the Unit, as the same may be amended from time to time.

9.6 Purchaser shall pay to the Board the Common Charges for the Unit for the first full month following the month in which title closes.

9.7 Purchaser shall pay the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the so-called "mansion tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article 9.7 and to indemnify Sponsor as herein provided shall survive the closing of title.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in

connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, reputable overnight courier or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. Default by Purchaser. (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser as stated herein on the Closing Date designated by Sponsor or the dishonor of any check given by Purchaser to Sponsor; or

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) if Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(iv) if Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of written notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, **TIME BEING OF THE ESSENCE**, then Sponsor, in its sole discretion, may thereupon terminate this Agreement. If Sponsor so elects to terminate, this Agreement shall be deemed terminated, and Sponsor shall have the right to retain, as and for liquidated damages, the Deposit (and any interest earned of the Deposit, if any) plus the costs incurred by Sponsor for any special work, if any, in the Unit ordered by the Purchaser. Upon the termination of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds for such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that, subject to the provision of Section 11(d) below, the Deposit (including all interest, if any) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor. The payment of the Deposit (including all interest, if any) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) **NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.**

13. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the

Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

14. Agreement Subject to Plan Being Effective. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. Sponsor's Inability to Convey the Unit. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, 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 set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy described in clause (a) above, i.e., to acquire title subject to such inability.

16. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property that are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Construction.

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled “Rights and Obligations of Sponsor.”

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled “Rights and Obligations of Sponsor” and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser’s Inspection Report (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser’s occupancy of the Unit).

17.4 Sponsor has projected that, based upon currently anticipated schedules; construction of the Building will be sufficiently completed to permit closings of Units to begin pursuant to the Offering Plan. If the First Unit Closing is delayed twelve (12) months or more from this date, as may be amended from time to time, then Purchaser will be offered a right to rescind the Purchaser Agreement. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor’s reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is

accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which are hereby expressly waived by Purchaser.

17.5 Sponsor is obligated to construct the Building in accordance with all applicable codes, and filed building plans and specifications, as well as the provisions of the Plan.

18. Warranties of Construction.

The Housing Merchant Implied Warranty (General Business Law Article 36-B) does not apply to this offering because that statute applies only to new single family homes or new for sale units in a multi-unit residential structure which is five (5) stories or less in which title is transferred to Purchasers under a cooperative or condominium regime. As the Building contains twenty-nine (29) floors, this statute is not applicable. Sponsor has the obligation nevertheless, to construct the Building in accordance with applicable Law, codes, regulations, filed plans and specifications, and locally accepted building practices for items which are not covered by codes.

19. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Selling Agent if applicable or Sponsor shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Selling Agent to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule A to this Agreement) and deliver same to Selling Agent if applicable or Sponsor at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

20. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or the taking of possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor 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 Condominium Board and other Unit Owners if the Declaration has theretofore been recorded and any mortgagee of Sponsor, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

20.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, to notify the Purchaser within sixty (60) days of the damage to the Unit, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages. If a Purchaser takes possession of a Unit prior to closing title, i.e. via an interim lease, he or she will assume the risk of loss and the obligation to repair the damage not covered under insurance already in place; therefore it is advisable that Purchaser obtain casualty insurance at such time. An interim lessee assumes the risk of loss for the property that is not covered by the insurance for the Unit.

21. Prohibition Against Advertising. Purchaser hereby covenants and agrees that it shall not list the Unit for sale, resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale, resale or lease prior to the closing of title and for one (1) year thereafter. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 12 hereof. The provisions of this Article 21 shall survive the closing of title.

22. Broker. Purchaser represents to Sponsor that _____ (collectively the “Broker”) are the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser’s representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title and are not made for the benefit of any third parties.

23. Agreement May Not Be Assigned.

23.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth above, and shall be voidable at the option of Sponsor.

23.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or

other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, “control” shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity or possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.3 If Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser’s family, then, if such assignment, alteration, addition, deletion or substitution is consented to by Sponsor (in Sponsor’s sole discretion), Purchaser shall deliver to Selling Agent or Sponsor’s counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor’s counsel at Purchaser’s expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change consented to by Sponsor (in its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor’s counsel, together with a personal certified check, or an official bank or cashier’s check, in the amount of \$1,000.00 (“Assignment Fee”) made payable to Marans Weisz & Newman LLC (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser’s closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor’s refusal to consent to an assignment or change in name will not entitle Purchaser to terminate this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser’s Unit as set forth in Article 21 above and in the Plan will remain in effect.

23.4 Notwithstanding the provisions of Article 23.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser’s rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser’s Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Article 23.3 above, including without limitation the provisions relating to the Assignment Fee. For purposes of this Article 23.4 only: (i) “Purchaser Affiliate” means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) “Immediate Family Members” means Purchaser’s spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) “control” means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

24. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written reasonable information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor's right to collect such information shall terminate upon the earlier of the closing of title to the Unit or termination of the Agreement. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, or other grounds proscribed by law.

25. Notices.

25.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement with a copy to Purchaser's Attorney; and to Sponsor, at: 67 LIVINGSTON LLC, 40 West 57th Street, 29th Floor, New York, New York 10019 with a copy sent simultaneously and in like manner to Marans Weisz & Newman LLC, 29 Broadway, Suite 2400, New York, New York 10006. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Notwithstanding the foregoing, any mailing of an amendment to the Plan shall be delivered via regular mail. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

25.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel Marans Weisz & Newman LLC as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself. Purchaser hereby designates Purchaser's Attorney as Purchaser's agent to give any notice to Sponsor hereunder in Purchaser's name.

26. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

28. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Additionally, either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order correct any error and or omissions that may have occurred at Closing of Title. The Provisions of this Article shall survive Closing of Title and delivery of the deed.

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

30. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

31. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated.

32. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

33. Purchaser's Representations.

33.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Deposit.

33.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a “Person”) with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a “U.S. Person”), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury (“OFAC”) (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise). Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a “financial institution” as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

33.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Seller the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

33.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

34. Agreement Not Contingent Upon Financing. The terms and provisions of this Agreement and Purchaser’s obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 2 of this Agreement, and Purchaser understands and agrees that Purchaser’s failure to obtain such financing will not relieve Purchaser of Purchaser’s obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser’s purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser’s financial status or condition shall release or relieve Purchaser of Purchaser’s obligations pursuant to this Agreement.

Notwithstanding and without limiting the foregoing, and solely for informational purposes, Sponsor has selected Wells Fargo Home Mortgage as Sponsor’s preferred

lender/broker for purchaser financing (the “Sponsor Designated Lender/Broker”). For further information on financing, Purchasers are advised to reach out to the Sponsor Designated Lender/Broker by contacting either (i) Andrew Mendelsohn, Email: Andrew.E.Mendelsohn@wellsfargo.com, Tel: 212-214-7765; or (ii) Scott van der Marck, Email: Scott.Vandermarck@wellsfargo.com, Tel: 212.214.7894. If Purchaser obtains financing through the Sponsor Designated Lender/Broker, the fee to Sponsor’s counsel pertaining to a Purchaser obtaining financing shall be waived.

Purchasers should note that even if Purchaser submits an application to the Sponsor Designated Lender/Broker, Purchaser’s obligation to purchase shall not be contingent on obtaining such financing. Prospective purchasers who require financing are advised to consult with a lending institution before executing a Purchase Agreement.

35. Costs of Enforcing and Defending Agreement. If Purchaser does not prevail, Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor’s rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser’s obligations hereunder. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. Any lawsuit arising out of the Purchase Agreement shall be governed by the laws of the State of New York and shall be brought in Kings County, the county in which the Building is located. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Diplomatic or Sovereign Immunity.

37.1. Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

37.2. As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

37.3. Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York, Kings County or the federal courts sitting in New York, Kings County: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

37.4. Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

37.5. Nothing in this Article 37 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

37.6. The provisions of this Article 37 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

37.7. In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser hereby designates a duly authorized and lawful agent to receive process for and on behalf of the Purchaser in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

37.8 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. 4303, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

38. Mold. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory

whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title.

39. No Representations. Purchaser acknowledges that Purchaser has not relied upon any sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefore, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and filed in the Office of the City Register of the City of New York, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this paragraph shall survive the closing of title or the termination of this Agreement.

40. Smoking Policy. Purchaser acknowledges that Purchaser understands and agrees to the smoking policy as set forth in the By-Laws and House Rules appurtenant thereto.

41. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein," "hereof" or "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

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

43. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

44. No Oral Changes. This Agreement or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

45. Counterparts. This Agreement (or any such Rider(s)) may be executed in any number of counterparts, including but not limited to any signature conveyed through electronic mail transmission (“PDF”) and/ or facsimile transmission, any one of which shall be deemed to be an original and all of which shall constitute one and the same document. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. A PDF or facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding.

46. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

<Signature Page Follows>

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

67 LIVINGSTON LLC

By: _____
Name:
Title:

PURCHASER:

By: _____

By: _____

WITH RESPECT TO PARAGRAPH 4:

ESCROW AGENT:

By: _____

SCHEDULE A

INSPECTION STATEMENT

67 LIVINGSTON LLC
40 West 57 Street, 29th Floor
New York, New York 10019

Re: Unit No.
 The 67 Livingston Street Condominium

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found all items in good condition, free of chips, mars, breaks or other defects:

Exceptions

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

Purchaser's Signature

Sponsor's Representative

FORM OF POWER OF ATTORNEY

The undersigned, _____, the Owner of Unit ____ in the building complex known as the 67 Livingston Street Condominium, 67 Livingston Street, Brooklyn, New York as designated and described in the Declaration establishing The 67 Livingston Street Condominium, dated _____, 20____ and recorded in the Office of the City Register of the City of New York on _____20____, in CRFN# _____ on the floor plans filed in the Real Property Assessment Department of the City of New York as Condominium Plan No. _____ (the "Condominium") do hereby irrevocably nominate, constitute and appoint the Board of Managers of the Condominium, and their successors, jointly, true and lawful attorneys-in-fact of the undersigned, with a power coupled with an interest, with power of substitution (1) to acquire, in their own names as members of the Board of Managers or in the name of their designee, corporate or otherwise by deed, on behalf of all owners of Condominium Units in said Condominium property, in accordance with their respective Common Interests, (a) any Unit whose owner desires to sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the interest of such Unit Owner in all other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests"), or (b) any Unit which shall be the subject of a foreclosure or other judicial sale or whose owner desires to surrender or abandon same in accordance with the By-Laws, or (2) to lease any Unit whose Owner desires to rent the same, at such prices or at such rental, as the case may be, and on such other terms, and conditions as said attorneys-in-fact shall, in their sole discretion deem proper, and (3) thereafter to convey, sell, lease, sublease, mortgage, vote, or otherwise deal with any such Unit so acquired by them, on such terms and conditions as said attorneys-in-fact in their sole discretion determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, and (4) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board of Managers of the Condominium deems necessary or appropriate to comply with the Declaration of Condominium, or any law, ordinance or regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals or any other public authority, applicable to maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction, easement or declaration or any amendment thereto affecting the Condominium or the Common Elements that the Board of Managers deems necessary or appropriate, provided such change is consistent with the Condominium Act.

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

I (We) do hereby further irrevocably nominate, constitute and appoint 67 LIVINGSTON LLC ("Sponsor"), having an address 40 West 57 Street, 29th Floor, New York, New York

10019, as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time such Declaration, By-Laws and the Rules and Regulations of such Condominium, or any of such documents, when such amendment will be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 30 of the Declaration, or otherwise to evidence or enforce a right granted to Sponsor or its designee under the Plan, Declaration and By-Laws. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph will remain in full force and effect until such time as the Sponsor or its designees cease to own any Unit in The 67 Livingston Street Condominium. Each and any of may act singly as such attorney-in-fact.

IN WITNESS WHEREOF, the undersigned have executed this Power of Attorney as of the ____ day of _____, 20____.

STATE OF NEW YORK)

) ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacit(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)

STATE OF NEW YORK)

) ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacit(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)

FORM OF UNIT DEED

THIS INDENTURE, made as of the ____ day of _____, 20____, between 67 LIVINGSTON LLC, a New York limited liability company, having an office at 40 West 57 Street, 29th Floor, New York, New York 10019 (hereinafter referred to as the “Grantor”), and _____, having an address _____ (hereinafter referred to as the “Grantee”).

WITNESSETH:

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

The Condominium Unit known as Unit No. ____ together with a ____% undivided interest in the common elements of The 67 Livingston Street Condominium, also known by the street number 67 Livingston Street, County of Kings, City and State of New York, said Unit being designated and described by the above unit number in the Declaration establishing a plan for Condominium ownership of the Condominium property under the Condominium Act of the State of New York, as amended (Article 9-B of the Real Property Law of the State of New York) dated _____ and recorded in the Office of the City Register of the City of New York on _____ under CRFN _____, (such declaration and any amendments thereto being referred to hereinafter, collectively, as the “Declaration”). The land on which the building containing the Unit is located is bounded and described as on schedule “A” annexed hereto, said Unit also being designated as Tax Lot _____ in Block 265 on the Tax Map of the Real Property Assessment Department of the City of New York for the Borough of Brooklyn and on the floor plans of the Building (the “Floor Plans”), certified by _____, on the ____ day of _____, 20____, and filed in with the Real Property Assessment Department of the City of New York on the ____ day of _____, 20____, as Condominium Plan No. _____ and also filed in the Office of the City Register of the City of New York as Condominium Map No. _____ under CRFN _____.

Together with an undivided ____% interest in the Common Elements (as such term is defined in the Declaration);

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of The 67 Livingston Street Condominium, as the same may be amended from time to time (hereinafter referred to as the “By-Laws”), all of which shall constitute covenants running with the Land and shall bind the person having at any time any interest or estate in the Unit, as though recited and stipulated at

length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively referred to as the “Property”);

To have and to hold the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 16 of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium’s Board of Managers (as such term is defined in the Declaration) a Residential Unit is intended for residential purposes only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (any Rules and Regulations adopted under the By-Laws).

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements at the Property and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

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

The term “Grantee” shall be read as “Grantees” whenever the sense of this indenture so requires.

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

Grantor:

67 LIVINGSTON LLC

By: _____

Name:

Title:

Grantee:

(Print Name)

STATE OF NEW YORK)

)ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) 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)

STATE OF NEW YORK)

)ss.:

COUNTY OF _____)

On the ____ day of _____ in the year 20__ before me, the undersigned _____, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) 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)

SCHEDULE A

PROPERTY DESCRIPTION

FORM OF INTERIM LEASE AGREEMENT

AGREEMENT made this ____ day of _____, between 67 LIVINGSTON LLC, having an office 40 West 57 Street, 29th Floor, New York, New York 10019 (hereinafter SPONSOR) and _____ whose address is 67 Livingston Street, Unit # _____, Brooklyn, New York 11201 (hereinafter PURCHASER),

WITNESSETH,

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at 67 Livingston Street, Brooklyn, New York and;

WHEREAS, PURCHASER has executed a Purchase Agreement for Unit ____ (the "Apartment") at said premises, and;

WHEREAS, PURCHASER wishes to occupy said Apartment prior to the closing of title;

NOW, THEREFORE, in conformity with the terms and conditions of the Offering Plan filed with the Attorney General of the State of New York, the parties agree as follows:

1) Commencing on _____, 20____, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned Apartment.

2) After a free three week grace period, PURCHASER shall pay a fee for use and occupancy of the Apartment of \$_____ per month. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this Agreement is not governed or subject to any rent regulatory laws. PURCHASER has deposited with SPONSOR, and SPONSOR recognizes that PURCHASER has deposited the sum of \$_____ representing a deposit under the Purchase Agreement. **PURCHASER'S deposit of \$_____ shall be applied against the purchase price of the Unit at closing and is subject to forfeiture by PURCHASER in event of his default under the Purchase Agreement.** In the event of Purchaser's default under the terms of the Interim Lease, Sponsor may direct the Escrow Agent to pay any use and occupancy fees due by Purchaser from such deposit.

3) The use and occupancy fee for the month in which closing occurs shall be adjusted at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment. **Any unapplied use and occupancy fee shall be refundable to PURCHASER at closing.**

4) The terms of the Offering Plan and all related documents in effect as of the date hereof are incorporated in and made a part of this Agreement. To the extent that there are any inconsistencies between this Agreement and the Offering Plan, the provisions of the Offering Plan shall control.

5) As of the date of this Agreement, risk of loss to the Apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Purchase Agreement for such Apartment, as contained in the Offering Plan for the premises in effect as of the date hereof, as if

PURCHASER were the owner of such Apartment.

6) PURCHASER shall pay all utility costs and make any repairs to the apartment for which he would be obligated as owner subject to the terms and provisions of Paragraph 12. SPONSOR will not be responsible for ordinary wear and tear to the Apartment during the PURCHASER'S occupancy.

7) PURCHASER may not make any alterations to the Apartment without SPONSOR'S written consent.

8) This lease will terminate on the happening of the earliest of the following:

- a. Closing
- b. Rescission ("Rescission") of the Purchase Agreement by PURCHASER under the Offering Plan
- c. Default by PURCHASER

9) Upon a default by PURCHASER which is not cured within 30 days after notice thereof, or immediately after Rescission of the Purchase Agreement by PURCHASER, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the Apartment. PURCHASER agrees to pay SPONSOR \$500.00 per day for each day he remains in possession following the periods set forth above, and PURCHASER AND SPONSOR hereby irrevocably authorize ESCROW AGENT to deduct said per diem sum directly from any amounts being held in escrow pursuant to the Purchase Agreement. Nothing contained herein shall be construed so as to limit SPONSOR'S ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR, nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.

10) Any default under this Agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this Agreement. Before Sponsor may utilize the default under this Agreement to declare a default under the Purchase Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the PURCHASER unless the PURCHASER has vacated the Unit. Any such default will terminate PURCHASER'S right to use and occupy, and will also terminate PURCHASER'S right to purchase the Apartment, and shall result in loss of the down payment. Nevertheless, Sponsor may utilize a default under the Purchase Agreement to declare a default under the Interim Lease without an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser.

11) This Agreement may not be assigned, and may not be changed, except by signed, written instrument. This Agreement is the entire agreement between the parties as regards use and occupancy of the Apartment pending closing.

12) As of the date hereof, PURCHASER confirms that all work required to be done in or about the subject apartment has been completed, that the condition of title as set forth in the PURCHASER'S title report is acceptable, and that in all respects PURCHASER agrees to accept the Apartment in "as is" condition except for the aforementioned items. As of the date hereof,

PURCHASER waives any right whatsoever to cancel the Purchase Agreement, except for a material change in the Offering Plan.

13) Failure to appear for closing within 30 days after delivery to PURCHASER of notice by fax or mail that SPONSOR is prepared to close shall be deemed a default both in this Occupancy Agreement and in the Purchase Agreement entitling SPONSOR to cancel the Purchase Agreement, retain all sums previously paid and remove PURCHASER from the subject apartment, and collect the increased use and occupancy fee set forth in Clause 9 above.

14) PURCHASER agrees that as a term of this Occupancy Agreement to pay a lease preparation fee in the amount of \$500.00 to SPONSOR'S attorney.

15) In the event there are any inconsistencies between the Offering Plan and this Interim Lease, the terms of the Offering Plan shall govern.

16) Any Interim Lease shall be subordinate to the mortgage held by the Construction Lender. The Agreement shall be deemed invalid and of no force and effect without the prior written consent of SPONSOR's Mortgagee (a/k/a the Construction Lender).

IN WITNESS WHEREOF, the parties hereunto set their hands this ____ day of _____, 20____.

SPONSOR:

67 LIVINGSTON LLC

By:_____

PURCHASER:

TAX ESCROW AGREEMENT

AGREEMENT made this ____ day of _____, 20__ by and among 67 LIVINGSTON LLC (hereinafter referred to as “Sponsor”), the Board of Managers of the 67 Livingston Street Condominium (hereinafter referred to as “Board of Managers”) and _____, (hereinafter referred to as “Purchaser”)

W I T N E S S E T H:

WHEREAS, Sponsor is the Sponsor of the 67 Livingston Street Condominium located at 67 Livingston Street, Brooklyn, New York; and,

WHEREAS, the Board of Managers is charged with governing the operation of said Condominium; and,

WHEREAS, as of the date hereof, Sponsor controls the Board of Managers; and

WHEREAS, the Purchaser is acquiring title to Unit ____ (the “Unit”) on the date hereof; and,

WHEREAS, the individual Condominium Units located at the aforementioned property have not been separately assessed for real estate tax purposes prior to the closing of the first Unit located thereat; and,

WHEREAS, the Board of Managers desires to secure the Purchaser’s obligation to pay Purchaser’s proportionate share of the taxes due for the Unit for the _____ of the _____ tax year in the event that property has not been separately assessed by _____; and,

NOW, THEREFORE, the parties agree as follows:

1. At closing, the Purchaser shall escrow funds with the Sponsor for Purchaser’s proportionate share, based on the Unit’s percentage of Common Interest, of the Sponsor’s real estate tax obligation for the _____ of the _____ tax year (the “Tax Obligation”) in the amount of \$_____.

2. The Board is irrevocably authorized to pay, and hereby agrees to so pay, Purchaser’s proportionate share of such real estate taxes as are assessed against the premises from the escrow account when such taxes are due and payable.

3. In the event that the Purchaser’s escrow of the Tax Obligation shall be insufficient to meet the Purchaser’s proportionate share of the actual assessed real estate taxes, the Board of Managers shall assess the Purchaser for such shortfall. Purchaser hereby agrees to pay such assessment in accordance with the terms of the Declaration and By-Laws but in no event later than the due date for such real estate tax payment.

4. Upon each subsequent closing of the remaining Units, the Sponsor shall collect the

estimated amount of taxes attributable to such Unit for the _____ of the _____ tax year from the purchaser thereof.

5. The escrow shall be kept in a non-interest bearing account.

6. The escrow account shall be maintained in accord with all laws, rules, and regulations of the State of New York, specifically including, but not limited to, the General Business Law; and, shall be deemed held for the benefit of the condominium.

7. In the event that any sum paid to the Board hereunder shall not be paid toward real estate taxes for any reason, such sum shall be reimbursed to the Purchaser or Sponsor who advanced same.

8. Purchaser shall be entitled to receive any retroactive credit for real estate taxes actually paid by Purchaser (either directly or via payment from the escrow account) from the date of closing until the individual tax lot for the Unit is separately assessed which credit is properly allocated to the Unit. In the event that such retroactive credit is given to the Sponsor, Sponsor shall promptly reimburse the Purchaser in the amount of said credit.

9. Sponsor shall be entitled to receive any retroactive credit for real estate taxes actually paid by Sponsor for any period prior to closing which credit is properly allocated to the Unit. In the event that such retroactive credit is given to the Purchaser, Purchaser shall promptly reimburse the Sponsor in the amount of said credit.

10. In the event that the individual Condominium Units have not been separately assessed for real estate tax purposes on or before _____, the Board will collect an additional escrow from each Unit Owner for the Unit Owner's proportionate share of the amount determined by the Board to be sufficient to pay the outstanding real estate taxes. In such event the Board shall be authorized to pay all outstanding real estate taxes directly to the New York City Department of Finance.

11. The Unit Owner indicated below has executed this Agreement for the purpose of consenting to the terms hereof and to agree to advance to the Board any sums that represent the proportionate share of real estate taxes for his or her Unit until the time when the City of New York actually apportions the tax lots for the individual condominium units.

12. This Agreement may be signed in counterparts and facsimile or other electronic copies of signatures shall be deemed originals for purposes of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties set their hands the date above first written.

67 LIVINGSTON LLC
SPONSOR

By: _____
Name:
Title:

67 LIVINGSTON LLC
SPONSOR

FOR THE BOARD OF MANAGERS OF
THE 67 LIVINGSTON STREET CONDOMINIUM

By: _____
Name:
Title:

CONSENT:

Purchaser

DESCRIPTION OF THE PROPERTY AND SPECIFICATIONS

67 Livingston Street, Brooklyn NY 11201

As per Part 20.7 of Title 13 NYCRR

A. Location and Use of the Property:

1. Address: 67 Livingston Street
Brooklyn, New York 11201
2. Block/Lot Number: Residential: Block 265, Lots 5 and 7501 (No work on lot 7501).
3. Zoning: Zoning District C5-2A (R10A Residential District Equiv.)
Special Downtown Brooklyn Zoning District (DB).
Map 16C
The property and proposed use will comply with all zoning and use requirements at First Closing.
4. Permissible Uses: Use Groups 1-6, 9-11 as per New York City Zoning Resolution, which permits residential and non-residential uses.

B. Status of Construction:

1. Year built: 1987
Anticipated Start Date: 10/31/17
Completion Date: Nov. 2018
2. Class of Construction: Class 1C - 2 hour protected (1968 Code Designation) conforming to all applicable regulations of the Building Code of the City of New York (Building Code).
3. Certificate of Occupancy:

The current Certificate of Occupancy for the Building, number 302059938F for primarily residential units was issued on February 27th, 2006.

A new Certificate of Occupancy will be issued reflecting the planned alterations.

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4. Description of Work:

The existing exterior façade of the building is to remain. Windows will be replaced as described herein and in some areas enlarged. The building is currently vacant and will remain unoccupied throughout construction.

The alteration work to be performed by the sponsor are as follows ("Proposed Alterations"):

- The existing boiler will be replaced with two (2) new gas fired boilers.
- Interior partitions, plumbing fixtures and electrical wiring will be replaced for all Units.
- All Units identified on section W will be provided with new lighting, kitchens, bathrooms, doors, sub-flooring, finished floors and accessories (see section W, unit information).
- Existing 4" gas service will be reused to supply gas for cooking ranges. The existing gas service will also be used for Domestic Hot Water heaters to generate hot water.
- A new metered 3" gas service from the Consolidated Edison Company of New York (Con Ed) will be installed for a gas-fired emergency generator.
- Existing electrical service from the Consolidated Edison Company of New York (Con Ed) is sufficient and will be reused. Electrical distribution equipment and vertical risers for mechanical, plumbing and electrical systems will be installed to Building Code requirements.
- The elevator equipment is to be refurbished. Reference Section H 15 for a description of the new elevators.
- The elevator cabs are to be refurbished. Reference Section H 17.
- A new stone lobby floor will be installed. The lobby walls and ceiling will be altered. New lighting fixtures will be installed in the lobby.
New electrical meter room and electrical closets and refuse compactor room are to be provided.
- All internal air and mechanical shafts running through the building will be infilled.
- Exterior existing non-lot line windows will be replaced. Some windows along the west façade are

- to be enlarged on floor 9th through 24th. Windows to be double pane, aluminum windows.
- Existing lot-line windows will be replaced. Windows will be double pane aluminum windows.
 - Existing lot-line windows will be replaced. Windows will be aluminum Graham windows or equivalent.
 - The existing neighboring building located at 58 Court Street has a pre-existing egress easement with the condominium. Egress for 67 Livingston Street is to the front street of the building only, not the rear. There are two existing hollow metal doors along the exterior rear perimeter brick wall that are for the adjacent neighbor's (58 Court Street) egress through the condominium building. These are to remain and will be locked at all times but accessible with key on Livingston side and provided with an emergency panic push-bar on the adjacent property's side tied into a localized audible alarm. The DOB and FDNY does not require that this particular ingress location, which is necessary for the safety of occupants of the neighboring building, be available for egress for the occupants of 67 Livingston in the event of an emergency. The rear door leading from rear yard into the rear amenity lounge will have an emergency panic push-bar on the exterior side of the door tied into a localized audible alarm providing access in the Condominium building for egress through building to street. In addition, a key fob will be provided for residential access in and out of the rear yard to bypass the alarm system.

A schedule of approved New York City Department of Building (DOB) plans for the work described above is set forth in Section U of this Report.

Construction is to occur during DOB approved hours Mondays through Fridays, except holidays, as well as after hours Monday through Friday & weekends, upon DOB approval.

5. Quality Housing Status Project will comply with Quality Housing Requirements, which will include the following categories of:

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Refuse Storage & Disposal: Complies
Laundry Facilities: Complies
Daylight in Corridors: Complies
Recreation Space: Complies
Standards for Recreation Space: Complies
Planting Areas: Complies
Density per Corridor: Complies
Parking Requirements: Complies

6. Materials

Where materials, appliances equipment, fixtures and other construction and design details are specified in this Report, Sponsor has reserved the right to substitute, with items of substantially equal or better quality, in their place.

C. Site:

1. Size:

The size of the lot is approximately 11,811 square feet. Dimensions vary as the zoning lot is an irregular shape.

2. Number of Buildings and Use:

There are two buildings on the zoning lot (67 Livingston and 64 Court Street), each building has its own tax lot. The buildings are two separate structures, sharing no physical connection. 67 Livingston is the condominium building this property description applies to. Lot 5 pertains to 67 Livingston and lot 7501 pertains to 64 Court Street. There is no work proposed on lot 7501 (64 Court Street). All work mentioned in this report will pertain to lot 5 (67 Livingston Street). The primary use will be residential. There are Residential Units located on the 3rd through 25th (SK PH-U) Floors. There is one (1) entrance to the Residential Unit and one (1) egress stair door for the building egress stair located on Livingston Street.

3. Streets:

The property is abutted by Livingston Street. This street is paved with asphalt, owned and maintained by the City of New York (NYC) and are in fair condition.

The street abutting the property is pitched to drain through catch basins. The catch basins are part of the NYC storm water drainage system. They are in usable condition.

4. Drives, Sidewalks
and Ramps:

The existing sidewalk adjacent to the property is concrete running full width from the property line along the street and pitched for drainage to the curb. All curbs abutting the property are existing steel-faced concrete curbs. The sidewalks and curbs are in fair condition. Street lighting is provided primarily by existing NYC light poles. The Condominium will be responsible for maintaining the sidewalk(s) in accordance with the requirements of the Department of Transportation (DOT). Sidewalk and curb at Livingston Street is to remain.

5. Electricity:

Electricity is provided by Con Ed. The electricity to each Unit is direct metered from the electrical service switchgear room located on the Ground Floor. The electricity consumed by the Common Elements is separately metered.

Con Ed services are direct metered for each Residential Unit. The majority of Residential Units' electrical services are currently sized for a 150A at 208/120-Volt, single phase. The new Penthouse service will be 200A at 208/120-Volt three-phase.

6. Gas:

Gas is provided by Con Ed. The cost of the gas consumed for residential cooking and generation of centralized domestic hot water system will be metered. Gas for emergency power generation will be separately metered. All Gas usage, for the domestic hot water, the kitchen ranges and emergency power generator will be borne by the Condominium Unit Owner as a Condominium Common Expense.

7. Plumbing and
Drainage:

Water and Sewer service is provided by NYC Department of Environmental Protection (DEP). Water for the Residential Units is collectively metered.

8. Telephone/Internet:

Telephone and internet service will be provided by the service provider for the neighborhood. Each Unit Owner is required to arrange for and pay its associated telephone and data charges including activation costs.

9. Cable Television:

Cable television service will be provided by service provider for the neighborhood. Each Unit Owner is required to arrange for service and pay its associated cable television charges including activation costs.

10. Heating and Air Conditioning:

Space heating and air conditioning will be provided for the Residential Units and the Lobby by air cooled VRF heat pump systems.

Mechanical rooms and stairs will be heated by electric unit heaters.

D. Sub-Soil Conditions:

The building is an existing building. No examination of the sub-soil conditions has been made. Sponsor is not aware of any adverse conditions, groundwater or settlement problems.

The building does not have a cellar or basement. There is no apparent danger from flooding due to sub-soil conditions.

There is no evidence of dampness or mold on the ground floor.

Pest control program is ongoing. Termite inspection to be performed prior to issuance of a Temporary Certificate of Occupancy (TCO).

E. Landscaping:

1. Grass cover: No grass

2. Planting Type and Location:

Planting is located only at the front yard and the backyard from the first ground floor of the property. The front yard has two planting beds which are approximately 7' wide. Planting is symmetrical and on each side of the the front door building access path. This planting bed will receive 4 trees (2 on each side), evergreen shrubs and groundcover.

The back yard will be planted with only shaded plants. Seating space will be framed with bamboo plants and

Evergreen English Ivy will be planted around the fence perimeter.

3. Trees:

There are no existing trees. Four (4) columnar trees will be planted in the front yard and one (1) in the backyard.

4. Fencing

The front yard will receive an aluminum metal fence + gate along the street to privatize the front yard entrance garden with the public street. This metal fence will match the design and finish of the proposed guardrail balcony of the building front façade.

5. Garden Walls

None

6. Retaining Walls

None

7. Water Features

None

F. Building Size:

1. Total Height:

Approximately 266'-6" from Grade to top of roof.

2. Cellar:

There is no Cellar within the building.

Metal work – not applicable.

3. Number of Floors:

There are twenty-nine (29) stories above grade, Floor 1 (Lobby Level), 2 (Amenities), 3 through 8, floor 9, floors 10 through 24 and SKY PH-2 and SKY PH-1. The Amenity Floor referenced in this document is the same as the 2nd Floor, as noted in the below column. Any references to floor levels in this document refer solely to the marketing designations as set forth below, not the construction/DOB levels.

Marketing*

Lobby
Amenities
3rd Floor

Construction/DOB

Ground Floor
Second Floor
Third Floor

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4 th Floor	Fourth Floor
5 th Floor	Fifth Floor
6 th Floor	Sixth Floor
7 th Floor	Seventh Floor
8 th Floor	Eighth Floor
9 th Floor	Ninth Floor
10 th Floor	Tenth Floor
11 th Floor	Eleventh Floor
12 th Floor	Twelfth Floor
14 th Floor	Thirteenth Floor
15 th Floor	Fourteenth Floor
16 th Floor	Fifteenth Floor
17 th Floor	Sixteenth Floor
18 th Floor	Seventeenth Floor
19 th Floor	Eighteenth Floor
20 th Floor	Nineteenth Floor
21 st Floor	Twentieth Floor
22 nd Floor	Twenty-First Floor
PH 23 rd Floor	Twenty-Second Floor
PH 24 th Floor	Twenty-Third Floor
SKY PH-2 Floor	Twenty-Fourth Floor
SKY PH-1 Floor	Twenty-Fifth Floor
27 th Floor	Twenty-Sixth Floor
28 th Floor	Twenty-Seventh Floor
29 th Floor	Twenty-Eighth Floor
30 th Floor	Twenty-Ninth Floor

4. Equipment Rooms: Located at the ground floor, amenity floor, and twenty-seventh through Thirtieth Floors.

5. Parapet/Railing Assemblies: The parapet and/or railing assemblies will extend a minimum of 3'-6" above the roofs.

G. Occupancy:
(Location of Units and residential lobby)

Cellar: There is no Cellar or basement in the building.

Lobby Level: Residential lobby.

Amenity Floor:
Residential Amenity & Mechanical Room

Floors 3 through SKY PH-1:
Residential Units

Ceiling Heights:
Lobby Floor: 8'-6" (varies)
Floors 3 - SKY PH: 8'-6" (varies)

H. Structural Systems:

1. Structure: The existing structure is composed of cast-in-place reinforced concrete. The floors are supported by rectangular concrete columns and concrete load bearing shear walls. The floor construction is flat slab concrete of a minimum thickness of approximately 7 inches. The columns are connected by concrete beams spanning in the east-west direction across the width of the building.

The lateral wind resisting system of the building consists of shear walls at lower floors along the east and west lot lines of the building together with shear walls around the elevators extending the full building height. Shear walls are supplemented by the beam/column moment frames spanning between pairs of columns in the east and west direction.

The building was constructed prior to New York City's adoption of a seismic code.

Foundation drawings of the existing building are not available and there is no cellar level.

The building appears to be in good condition overall with no visible signs of structural distress, with the exception of some minor corrosion and spalling of balconies, which will be repaired.

Any modifications to the structure by a Unit Owner are to be reviewed by a NYS licensed structural engineer

and approved by the New York City Department of Buildings.

2. Exterior Walls: The existing exterior walls are of brick construction with a varying back-up wall of 4" CMU at most locations and concrete walls in others. All infills on exterior walls will have the following insulation R values:

The existing building contains no exterior wall insulation seen by probes done on site of existing conditions. All existing exterior walls are to be treated with 3" spray-on, closed cell insulation for an R value of 21. All infills on exterior walls will also have the same insulation R value of 21.

Façade Inspection Safety Program (FISP): Next inspection cycle is Cycle 9. The Block Number for 67 Livingston is 265, thereby falling under Sub-Cycle 9A. The filing window for the next FISP under Sub-Cycle 9A is between 2020-2022.

3. Doors and Windows: All existing residential windows are to be replaced with double pane, tilt and turn aluminum windows with thermal breaks. Window manufacturer to be Graham or equivalent.

All windows will have 4" limit stops as required by DOB. The perimeter of all windows will be caulked to control water and air infiltration. All rooms have correct light and air provided, according to the DOB standards. Some windows along the west façade on floors 9th through 24th will be enlarged.

Structural performance: Withstand without excessive deflection, damage or impairment of function the wind load established by the requirements of the Building Code.

Certain windows in various Residential Units located from the 3rd through the 25th Floors on the West facades of the building are so-called 'lot-line windows' and will be required to be closed up if the adjoining property is ever redeveloped with one or more buildings of different configurations than that are now located on the same lot. These windows are required to be aluminum and a

sprinkler head is to be provided at the interior. Those units with lot line windows are: 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, PH 23, PH 24, SKY PH. Windows, glazing and the finish of all new windows have a minimum warranty of five (5) years from installation and subject to the provisions of the next following paragraph. The cost of any necessary construction, sprinkler or other work to be done pertaining to lot line windows as a result of an adjacent building being built taller shall be allocated to all Unit Owners affected by such an event as a Common Expense.

Even though lot line windows are generally subject to closure (sealed and covered) as described in the preceding paragraph, there is an existing building to the West of the subject property. Existing lot line windows along the West façade will be replaced with metal Graham windows or equivalent.

Sound insulation: Sound insulation between floors and walls will be treated to have an impact noise rating of zero. There are no horizontally adjacent units.

4. Landmark status: The building is not a New York City landmark and is not in a New York City Landmarked district.
5. Parapets and Coping: Existing roof parapet construction consists of masonry & brick at the terraces. Copings will remain existing stone. Railings are also existing at various locations in lieu of parapets at the balconies. Railings at these locations are to be replaced with new metal railings at code-compliant heights, and will be primed & painted steel. The parapets are in good condition.

Where the existing parapet and/or railing do not extend to a minimum height of 3'-6" above the roof, the existing protective railing above the parapet will be removed and replaced with glass at a code compliant height.

6. Chimneys and Caps: B-Type gas vent will be provided on the roof of the boiler room for venting of domestic hot water heater.

Hot Water Heater Flue Classification: low temperature, Manufacturer: Security Chimneys International Model CIX, Material and Gauge: Inner wall – 0.035 inch type 304SS, Outer wall – (5"-24" diameter) 0.018 inch galvalume (Alu-Zinc) steel, all portions exposed to the outdoors 304SS outer wall, Clean-out location: Bottom clean-out. Termination point of exhaust: Roof, 3' above highest wall, double wall construction. Back draft protection and bird grill protection will be provided.

7. Balconies and Terraces:

Balconies exist on the south façade on floors three through eight and ten through twenty-second. Access to the balconies will be through one (1) new single door, constructed of insulated tempered glass d with aluminum frames. All exterior metals, including fasteners, will be corrosion resistant. Balcony deck finish material will be painted concrete. Terraces will be built-up roofing with raised pavers on pedestals on minimum 4" rigid insulation.

The building terraces will be drained by roof drains. Cast iron storm drains will be located on levels designated roof terrace, Ninth Floor, Twenty-third Floor, SKY PH-2, SKY PH-1, Twenty-sixth and Twenty-seventh Floors.

8. Exterior Entrances:

The residential entrance on Livingston Street will be a glass and aluminum swing door. The residential entry door hardware will be Dorma or equivalent.

The residential main entry will be converted from manual key locks to electronic key fob access.

The entrances are free of tripping hazards. Cast iron storm drains will be located in the area at the main entrance of the building.

Mailboxes will be new metal boxes, located in the mailroom directly off the main lobby and manufactured by Salisbury Industries.

Lighting will be provided throughout Residential Units and common areas to meet Building Code compliance.

Emergency lighting will be provided in common areas to meet Building Code compliance.

9. Service and Balcony
/ Terrace Doors:

All service doors are existing self-closing, hollow metal doors with metal frames in good condition. Any new service doors will be hollow metal doors. All balcony and terrace doors will be out-swing and aluminum, with thermal break.

10. Roof and
Roof Structures:

Setback roof levels consist of typical cast-in-place concrete structure as described in structural section 1 above.

Uppermost roof structure consists of steel framing supporting wood decking and metal roofing.

All existing roof areas are covered with an existing modified bitumen roof without roof insulation which are in good condition, using Siplast as the manufacturer. A 20 Year manufacturer warranty will be provided for materials and labor. Warranty will commence after the manufacturer performs its inspection of the completed installation. This will be an NDL (No Dollar Limit) warranty. There is no existing insulation. The roof above the 8th Floor, PH-23rd Floor, SKY PH-2, SKY PH-1, 27th and 28th Floors will be replaced with an Insulated Roof Membrane Assembly (IRMA) roof, comprising of waterproof membrane below extruded polystyrene board insulation, min. 4" thick, below protection fabric and loose-applied precast concrete paving units at occupied terraces and gravel ballast at mechanical terraces.

Pavers will be by Hanover- Model: Pressed in Tudor finish and pavers will be professionally installed so as not to impede drainage nor void the manufacturer's warranty. A 20 Year Watertight Warranty covering every component in the system will be provided by Siplast System or approved equivalent.

The existing metal flashing is in fair condition and will be replaced. A base flashing, fluid-applied

waterproofing membrane; counter-flashing, stainless steel (28 Ga.); and drain-flashing; neoprene will be installed.

Existing cast iron drains discharge through internal leaders into the building storm systems. These will be replaced with new leaders.

One roof hatch exists at the tank room, and will be primed & painted steel. One new vertical ladder will be at the new mechanical platform on 26th floor, which will be primed & painted steel.

The mechanical units on the 26th and 27th Floor terraces will be either mounted on vibration isolation roof rails or mounted on vibration isolation roof curb to prevent vibration and noise from reverberating to the floors below. There will be new steel dunnage for the mechanical units and generator at the 27th floor mechanical terrace.

There is one existing skylight at the roof of the 26th Floor that will be replaced with a structural silicone aluminum framing system by Starlight Skylights or equivalent. The dimensions of the skylight are approximately 4'-4" x 4'-4".

The 26th floor will contain an amenity terrace, approximately 12'-6" by 20'-0", and 19% of the building area at the 26th level. This amenity terrace is not being used towards the Quality Housing Recreation space requirement.

See section 5 of Parapets and Coping for railings.

11. Fire Escapes:

None.

12. Yards and Courts:

There is one (1) existing non-complying inner court at the North façade beyond an existing thirty-foot rear yard. At the time of construction, this was a compliant condition, before a rezoning of the neighborhood. The inner court is an existing condition to remain as is, and will not in any way negatively impact the condominium.

Yards and courts will be of concrete material. There will be area drains in the yards and terraces. Railings at balconies will be steel, and tempered glass at terraces. Stairs will be steel pan with wood finish at treads & risers. Fencing will be primed & painted steel. Walls will be masonry and utilize brick.

There is an existing 16'-1" front yard.

There are no side yards.

13. Interior/Exterior Stairs: Stair A and B is an existing enclosed scissor stair from Ground Floor to 26th Floor and is in good condition. The stair is constructed of concrete treads and risers, with concrete walls providing the separation. New adjacent residential vestibules will have a 2-HR rated medal stud wall. Stair A leads directly to the front yard area. Stair B leads to the main residential lobby. No stair bulkheads exist in the project.

14. Interior Doors
and Frames:

The Residential Unit doors and frames at the egress stair vestibule will be MDF 90 minute rated Fire-Proof, Self-Closing door – Model # TS4100 to meet fire code requirements. Residential Unit interior swing doors will be solid core painted wood doors in wood frames and other interior doors will be TruStile TS Series 2020, with no fire rating for interiors as per Building Code.

All egress stair doors and frames will be new painted flush hollow metal, 1 3/4" thick with stone saddles. All egress stair doors will be 90 minute fire proof self-closing with a "B" Label and vision panel.

6

15. Elevator

There are two (2) existing passenger elevators. The model numbers are 3p7965) 3p7966. The manufacturer of the elevators is Otis, and the capacity is 2,000 pounds. Both passenger elevators currently stop at 1st through 25th floor and the roof level. The elevator stops will remain as noted above.

Both passenger elevators will be completely refurbished and modernized. All of the major

mechanical components will be replaced with the exception of the existing (general electric) gearless hoist motors. The hoist motor scope is to perform a thorough refurbishment including vibration testing analysis to determine the condition of the existing bearings and if replacement of the bearings is warranted at the time of the modernization. Microprocessor type controllers with solid state motor drives will be provided for both passenger elevators (mce or gal). The rated speed of the elevators is 700 feet per minute. The rated maximum capacity is 2,000 pounds the clear opening size for each elevator is 3'-0" x 7'-0". The approximate inside clear dimensions of the elevator 5'-8" x 4'-4" x 8'-6".

The existing alarm system is to be reused as it is in good working condition. Additionally, the car safeties are also in good working condition and is to be reused as well.

16. Service Elevators

None

17. Elevator Cabs

Both passenger elevators will be fitted with new cab finishes including base, wainscoting, handrails, entrance columns, transoms, pad hooks and corner mirror. The cab upgrade will include new ventilation and lighting. Elevator cab to be provided by CEC cab corp. Or approved equal. Elevator cab floor material will be tile. Wall material will be metal. Ceiling material will be metal. Recessed lighting with back-up to generator for emergency lighting will be provided.

Additional features for the elevators include emergency power operation and security card readers inside the elevator. Emergency power operation will automatically return the elevators to the ground floor level upon a power failure and full elevator operation of at least one elevator on emergency power after both have been returned to the ground floor. Card readers will prevent calls to be placed from inside the elevator to restricted landings which will be allowed when a passenger holds the card in the proper proximity of the reader.

18. Elevator Machine

The existing elevator machine room is currently

Room:

located on the Twenty-Eighth Floor. The elevator machine room in the bulkhead will be air-conditioned by a Daikin model # FTXS24LVJU, with a 16,900 BTU/HR capacity for cooling or equivalent.

19. Elevator Bulkhead

Existing brick with concrete masonry unit as back-up wall.

I. Auxiliary Features:

1.

Refuse Disposal: A new refuse chute will be installed for refuse disposal. Refuse will be collected at the compactor room located at the Ground Floor.
Compactor: "Royal-Krusher" by Royal-Pak Systems or approved equivalent.

2. Storage and
Storage Lockers:

There are no storage lockers located in the building.

3. Bicycle Storage:

The bicycle storage room will be located at the Ground Floor, accessible from the lobby. The Bicycle storage room will have racks to store approximately 12 bicycles or 9 square feet per space. This facility will be an amenity for Residential Unit Owners. The bicycle storage room will be part of the Residential Common Elements.

4. Laundry Room:

None. Each Residential Unit will be provided with a washer/dryer. Washers will include a leak detection and automatic shut off valve system. Electric dryers will be provided, and will be ventless. Tiled floor with waterproofing will be provided underneath the washer/dryer.

5. Fitness Facility:

There is no Fitness Facility within the building.

J. Plumbing and Drainage:

1. Domestic Water
System:

Water Supply:

One (1) existing metered 3" incoming domestic water service is located on the first floor from Livingston Street. A backflow protection device will be installed on the incoming service as required by NYC DEP. This

service will supply the entire building's domestic water system. An existing house pump distributes domestic water to existing roof tank. New water distribution system will be provided. Water supply will be a down feed system.

The existing roof tank and house pumps system shall be reused. The existing roof tank is made out of wood. The tank is located within masonry enclosure and is accessible by vertical gooseneck ladder. Capacity of the tank is 7,500 Gallons. The tank will provide water for domestic use only.

The distribution system(s) will be divided into high and low zones.

The high zone will be provided with a duplex, domestic water pressure booster system with a cushion tank, located in the mechanical room on the roof and will increase the water supply pressure of 35 psi at the top floor. Domestic water booster system shall be manufactured by Quantumflo Prodigy E2 Series Model# Duplex 120/3-1.5 1x1.25 or approved equal. Capacity of each pump is 49 gpm. Manufacturer's standard form in which manufacturer agrees to repair or replace components of the booster that fail in materials or workmanship within five (5) years from date of Substantial Completion.

The low-zone will be supplied from the roof tank. The first supplied floor will be 20th floor to provide water pressure of 35 psi. Lower floors with excess of 80 psi will be provided with pressure reducing valves to comply with NYC DOB Code for maximum pressure at plumbing fixtures.

Piping material: Domestic Cold Water, Hot Water, & Hot Water Circulation piping will be hard drawn, copper tubing with wrought bronze fittings.

Backflow preventer and main shut-off valve for domestic cold water will be located in the Cellar adjacent to the Columbus Avenue foundation wall.

Hot and Cold water piping will be insulated throughout.

All Domestic Cold and Hot Water piping insulation thickness will be in accordance with NYC Energy Code.

Domestic Hot Water Heaters or approved equivalent:
Domestic hot water for high-zone will be generated by two (2) gas-fired domestic hot water heaters located in the mechanical room on the 26th Floor. The heaters will be manufactured by LAARS model number MN2V300 with 300 MBH gas input heating capacity, each.

The units will be provided with combustion air intake and vents as required. The heaters are in compliance with New York State Energy Conservation Code

Thermal efficiency of heater: 85%

Storage tank of 80 gal. capacity will be provided. Manufacturer's standard form in which manufacturer agrees to repair or replace components of fuel-fired, domestic-water heaters that fail in materials or workmanship within specified warranty period From date of Substantial Completion:

- 1) Heat Exchanger: Five years.
- 2) Controls and Other Components: One year.
- 3) Separate Hot-Water Storage Tank: Five years.

Domestic hot water for low-zone will be generated by two (2) gas-fired domestic hot water heaters located in the mechanical room on the 26th Floor. The heaters will be manufactured by LAARS model number MN2V750 with 750 MBH gas input heating capacity, each.

The units will be provided with combustion air intake and vents as required. The heaters are in compliance with New York State Energy Conservation Code

Thermal efficiency of heater: 85%

Storage tank of 80 gal. capacity will be provided. Manufacturer's standard form in which manufacturer agrees to repair or replace components of fuel-fired, domestic-water heaters that fail in materials or

workmanship within specified warranty period From date of Substantial Completion:

- 1) Heat Exchanger: Five years.
- 2) Controls and Other Components: One year.
- 3) Separate Hot-Water Storage Tank: Five years.

Hot water recirculation pumps will be provided to comply with NYC Energy Code.

2. Fire Protection

System: The entire building will be protected throughout with an automatic wet fire sprinkler system in accordance with NFPA, the City of New York Building and Fire Codes.

New 6" Fire Protection Service was designed to be brought to the building below grade from a water main located on Livingston Street. New service will be equipped with NYC approved double check detector assembly. Separate applications for approval of this device were handled under the plumbing contract.

The building will be fully sprinklered. The sprinkler system will be provided for "Light Hazard" occupancy classification. It will include Siamese connections 3"x 3"x 6" siamese connection which will be located at the building entrance on Livingston Street 3' above grade level.

Standpipe risers with hose connection on each floor will be provided.

Fire service will be equipped and served from an automatic fire pump as manufactured by Aurora series 912 to deliver 750 gpm. The associated jockey pump will also be manufactured by Aurora, PVM- series.

3. Water Storage Tank: distribution only.

Existing water tank will be reused for domestic water

4. Sanitary Sewage and Storm System:

The sanitary and storm systems are a conventional gravity flow system and are designed to accommodate

the project. The system is comprised of sanitary, storm and vent stacks.

New sanitary risers and storm risers will be provided for the building. Hubless, cast-iron soil pipe and fittings in compliance with ASTM A 888 or CISPI 301 will be provided. Couplings shall be stainless-steel shield with stainless-steel bands and tightening devices; and ASTM C 564, rubber sleeve with integral, center pipe stop

Existing combined sewer connection to street main will be utilized. Existing 6" house traps will be reused. Storm and sewer will be discharged to street main by gravity. No sewer ejector is required in the building.

5. Permits Required: Plumbing, water and gas.
Sprinkler.
Standpipe.

K. Heating, Ventilation & Air Conditioning:

The mechanical systems for the project will be selected to serve a facility within the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Climate Zone 4A, and shall be furnished with unit level controls. The design cooling day is set for 87°F Dry Bulb (DB)/71°F Wet Bulb (WB) ambient air conditions, while the design heating day is based on 13°F DB ambient air conditions. Indoor air conditions for the dwelling unit's space shall be maintained at 75°F DB during cooling season and 70°F DB during heating season.

Cooling and heating in each residential unit will be provided by multi-zone air cooled energy recovery systems with VRF (variable refrigerant flow) technology manufactured by Mitsubishi or approved equal. The outdoor units will be installed on the mechanical terrace on 27th Floor and/or the rear yard at Ground Floor. Each room will have fan coil units ducted to an air outlet in the space served. Ductwork and fan coil units will be located in conditioned space. Ductwork will be provided with 1" acoustical lining with thermal conductivity of

0.27 Btu · in./(h·ft²·°F). Refrigerant piping (2 – pipe system) will be installed from outdoor units to fan coil units. Heating in master bathrooms, located along exterior walls or under roof, will be provided by electrical heaters (radiant floor heating). Outdoor air will be provided by natural means thru fenestration.

Each of the Residential Units being renovated will be provided with a Daikin or equivalent air-cooled VRF heat pump system, with cooling capacities of 5 tons. Each VRF heat pump system consists of one (1) outdoor air-cooled condensing unit and multiple indoor, ceiling-recessed ducted or floor mounted evaporator units. Refrigerant liquid and suction risers will extend from the outdoor air-cooled condensing units, located on either the mechanical terrace on 27th Floor or the Ground Floor rear yard, to the indoor evaporator units. A network of refrigerant branch piping will connect the indoor evaporator units to the refrigerant risers. Each evaporator indoor unit will be controlled by 24/7 programmable thermostat. Refrigerant lines for a future third bedroom will be provided at the riser location. Indoor fan coil unit will require maintenance such as replacement/cleaning of the filters at the beginning and end of each season and cleaning of condensate drain. The maintenance shall be responsibility of the individual Condominium Unit Owner.

All apartment HVAC units shall be manufactured by Mitsubishi and shall have the following capacities:

Unit No.	Condensing Unit Model(s)	Cooling BTU/Hour	Heating BTU/Hour	Efficiency SEER
3	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
4	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
5	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
6	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
7	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
8	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
9	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
10	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
11	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
12	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
13	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
14	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
14	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6

16	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
17	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
18	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
19	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
20	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
21	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
22	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
23	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
24 (DUPLEX)	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6
	Mitsubishi No. PUMY-P60NKMU1	60,000	66,000	18.6

Cooling and heating in the Public Spaces (e.g. Amenities Floor and Children's Playroom, Residential Lobby, Bicycle Storage) located on the Ground and Second Floors will be provided by a dedicated multi-zone air cooled heat pump system with VRF (variable refrigerant flow) technology manufactured by Mitsubishi or approved equal. Air Conditioning System will consist of fan coil units, located within the space served, ducted to air distribution outlets and a remote air-cooled heat pump unit located outdoors, with refrigerant piping to/from air handling units.

Amenity HVAC unit shall be manufactured by Mitsubishi and shall have the following capacities:

<u>Unit No.</u>	<u>Condensing Unit Model(s)</u>	<u>Cooling BTU/Hour</u>	<u>Heating BTU/Hour</u>	<u>Efficiency EER</u>
Cu-Lobby-1	Mitsubishi No. PURY-P72TLMU-A	72,000	80,000	28.1

Supplemental electrical heaters will be provided for heating of common areas. The units are baseboard type units as manufactured by Indeeco with a capacity ranging 1.5 kW to 3 kW.

L. Gas Supply:

There is a 4" existing low-pressure gas service from Livingston Street entering the meter room on the Ground Floor.

The existing 4" gas service will be utilized to provide gas supply to the residential units and hot water heaters.

New 3" gas service will be provided to supply gas for a new Emergency Power Generator. Gas booster will be provided for generator.

Gas piping will be standard weight (schedule 40) black steel pipe. Gas control, vent and relief piping will also be standard weight, schedule 40 black steel pipe. Steel pipe will be seamless or welded made in accordance with the current edition of the ASTM A53 specification.

An outdoor BBQ grill will be provided at the 9th Floor private terrace and SKY PH-1 North private terrace of the private Penthouse Residential Units.

M. Ventilation:

Toilet Exhaust:

Residential Toilet Exhaust:

Each Residential Unit's toilet room located within windowless area will be provided with a ceiling-recessed, inline exhaust fan. Each local exhaust fan will be controlled via a dedicated "ON/OFF" switch located in the toilet room. Each fan is rated to exhaust 75 CFM (cubic feet per minute), which is exceeding minimum NYC DOB Code required rate of 50 CFM.

Noise level generated by residential fan is 38 dB or 2 sones.

The local bathroom fans will be connected to a modulating building exhaust system, similar to the residential kitchen exhaust and laundry exhaust systems described previously. A central exhaust fan will be located on the 26th Floor mechanical roof. Multiple ductwork risers will extend from the fan to connect to the local bathroom fans within the Residential Units. Unlike traditional exhaust systems that operate at full speed 24/7, this demand-controlled ventilation system will be able to sense when no local bathroom fans are running and thus operate at a low speed. When the system senses that multiple bathroom fans are running, the system controller will increase the central fan's speed as required to maintain a pre-determined pressure set-point.

Laundry Exhaust

Each Residential Unit will be provided with an electric non-vented type dryer.

Residential Kitchen Exhaust:

Each Residential Unit will be provided with a kitchen range hood. The hood will be recirculating type hood with no connection for outdoor exhaust.

Elevator Machine Rooms & Hoist way Ventilation: The machine rooms for the existing passenger elevators will be naturally ventilated in accordance with the 2014 Building Code.

Residential Unit Ventilation:

The living areas of the residential units will be naturally ventilated using operable windows in accordance with the 2014 Building Code. The common areas within the residential portion of the building (e.g. Amenity Lounge, Residential Lobby, Bicycle Storage, Children's Playroom) will be mechanically ventilated in accordance with the 2014 Building Code.

O. Electrical Systems:

The existing incoming electric service is a 208/120V, 3-phase, 4-wire service which enters the building on the Ground Floor (from Livingston Street), via a single service end box.

This existing service (ruled adequate by Con Ed) will provide electricity to a new electrical distribution system(s). The new electrical service equipment will be housed within dedicated rooms meeting Code required accessibility and working clearances.

Electricity is then distributed via three (3) Service Switches as follows:

The Service Switch #1 (SS#1). This switch is rated at 1,200 Amps, 120/208 Volt, three phase, 4 wire and is dedicated to fire pump.

The Service Switch #2 (SS#2). This switch is rated at 800 Amps, 120/208 Volt, three phase, 4 wire and is dedicated to HDP (house distribution panel) to provide power to house loads, such as elevators, house pumps, etc.

The Service Switch #3 (SS#3). This switch is rated at 1,200 Amps, 120/208 Volt, three phase, 4 wire and supplies power to residential meter bank to supply power to residential units.

Residential Unit Service:

The electrical service to Residential Units is 150 Amp, 208/120 Volts single-phase, direct metered by the electrical utility company. Residential Unit panels are sized for 150A at 120/208 Volts single-phase. The new residential meter bank will be located on the Ground Floor with dedicated feeders to residential units.

The new Penthouse Residential Unit will be provided with a new 200A electrical service at 208 Volts, single-phase, directly metered by the electrical utility company from a new meter bank. This unit will have a 200 Amp, 208/120 Volt, single-phase panel.

An average of 42 circuits per Residential Unit is provided. All work is in accordance with Code requirements and as listed on drawings.

Copper Conductors: Shall comply with NEMA WC 70.

Conductor Insulation: Shall comply with NEMA WC 70 for Types THHN-THWN AND XHHW.

Multiconductor Cable: shall comply with NEMA WC 70 for metal-clad cable, Type MC and mineral-insulated, metal-sheathed cable, Type MI with ground wire.

Power devices and controllers are to be provided within a closet of Residential Units for future automated window treatments to be installed by Residential Unit owner.

Power will be provided for a future recreational water feature located at the front yard.

Switched lighting fixtures are provided in bathrooms, foyers and kitchens. Typical fixtures are LED type in foyers, dining areas, walk-in closets and kitchens.

Switched receptacles are provided in all rooms, as required to meet New York City Electrical Code. Ground fault receptacles are provided in all bathrooms and kitchens. Ground fault receptacles with weather resistant enclosures are provided at Residential Unit Balconies and terraces where indicated.

Emergency Power Systems:

The new gas driven generator sized to generate 150KW, 208/120 V, 3 Phase power to energize the facility in the event of Utility power failure. Generator will be as manufactured by Gillette Model SP-1500-3-2

Generator will be sized to handle code required loads and will be connected via paralleling switchgear located in the generator enclosure. The generator will be installed on the roof of mechanical room located on the 27th floor mechanical terrace in weatherproof sound-attenuated enclosure. A new gas booster will be provided. A separate 2-hour fire-rated electric equipment closet/NEMA enclosure will be provided for the emergency transfer switches. The Standby generator will also be listed as a life-safety generator. The following Code mandated life safety loads will be supplied with emergency power and will be provided via Emergency Distribution Panel (EDP):

1. Exit Signs and Means of Egress Illumination
2. Emergency voice/alarm communication system
3. Addressable Fire Detection System
4. Automatic Fire Detection Equipment
5. Code Mandated Elevators

P. Telephone, Intercom and Security Systems:

Telephone:

Telephone service will be provided by Verizon and Spectrum and other companies. Each Residential Unit owner will pay the telephone charges associated with his or her Unit. The telephone charges with respect to the Residential Limited Common Areas of the Building (such as the Concierge's Desk and Amenity Spaces) will be borne by the Residential Unit

owners, as provided in the Building Operating Budget. The telephone charges with respect to General Common Areas (such as maintenance offices, shops, etc.) will be borne by all Unit Owners as provided in the Building Operating Budget.

Intercom:

The Building will be provided with a video intercom system for Residential Units. The occupants of the Residential Units will be able to communicate using the dedicated their cells phones with the Concierge's desk. The outer doors stay unlocked while the inner doors are access controlled and have intercom panels which can call the unit owners. Special intercom cabling will be provided to a location in the kitchen or adjacent spaces to allow for a back-up system. The manufacturer for the intercom system is specified as Butterfly Mx or Equivalent.

The intercom system will integrate with the elevator control system and enable the ability for the tenant to activate the floor button for the guest.

CCTV:

The CCTV system is based upon an IP Surveillance system using IP Cameras and Network Video Recorders (NVR) manufactured by Digital Watchdog or equivalent. IP cameras will be rated at no less than 2.0 Mega pixel and manufactured by Vivotek or Digital Watchdog or equal. Closed circuit security cameras will be provided in selected locations such as the main building lobby, elevators, selected entrance corridors to the elevators, and service entrances, with viewing monitors at the Concierge desk. The cameras will be designed to cover the immediate area within the view of the cameras, and will not necessarily cover all of the areas involved.

Access Control:

Card access is used to allow tenants to access certain locations with a key fob. The access control system will maintain a record of all events at each reader for a period of 30 days. Access to each tenants' floor will utilize a card reader in the elevator and on the zero-clearance door. Only those with

authorized credentials will be able to operate the elevator button for a tenants' floor. Authorized personnel will be responsible for enrolling key fobs into the system and assigning them to tenants.

Cable Television:

Cable television service will be provided by Spectrum Cable. The residential Unit owners will pay a monthly service charge to the cable distributor, which will vary depending upon the services subscribed to by the Residential Unit owners.

Internet:

Internet services will be provided by Charter based internet service. All Residential Units throughout the building have been pre-wired with microduct for Verizon and Coax for Charter for delivering fiber-based services as well CAT6 and RG6U Coax to low voltage outlets throughout each unit. All charges with respect to providing this service will be paid separately by the Residential Unit owners.

Q. Television Reception Facilities:

Cable television and telephone services are provided to each Residential Unit directly through 3rd party providers on an individual subscription basis (separate charge).

The building will not be equipped with a master television antenna system.

R. Public Area Lighting:

All lighting in all common areas, with the exception of the vestibule and lobby, are ceiling and/or wall mounted LED, incandescent or fluorescent fixtures. Lighting in the lobby is pendant-type mounted incandescent and recessed LED fixtures. All lighting fixtures comply with NYC Housing and Maintenance Code and multiple dwelling law.

Lighting in Ground Floor mechanical spaces and back-of-house rooms is fluorescent type lighting.

- S. Garage: None.
- T. Recreation Facilities: The front yard of the building will serve as a Quality Housing Recreation space, separated by a privacy gate along the front property line. It will be approximately 415 SF, which meets the the minimum requirement of 225 SF for outdoor Quality Housing Recreation Space. The dimensions will be approximately 22' x 19', which meets the minimum dimension requirement of 15' for Quality Housing Recreation Space. The rear yard will serve as a second Quality Housing Recreation Space, which will be approximately 675 SF, and with dimensions of approximately 22' x 29'. The 2nd floor will contain a recreation space to be used as a children's playroom, which will be approximately 300 SF, which meets the minimum indoor recreation space requirement of 300 SF. The dimensions will be approximately 19' x 16', which meets the minimum dimension of 15' requirement.
- U. Permits and Certificates: The building has the following approved plans with the DOB:
- Approved DOB applications
- ALT-1 (# 321187130)
 - ALT-2 Demolition (# 321238255)
 - ALT-2 Temp SD (# 321630669)
- Updated inspection certificates and permits will be provided for the following: elevator inspection and boiler safety inspection.
- All required inspection certificates and permits, including elevator inspection and sprinkler system, will be provided before closing.
- There are currently 10 open DOB violations and 3 open ECB Violations. The 10 DOB violations result from 8 regarding the elevator, 1 for the ECB façade inspection non-compliance, and 1 for the ECB failure to provide a sidewalk shed violation. They were issued between 2011-2018. The 3 ECB violations are resulting from 1 non-compliance with façade inspections and 2 on failure to provide sidewalk shed, and were issued in the

April 30, 2018

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years 2015-2017. Per the DOB Website on the property listing, "Violation for failure to certify correction of Class 1 Violation exists on this property – DOB Civil Penalties due." The ECB Class 1 violation is a result of the non-compliance with façade inspections ECB violation. All violations listed in this report shall be cured prior to the first unit closing. The Façade Inspection and Safety Program Report (LL11), is annexed to this property description.

V. Vaults:

There are no existing sidewalk vaults. There are two existing access spaces located within our property under the front yard slab. One is for the electrical service box and another for plumbing utility lines. There are two manhole cover plates within our property for access to each space. As per the Sponsor, no easements currently exist for the access spaces.

W. Unit Information:

Residential Units will have new hardwood floors and floor molding throughout with the exception of bathrooms, which will be tile. Walls and ceilings will be painted gypsum wallboard. Kitchen countertops will be of quartz and cabinets will be wood.

Typical floor construction consists of ¾" thick solid wood floor over .25" thick sound underlayment over existing 7" thick concrete slabs. The typical ceiling will be 5/8" gypsum wall board and underside of existing concrete slabs.

All appliances and fixtures will be installed new in the Residential Units identified below.

The public corridor at the Second Floor will have new carpeted floors and wall coverings. The carpet model is 225, T.Tweed, Color 924, made of wool and nylon and the manufacturer is Beauvais or equivalent. Walls, doors and trim will be painted.

Residential Units:

3A, 4A, 5A, 6A, 7A, 8A, 9A, 10A, 11A, 12A, 14A, 15A, 16A, 17A, 18A, 19A, 20A, 21A, 22A, PH-23A, PH-24, SKY PH.

Finish Schedule for Typical Residential Units from 3rd – SKY PH Floors

April 30, 2018

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<u>Space</u>	<u>Floor</u>	<u>Wall</u>	<u>Ceiling</u>	<u>Remarks</u>
Lobby	Quartz	Concrete Veneer	Wood	I.D. to Spec
Package Room	Quartz	Painted GWB	Painted GWB	I.D. to Spec
Mail Room	Quartz	Painted GWB	Wood	I.D. to Spec
Bicycle Storage	Quartz	GWB	Wood	I.D. to Spec
Res. Amenity	Quartz	GWB	Wood	I.D. to Spec
Wine Storage	Porcelain	GWB	Stone	I.D. to Spec
Children's Playroom	Carpet	GWB	Wood	I.D. to Spec
W/D Closet	Porcelain	GWB	Porcelain	I.D. to Spec

Finish Schedule for Typical Residential Units from 3rd – SKY PH Floors

<u>Space</u>	<u>Floor</u>	<u>Wall</u>	<u>Base</u>	<u>Ceiling</u>
Foyer/Gallery	Wood	Gypsum Wallboard(GWB)	Wood	GWB
Living Area	Wood	GWB	Wood	GWB
Dining Area	Wood	GWB	Wood	GWB
Bedrooms	Wood	GWB	Wood	GWB
Kitchen	Wood	GWB	Wood	GWB
Bathrooms	Stone	GWB	Stone	GWB
Closets	Wood	GWB	Wood	GWB
W/D Closet	Porcelain	GWB	Porcelain	GWB

Kitchen Countertops	Quartz
Kitchen Cabinets	Wood

Master Bathroom Fixtures for Typical Residential Units from 3rd – PH-24th Floors

Shower Head	Grohe	#27372000 or equivalent
Vanity	Custom	---
Lavatory	Catalano	# Zero Domino 17SZE or equivalent
Lavatory Faucet	Pioneer	# 3MT160 or equivalent
Tub	Mauicast	#011-2344 or equivalent
Tub Filler	Grohe	Atrio 13 164 or equivalent
Water closet	Kohler	MS863113E or equivalent

Secondary Bathroom Fixtures for Typical Residential Units from 3rd – PH-24th Floors

Vanity	Custom	---
Tub	Bootzcast	011-7000 or equivalent
Accessory Set	Grohe	#40344 or equivalent
Shower Arm	Grohe	#27710000 or equivalent
Shower Rod	Aqua Blue	AQ-SR-60CHR or equivalent
Shower Rod Ends	Aqua Blue	AQ-SRE-NAT-PC or equivalent
Tub Filler	Grohe	Atrio 13 164 or equivalent
Shower Head	Grohe	#27372000 or equivalent
Water closet	Kohler	MS863113E or equivalent

Lavatory equivalent	Catalano	# Zero Domino 17SZE or
Lavatory Faucet	Pioneer	# 3MT160 or equivalent

Powder Room Fixtures for SKY PH-1 Floor:

Lavatory equivalent	Catalano	# Zero Domino 17SZE or
Lavatory Faucet	Pioneer	# 3MT160 or equivalent
Water closet	Kolher	MS863113E or equivalent
Vanity	Custom	---

Kitchen Fixtures for Typical Residential Units from Floors 3rd – PH-24th Floors:

Sink equivalent.	Aqua Blue	AQSS301810U16 or
Sink Faucet	Grohe	#32665 or equivalent.

Kitchen Fixtures for Penthouse:

Sink equivalent.	Aqua Blue	AQSS301810U16 or
Sink Faucet	Grohe	#32665 or equivalent.

Residential Units

Appliance Summary 3rd – PH-24th Floors:

All models below to be provided as stated, or of equivalent quality.

Refrigerator –	Miele	KFNF9955iDE
Oven –	Miele	H6180BP
Dishwasher –	Miele	G4998SCVi
Gas Cooktop –	Miele	KM3464G
Hood –	Miele	DA2360+DAA6
Microwave –	Miele	M6040SC
Washer –	Bosch	WAT28400UC
Dryer –	Bosch	WTG86400UC
Stacking Kit -	Bosch	WTZ20410

Residential Units

Appliance Summary SKY PH Unit:

All models below to be provided as stated, or of equivalent quality.

Refrigerator –	Miele	KFNF9955iDE
Oven –	Miele	H6180BP
Dishwasher –	Miele	G4998SCVi

Gas Cooktop –	Miele	KM3474G
Hood –	Miele	DA2390
Microwave –	Miele	M6040SC
Trim Kit –	Miele	EBA6708
Trim Kit –	Miele	EBA6708MC
Washer –	Bosch	WAT28400UC
Dryer –	Bosch	WTG86400UC
Stacking Kit -	Bosch	WTZ20410

Refer to Schedule 'A' for unit square footage information including number of bedrooms and bathrooms attached hereto.

X. Substitutions: Sponsor reserves the right to substitute materials, appliances, fixtures and equipment of equal or better quality than those set forth in this report.

Y. Safety and Warning Devices:

Central Fire Alarm System:

The existing building is currently provided with a central fire alarm system. A new code-compliant, residential fire alarm system will be provided throughout the building.

Residential Unit Smoke and Carbon Monoxide Detector System:

All Residential Units will have smoke and carbon monoxide detector as required by Building Code.

Z. Additional Information: None.

AA. Additional Information Dimensions of Units:

The square foot area of the units set forth in the floor plans and schedule A to the offering plan and schedule B to the declaration are approximate and were obtained by using the method customarily used in New York City to measure rental, cooperative and Condominium apartments:

The Units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts are not deducted) to the midpoint of the interior walls and partitions separating one unit

from another unit, or separating a unit from public corridors, and other mechanical equipment spaces or any common elements or limited common elements and include the elevator and one half of the total egress stairs. Any common elements located within a unit will not be considered a part of such unit. As a result of measurements being made from points outside the unit interiors and, as is customary in New York City, these square foot areas exceed the useable floor area of each unit.

The Condominium board, Sponsor, and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires, ducts, and other facilities in the space between the underside of each such floor slab and the top surface of each unit's finished ceiling, without any need to obtain the consent of any Residential Unit owner with respect to the same.

Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

Ceiling heights within the Residential units will vary from approximately 7'-4" to 8'-6".

The foregoing constitutes a true, correct and complete Description of Property by our firm for the property located at 67 Livingston Street, Brooklyn, New York 11201.



H. Thomas O'Hara, AIA

FLOOR PLANS OF RESIDENTIAL UNITS

April 30, 2018

Cycle 8A Initial

Report of Critical Examination of Exterior Walls and Appurtenances

in conformance with New York City Façade Inspection and Safety Program (FISP)

Executive Overview

<i>Building Name / Address</i>	67 Livingston Street Brooklyn, NY 11201
<i>DOB Control Number</i>	809146
<i>Date of Issue</i>	June 11, 2015
<i>Super No.</i>	05222L01 / GW
<i>Building Description</i>	29 story, reinforced concrete, masonry clad dormitory tower
<i>Building Condition Classification</i>	UNSAFE
<i>Unsafe Conditions</i>	52 conditions
<i>Unsafe* Conditions (Uncorrected SWARMP)</i>	None
<i>SWARMP Conditions</i>	15 conditions
<i>Scope of Examination</i>	Visual examination and close-up examination on street façade conducted from every balcony on the south elevation
<i>Recommendations</i>	Immediately address Unsafe conditions. Conduct a restoration campaign prior to 12/2017 & 12/2019 to address SWARMP conditions
<i>In Conformance With</i>	NYC Construction Code Administrative Provisions Section 28-302.1 (Local Law 11/98) and DOB Rule 1 RCNY 103-04

A. Property Information

<i>Building Name / Address</i>	67 Livingston Street Brooklyn, NY 11201
<i>a.k.a. Address</i>	67 Livingston Street
<i>Location / Cross Street</i>	Clinton Street, Court Street
<i>Block / Lot</i>	265 / 5
<i>BIN No.</i>	3002544
<i>Landmark Status of Building</i>	No

B. Owner Information

<i>Owner</i>	Mark Neuman Director of Acquisitions & Development Glory Capital 39 Broadway, 37 th Floor New York, NY 10006
<i>Owner Telephone / Fax</i>	212 938 3600 x3650
<i>Owner Email</i>	Mark@glorycap.com

C. Building Description

<i>Stories</i>	29
<i>Approximate Height</i>	226'
<i>Plan Dimensions</i>	See Location Diagram
<i>Certificate of Occupancy No.</i>	302059938F
<i>Usage</i>	J-2, Residential Dormitory
<i>Approximate Age</i>	25 years
<i>Building Description</i>	29 story, reinforced concrete and masonry clad dormitory tower
<i>Exterior Wall Construction</i>	Brick, stone masonry

D. Settlements / Repairs / Revisions since the Previous Report

There has been no observed settlement of the building since the previous report.

Refer to Section J for an enumeration of repairs or revisions to exterior enclosures since the previous report.

E. Procedures Used in Making the Critical Examination

Visual examination of facades, balconies, and appurtenances were conducted from vantage points at street level, building setbacks, building balconies and adjacent building roofs. High resolution binoculars and digital photo magnification equipment were employed.

Close-up examination of the subject building was performed as noted in Section F below.

F. Extent and Location of Physical Examinations

Facades and Appurtenances

Close-up examination of portions of the façade conducted from all terraces and all balconies on the south elevation. Extent and location of close-up examination is indicated in the attached Location Diagram. The diagram contains identifying symbols assigned to each building face, used for reference within this report.

Balconies

("Balcony," per DOB memo of May 5, 2014, is a general term for the balcony structure and/or slabs, handrail assemblies, guards, and/or railings constructed of any material, and associated connections. Balconies also include terraces, exterior walkways, corridors, fire escapes, roofs, and setbacks).

Physical ("hands on") examination of balconies, handrail assemblies and guards.

Type/ Location	Railing / Parapet	Photo Number	Total Number	Area (sf)	Length (lf)	Visual %	Phys %
Balconies	railing	See Section G for conditions observed	21	26 (typ)	15 (typ)	100	100
Terrace / 9 th floor South	railing & parapet	See Section G for conditions observed	1	300	35 (total)	100	100
Terrace / 24 th floor South	railing & parapet	*n/a	1	44	18 (total)	100	100

Terrace / 25 th floor South	railing & parapet	*n/a	1	60	25 (total)	100	100
Terrace / 26 th floor South	railing & parapet	*n/a	1	215	33 (total)	100	100
Terrace / 25 th floor North	railing & parapet	See Section G for conditions observed	1	165	45 (total)	100	100
Terrace / 26 th floor West	parapet	*n/a	1	40	10 (total)	100	100
Terrace / 26 th floor East	railing & parapet	See Section G for conditions observed	1	80	23 (total)	100	100
Terrace / 27 th floor North	parapet	See Section G for conditions observed	1	290	76 (total)	100	100

*n/a denotes no deficiencies were observed

Examination Dates

The critical examination commenced on May 12, 2015, and was completed on May 26, 2015. More specifically, SUPERSTRUCTURES personnel performed the listed examinations of facades, balconies, and appurtenances on the following dates:

<i>Inspector</i>	<i>Visual Facade</i>	<i>Close-up Facade</i>	<i>Balconies</i>
Georg Windeck, RA	05/12/15	05/12/15	05/12/15
Russell Butkiewicz	05/12/15	05/12/15	05/12/15
Georg Windeck, RA	05/21/15	-	-
Russell Butkiewicz	05/21/15	-	-
Georg Windeck, RA	05/26/15	-	05/26/15
Russell Butkiewicz	05/26/15	-	05/26/15

G. Conditions Observed

Definitions

Safe: a condition of a building wall, any appurtenances thereto or part thereof not requiring repair or maintenance to sustain the structural integrity of the exterior of the building and that will not become unsafe during the next five years.

SWARMP (Safe With a Repair and Maintenance Program): a condition of a building wall, any appurtenances thereto or part thereof that is safe at the time of examination, but requires repair or maintenance during the next five years, or until the end of the next reporting period, in order to prevent its deterioration into an unsafe condition during that five year period is defined as SWARMP.

Unsafe: a condition of a building wall, any appurtenances thereto or any part thereof that is hazardous to persons or property and requires prompt repair. It is the responsibility of the Owner to immediately correct all unsafe conditions.

Condition Codes

Each observed condition is identified by a Condition Code (e.g. CNC 01), Description of Condition, Analysis of Cause (per Section H), Recommendations for Repairs or Maintenance (per Section K), and Work Permit Filing Requirements in accordance with DOB Rule 1 RCNY 101-14 Table 3 (per Section L).

<i>Condition Code</i>	<i>Description of Condition / Analysis of Cause / Recommendation for Repairs or Maintenance</i>	<i>Permit Required</i>
ACU 01	Displaced window mounted A/C unit support. Install A/C unit supporting bracket and fasten as per DOB installation tips.	No
CON 01	Cracked and/or spalled concrete on exterior concrete eye brows or balconies. Caused by excessive stresses related to corrosion of underlying steel reinforcement, exacerbated by freeze-thaw cycling. Repair with polymer modified patching compound.	Yes
COR 01	(Cavity wall) Vertically cracked brick at building corners in cavity wall. Caused by differential settlement of veneer related to discontinuous shelf angle support at corner. Remove brick masonry; restore continuity to shelf angle supports; replace ties, flashing, and brick masonry.	Yes
LTL 01	Steel lintels exhibit excessive deflection and/or corrosion. Caused by localized wall movement due to stresses related to corrosion of steel lintel. Reinforce or replace steel lintel; replace ties, flashing, and masonry.	Yes
MAS 01	Superficially cracked and/or spalled brick facing. Caused because glaze on face brick prevents escape of water vapor from within the wall. Replace brick, or remove brick face.	Yes

MAS 02	Cracked/spalled brick masonry and/or adjacent mortar joints. Caused by localized wall movement, overstress, and exacerbated by freeze-thaw action. Replace brick.	Yes
PNT 01	Mortar joints severely eroded and/or cracked. Caused by localized wall movement, overstress, and exacerbated by freeze-thaw action. Point joints.	No
RAI 01	Guard railing and/or anchorage deteriorated. Caused by localized overstress, and exacerbated by freeze-thaw action and metallic corrosion. Replace (replacement of existing guardrail to the same height).	Yes
STN 01	Cracked or severely spalled stone masonry. Caused by localized wall movement, overstress, and exacerbated by freeze-thaw action. Replace stone, or repair stone using specially formulated patching compound and stainless steel armatures, where required.	Yes
STU 01	Deteriorated stucco (trowel-applied cementitious material). Caused by water penetration, and exacerbated by freeze thaw action. Remove deteriorated material; flash as required; and replace stucco materials.	Yes
WIN 01	Window glass cracked or broken. Caused by impact damage or age-related deterioration. Replace with new glass.	No

Observations

The following tables enumerate conditions observed, including significant deterioration and any movement detected, that were classified as either Unsafe, or SWARMP. Columns within the tables are defined as follows:

<i>Condition Code</i>	Each condition type listed on the table is identified by a "Condition Code" as defined above in this Section.
<i>Location</i>	Refers to the identifying symbol of the building face (as indicated on the Location Diagram, or elevation drawing) on which the condition occurs.
<i>Story</i>	The story number (height) at which the condition occurs. The report references construction story numbers, including a 13th story.
<i>Photos</i>	Identifying number of the photo(s) depicting the condition.
<i>Repair Date</i>	Month and year by which condition must be corrected by the Owner, to prevent the condition from becoming Unsafe.

Unsafe

The following Unsafe conditions were observed.

<i>Condition Code</i>	<i>Location</i>	<i>Story</i>	<i>Photo</i>	
COR 01	South / A	26	1	Unsafe
COR 01	South / A	28	2	Unsafe
MAS 02	South / A	25	5	Unsafe
WIN 01	South / B	24	6	Unsafe
CON 01	South / B	23	9	Unsafe
WIN 01	South / B	21	10	Unsafe
CON 01	South / B	21	11	Unsafe
CON 01	South / B	22	12	Unsafe
CON 01	South / B	22	13	Unsafe
CON 01	South / B	21	14	Unsafe
CON 01	South / B	21	15	Unsafe
CON 01	South / B	20	16	Unsafe
CON 01	South / B	19	17	Unsafe
CON 01	South / B	19	18	Unsafe
MAS 02	South / C	19	19	Unsafe
CON 01	South / B	17	20	Unsafe
CON 01	South / B	18	21	Unsafe
CON 01	South / B	17	22	Unsafe
CON 01	South / B	16	23	Unsafe
CON 01	South / B	14	24	Unsafe
CON 01	South / B	13	26	Unsafe
MAS 02	South / C	13	27	Unsafe
CON 01	South / B	12	28	Unsafe
CON 01	South / B	12	29	Unsafe
CON 01	South / B	12	30	Unsafe
CON 01	South / B	10	31	Unsafe
CON 01	South / B	10	32	Unsafe
MAS 02	South / B	9	33	Unsafe
WIN 01	South / B	8	34	Unsafe

<i>Condition Code</i>	<i>Location</i>	<i>Story</i>	<i>Photo</i>	
STU 01	South / A-B-C	8-9	35	Unsafe
RAI 01	South / B	8	37	Unsafe
RAI 01	South / B	7	38	Unsafe
CON 01	South / B	6	39	Unsafe
RAI 01	South / B	4	41	Unsafe
STN 01	South / C	3	42	Unsafe
PNT 01	South / C	3	43	Unsafe
CON 01	South / B	3	44	Unsafe
STN 01	South / A	2	45	Unsafe
STN 01	South / B	3	46	Unsafe
STN 01	South / B	3	47	Unsafe
PNT 01	South / B	3	48	Unsafe
PNT 01	South / B	3	49	Unsafe
STN 01	South / B	3	50	Unsafe
PNT 01	South / B	2	51	Unsafe
MAS 01	North / G	27	54	Unsafe
COR 01	North / G	27	57	Unsafe
CON 01	West / H	4	58	Unsafe
MAS 02	West / K	9	59	Unsafe
MAS 01	West / I	9	60	Unsafe
MAS 02	West / K	11	61	Unsafe
MAS 01	West / K	18	62	Unsafe
ACU 01	North / G	20	66	Unsafe

Unsafe* (Uncorrected SWAMP)

None.

SWARMP (Safe with a Repair and Maintenance Program)

The following SWARMP conditions were observed. None of these conditions were cited in the previous cycle report.

<i>Condition Code</i>	<i>Location</i>	<i>Story</i>	<i>Photo</i>	<i>Repair by</i>	
MAS 01	South / B	28	3	12/2019	SWARMP
COR 01	South / A	29	4	12/2017	SWARMP
MAS 01	South / A	23	7	12/2019	SWARMP
RAI 01	South / B	23	8	12/2017	SWARMP
CON 01	South / B	15	25	12/2019	SWARMP
LTL 01	South / B	8	36	12/2017	SWARMP
MAS 02	South / B	5	40	12/2019	SWARMP
STN 01	South / C	1	52	12/2019	SWARMP
CON 01	East / D	26	53	12/2019	SWARMP
MAS 01	North / G	27	55	12/2017	SWARMP
PNT 01	North / G	26	56	12/2019	SWARMP
MAS 01	West / J	27-29	63	12/2019	SWARMP
MAS 02	North / G	25	64	12/2017	SWARMP
MAS 02	North / G	25	65	12/2017	SWARMP
MAS 02	North / F	18	67	12/2017	SWARMP

Statement Concerning Apparent Water-tightness of Exterior Surfaces

Water tightness of exterior surfaces may be compromised by the observed conditions itemized in the tables above.

Exterior Appurtenances

The following exterior appurtenances are present. All of these were visually examined from vantage points at street level.

They exhibit no deleterious effects as of the examination date, unless otherwise noted in the table(s) above.

- window frames (including hardware and lights)
- window guards
- window air conditioners
- communications equipment

Balcony Code Compliance

The Building Code in effect at the time the building was erected, or substantially altered:

1968

All balcony handrail assemblies and guards were found to be in compliance with the code in effect at the time the building was erected, or substantially altered.

H. Analysis of Causes of the Conditions Observed

Refer to Section G - Conditions Observed. Analysis of cause of condition is noted with each Condition Code.

I. Status of Maintenance Work

The condition of the building facade, as well as recommended repair and maintenance, is typical of buildings of this age and construction type.

J. Comparison: Current Conditions vs. Previous Report

The Cycle 7 Report described below was reviewed prior to preparation of this report.

<i>Prepared by</i>	Marciano Stanco, RA
<i>Firm Name</i>	Magnumopus Architects
<i>Address</i>	214 03 18 th Avenue
<i>Telephone</i>	718-279-1310
<i>Date of Cycle 7</i>	
<i>Initial Filing</i>	11/13/2013
<i>Amended Filing</i>	n/a
<i>Subsequent Filing</i>	n/a
<i>Previous Report Status</i>	Safe

1, 2. Work Permits, Status, Sign Off Dates

The Cycle 7 report was filed as SAFE, therefore no work permits were filed for exterior alteration, repair, or maintenance, including sheds, have been filed with/issued by the Department of Buildings since the date of the previous filing.

3. Open ECB Façade Violations

The following open ECB Façade Violations are on file:

Violation Number(s): NONE.

K. Recommendations for Repair of SWARMP Conditions

Refer to Section G - Conditions Observed. Analysis of cause of condition is noted with each Condition Code. . Recommendation for repair is noted with each Condition Code. A repair date (mm / yy) is listed for each SWARMP condition observed.

L. List and Description of Required Work Permits

Refer to Section G – Conditions Observed. Work Permit requirement is noted with each Condition Code.

M. Color Photographs

Refer to the following Attachments:

- Photographs of Building Elevations and Balcony Types
- Photographs of Conditions Observed

N. Classification for the Cycle 8 Filing

Based upon the Cycle 8 Critical Examination Report, the building has been classified as:

UNSAFE

The Cycle 8 Critical Examination identifies:

- 52 Unsafe conditions
- 15 SWARMP conditions



O. Seal and Signature of Qualified Exterior Wall Inspector (QEWI) under whose supervision the Critical Examination was performed

Paul Millman, PE, RA

SUPERSTRUCTURES Engineers + Architects
32 Avenue of the Americas
New York, NY 10013
212 / 505 -1133

06/11/2015

Limitations of the Critical Examination Report

SUPERSTRUCTURES has been retained exclusively for the Critical Examination of the building walls and appurtenances thereof, in conformance with New York City Construction Code Administrative Provisions Section 28-302.1 and Rule 1 RCNY 103-04.

Our responsibility is limited solely to that of Critical Examination, preparation, and filing of the foregoing report. The report renders an opinion as to the condition of the exterior walls and appurtenances as of the date of issue. The accuracy of this report is limited to observations reasonably made using the investigation procedures described within. Concealed conditions (backup masonry, structural steel framing, concealed clips, etc.) are beyond the scope of this report.

Within the limitations of the observation methods specified within, reported conditions of appurtenances and balconies were as observed at the time of the critical examination. It is the responsibility of the Owner to make sure that all appurtenances are securely installed, stable and properly supported.

The suitability for use of any facility, appurtenance, or attachment intended to be utilized by workers, contractors, etc. (e.g. window washing hooks) is beyond the scope of this report.

This report should not be used to determine the extent of, or to contract for maintenance or repair work. Statements made in this report may not be used as criticism of previous designers, contractors, or anyone responsible for the building, or as the basis for any sale of the subject building.

Attachments

Location Diagram

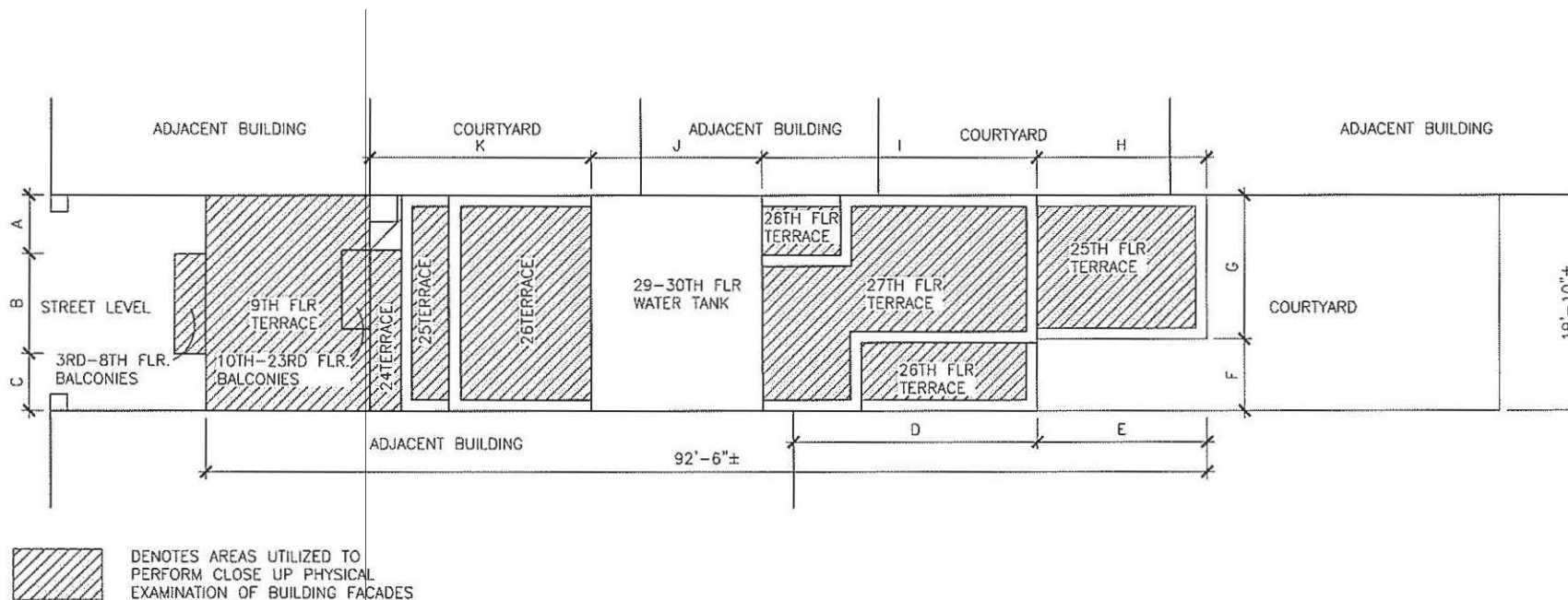
Photographs of Building Elevations and Balcony Types

Photographs of Conditions Observed

PLOT TIME: 8/5/2013 5:07PM NAME: L:\52061\5222101 67 Livingston Street - L1 J1 Cr 81x101 INVESTIGATION: wip\Drawings\DOCF PLAN 67 LIVINGSTON STREET.dwg



32 AVENUE OF THE AMERICAS
NEW YORK, NY 10013
TEL 212 505 1158
FAX 212 505 1720



LOCATION PLAN

67 LIVINGSTON STREET

DATE	ISSUE/REVISION

217

67 LIVINGSTON STREET
BROOKLYN, NY

FISP CYCLE 8A
INSPECTION

SUPER NO.	
OS222101	
DRAWN BY	
REB	
CHECKED BY	
GW	
SHEET TITLE	

LOCATION PLAN

SHEET NO.

SK-01



Elevation 01 - South



Elevation 02 - West



Elevation 03 - North



Elevation 04 - East



Elevation 05 - Building Entrance

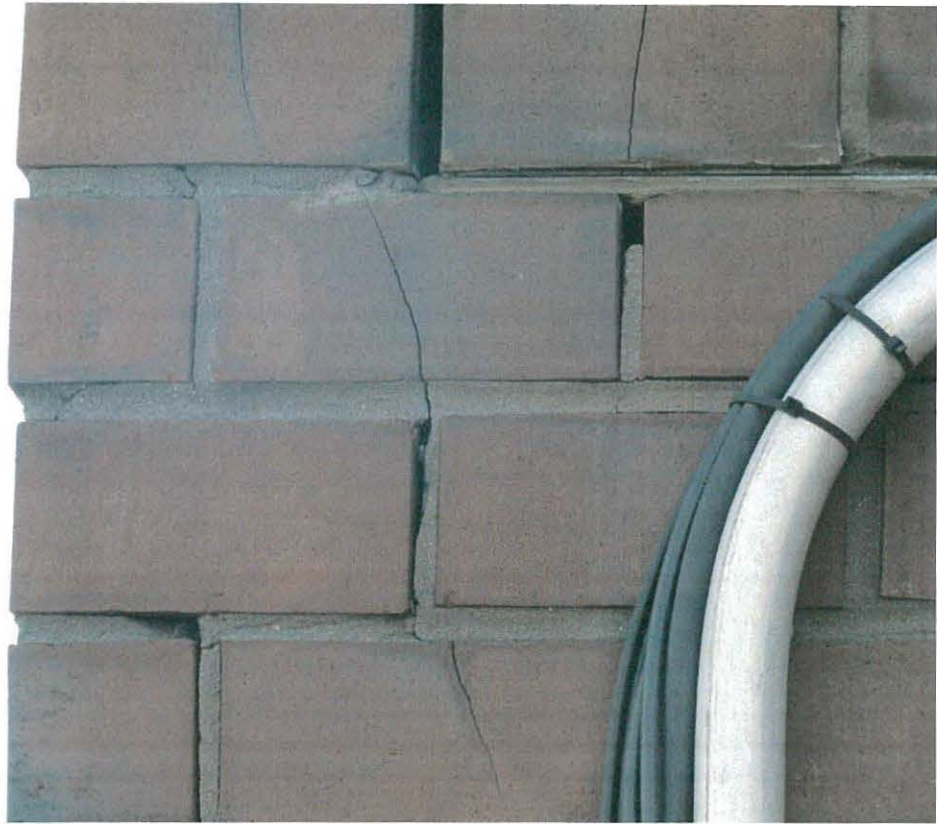


Photo 01

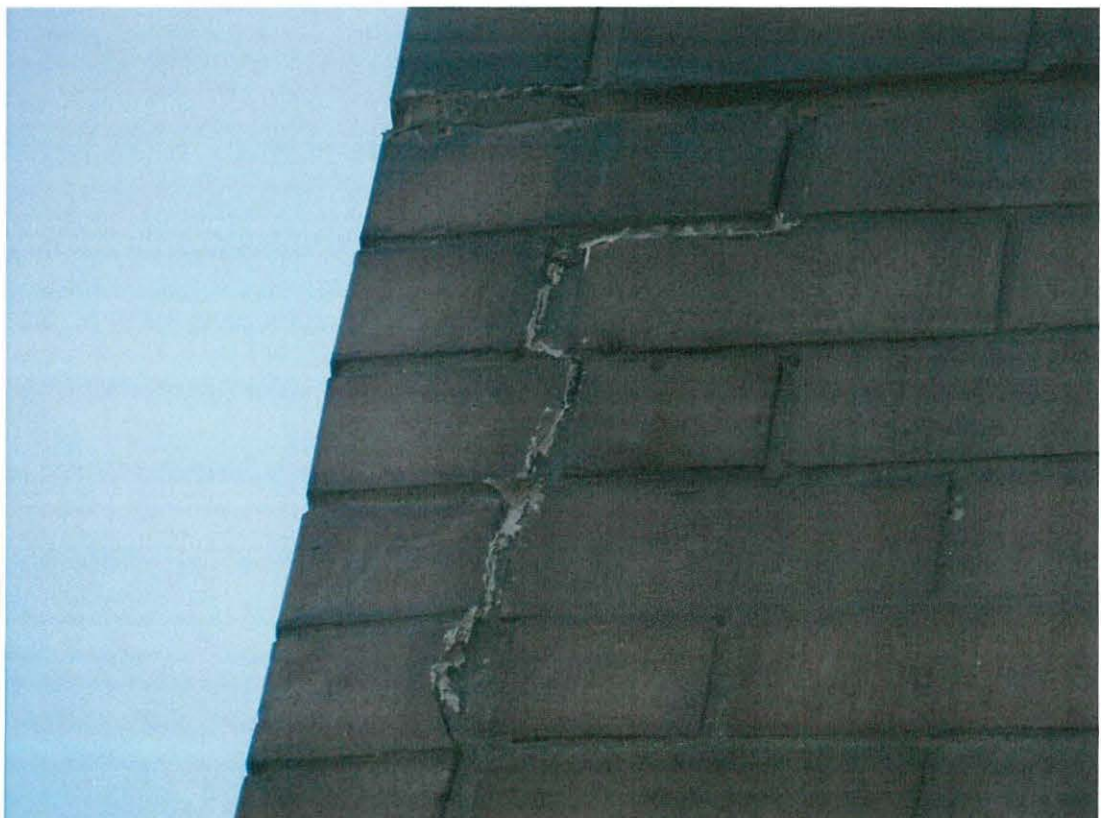


Photo 02



Photo 03



Photo 04



Photo 05



Photo 06



Photo 07

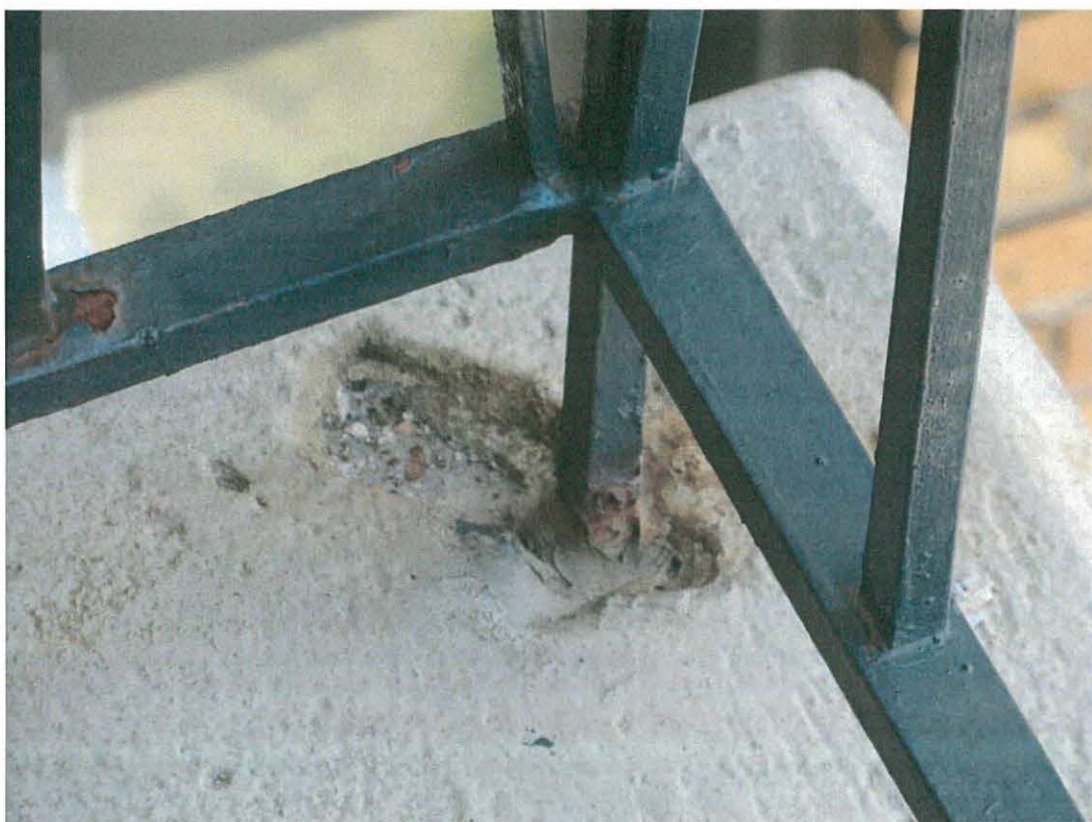


Photo 08

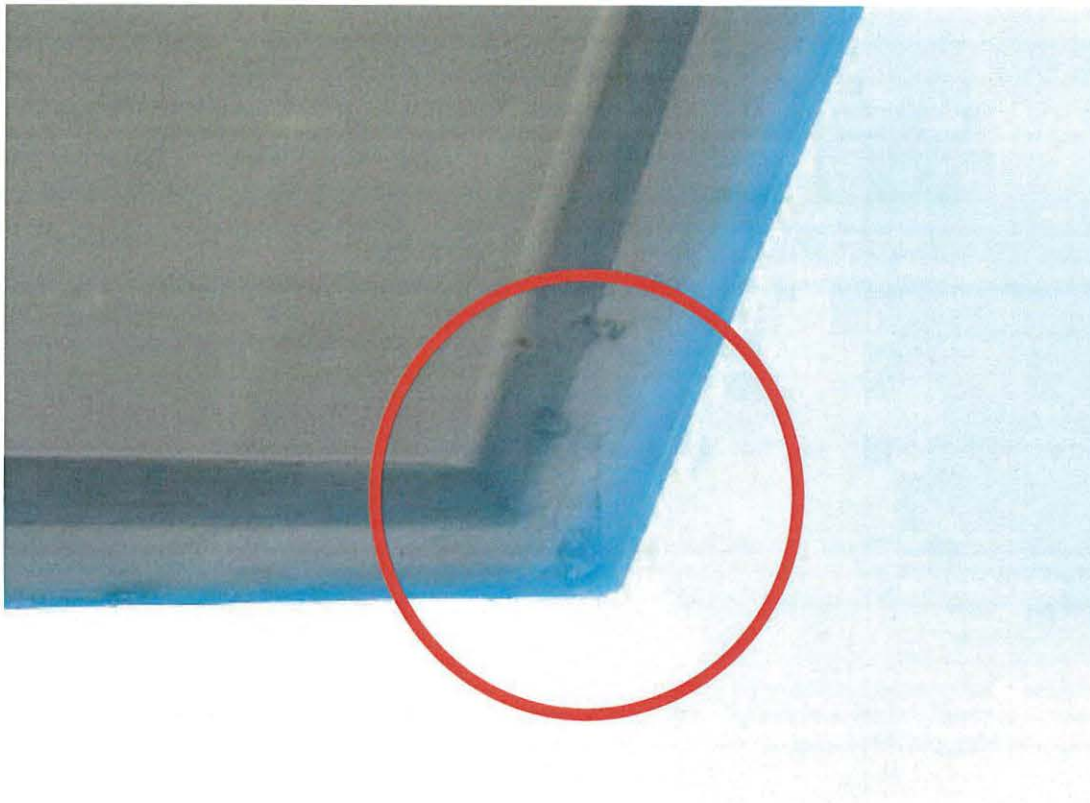


Photo 09



Photo 10

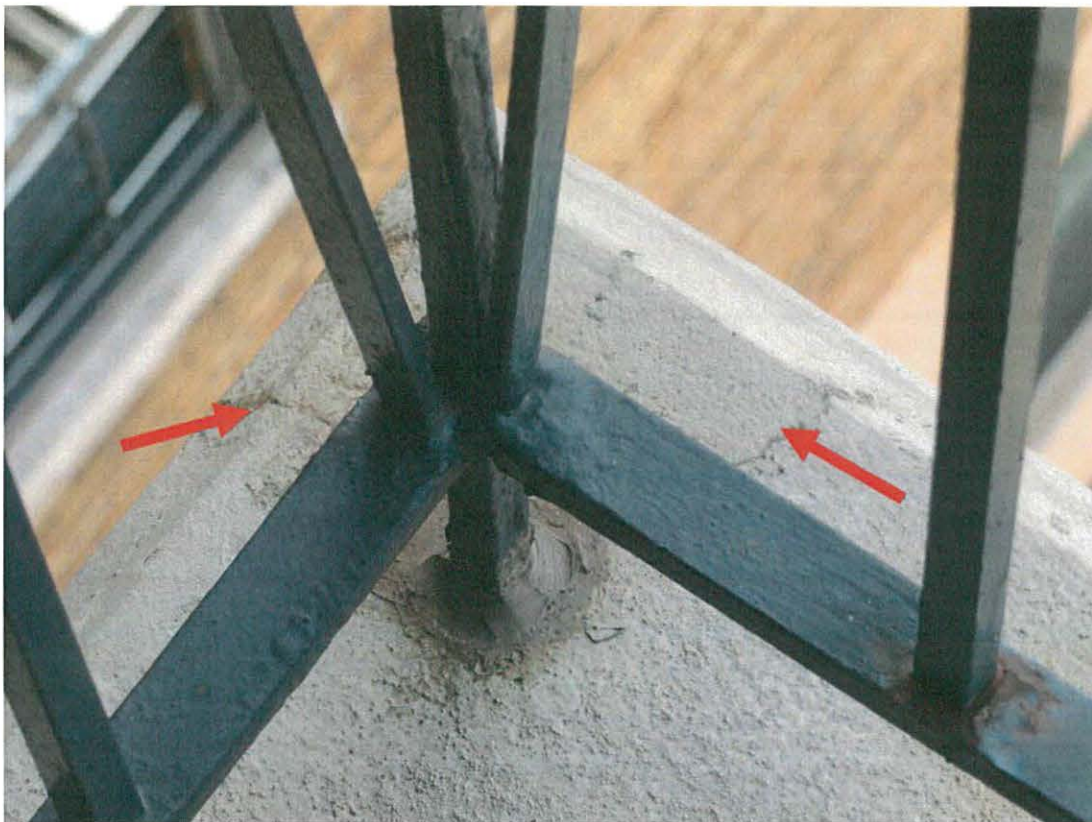


Photo 11



Photo 12



Photo 13



Photo 14

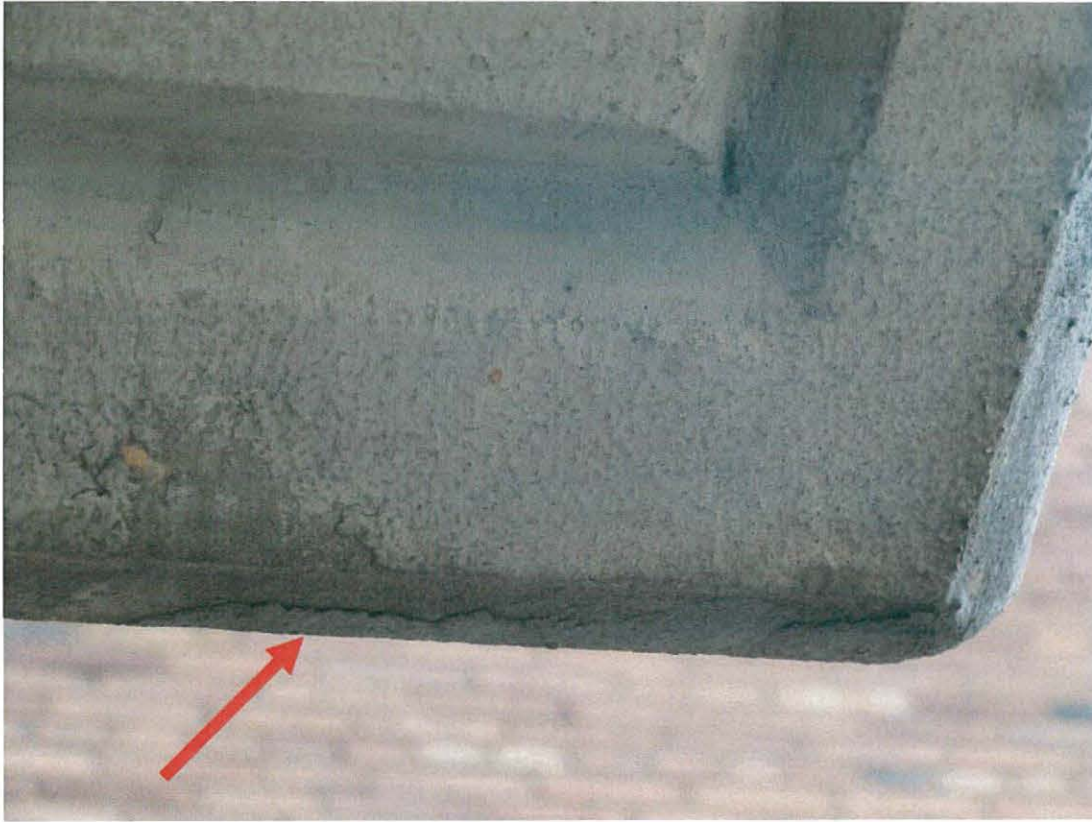


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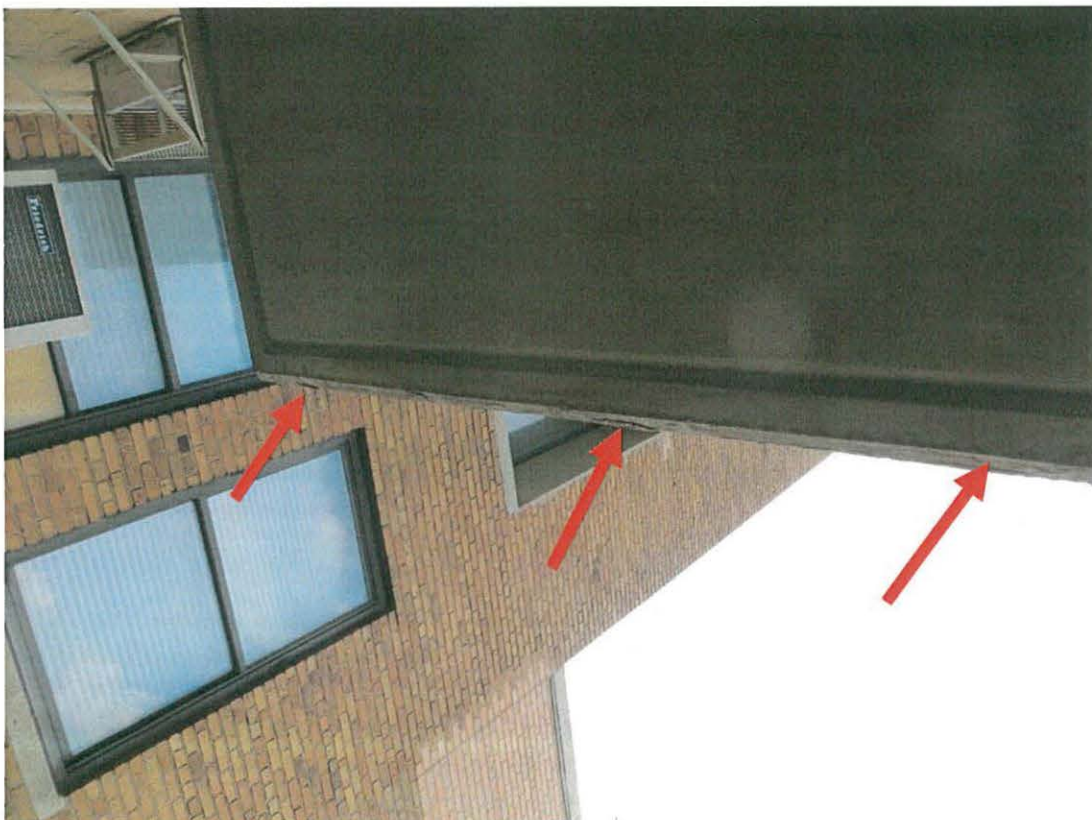


Photo 16



Photo 17



Photo 18



Photo 19



Photo 20

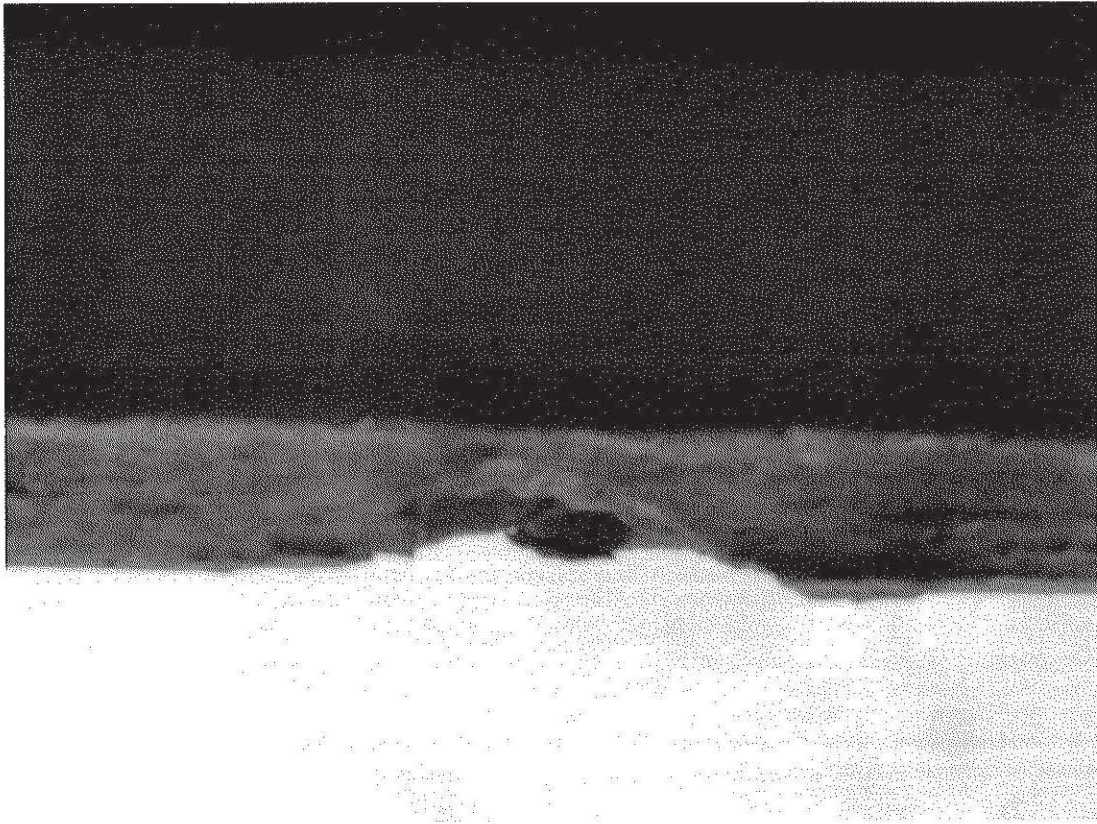


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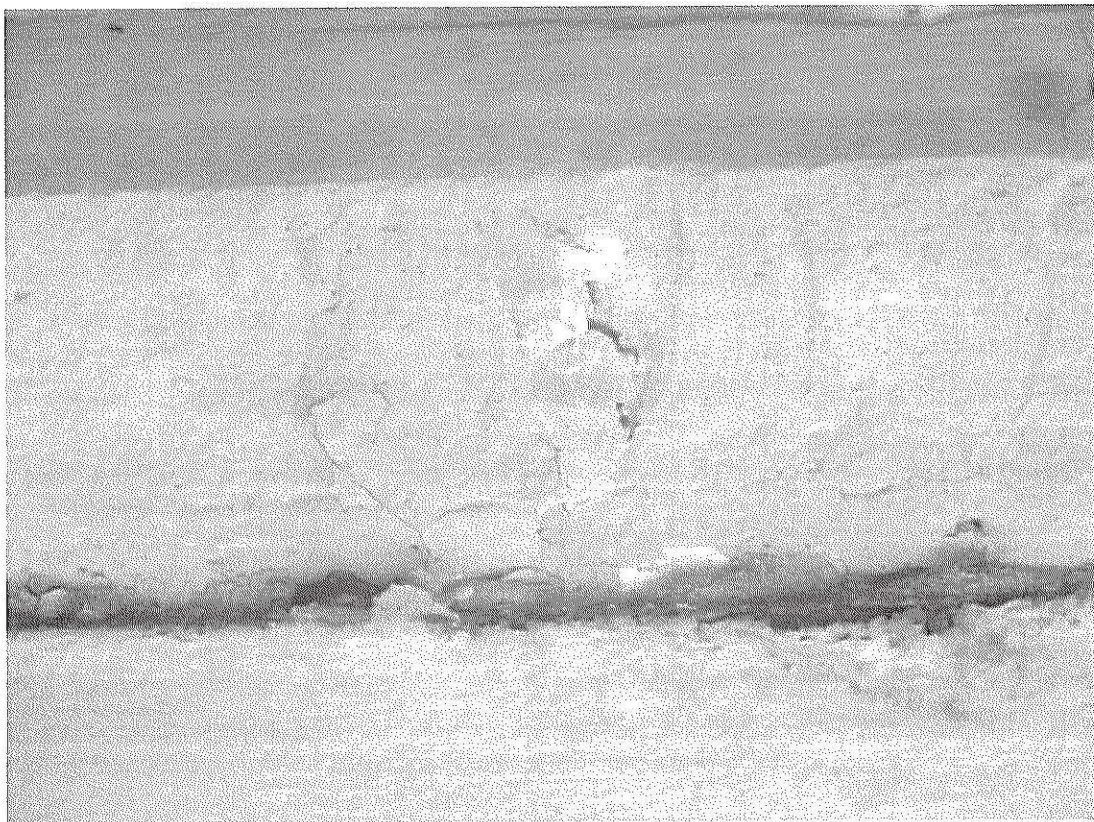


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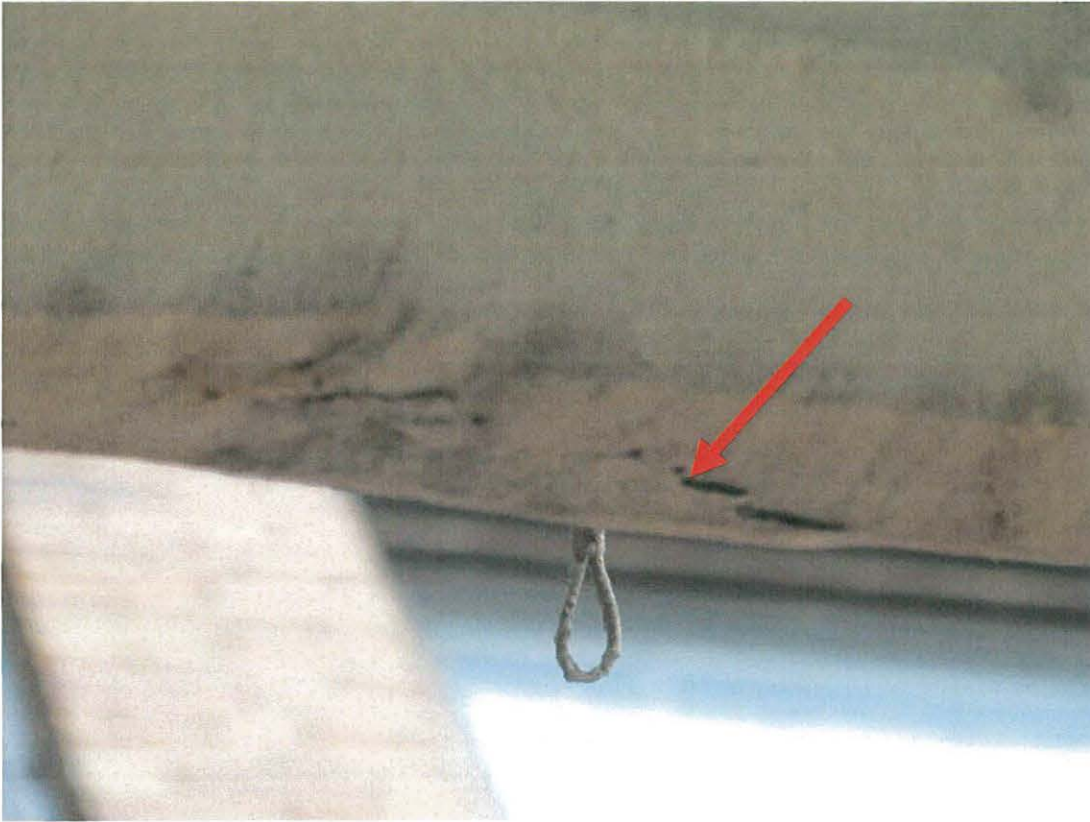


Photo 23



Photo 24



Photo 25



Photo 26



Photo 27

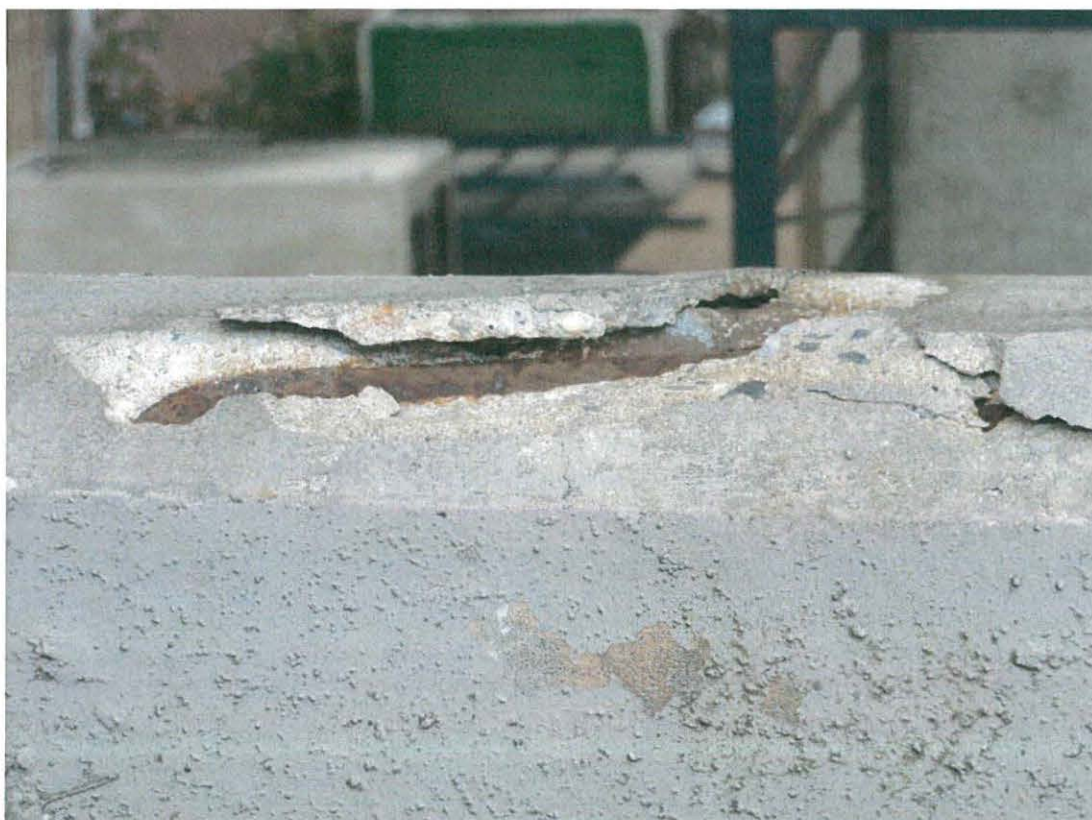


Photo 28



Photo 29



Photo 30



Photo 31

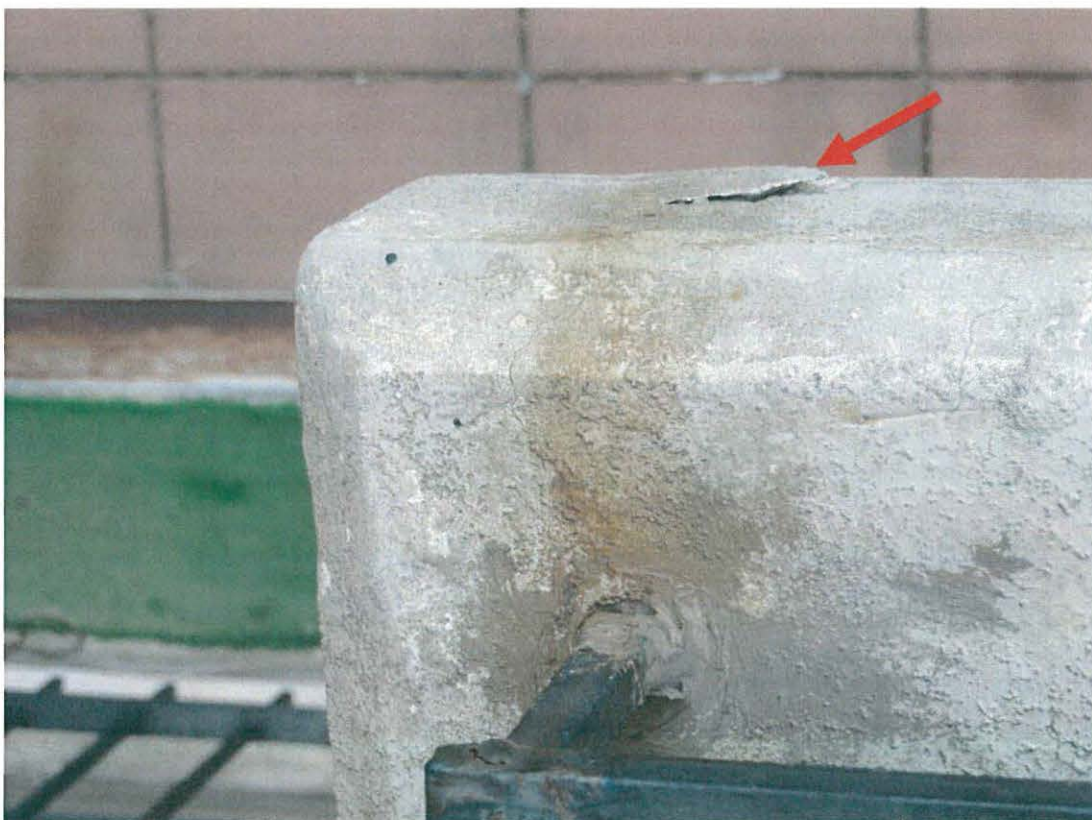


Photo 32



Photo 33

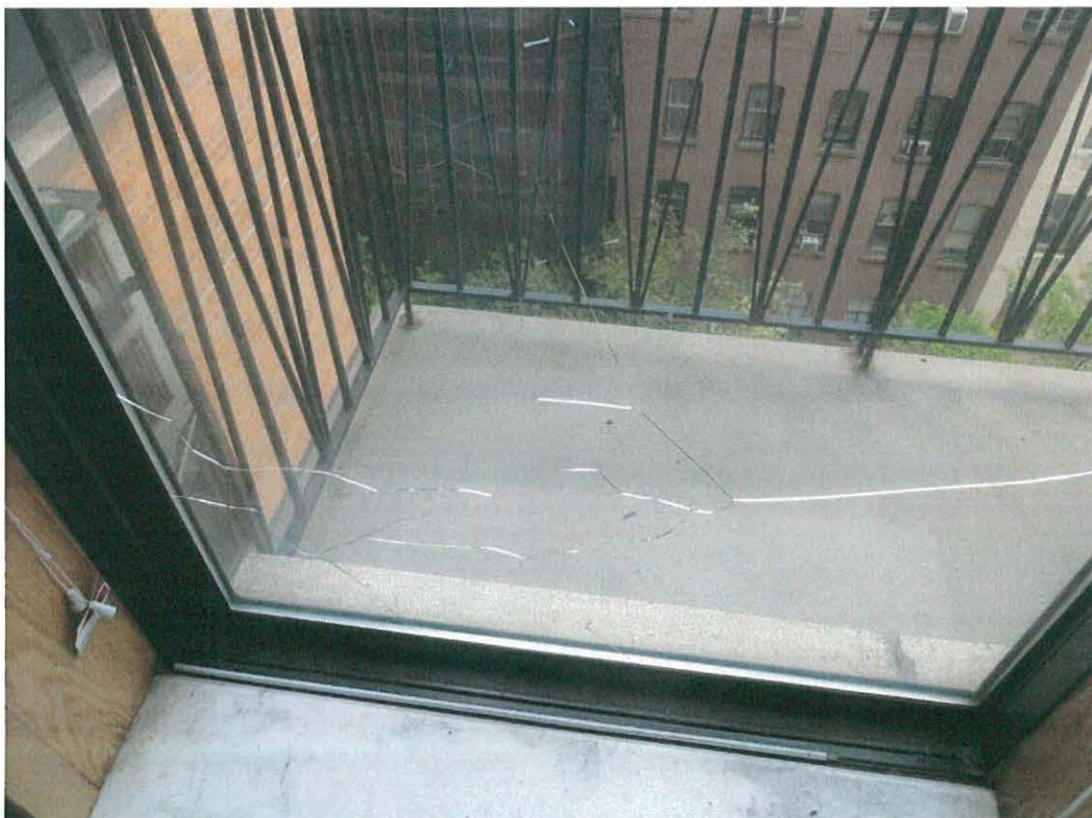


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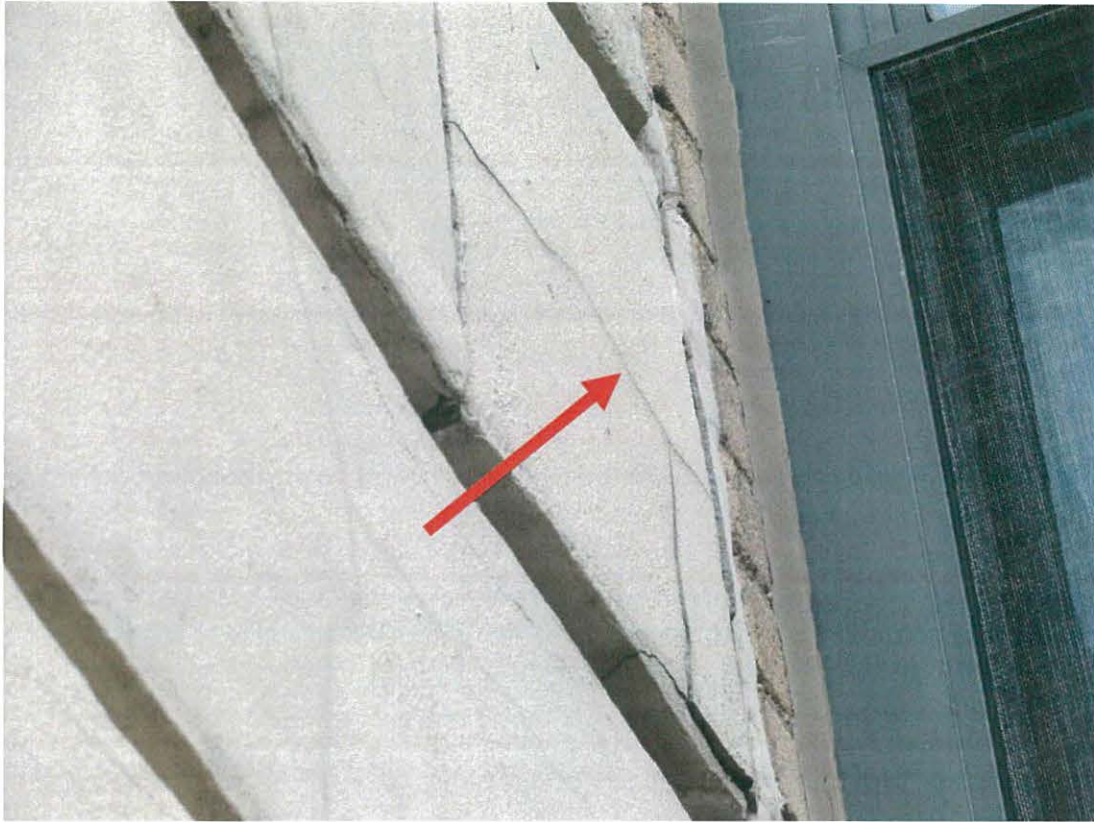


Photo 35



Photo 36



Photo 37



Photo 38



Photo 39

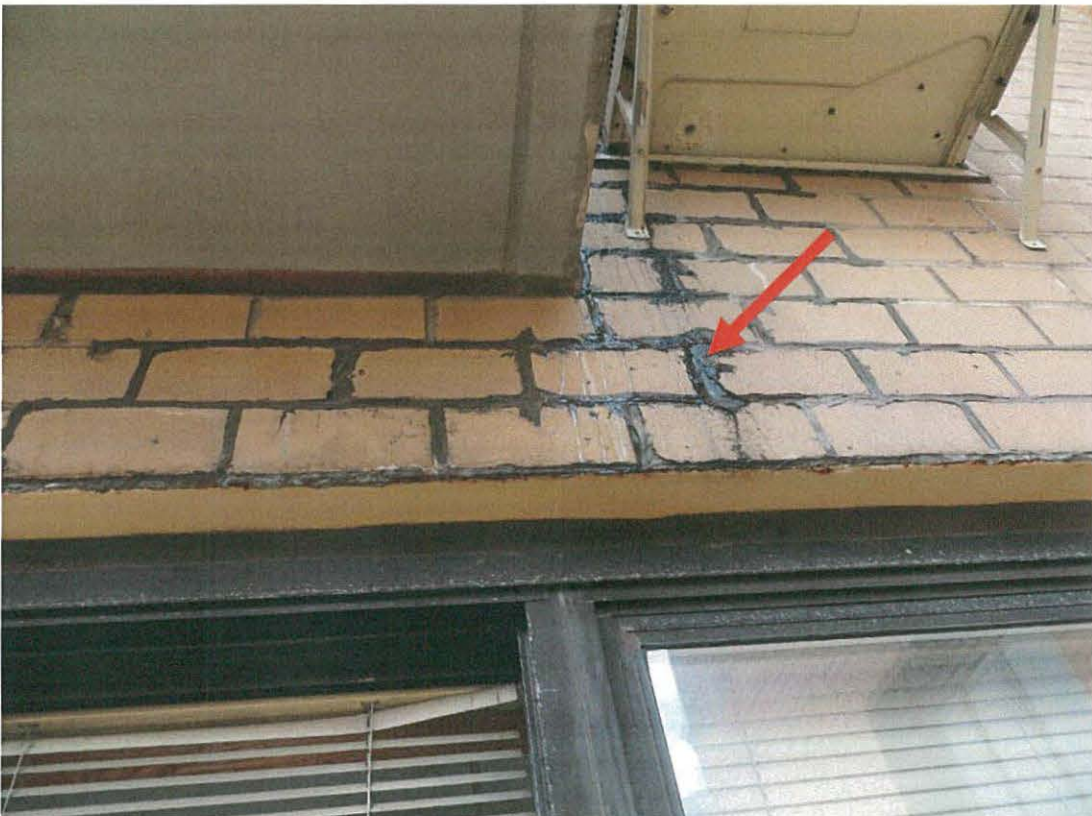


Photo 40



Photo 41

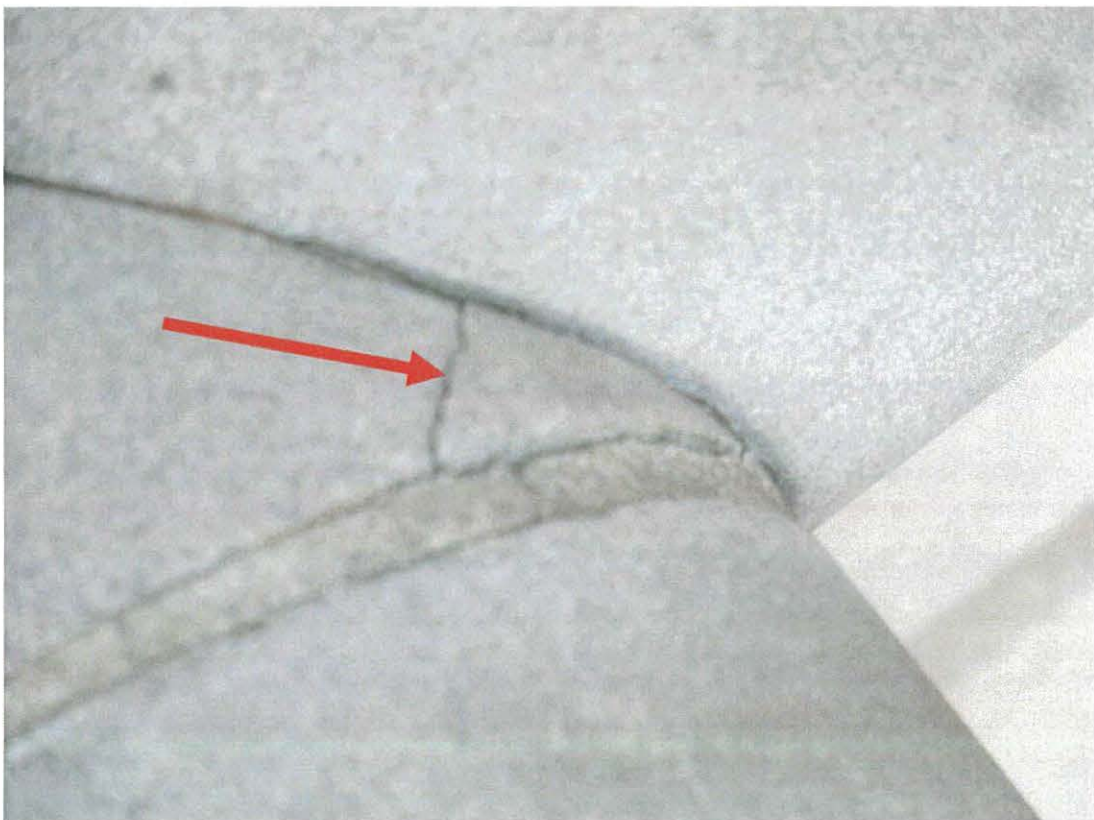


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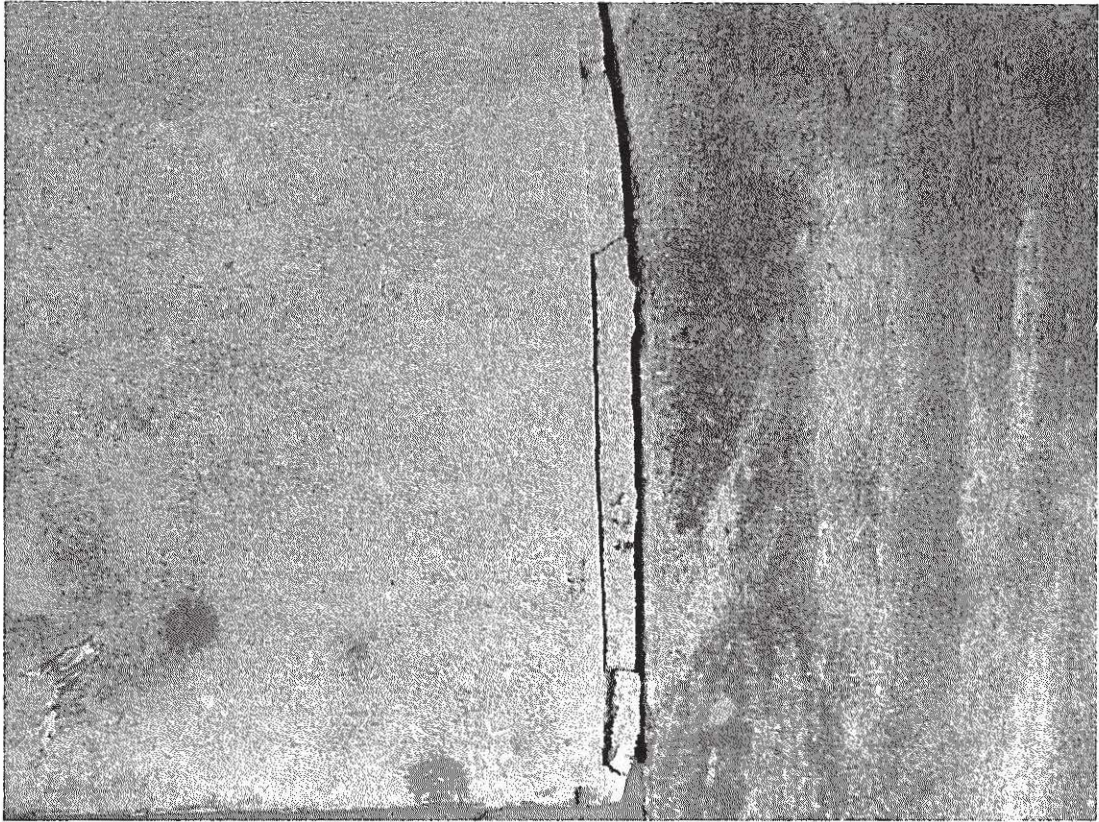


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Photo 44

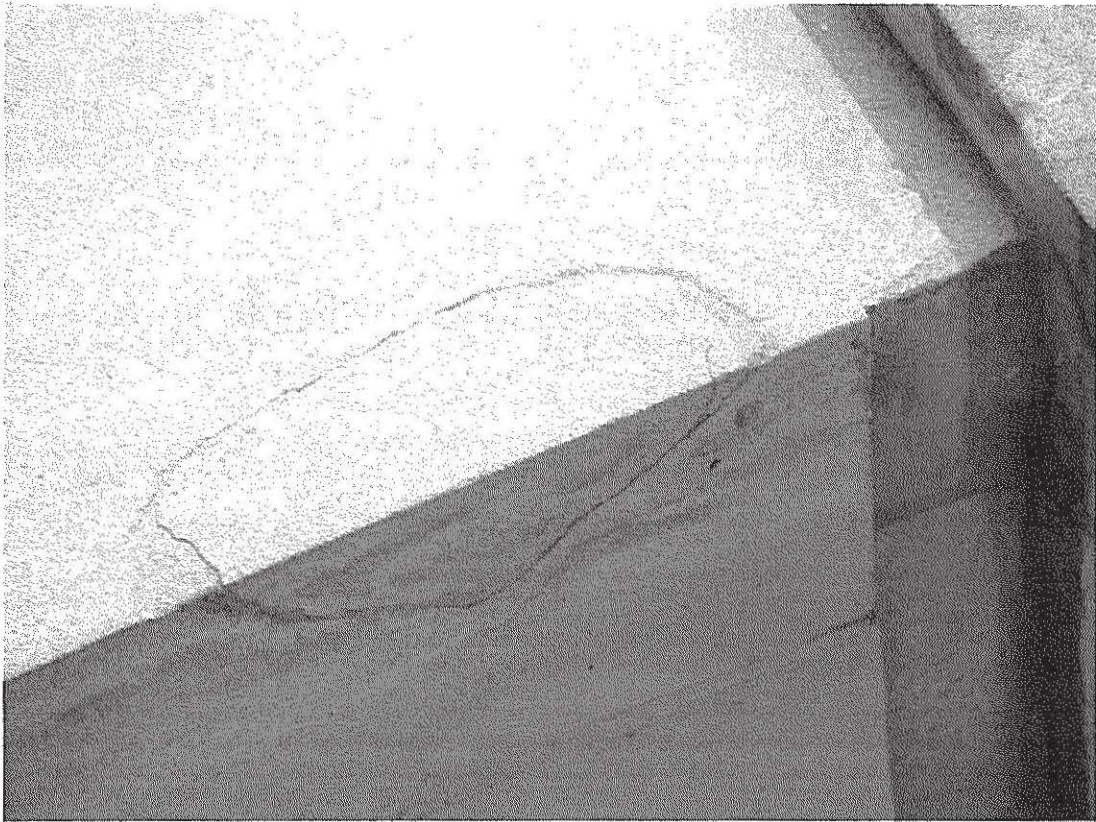


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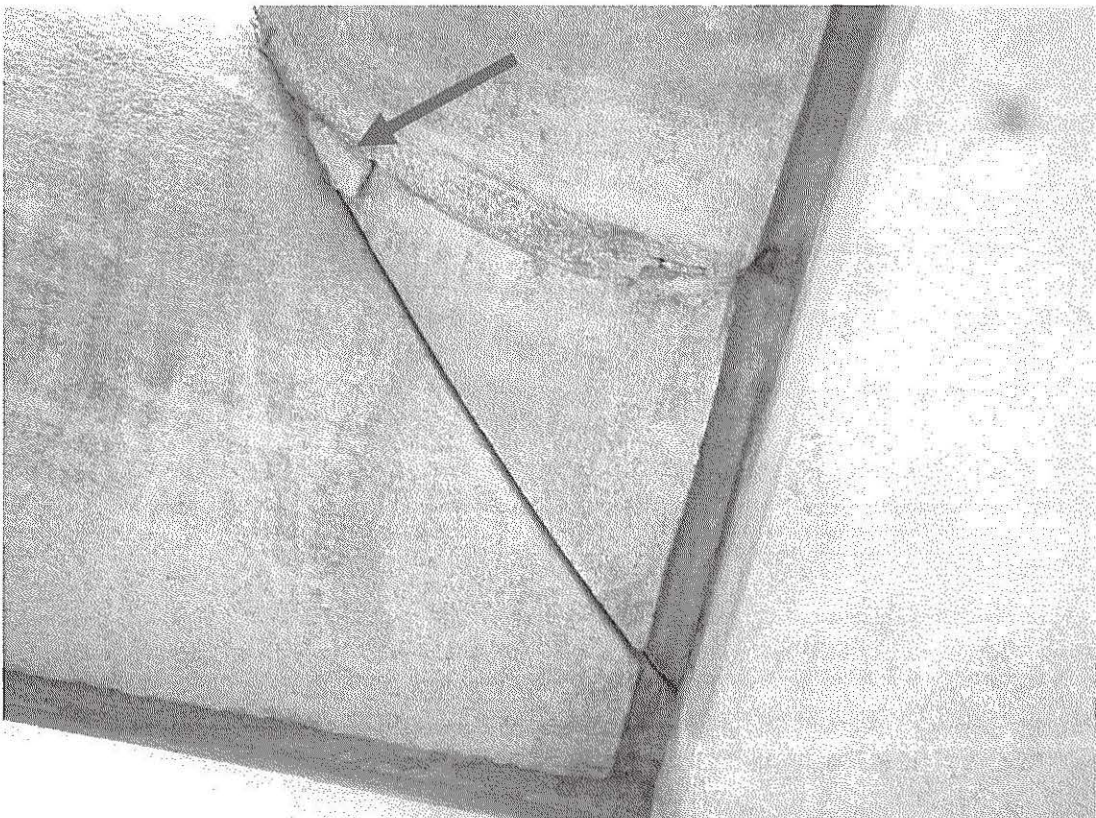


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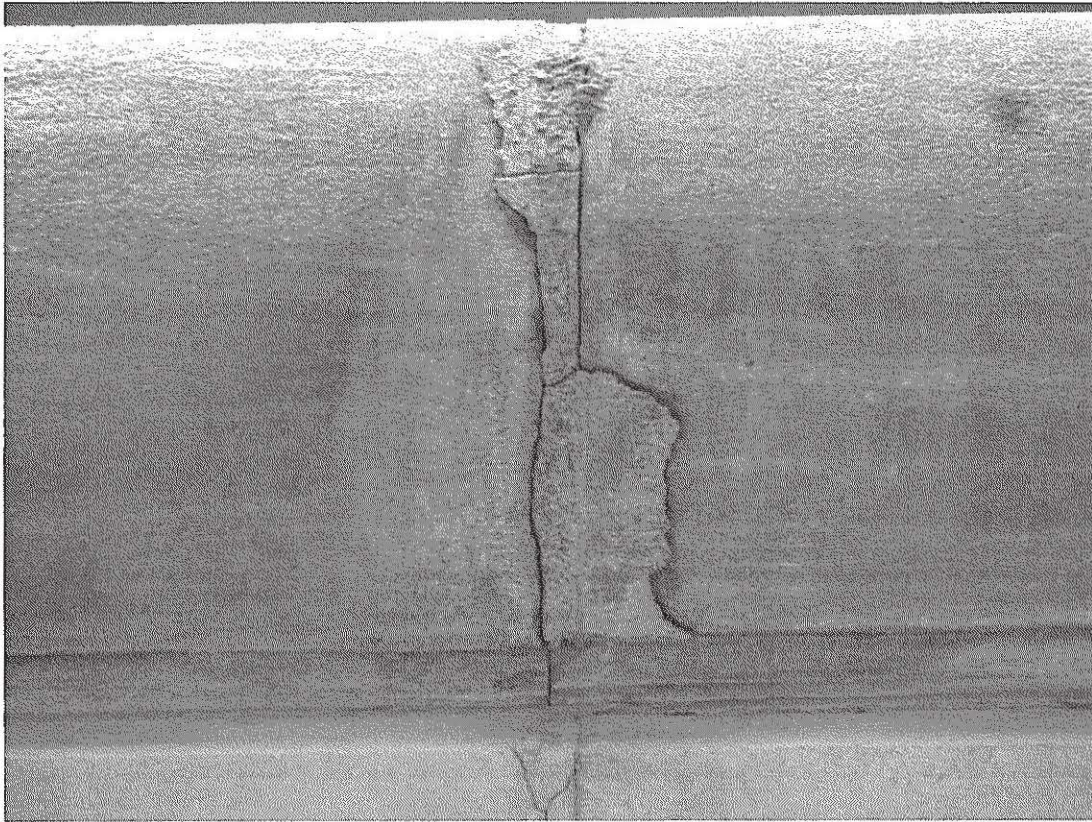


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Photo 48



Photo 49

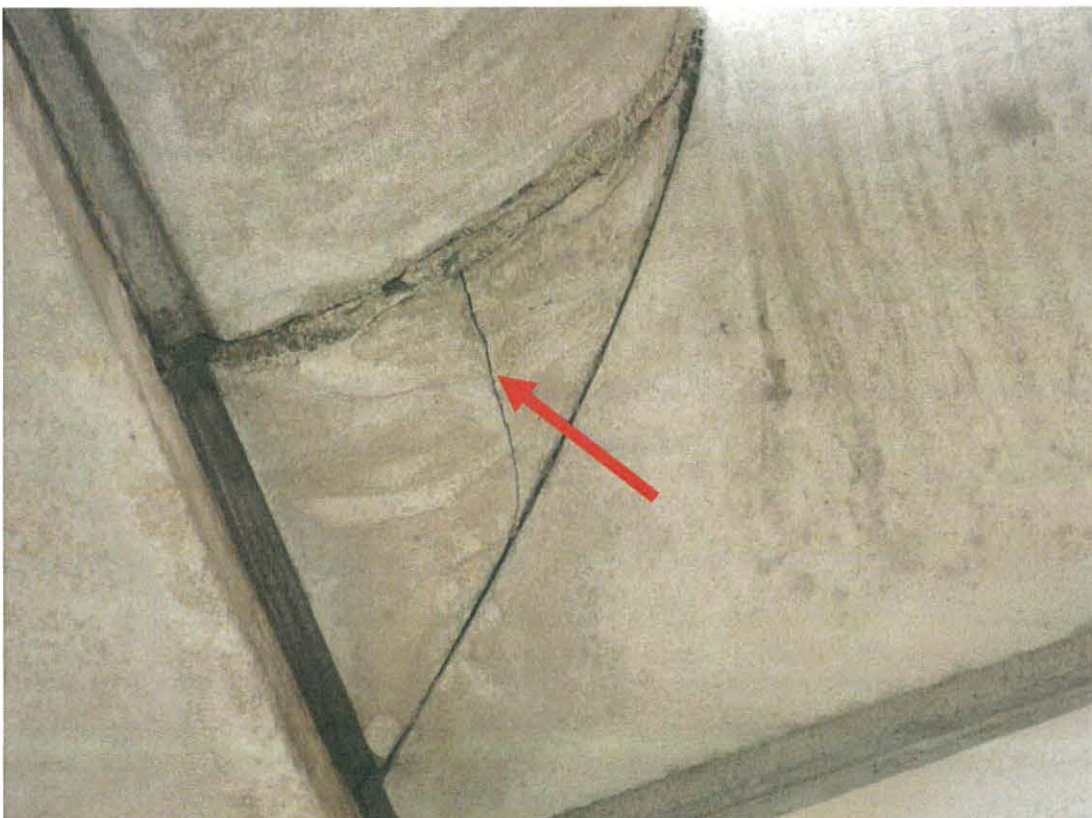


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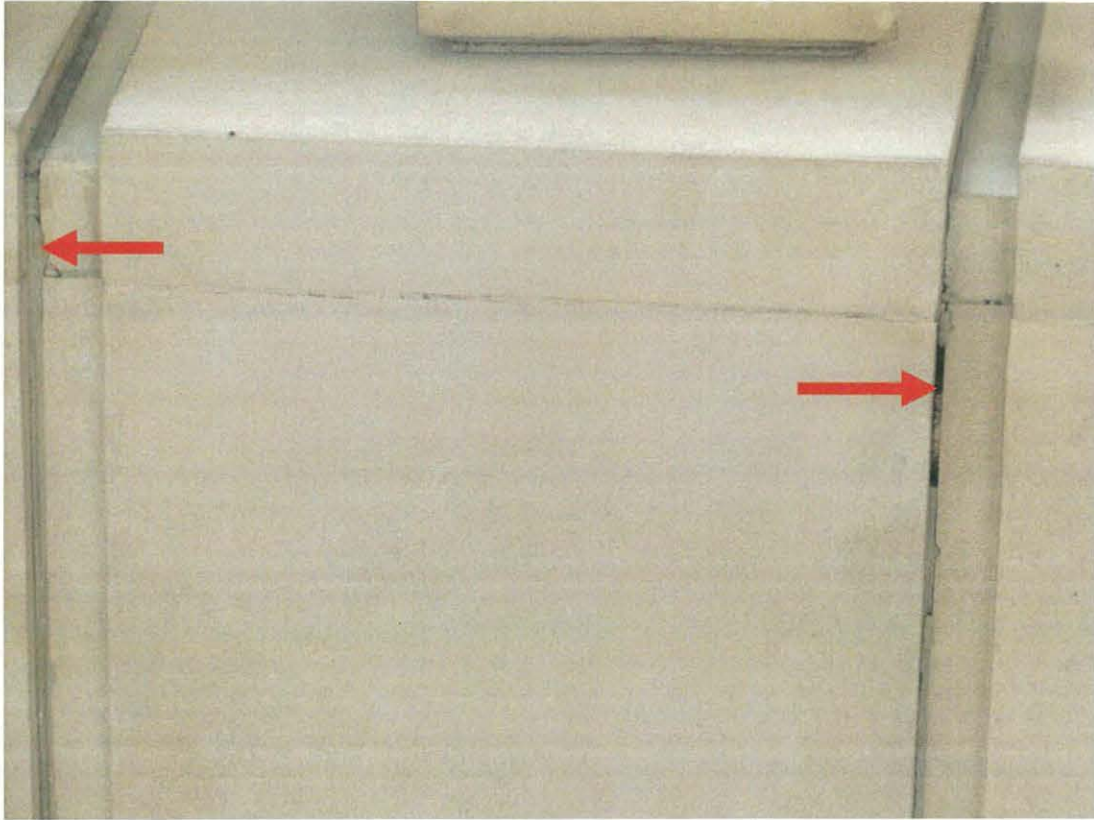


Photo 51



Photo 52



Photo 53



Photo 54



Photo 55



Photo 56



Photo 57



Photo 58



Photo 59



Photo 60



Photo 61



Photo 62

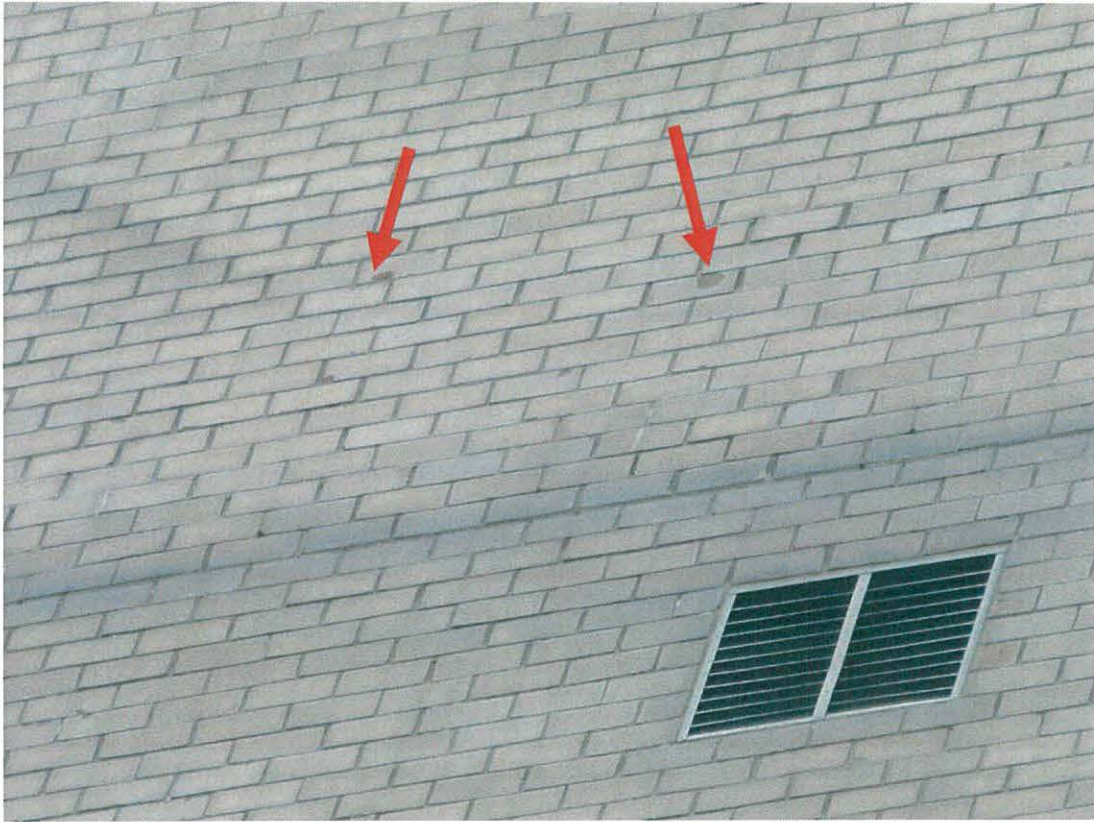


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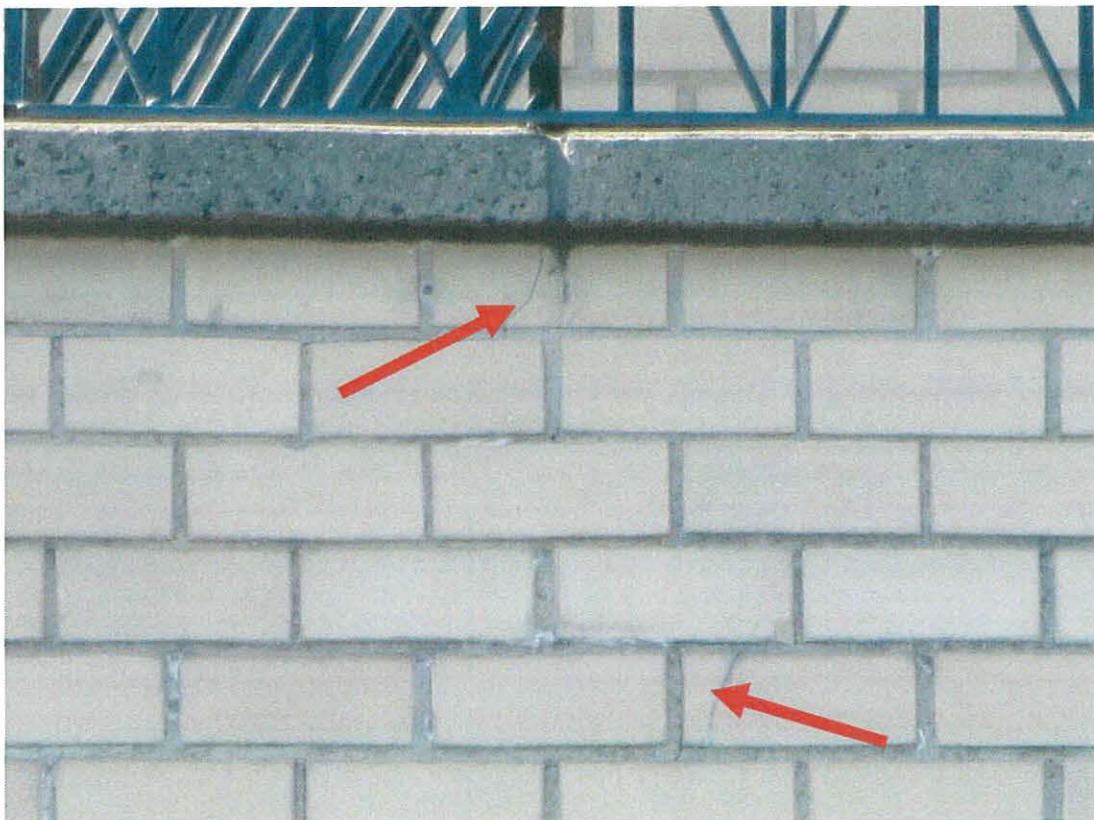


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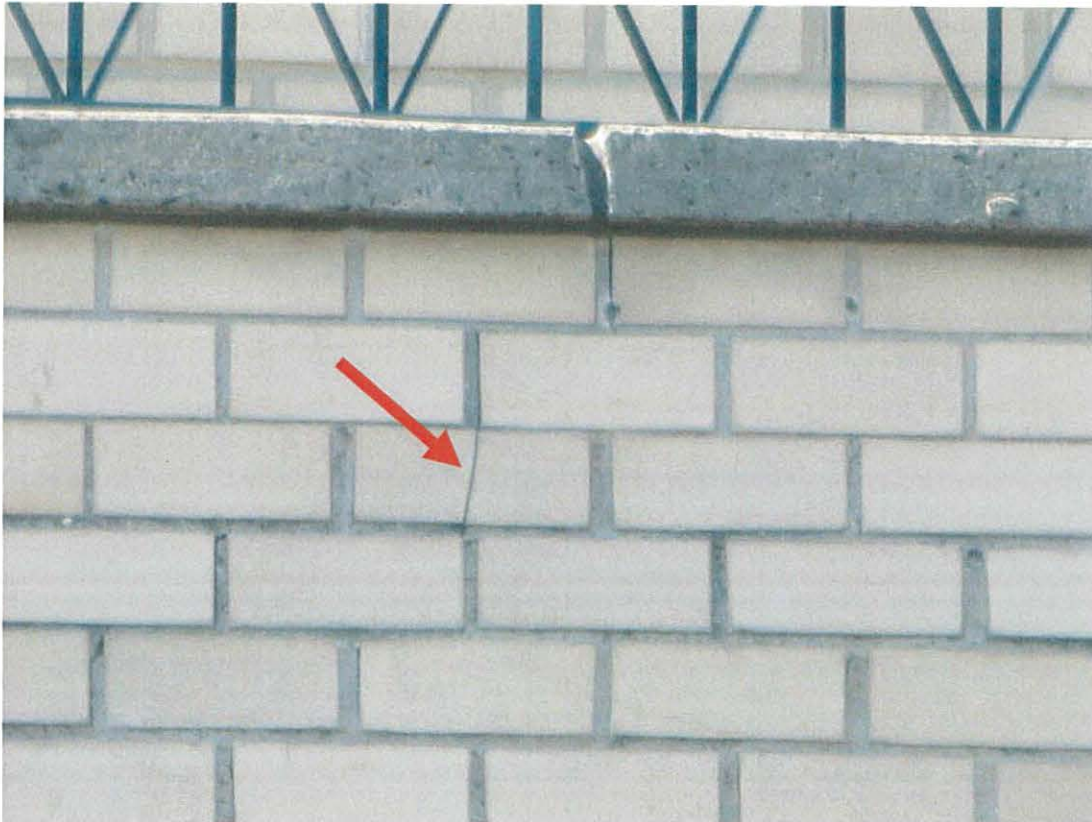


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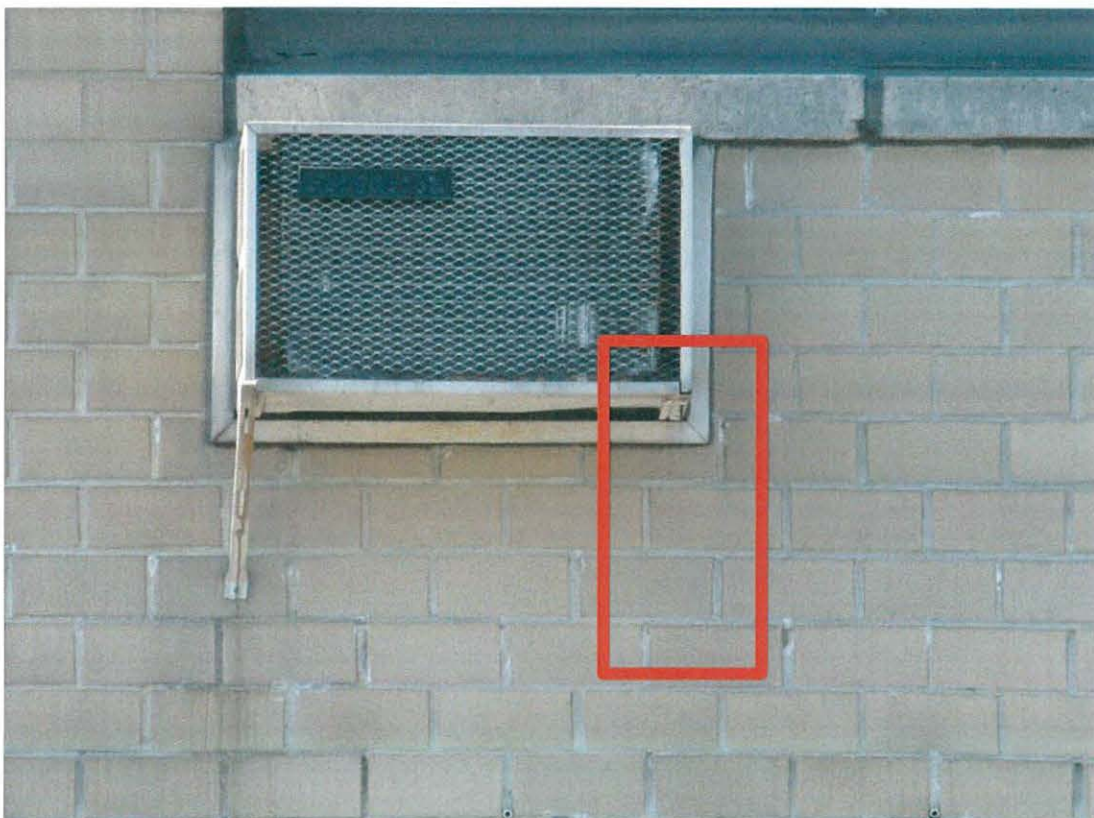


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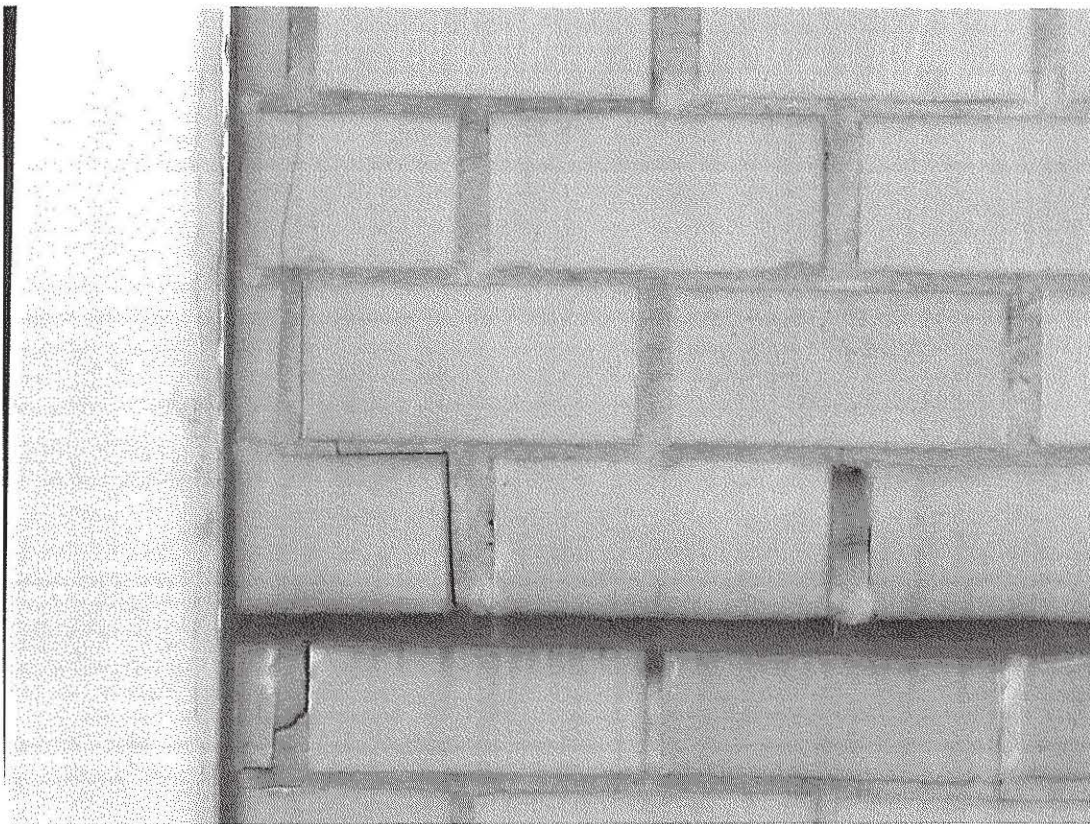
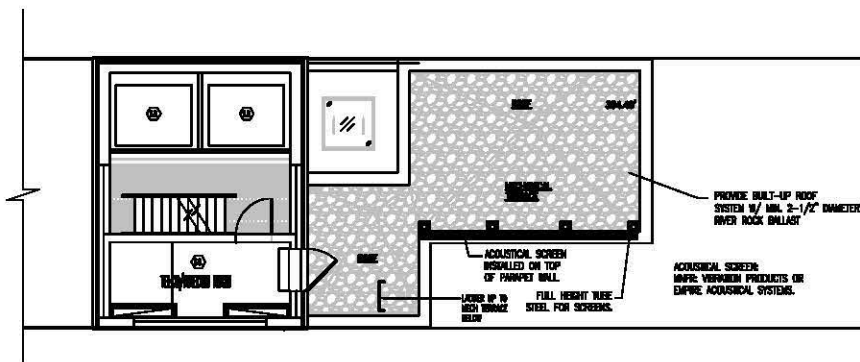
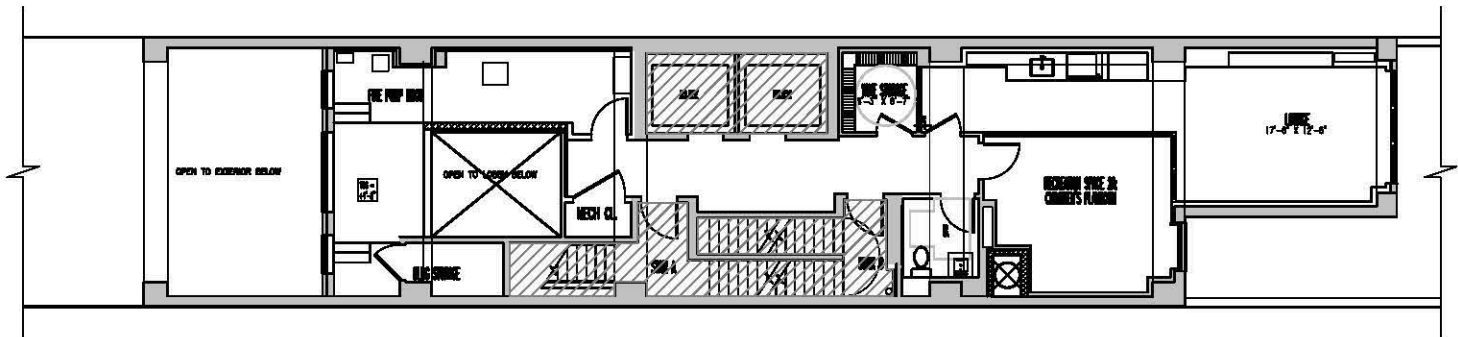
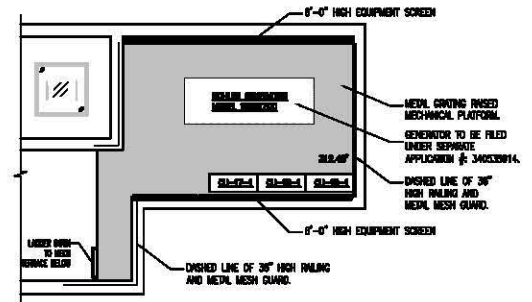


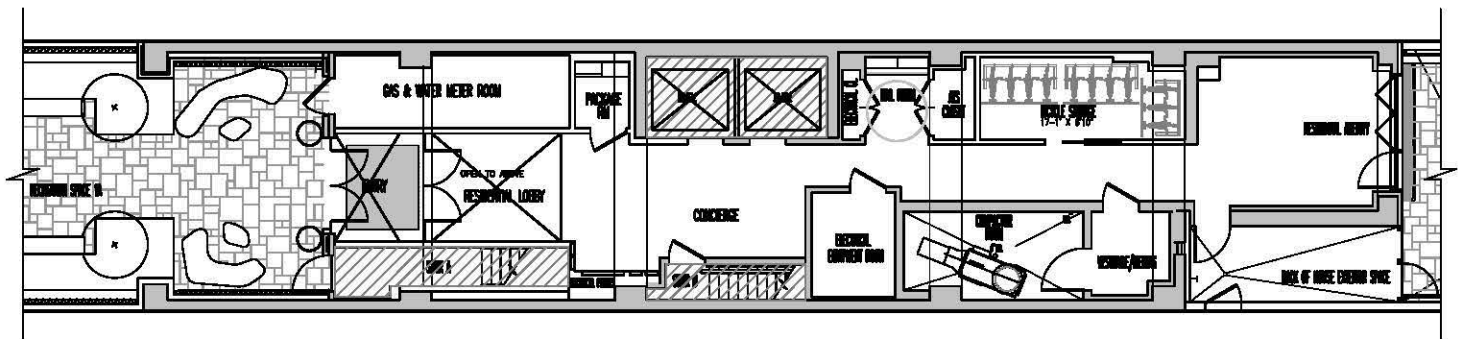
Photo 67



67 Livingston Street
Roof Plan - Mech Terrace



67 Livingston Street
2nd Floor Master Plan



67 Livingston Street
Ground Floor Master Plan

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

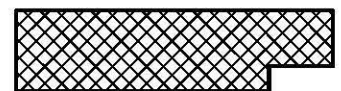
LEGEND:



GENERAL COMMON ELEMENT



KEY PLAN:



LIVINGSTON ST.

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project:

67 Livingston Street

drawing title:

Master Plans -
Ground, 2nd, Roof

project number:

16028

date:

01.09.2018

scale:

AS NOTED

drawn by:

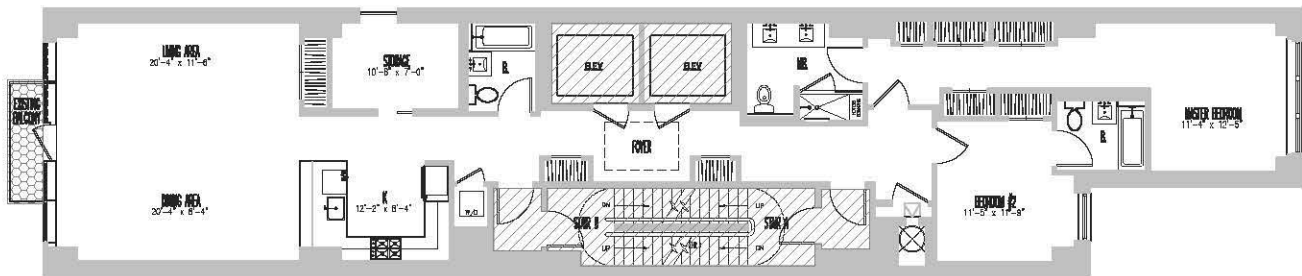
SS

checked by:

DEG

drawing number:

MASTER
PLANS



67 Livingston Street

3, 4, 5, 6, 7

2 Bedroom 3 Bath

Unit: 2,050 sf

Balcony: 33 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT



KEY PLAN:

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67 Livingston Street

drawing title:

3rd to 7th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

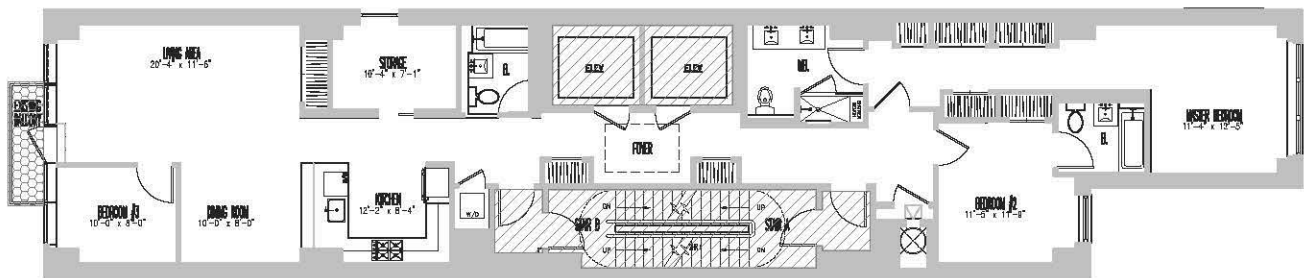
drawn by: checked by:

SS

DEG

drawing number:

3, 4, 5,
6, 7



67 Livingston Street

8

3 Bedroom 3 Bath

Unit: 2,050 sf

Balcony: 33 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT

KEY PLAN:

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project:

67 Livingston Street

drawing title:

8th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

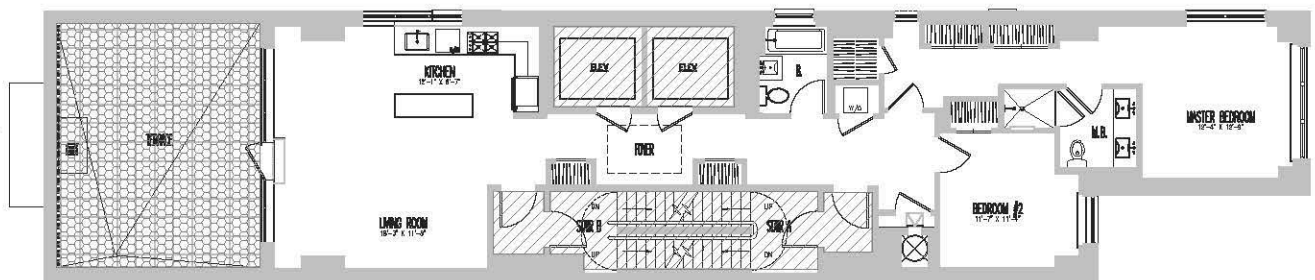
drawn by: checked by:

SS

DEG

drawing number:

8



67 Livingston Street

9

2 Bedroom 2 Bath

Unit: 1,681 sf

Terrace: 346 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT

KEY PLAN:

LIVINGSTON ST.



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project:

67 Livingston Street

drawing title:

9th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

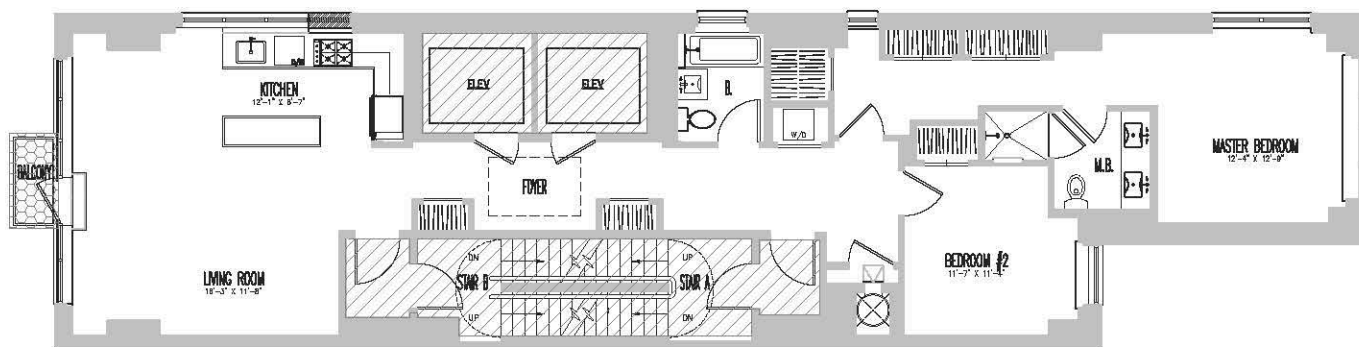
drawn by: checked by:

SS

DEG

drawing number:

9



67 Livingston Street

10, 11, 12

2 Bedroom 2 Bath

Unit: 1,681 sf

Balcony: 19 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



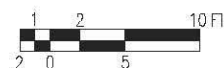
GENERAL COMMON ELEMENT



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COMMON ELEMENT

KEY PLAN:

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project:

67 Livingston Street

drawing title:

10th to 12th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

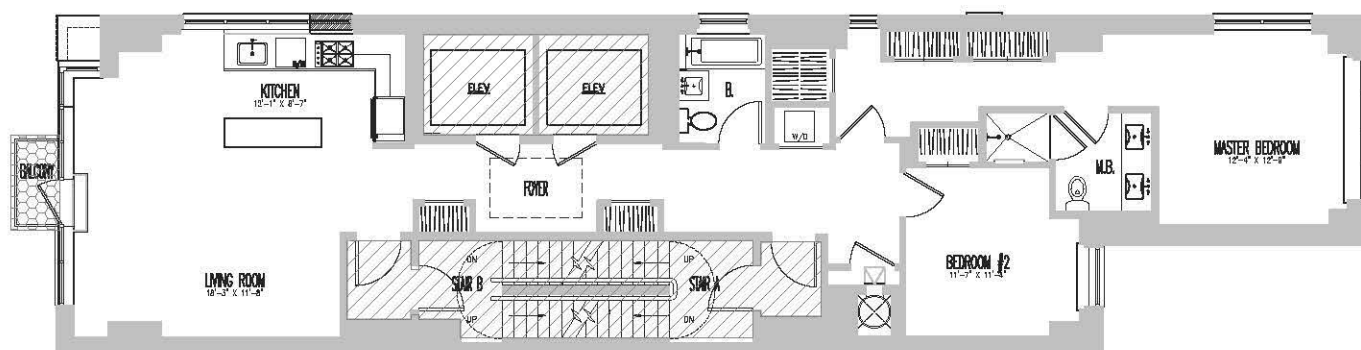
drawn by: checked by:

SS

DEG

drawing number:

10, 11, 12



67 Livingston Street

14, 15, 16, 17

2 Bedroom 2 Bath

Unit: 1,672 sf

Balcony: 19 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



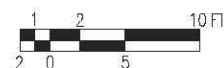
GENERAL COMMON ELEMENT



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COMMON ELEMENT

KEY PLAN:

LIVINGSTON ST.



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project:

67 Livingston Street

drawing title:

14th to 17th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

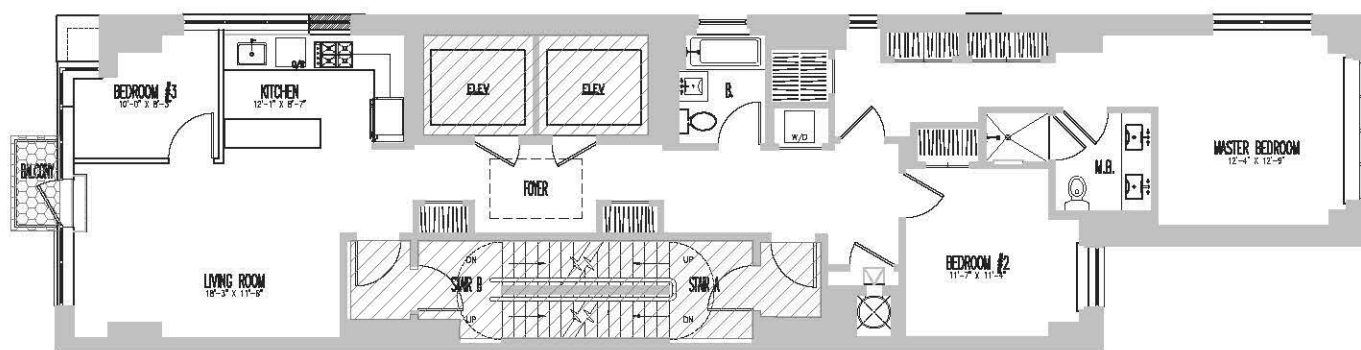
drawn by: checked by:

SS

DEG

drawing number:

14, 15,
16, 17



67 Livingston Street

18

3 Bedroom, 2 Bath

Unit: 1,672 sf

Balcony: 19 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

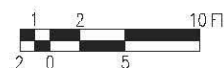
LEGEND:



GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT



KEY PLAN:

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project:

67 Livingston Street

drawing title:

18th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

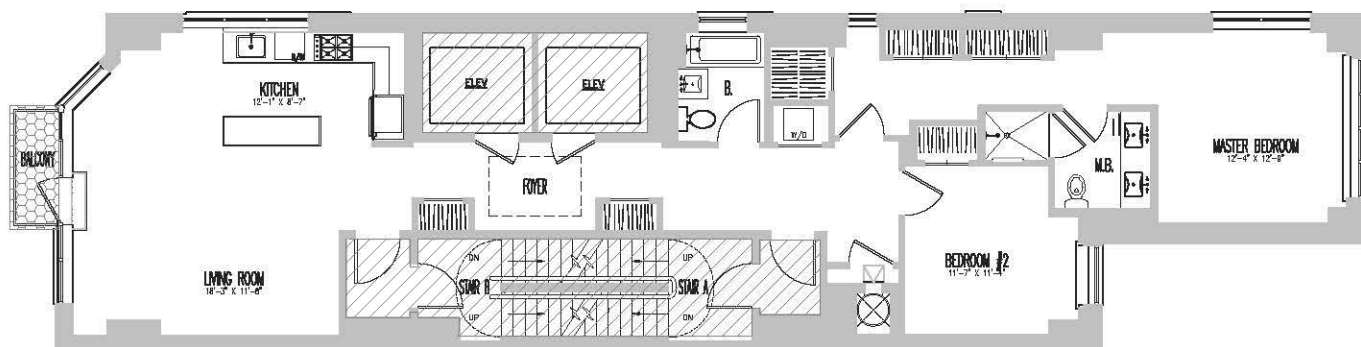
drawn by: checked by:

SS

DEG

drawing number:

18



67 Livingston Street

19, 20, 21

2 Bedroom 2 Bath

Unit: 1,666 sf

Balcony: 25 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



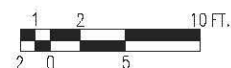
GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT

KEY PLAN:

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project:

67 Livingston Street

drawing title:

19th to 21st Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

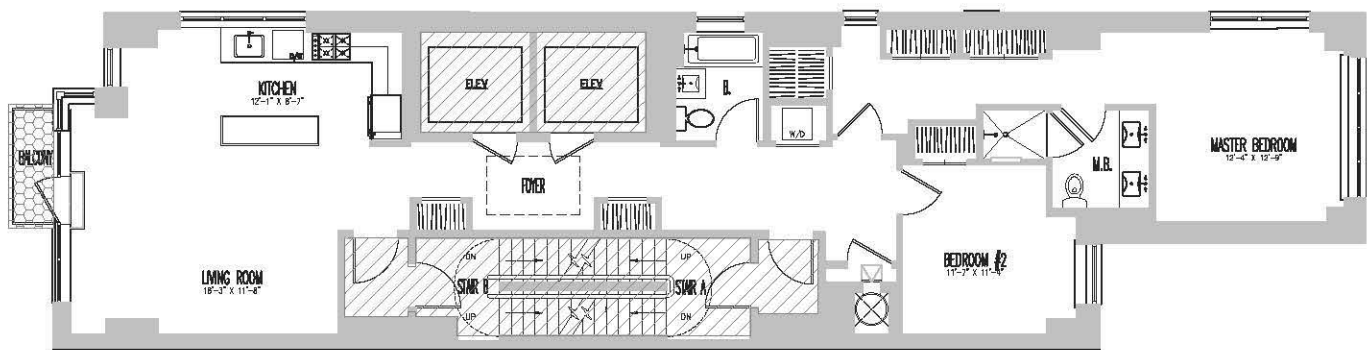
drawn by: checked by:

SS

DEG

drawing number:

19, 20, 21



67 Livingston Street

PH-23, PH-24

2 Bedroom 2 Bath

Unit: 1,662 sf

Balcony: 25 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:

LIVINGSTON ST.



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project:

67 Livingston Street

drawing title:

23rd, 24th Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

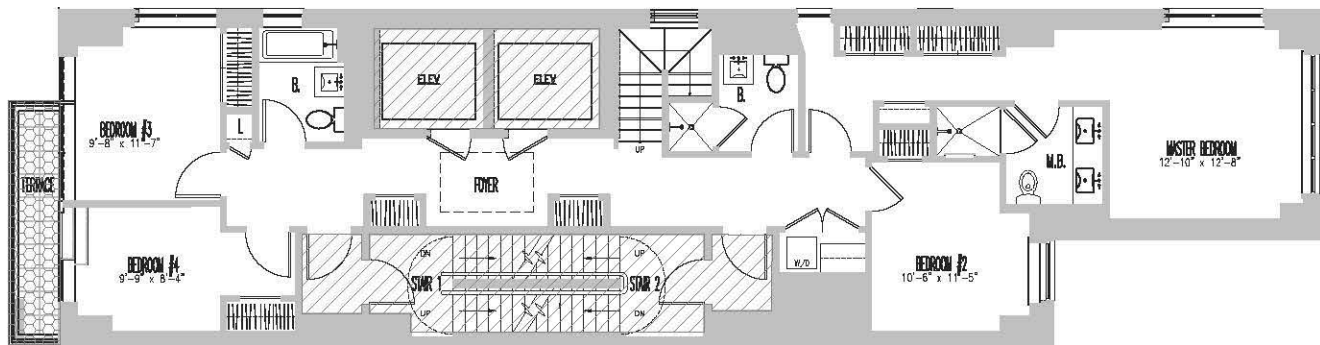
drawn by: checked by:

SS

DEG

drawing number:

PH-23,
PH-24



67 Livingston Street
 SKY-PH Lower
 4 Bedroom 3.5 Bath
 Unit: 1,659 sf
 Terrace: 54 sf

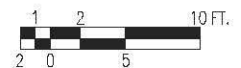
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
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KEY PLAN:

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project:

67 Livingston Street

drawing title:

SKY- PH Lower Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

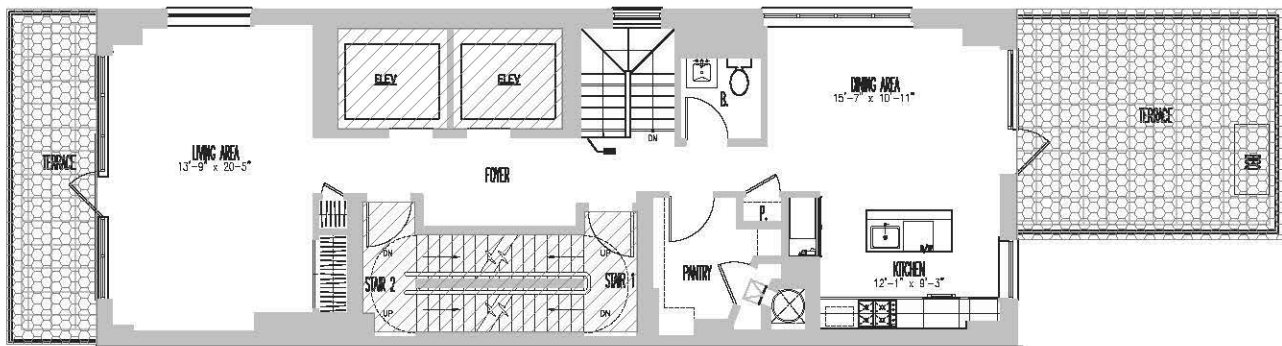
drawn by: checked by:

SS

DEG

drawing number:

**SKY-PH
 Lower**



67 Livingston Street

SKY-PH Upper

4 Bedroom 3.5 Bath

Unit: 1,279 sf

Balcony: 411 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT

KEY PLAN:

LIVINGSTON ST.



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project:

67 Livingston Street

drawing title:

SKY-PH Upper Floor Plan

project number:

16028

date:

08.15.2017

scale:

AS NOTED

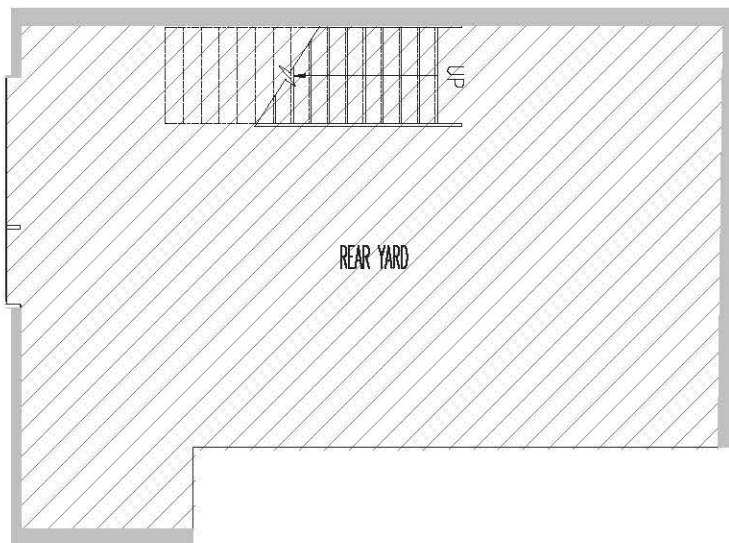
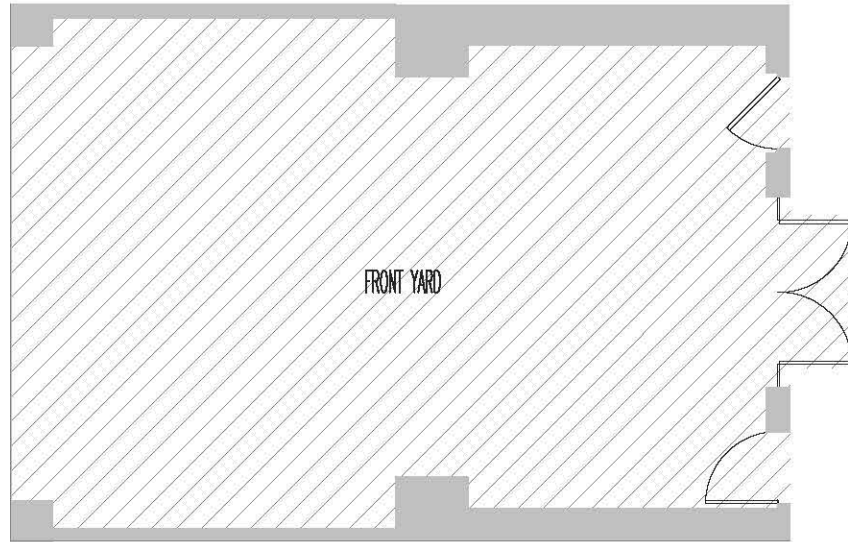
drawn by: checked by:

SS

DEG

drawing number:

SKY-PH
Upper



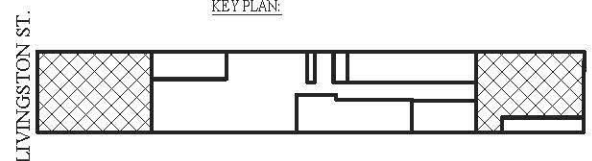
67 Livingston Street
Yards - Lobby Floor
1246 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



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project:

67 Livingston Street

drawing title:

Front and Rear Yards

project number:

16028

date:

08.15.2017

scale:

AS NOTED

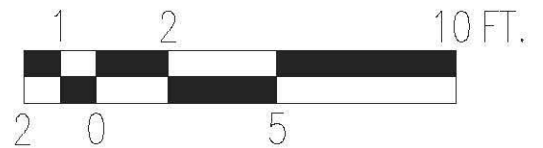
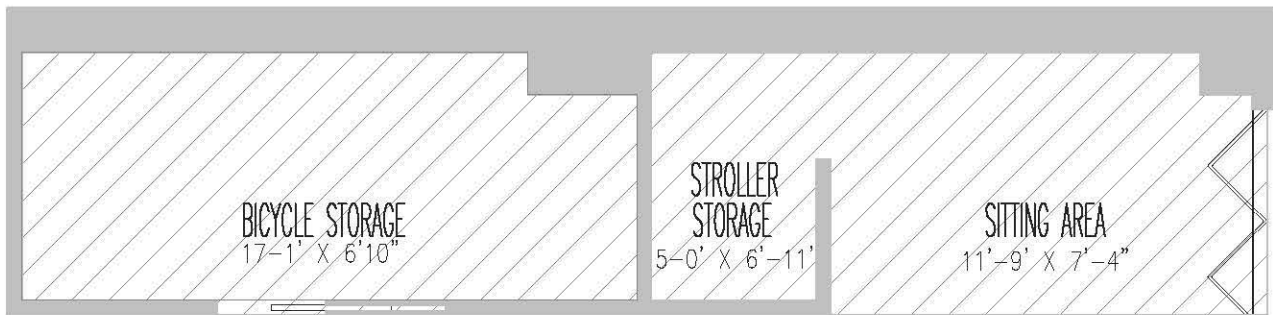
drawn by: checked by:

SS

DEG

drawing number:

Yards

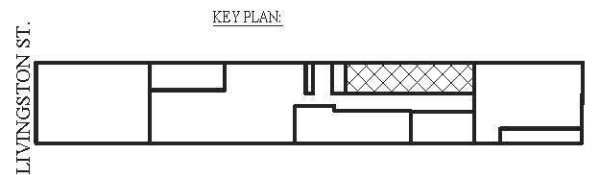


67 Livingston Street Amenities - Lobby Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

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-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT



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project:

67 Livingston Street

drawing title:

Amenities - Lobby Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

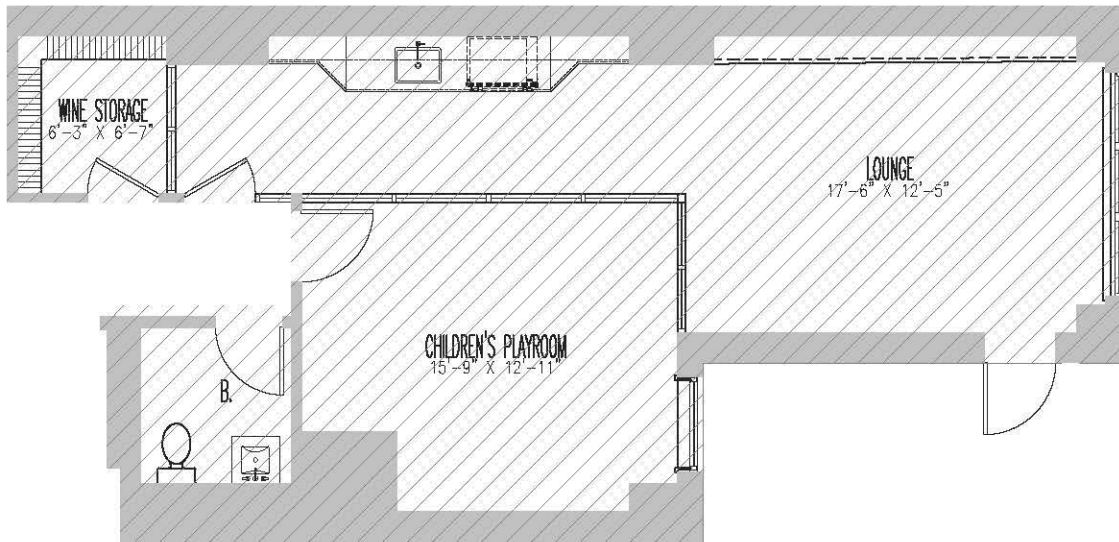
drawn by: checked by:

SS

DEG

drawing number:

AMENITY



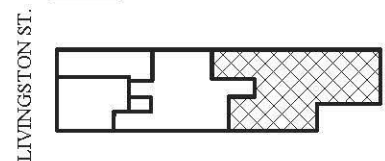
67 Livingston Street Amenities - Second Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



LIVINGSTON ST.

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project:

67 Livingston Street

drawing title:

Amenities - Second Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

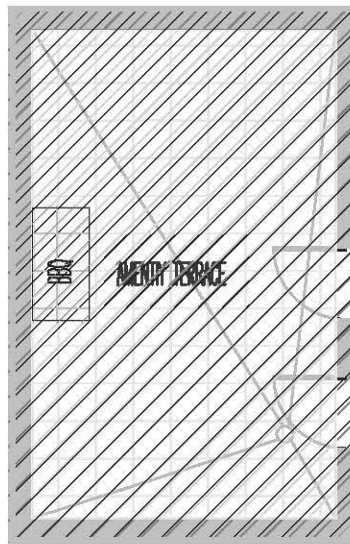
drawn by: checked by:

SS

DEG

drawing number:

AMENITY



67 Livingston St. Amenities - 27th Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



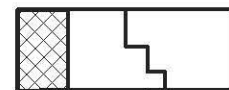
GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT



KEY PLAN:



LIVINGSTON ST.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Amenities - 27th Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

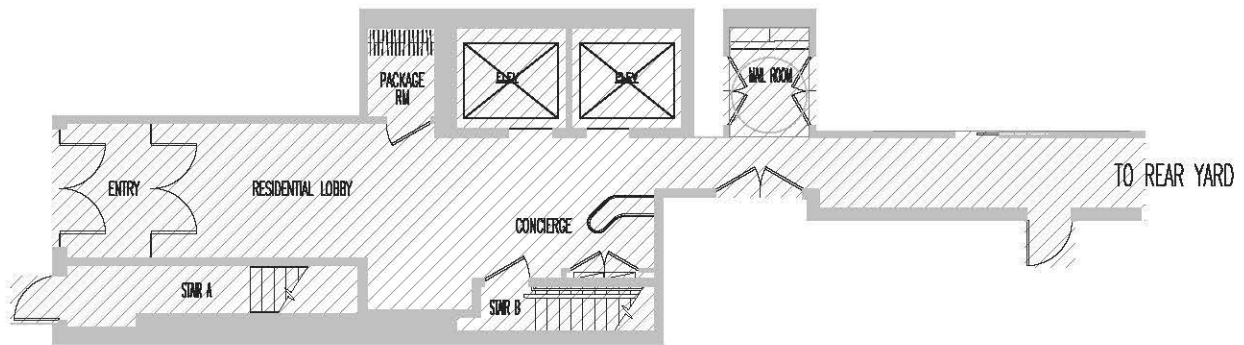
drawn by: checked by:

SS

DEG

drawing number:

AMENITY



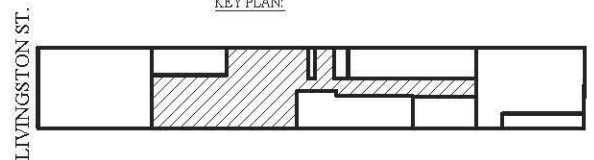
67 Livingston Street Public Corridor - Lobby Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Public Corridor -
Lobby Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

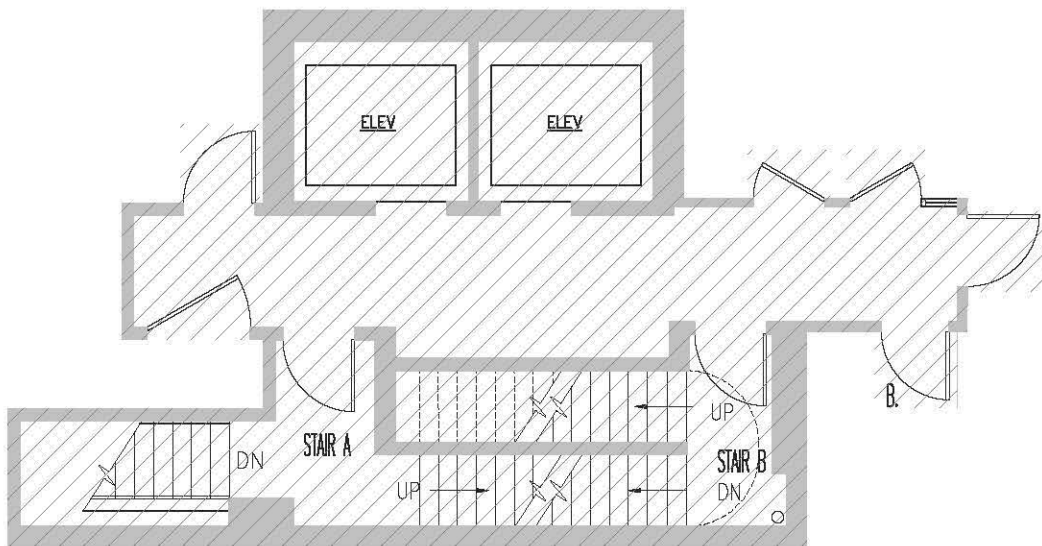
drawn by: checked by:

SS

DEG

drawing number:

PUBLIC
CORRIDOR



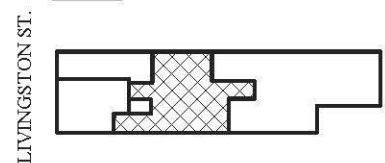
67 Livingston Street Public Corridor - Second Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



LIVINGSTON ST.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Public Corridor -
Second Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

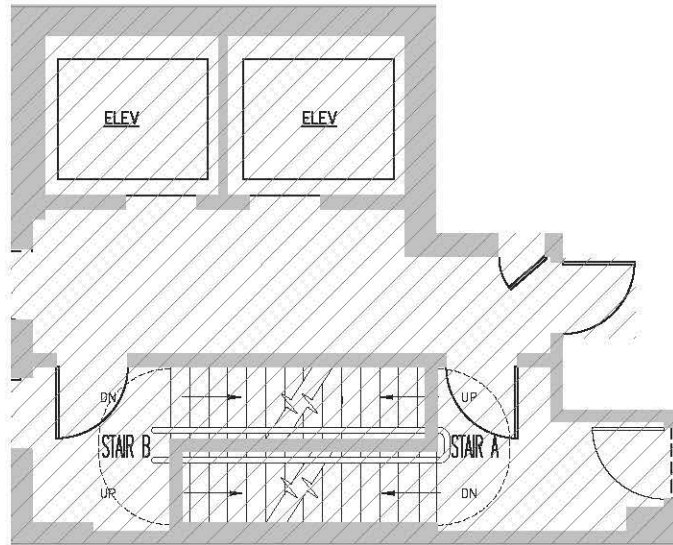
drawn by: checked by:

SS

DEG

drawing number:

PUBLIC
CORRIDOR



67 Livingston St. Lobby - 27th Floor

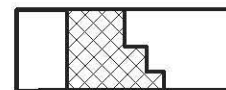
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT



KEY PLAN:



LIVINGSTON ST.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Public Corridor -
27th Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

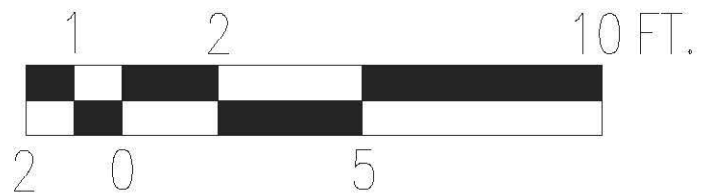
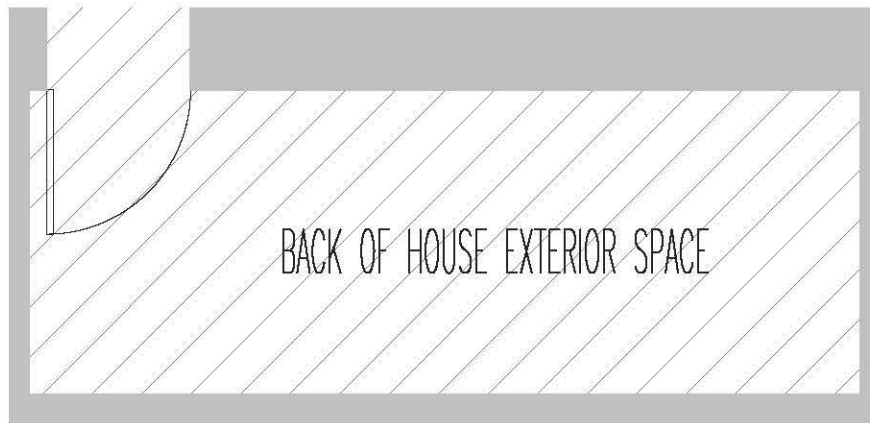
drawn by: checked by:

SS

DEG

drawing number:

PUBLIC
CORRIDOR



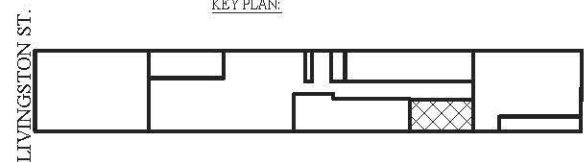
67 Livingston Street Back of House - First Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Back of House -
Lobby Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

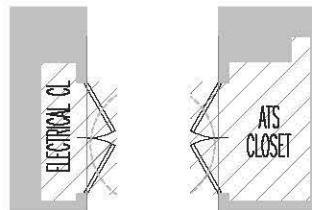
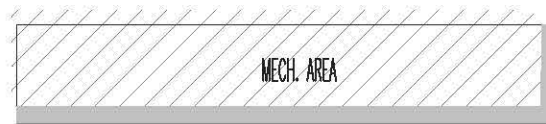
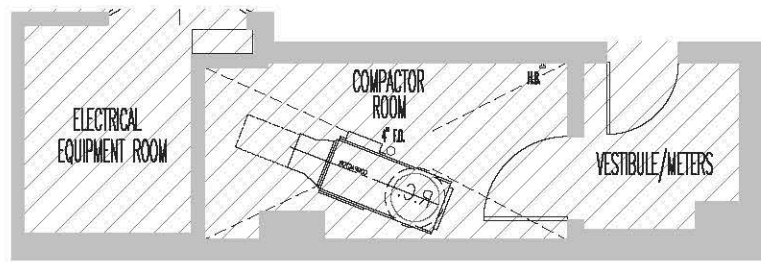
drawn by: checked by:

SS

DEG

drawing number:

BACK OF
HOUSE



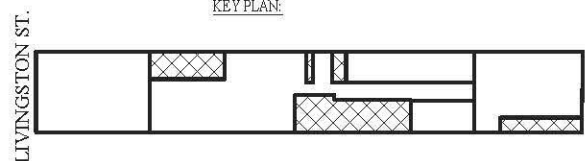
67 Livingston Street Mechanical Spaces - Lobby Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

	GENERAL COMMON ELEMENT
	RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Mech. - Lobby Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

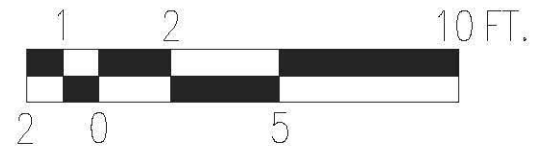
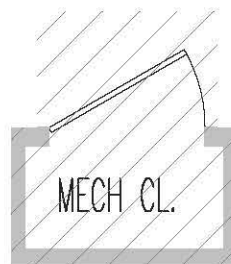
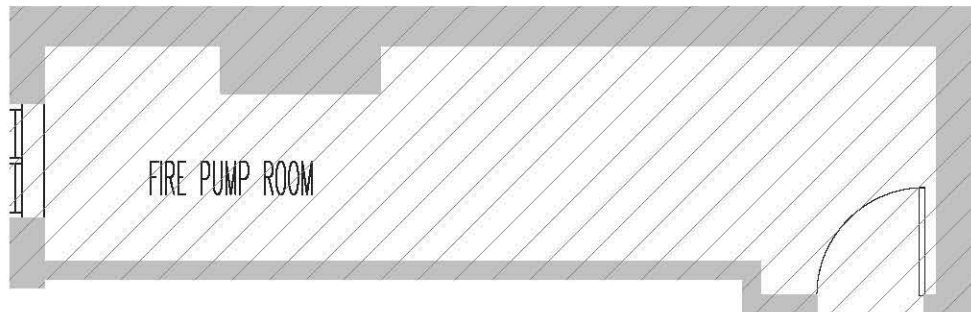
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SS

DEG

drawing number:

MECH



67 Livingston Street Mechanical Spaces - Second Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:



GENERAL COMMON ELEMENT



RESIDENTIAL UNIT LIMITED
COMMON ELEMENT

KEY PLAN:

LIVINGSTON ST.



HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Mech. - Second Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

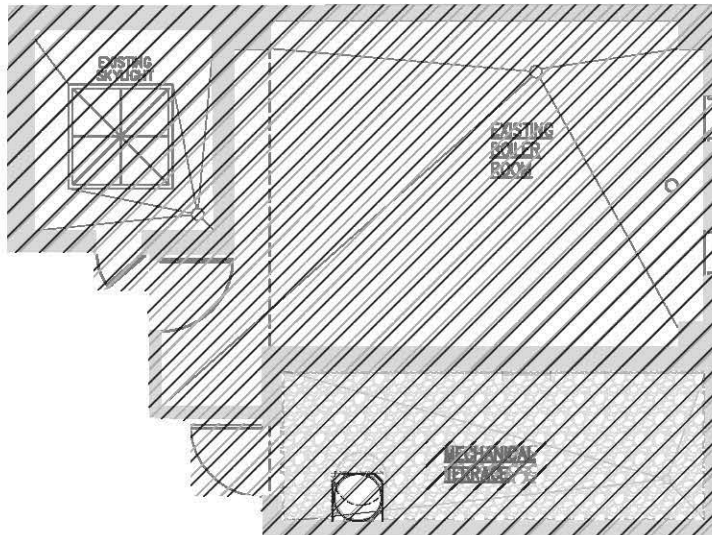
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drawing number:

MECH

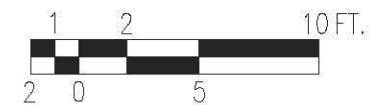


67 Livingston St. Mechanical Spaces - 27th Floor

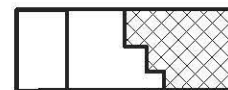
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT



KEY PLAN:



LIVINGSTON ST.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Mech. - 27th Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

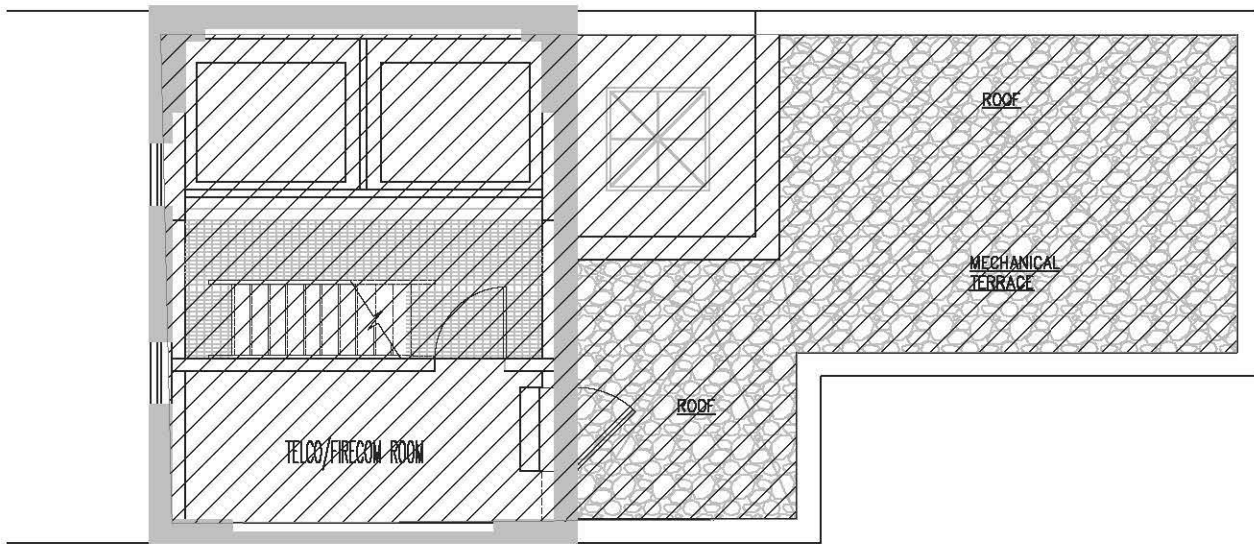
drawn by: checked by:

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DEG

drawing number:

MECH



67 Livingston St.
Mechanical Spaces - 28th Floor



LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT

KEY PLAN:



LIVINGSTON ST.

HTO
ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Mech. - 28th Floor

project number:

16028

date:

08.15.2017

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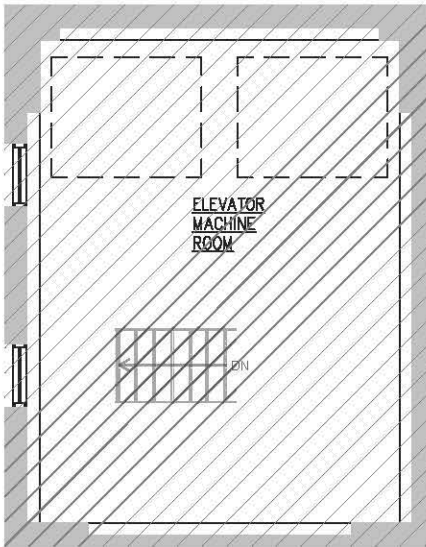
AS NOTED

drawn by: checked by:

SS DEG

drawing number:

MECH



67 Livingston St. Mechanical Spaces - 29th Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT



KEY PLAN:



LIVINGSTON ST.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Mech. - 29th Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

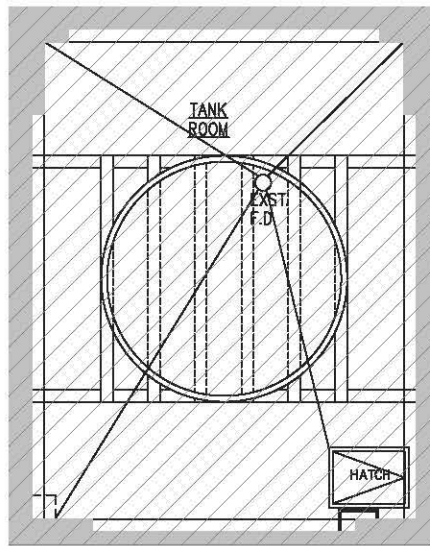
drawn by: checked by:

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DEG

drawing number:

MECH

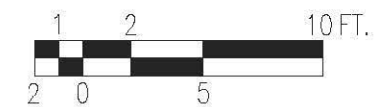


67 Livingston St.
Mechanical Spaces - 30th Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

LEGEND:

-  GENERAL COMMON ELEMENT
-  RESIDENTIAL UNIT LIMITED COMMON ELEMENT



KEY PLAN:



LIVINGSTON ST.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

Mech. 30th Floor

project number:

16028

date:

08.15.2017

scale:

AS NOTED

drawn by: checked by:

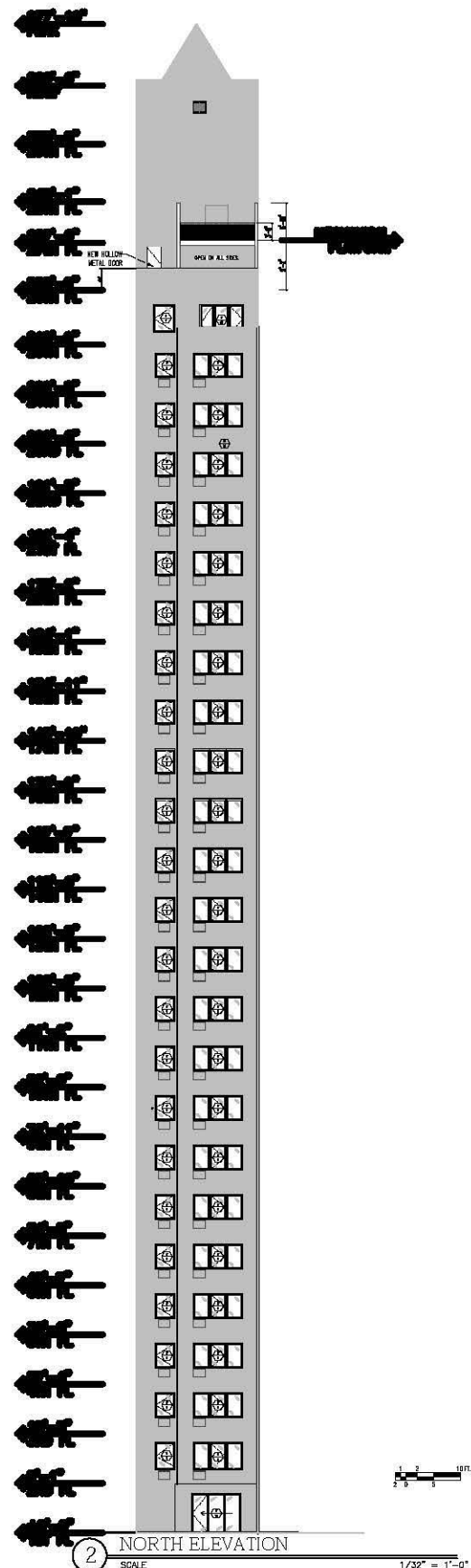
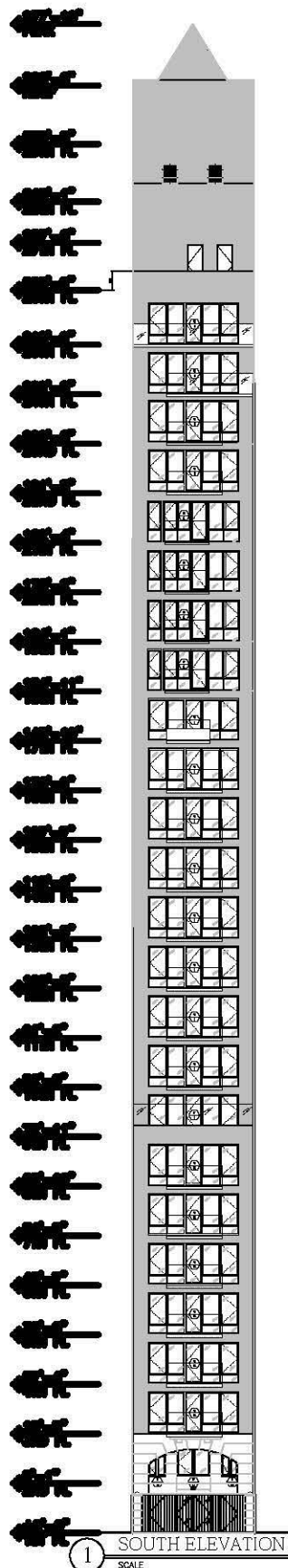
SS

DEG

drawing number:

MECH

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HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

East Elevation

project number:

16028

date:

08.15.2017

scale:

AS NOTED

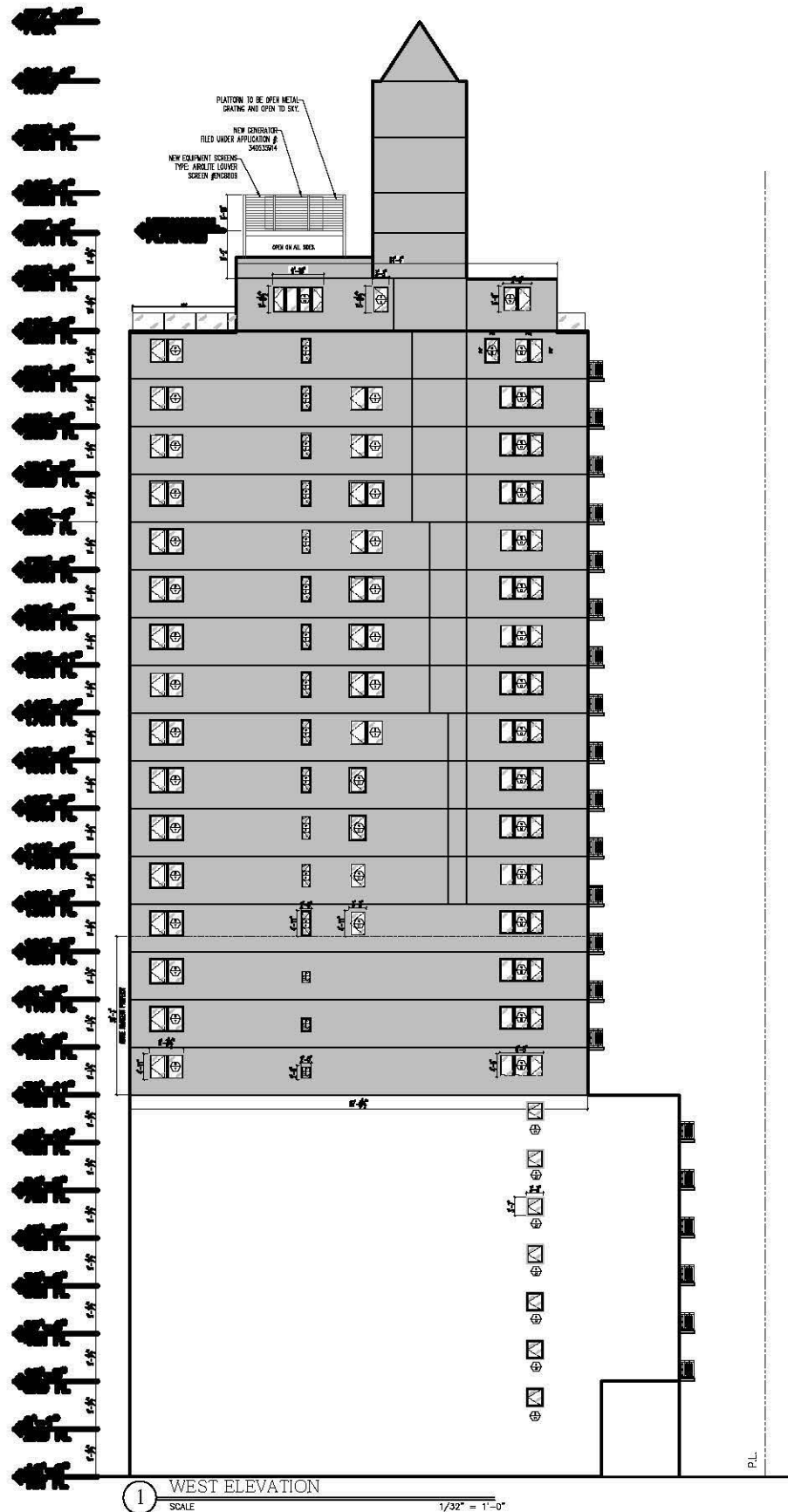
drawn by: checked by:

SS

DEG

drawing number:

ELEV_1



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project:

67 Livingston Street

drawing title:

West Elevation

project number:

16028

date:

08.15.2017

scale:

AS NOTED

drawn by: checked by:

SS

DEG

drawing number:

ELEV_2

DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF PREMISES LOCATED AT 67 LIVINGSTON STREET, IN THE BOROUGH OF BROOKLYN, COUNTY OF KINGS, CITY AND STATE OF NEW YORK, PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

NAME: **THE 67 LIVINGSTON STREET CONDOMINIUM**

SPONSOR:

67 LIVINGSTON LLC
40 West 57 Street, 29th Floor
New York, New York 10016

DATE OF DECLARATION: _____, 201__

The Land affected by the within instrument lies in Block 265, F/K/A Lot 5, N/K/A Lots _____ on the Tax Map of the Borough of Brooklyn, County of Kings, State of New York.

MARANS WEISZ & NEWMAN, LLC
Attorney(s) for Sponsor
29 Broadway Suite 2400
New York, New York 10006

**DECLARATION OF THE 67 LIVINGSTON 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, and City and State of New York on this ____ day of _____ 201__, 67 LIVINGSTON LLC (the “Owner” or the “Declarant”), a limited liability company existing under the laws of the State of New York, whose office is situated at 40 West 57 Street, 29th Floor, New York, New York 10019 does hereby declare as follows:

**ARTICLE 1
SUBMISSION OF PROPERTY**

1.1 Declarant hereby submits Declarant’s fee interest in the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the “Property”) to the provisions of Article 9 B of the Real Property Law of the State of New York (the “Condominium Act”) and pursuant thereto does hereby establish a condominium to be known as the “The 67 Livingston Street Condominium” (the “Condominium”) by recording a Declaration of Condominium with the Office of the City Register of the City of New York (the “Declaration”).

1.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (these By-Laws as they may be amended from time to time, are hereinafter referred to as the “By-Laws”). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By Laws.

1.3 Included in the Property described above is all Declarant’s fee interest in that certain tract, plot, piece and parcel of land (the “Land”) situate, lying and being in the Kings County, City and State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof.

**ARTICLE 2
DEFINITIONS**

“Association” (or “Condominium Association”): The unincorporated association that operates as The 67 Livingston Street Condominium.

“Board of Managers” sometimes also referred to as “Board” or “Managers” shall refer to the individuals elected at the annual meeting of Unit Owners or representatives of the Sponsor that manage the operation of the Condominium.

“Budget Allocation” shall have the meaning ascribed thereto in Article 12 of the Declaration.

“Building” as hereinafter referred to shall be defined as an twenty-nine (29) story building known by the street address 67 Livingston Street, Brooklyn, Kings County New York, which consists of the Units and the Common Elements.

“By-Laws” shall be one of the documents governing the operation of the Condominium, the form of which is annexed to this Declaration.

“Common Charges” shall be defined as all charges assessed by the Board of Managers against the Unit Owner.

“Common Elements” shall be depicted as those areas intended to be devoted to the common use and enjoyment of all Unit Owners, including the following:

- i. Land;
- ii. Foundations, columns, girders, beams, supports, exterior walls of the Building and all joists;
- iii. The central and appurtenant installations and equipment for services such as power, light, telephone, hot and cold water, sewer and fire safety, including all pipes, ducts, wires, cables and conduits used in connection therewith, the meter rooms, the stair well from the cellar to the roof and the roof deck;
- iv. Roof and the Bulkhead Roof.

“Common Interest.” shall refer the percentage interest in the Common Elements held by each Owner.

“Condominium” as hereinafter referred to shall mean The 67 Livingston Street Condominium that is composed of the Units and the Common Elements, as shown in Schedule B attached to the Declaration.

“Construction Lender”: Melody Business Finance, LLC, together with its successors and/or assigns.

“Declarant”: 67 Livingston LLC, its successors in interest, assigns, and/or any Persons designated as having the rights of Declarant by Declarant or a designee of Declarant.

“Documents” shall refer to Part II of the Offering Plan indicating this Declaration and the By-Laws attached hereto as Schedule C.

“General Common Elements” shall mean those areas intended to be devoted to the common use and enjoyment of all Unit Owners as set forth in Article 4 of the Declaration.

“General Common Interest” shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Unit Owner in the General Common Elements. The total of all General Common Interest percentages appurtenant to all Units equals to 100%.

“Insurance Trustee”: A bank or trust company in the State of New York from time to time appointed to serve as such by the Condominium Board. Declarant’s Registered Mortgagee shall serve as the Insurance Trustee for such time as Declarant has a mortgage loan encumbering any units held by Declarant. The Construction Lender shall be the initial Insurance Trustee, and shall remain the Insurance Trustee until such time that the Construction Lender’s mortgage lien is satisfied.

“Limited Common Elements” shall refer to those Common Elements that a Unit Owner(s) will have the exclusive right to use.

“Mortgagee” shall mean a mortgagee that holds a mortgage on a Unit.

“Owner” or sometimes also referred to as “Unit Owner” shall mean the Owner of each Unit. 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, and a Unit Owner’s single vote referred to in paragraph eight of this Declaration.

“Party Wall” as hereinafter referred to shall be defined as a wall that is common to and separates two Units.

“Plan” shall mean the documents submitted to the Office of the Attorney General required in order to be able to sell units in a condominium.

“Registered Guarantor” shall mean a guarantor on a Registered Mortgage who has registered with the Board of Managers by supplying the Board with the name and address of the guarantor.

“Registered Mortgagee”: The holder of a Registered Mortgage and shall include, without limitation, banks, financial institutions, and/or other lenders such as the Construction Lender, its successors, assigns, and/or affiliates, as well as any lender that has provided mezzanine financing or preferred equity financing to Declarant.

“Registered Mortgage”: A first mortgage permitted to be placed upon a Unit pursuant to the By-Laws, the Construction Loan for so long as the Construction Loan encumbers such Unit, and/or any mezzanine finance loan or preferred equity loan provided to Declarant for so long as such loan encumbers such Unit.

“Unit” shall mean the floor area of each Unit calculated based on the Floor Plans included in Part II of this Plan. Units are measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, or the exterior

of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit. Each Residential Unit consists of the area measured vertically from the top of the concrete floor slab below to the underside of the finished ceiling.

“Unit” and “Unit Owner” as used herein shall be construed to mean Unit and Unit owner as defined in Section 339-e of Article 9-B of the Real Property Law of the State of New York.

“Unsold Unit” Any Unit owned by Sponsor or its designee at the time in question.

ARTICLE 3 DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Declarant purchased an existing building constructed on the parcel of land described above, to be converted to a Condominium known as The 67 Livingston Street Condominium according to the Floor Plans filed simultaneously with the recording of this Declaration in the Office of the City Register of the City of New York. The Building is located at 67 Livingston Street in the Borough of Brooklyn, Kings County New York, and is comprised of twenty-nine (29) stories above ground according to the Tax Maps prepared and certified by HTO Architect, PLLC, filed simultaneously with the recording of this Declaration. The Building is a Class 1C non-combustible building and has a concrete super structure with concrete, brick, stone, stainless steel and glass. The Floor Plans further set forth a description of the Building, the number of Units and the layout of the Units, Common Elements and Limited Common Elements.

The Condominium will consist of one building containing a total of twenty-two (22) Residential Units as set forth on the Floor Plans filed simultaneously with this Declaration in the Office of the City Register of the City of New York. Each Unit has access to the other Unit or to any other portion of the Condominium by means of hallways and stairways which form a part of the Common Elements of the Condominium. For the purposes of describing the location of the Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, the Units are described in the Floor Plans and on Schedule B hereto. 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 hereinafter set forth in this Declaration, and referred to as “the Common Elements,” all in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities in a Unit may be changed by mutual consent of the Sponsor (which for the purposes herein is the Declarant) and a Unit Owner and reflected in an amendment to the Declaration.

In 1985, documents were recorded evidencing that former tax lot 5 and tax lot 154 along with adjacent tax lots 52 and 53 of block 265 were to be a single zoning lot. However, a zoning lot development agreement (“ZLDA”) which would specifically refer to a transfer of additional

development rights to the Premises from lots 52 and 53 was never entered into or recorded at this time. Nonetheless, development rights from lots 52 and 53 were utilized to construct the existing building at the Property, and a Certificate of Occupancy was issued by DOB for the existing building in 1991. This Certificate of Occupancy contained a note that *“these premises had been declared to be part of a single zoning lot as per Section 12-10 of the Zoning Resolution. Zoning lot is comprised of Block 265, Lots 5, 54, 52 and 53.”* Further, in 1999, the owner of former tax lot 5 and tax lot 154 and the then owner of tax lots 52, 53 and 54 executed a Merger of Zoning Lots and Declaration of Restrictions that *“benefits 67 Livingston Street by increasing the Development Rights...that pertain thereto by 14,707.5 square feet of floor area.”* This Merger of Zoning Lots and Declaration is recorded against tax lot 5, but not the adjacent parcel formerly known as block 265, tax lot 52, now consisting of tax lots 1001-1036. On April 12, 2018, a ZLDA was executed by the appropriate parties of all three lots in order to reflect this transfer of development rights that were used at that time to construct the existing building. The ZLDA that now accurately shows on all three lots the merged zoning lots and transfer of development rights to the premises can now be found recorded on the New York City Department of Finance Office of the City Register.

The Condominium has a total land area of 11,811 square feet.

ARTICLE 4 COMMON ELEMENTS

4.1. General Common Elements. The General Common Elements include those portions of the Building that are designated as “General Common Elements” on the Floor Plans, and to the extent not specifically identified as such, all other parts of the Property (other than those areas and items specifically identified as part of a Unit) the common use of which serves or benefits all of the Units and Unit Owners and is necessary or convenient for the existence, maintenance, operation or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

- (a) the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Declaration);
- (b) all sidewalks, fences, and landscaped areas benefiting any General Common Element, or all of the Unit Owners and Units, and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;
- (c) all structural elements, foundations, foundation walls, footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs (but not flooring material), and ceilings and floors;
- (d) any ventilation system consisting of pumps, motors, ductwork, fans and controls, steam

and condensate return piping, serving or benefiting all of the Units Owners and the Units and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;

- (e) all electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, and transformers serving or benefiting any General Common Element, or all of the Unit Owners and the Units and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;
- (f) all storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves) downspouts, and roof drainage systems, excluding, however, all such items located within a Unit and serving only that Unit or designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element;
- (g) all electric service rooms, gas, steam and water meter rooms, telephone rooms, and other service, mechanical and utility rooms serving or benefiting any General Common Element, or all of the Unit Owners and the Units and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;
- (h) all other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the General Common Elements, or all of the Unit Owners and the Units and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;
- (i) enclosing walls and doors surrounding mechanical equipment which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the General Common Elements, or all of the Unit Owners and the Units and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;
- (j) all utilities and mechanical and electrical transfers and equipment, and vaults for such utilities used for the General Common Elements or all of the Units Owners and the Units and not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit;
- (k) portions of the cellar housing equipment servicing all the Units and not allocated as a Residential Common Element, Limited Common Element or a Residential Limited Common Element or part of a Unit;

- (l) portions of the roof housing equipment servicing all the Units (but not including the equipment), or shown on the Floor Plans as General Common Elements, or not allocated as a Residential Common Element, a Limited Common Element or a Residential Limited Common Element or a part of a Unit; and
- (m) whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property either existing for the common use of all of the Unit Owners and Units, or that are necessary or convenient for the existence, maintenance, operation or safety of the Property not otherwise designated as a Residential Common Element, a Residential Limited Common Element or a Limited Common Element, or a part of a Unit.

4.2. Residential Common Elements. The Residential Common Elements consist of those portions of the property designated on the Floor Plans as Residential Common Elements, and also those Common Elements (other than vertical shaftways and penetrations) which exclusively serve or benefit only the Residential Units or the Residential Unit Owners whether or not designated as Residential Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Common Elements include, without limitation, the following:

- (a) entrances, exits, and lobby which exclusively serve or benefit the Residential Units;
- (b) all stairs, stairways and fire stairways, halls, passages, corridors, storage rooms, housekeeping areas, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) which exclusively serve or benefit the Residential Units and are not part of any other Common Element or Unit;
- (c) all security monitors and equipment and other security facilities, virtual doorman, or other low voltage system which serve or benefit only the Residential Unit;
- (d) all passenger elevators and elevator shafts and equipment which exclusively serve or benefit the Residential Unit and are not part of any other Common Element or Unit;
- (e) all masonry walls, partitions, floors and ceilings, including fire rated separations, in, on or under the Building, separating a Residential Unit from another Residential Unit, or a Residential Common Element from another Residential Common Element, and that portion of all such masonry walls, partitions, floors and ceilings separating a Residential Common Element from a General Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Residential Common Element;
- (f) any landscaped areas of the Property, and any fences surrounding such area, which serve

or benefit only the Residential Units or the Residential Unit Owners;

- (g) all areas where plumbing, pipes, vents, flues and/or risers and equipment exclusively serving the Residential Units are located, but not including areas located within a Residential Unit, and all HVAC systems, pipes, flues, risers, vents and ducts, which are part of the Units they serve;
- (h) any portions of the cellar designated on the Floor Plans as Residential Common Elements, including but not limited to storage bins allocated for use by the Residential Unit Owners;
- (i) any portions of the roof designated on the Floor Plans as Residential Common Elements; and
- (j) whether or not specifically identified as part of the Residential Common Elements (or at all) on the Floor Plans, all other parts of the Property and all telecommunications equipment and all other systems, installations and facilities (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) and equipment on the Property (other than those areas and/or items specifically identified on the Floor Plans or herein as part of a Unit and/or to the General Common Elements) which serve or benefit or are necessary or convenient or existing for the common use, existence, maintenance, operation or safety of the Residential Units or the Residential Unit Owners.

4.3. Residential Limited Common Elements. The Residential Limited Common Elements consist of all portions of the Land and Building that are delineated on the Floor Plans as constituting Residential Limited Common Elements, and that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Residential Limited Common Elements include:

- a. There are balconies on the south façade on Units 3 through 8, Units 10 through 22, PH23 and PH24. These balconies are allocated to their appurtenant Unit as a Limited Common Element.
- b. Unit 9 will have a terrace allocated as a Limited Common Element on the south side of the Building.
- c. Unit SKY PH will have a terrace located at the lower level at the south side of the Building, and two terraces located at the upper level at each of the north and south sides of the Building, allocated as Limited Common Elements

Notwithstanding anything to the contrary contained in this Declaration or the By-Laws, the repair, maintenance, renovation and restoration of the exterior surface of such terraces and balconies (e.g., decking, pavers and other materials wholly or partially covering the upper structural surface of such terraces and balconies) and the railings attached to such terraces and

balconies and the membrane thereunder and any structural or extraordinary repairs or replacements to such terraces and balconies shall be performed by the Board and the cost thereof shall be charged solely to the Residential Unit Owners.

4.4 No Division of Common Elements. 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 portion, if any, which are by the terms of this Declaration or the annexed By-Laws irrevocably restricted in use to other Unit Owners, in accordance with the purpose for which such elements are intended, without hindering the exercise of or encroaching upon the rights or other Unit Owners.

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 that Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

ARTICLE 5 USE OF BUILDINGS AND UNITS

5.1 As more particularly set forth in the By-Laws, the Residential Units may be used for residential purposes only and “home occupation” uses as defined in Section 12-10 of the Zoning Resolution of the City of New York. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

5.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Board, (1) grant permission for the use of any Unsold Unit owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the existing Certificate of Occupancy for such Unit or any other governmental regulations and (2) use any Unsold Unit owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with Law.

ARTICLE 6 CHANGES IN RESIDENTIAL UNITS

Except to the extent prohibited by applicable Laws, Declarant, Sponsor, their respective designees and any other owner of an Unsold Unit shall have the right pursuant to the terms of the Condominium By-Laws, as the same may be amended from time to time, without the approval of the Condominium Board, or any other Unit Owner or any Person to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit; (b) change the layout of, or number

of rooms in, any Unsold Unit; (c) change the size and/or number of Unsold Units by subdividing one (1) or more such Units into two (2) or more separate Units, combining separate Unsold Units into one (1) or more Units, altering any boundary walls between Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alteration); (d) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Units Common Interest will be made without obtaining the prior consent of sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees affected by such change; (e) change the permitted use of some or all of the Unsold Units and (f) to create Storage Units. None of the foregoing changes will be made unless such changes are in compliance with Section 339 of the New York Condominium Act. The Declarant, Sponsor, or other such owner of an Unsold Unit, as the case may be, shall have the right, without the consent of the Board, Unit Owner or person to amend the Declaration, the Condominium By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes.

ARTICLE 7 IRREVOCABLY RESTRICTED AREAS

No portions of the Common Elements are irrevocably restricted in use to specified Unit Owners except with respect to the certain courtyard and rear yard (see Schedule B).

ARTICLE 8 EASEMENTS

(a) All pipes, wires, conduits and public utility lines located within each Unit shall be owned by such Unit Owner. Any portion of such pipes, wires, conduits 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 and public utility lines located in other Units and servicing such Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and 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 and public utility lines located in any home and servicing any other Unit. The cost of such repair shall be a Common Expense. Except as otherwise provided in the Declaration and these By-Laws, the terms "Common Expense" and "Common Expenses" shall mean any and all (i) costs and expenses paid or incurred by the Condominium in connection with repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements (including without limitation, accounting, legal, architectural, engineering or other

professional or service fees); (ii) other items which are provided in the Declaration or these By-Laws to be Common Expenses; and (iii) such reserves as the Board of Managers may determine to be reasonably necessary for general operating costs and expenses, working capital and/or replacement of the Common Elements. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

(b) 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 easements, licenses, rights and privileges of right-of-way in, through, over, under and across the Common Elements of the Condominium. For the purpose of completing the construction and sale of Units and facilities in the Condominium and, towards this end, Sponsor reserves the right to grant and reserve easements and rights of-ways, in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, on behalf of itself and said successors and assigns, also reserves the right to connect with and make use of the utility lines, wires, pipe, conduits, cable lines, sewers and drainage lines which may from time-to-time be in or along the streets and roads or other areas of the Common Elements. The Sponsor, on behalf of itself and said successors and assigns, also reserves the right to continue to use the Common Elements and any facilities, rental offices, model units and signs located on the Common Elements to market and sell Units constructed in the Condominium and on the balance of the overall development. This paragraph shall not be amended without the written consent of the Sponsor.

ARTICLE 9 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 shall be made upon the Board of Managers of The 67 Livingston Street Condominium, at the office of the Secretary of State of the State of New York in the manner provided by applicable law. The Board of Managers shall have the principal responsibility for curing any violations of such building or 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 violations exist. The provisions of this Article shall not be amended without the consent of the Department of Buildings or any City agency successor thereto.

ARTICLE 10 COMMON INTEREST

Each Unit Owner shall have such percentage interest in the Common Elements as is set forth on Schedule B attached hereto and shall bear such percentage of the Common

Expenses of the Condominium. Each Unit Owner shall have one (1) vote per .01% of Common Interest held by the Unit Owner for all voting purposes at any meeting of the Unit Owners unless otherwise mandated by law or expressly provided for herein. The percentage of interest of each Unit in the Common Elements has been determined by the Declarant based upon floor area subject to the location of such space and additional factors of relative value of such space to other space in the Condominium, uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The percentage interest of all of the Units in the Condominium totals one hundred percent (100%).

ARTICLE 11 ADMINISTRATION

The administration of the Condominium 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 as Schedule C.

ARTICLE 12 AMENDMENT AND WITHDRAWAL

The Property shall not be withdrawn from Condominium ownership unless sixty seven percent (67%) of the Unit Owners in number and fifty-one percent (51%) of the Registered Mortgagees first agree to such removal by duly recorded instruments, as well as the written consent of the Construction Lender, provided that such Construction Lender's mortgage lien has not yet been satisfied. Such withdrawal of the property from Condominium ownership shall not take effect until it is duly recorded in the Office of the Clerk of the County of Kings. The provisions of this Declaration can be materially amended by an instrument executed by the Board of Managers upon a vote of sixty-seven percent (67%) of the Unit Owners in number and, if such a change would have a material adverse impact on Registered Mortgagees, fifty one percent (51%) of the Registered Mortgagees and the written consent of the Construction Lender for so long as the Construction Lender's loan remains outstanding, provided however, that:

(i) No amendment shall alter the percentage in the Common Elements appurtenant to any Unit or alter any rights or obligations respecting the Common Elements without the consent of the affected Unit Owners and the Registered Mortgagees holding a mortgage on the Unit.

(ii) No amendment shall add any parcel of land to or divest any parcel of land from the Condominium properties unless (i) sixty-seven percent (67%) of the Unit Owners in number and in Common Interest agree to such change, (ii) fifty-one percent (51%) of the Registered Mortgagees agree to such change; and (iii) if the Construction Lender's mortgage lien has not yet been satisfied, the Construction Lender agrees to such change.

Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Clerk of Kings County.

Notwithstanding anything to the contrary stated herein, sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees, and the Construction Lender for so long that Construction Lender's mortgage lien has not yet been satisfied, must consent to any change in the Plan, By-Laws or Declaration (the "Documents") that would have a material impact on:

- (a) Voting
- (b) Assessments
- (c) Priority of liens
- (d) Reserves for maintenance or replacement
- (e) Insurance or fidelity bond requirements
- (f) Rights to use of common elements
- (g) Responsibility for maintenance and repair for the Condominium
- (h) Expansion or contraction of the Condominium
- (i) Boundaries of any Unit
- (j) Common Interests
- (k) Conversion of Units into Common Elements or vice versa
- (l) Leasing of Units
- (m) Change in right of first refusal requirements
- (n) Establishment of self management
- (o) Any provision of the Documents which are for the express benefit of Registered Mortgagees

Registered Mortgagees holding mortgages on Units that constitute a majority of the common interests (except where noted otherwise) of the Units that are subject to Registered Mortgages must consent to: (i) any restoration or repair of the Building after a partial condemnation or damage due to an insurable hazard which is not done in accordance with the Documents (ii) any election to terminate the Condominium after substantial destruction or substantial taking in a condemnation said consent to be given by fifty-one percent (51%) of the Registered Mortgagees (and the Construction Lender, for so long as Construction Lender's mortgage lien has not yet been satisfied); and (iii) any reallocation of Common Interests resulting from a partial condemnation or destruction.

A written notice will be sent certified or registered mail with a "return receipt" requested to Registered Mortgagees and Registered Guarantors notifying them of any material change to the Documents listed in this Article Twelfth.

Approval or consent to any change to the Documents by a Registered Mortgagee will be implied if the Registered Mortgagee fails to submit a response to any written proposal for an amendment within sixty (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.

ARTICLE 13
SUBJECT TO DECLARATION, BY-LAWS, etc.

All present or 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 shall signify that the provisions of the Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

ARTICLE 14
COMMON CHARGES

The Board of Managers shall have the authority, pursuant to the By-Laws to fix and determine the amounts necessary or adequate for the operating of the Condominium, and allocate and assess such sums every year amongst the Unit Owners on the basis of usage in accordance with the percentages set forth in the Budget Allocation instead of based on Common Interest percentage, as permitted by the Condominium Act (and more specifically, in compliance with Section 339(m) of the Real Property Law), unless there exists a demonstrated change in usage with respect to such line item.

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 any governmental taxing authority, including but not limited to, State, County, and City taxing agencies, if any; and (b) all sums unpaid on any 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 costs incurred including reasonable attorney’s 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, the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale, 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 charges to all other Unit Owners as a Common Expense. The term “institutional mortgage” used herein shall mean a mortgage granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, pension fund, trust company, real estate investment trust, real estate mortgage

investment conduit, 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 Seller or any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans.

Every Unit Owner shall pay the Common Charges assessed against his Unit when due and no Unit Owner may exempt himself from liability for the payment of his Common Charges 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 accruing 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.

The Board of Managers shall have the right to use its majority vote to cause a refund to be issued to Unit Owners for Common Charges collected pursuant to an annual Condominium operating budget which are in excess of actual Condominium operating expenses. The Board may exercise the right to issue refunds, provided, however, such refund may only be effectuated if an independent certified accountant, as part of its preparation of the yearly annual statement for the Condominium, has determined that a refund is warranted based on an excess payment of Common Charges by Unit Owners over actual expenses for the Condominium and has determined the amount of such refund as part of its annual review. The amount of funds considered to be "over budget" will be refunded to Unit Owners on a pro rata basis in accordance with each Unit's Common Interest Percentage and for so long as the Unit Owner has been a Unit Owner in the Condominium, except for the reserve fund line item in the Condominium budget, which shall not be reduced. Notwithstanding the foregoing, the contingency fund will also not be reduced during the first year of operations of the Condominium, but if such a refund as described herein occurs during the second year of operations of the Condominium or later, than the contingency fund shall be like every other line item in the budget except for the reserve fund, and be refunded to Unit Owners based on Common Interest Percentages. Unit Owners should note, however, that refunding Common Charges may cause Unit Owners to be subject to assessments in the future. If the contingency fund is reduced after the First Year of Operations, less funds will be available for future repairs, and as such, additional assessments and/or increases in Common Charges may be necessary.

ARTICLE 15 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 at a foreclosure sale in accordance with Article IX of the By-Laws, 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 all of the other Unit Owners.

In order to carry out the provisions of this paragraph, each Unit Owner shall, upon taking title to his Unit, 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 to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board, in its sole discretion, shall deem proper.

ARTICLE 16 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 hereafter encroach upon another as a result of original construction or settling of the Building, a valid mutual easement for the benefit of said Unit Owners, 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 as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforescribed due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist as long as the Building or reconstructed building shall stand.

ARTICLE 17 UNIT OWNERSHIP

Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain a Unit Owner until such time as he ceases to own the Unit for any reason.

ARTICLE 18 CONVEYANCE OF A UNIT

Upon any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceedings 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 latter 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 amounts paid by the grantee therefor. Any such grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge 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 Charge 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.

ARTICLE 19
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 a 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 that 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 President of the Board of Managers, who shall have the obligation to answer within thirty (30) 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 and provide the name and address of his mortgagee or purchaser.
- (d) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.
- (e) No nuisances shall be allowed upon the Property and no use or practice shall be allowed which interfere 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 or 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 a copy of such regulations is furnished to each Unit Owner prior to the time the said regulations become effective.
- (h) The Common Charges shall be paid when due.
- (i) The use for which the Building is intended is for residential uses only in compliance with all applicable zoning and use requirements.

ARTICLE 20 UTILITIES

Electricity consumed in or on the Residential Common Elements and gas consumed in the Residential Units shall be paid for by the Board of Managers as items of Common Expense allocable to the Residential Unit Owners. Water and sewer charges consumed in the Building shall be paid for by the Board of Managers as items of Common Expense allocable to all Unit Owners. Each Unit is individually metered for electricity and the expense of same consumed within the Unit shall be paid for by the Owner of said Unit. Notwithstanding anything to the contrary stated in this Article 20, utilities paid for by the Board of Managers as items of Common Expense shall be allocated in accordance with the Budget Allocation.

ARTICLE 21 INVALIDITY

Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no way affect any remaining part or parts hereof, and the same shall continue in full force and effect.

ARTICLE 22 WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23 CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24 CERTAIN REFERENCES

23.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

23.2 The terms “herein”, “hereof”, or “hereunder” or similar terms in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25 SEVERABILITY

If any provision of this Declaration or the application thereof to any person, entity or circumstance, is determined to be invalid or unenforceable to any extent, the remainder of this Declaration, and the application of such provision to persons, entities or circumstances other than those as to which it is specifically determined to be invalid or unenforceable, shall not be affected thereby, and each provision of this Declaration shall be valid and enforced to the fullest extent permitted by law, provided that under all circumstances, the provisions hereof are required to be interpreted and applied so that there will be no adverse effect on Declarant or any other person governed by or otherwise affected by this Declaration in any material respect as a result of any invalidity or unenforceability referred to above in this Article 21.

ARTICLE 26 COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within sixty (60) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board is hereby authorized as attorney in fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

26.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails, within sixty (60) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney in

fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or take such instrument or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

26.4 Without intending to limit the generality of the foregoing, each Board and each Unit Owner shall be required, upon the request of Declarant, to execute and delivery any documents or applications reasonably required in connection with any merger, any declaration of zoning lot restrictions or any zoning lot development agreement.

ARTICLE 27 SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or with the consent of Declarant or its designee, any transferee of some or all of the Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant and its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28 EXCESS DEVELOPMENT RIGHTS

The unused floor area development rights that are now owned, subsequently acquired or that may become available under the New York City Zoning Resolution (the "Development Air Rights") shall be retained by Declarant or any entity to whom Sponsor conveys said Development Air Rights for the sole purpose of being merged into a zoning lot pursuant to a zoning lot development agreement ("ZLDA") or similar and related agreements. Declarant or any entity to whom Declarant conveys Development Air Rights shall have the right to amend the Declaration and any ZLDA that exists pertaining to the Building, in order to convey Development Air Rights (the "Air Rights Amendment"). Declarant or any entity to whom Declarant conveys the Development Air Rights shall have the right to complete and file the Air Rights Amendment with the City of New York without the consent of the owners of the Condominium Units or the Board of Managers or any parties in interest to the Common Elements. The owners of the Condominium Units, the Board of Managers and/or any parties in interest to the Common Elements shall be deemed to have consented to the transfer of Development Air Rights as described in the Air Rights Amendment and shall execute any documents evidencing said consent as are reasonably requested by Declarant. Notwithstanding the foregoing, neither Declarant nor any entity to whom Declarant conveys the Development Air Rights to may utilize the Development Air Rights to increase the size, height, bulk or density of any portion of the Property.

ARTICLE 29 CONSENTS

Whenever the consent, approval satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 30 INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Schedule A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the By-Laws annexed hereto as Schedule C; and (iv) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 31 AUTHORIZATION TO BORROW

The Board is authorized to incur debt on behalf of Unit Owners to provide for major and minor maintenance, repairs, additions, improvements, replacements of the Common Elements and working capital, bad debts and unpaid Common Expenses, insurance, depreciation, obsolescence and similar purposes solely in connection with the Common Elements, provided, however, that no lien to secure repayment of any sum borrowed by the Board may be created or suffered on any of the Units or its appurtenant interest in the Common Elements without the consent of the applicable Unit Owners and its mortgagees, if required under the terms of any permitted mortgage and no Unit Owner shall have any personal liability for the repayment of such sum (other than a Unit Owner that is in default of its obligation to pay Common Charges and/or Assessments if such borrowing is the result of such default). The repayment of any and all such debt may be secured and paid as provided in Section 339-jj of the New York Real Property Law.

Notwithstanding anything to the contrary contained in this Article 30, the consent of any Registered Mortgagee of a loan encumbering a Unit must be obtained prior to the Board incurring any debt on behalf of a Unit Owner of such Unit.

ARTICLE 32 POWER OF ATTORNEY

32.1 Each Unit Owner shall grant to the Board of Managers an irrevocable power of attorney, coupled with an interest (in such form and content as the Board of Managers shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease

any Unit, together with its Appurtenant Interest (as defined hereinafter) whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other action which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Building or the Property, respectively or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property which the Board deems necessary or appropriate.

32.2 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration.

The undersigned signatory represents that he has all requisite power and authority to enter into and execute this Declaration.

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IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed
as of the _____ day of _____, 20____.

DECLARANT:

67 LIVINGSTON LLC

By: _____
Name: Joshua Schuster
Title: Member

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

On the _____ day of _____, in the year _____, before me,
the undersigned, personally appeared JOSHUA SCHUSTER, 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

SCHEDULE A

DESCRIPTION OF THE LAND

SCHEDULE B
UNIT SCHEDULE

SCHEDULE C

CONDOMINIUM BY-LAWS

BY-LAWS

THE 67 LIVINGSTON STREET CONDOMINIUM

ARTICLE I

PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the 67 Livingston Street Condominium (the “Condominium”). The Condominium covers the fee interests in the property (the “Property”) consisting of approximately 11,811 square feet of land (the “Land”) formerly designated as Block 265, Lot 5 on the Tax Map of the Borough of Brooklyn, Kings County, City and State of New York, the Building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the “Building”), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9 B of the Real Property Law of the State of New York by the recording of the Declaration (which, as the same may be amended from time to time, is herein called the “Declaration”) by 67 LIVINGSTON LLC (“Sponsor”) in the Office of the City Register of the City of New York (“City Register’s Office”), together with these By-Laws.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium and the Common Elements and the use and occupancy thereof.

Section 3. Personal Application. All present and future Unit Owners, mortgagees, lessees, or their employees, guests, invitees or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, by the Board of Managers or in a proper case, an aggrieved Unit Owner. In the case of flagrant or repeated violation the Board of Managers may ask the offending Unit Owner for sufficient surety for future compliance.

Section 4. Definitions. Any capitalized words herein that are undefined in these

By-Laws shall have the same definitions as listed in the Declaration.

Section 5. Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Brooklyn reasonably convenient thereto, as may be designated from time to time by the Board.

ARTICLE II

CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners. “Unit Owner” as referred to herein shall mean the owners of a Unit.

Section 2. Voting.

2.1. Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner’s behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Registered Mortgagee to act as the proxy of its mortgagor.

2.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner’s proxy) entitled to vote thereat (including Sponsor with respect to Units owned by Sponsor or its designee) shall be entitled to cast one vote for each .01% (rounded off to the nearest .1%) of General Common Interest attributable to such Unit Owner’s Unit. If only the Residential Unit Owners are entitled to vote, each Residential Unit Owner shall be entitled to cast one vote for each .01% (rounded off to the nearest .1%) of Residential Common Interest attributable to such Residential Unit Owner’s Unit.

2.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Unit Owners as a group, (as proposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

Section 3. Quorum. So many Unit Owners as shall represent fifty-one (51%) percent of the total authorized votes of all Unit Owners 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 shall not be present or represented at any meeting of the Unit Owners, the

Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time-to-time, without notice, other than 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. Vote Required to Transact Business. 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 and 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.

Notwithstanding anything to the contrary stated herein, sixty-seven percent (67%) of the Unit Owners in number and in Common Interest and fifty one percent (51%) of the Registered Mortgagees must consent to any change in the Plan, By-Laws or Declaration (the "Documents"), and the written consent of the Construction Lender for so long as the Construction Lender's mortgage lien has not yet been satisfied, that would have a material impact on:

- (a) Voting;
- (b) Assessments;
- (c) Priority of Liens;
- (d) Reserves for maintenance or replacement;
- (e) Insurance or fidelity bond requirements;
- (f) Rights to use of common elements;
- (g) Responsibility for maintenance and repair for the Condominium;
- (h) Expansion or contraction of the Condominium;
- (i) Boundaries of any Unit;
- (j) Common Interests;
- (k) Conversion of Units into Common Elements or vice versa;
- (l) Leasing of Units;
- (m) Change in right of first refusal requirements; and
- (n) Establishment of self-management.

Section 5. Right to Vote. 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. No Unit Owner may vote at any meeting of Unit Owners if the Board of Managers has perfected a lien against such Unit Owner's Unit and the amount necessary to discharge such lien has not paid prior to such meeting.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. 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 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. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings. The first annual meeting of the Unit Owners shall be called for a date which is no more than one year after the first Unit Closing. Such meeting shall be held not less than ten (10) days nor more than thirty (30) days after such date. Thereafter, annual meetings shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. Except during the Sponsor Control Period as set forth in the Plan and Section 1, Article III below, the Board of Managers shall consist of three (3) members, and shall be elected at the annual meetings of the Unit Owners, and there shall also be transacted such other business as may properly come before such meetings.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by Unit Owners representing a majority in interest of the Common Elements having been presented to the Secretary.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special 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 least ten (10), but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Report of officers;
- (e) Report of committees (if applicable)
- (f) Election of inspectors of election (if applicable)

- (g) Election of Managers (in the event there is an election);
- (h) Unfinished business; and
- (i) New business.

ARTICLE III

BOARD OF MANAGERS

Section 1. Control By Sponsor. Sponsor reserves the right to control the Condominium Board of Managers for a period of time until the earlier to occur of (a) one hundred twenty (120) days after the date by which one hundred percent (100%) of the Units have been conveyed to Unit Purchasers; or (b) three (3) years after the date the first Unit has been conveyed to a Unit Purchaser (the “Sponsor Control Period”). Sponsor reserves the right to relinquish control of the Board prior to the expiration of the Sponsor Control Period.

Section 2. Eligibility Requirements. With the exception of those members elected or designated by Sponsor, only a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner are eligible for election to the Board of Managers.

Section 3. Vacancy and Replacement. If the office of any Manager or Managers 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 or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. If the vacancy occurs with respect to any member of the first Board of Managers (see Section 4 of this Article III) 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.

Section 4. Removal. Managers, other than Managers elected by the Sponsor or Sponsor’s designee, may be removed with or without cause by an affirmative vote of a majority of the Unit Owners. Managers elected by the Sponsor or a Sponsor-designee may only be removed for gross negligence, willful misconduct, or fraud by the affirmative vote of a majority of Unit Owners. No Manager, other than a member of the first Board of Managers or a Manager elected or designated by the Sponsor or Sponsor’s designee, shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner.

Section 5. First Board of Managers. The First Board of Managers shall consist of individuals designated by Sponsor, who may be officers or employees of Sponsor, and shall hold office and exercise all powers of the Board of Managers. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article III.

Section 6. Powers. 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 or by the Declaration or by these By-Laws directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

- (a) To determine and levy monthly assessments (“Common Charges”) to cover the cost of common expenses, 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, but said increase can only be assessed among the Unit Owners in accordance with the Budget Allocation and in accordance with Section 2.2 of these By-Laws;
- (b) To collect, use and expend the Common Charges and assessments collected, to maintain, care for and preserve the Units, Buildings, and other Common Elements;
- (c) To make repairs, restore or alter any Units or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
- (d) To enter into and upon the Units when necessary and with as little inconvenience to the Unit Owner as possible in connection with the maintenance, care and preservation of the property, including emergency repairs at all times whether or not the Unit Owner is present;
- (e) To open and maintain bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;
- (f) To insure and keep insured the Common Elements and Units in accordance with Article VII of these By-Laws;
- (g) To collect delinquent Common Charges and/or assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules and regulations herein referred to;
- (h) To purchase any Unit at a foreclosure sale on behalf of all Unit Owners;
- (i) To make reasonable rules and regulations and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and regulations and all amendments shall be delivered to each Unit Owner;
- (j) To employ and terminate the employment of employees and independent contractors

and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of manager in connection with the matters hereinabove set forth;

- (k) 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 and/or 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 Condominium and these By-Laws and may fund the cost of any such litigation out of the Common Charge and/or assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the enforcement of the Sponsor's obligations, as such obligations are set forth in the Declaration of Condominium and these By-Laws, and to the maintenance and operation of the Common Elements;
- (l) 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;
- (m) 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 the consent thereto, or joinder therein, by the Unit Owners;
- (n) To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least one-hundred (100%) percent in number of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of Five Thousand (\$5,000.00) Dollars and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owner of said Unit;
- (o) 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 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 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 Article VI of these By-Laws;

- (p) To sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by Sponsor or its designee to any Unit, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the signing of the application or such other document. A copy of any such application or other document will be furnished to the Board of Managers.
- (q) To accumulate reserves for capital replacements in sufficient amounts. The Board shall collect a replacement reserve equal to the amount set forth in the budget for the operation of the Condominium (the "Replacement Reserve"). The Replacement Reserves shall be used for the periodic maintenance, repair and replacement of the common elements.
- (r) To collect monthly escrows from Unit Owners together with their Common Charges for the payment of real estate taxes attributable to individual Units based upon the estimated tax bill for the entire Property and the then current tax rate until all of the Units are separately assessed, and deposit the same in a tax escrow account established by Sponsor pursuant to the Offering Plan.

Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Unit Closing of a sale made under the Plan, neither the Board nor the Board of Managers may, without Sponsor's prior written approval: (i) make any alteration or improvement to the Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except to reflect normal annual increase in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

Section 7. Repairs and Maintenance. All maintenance, repairs and replacement of the Common Elements of the property, including, but not limited to, exterior walls, roof and roof members as well as all maintenance, repairs and replacements to any pipes, wires, conduits 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 serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Expense. Except as is otherwise specifically provided, all maintenance to the Units, including electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the Units, except for painting of the exterior surfaces of doors and windows which open from a Unit, which painting is performed by the Board of Managers,

repairs and replacement to the Units including windows and doors (including all glass breakage), and repairs to pipes, wires 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 Unit 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 and public utility lines located underground or overhead of any irrevocably restricted Common Element and shall make all necessary structural repairs to any irrevocably restricted Common Element and the cost thereof shall be a Common Expense, except where such repair or replacement is necessitated by the negligence, misuse or neglect of a Unit Owner to whom the Common Element (i.e., a Limited Common Element) is restricted in use, in which event such cost and expense shall be assessed to and paid for by such Unit Owner. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the Common Elements. 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 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 any Building, including roofs or to any generally visible portion of the Common Elements, shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor. In the event that a Unit Owner fails to make any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements, 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 make such maintenance or repair (after the 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 and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs or maintenance to his Unit or for repairs to any Common Elements restricted to 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 attorneys' fees and cost of such suit or proceeding together with the interest on all sums due.

Section 8. Meetings.

- (a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided 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 same, at which time the date, 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 Manager either personally or by telephone, mail or telegram. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) Manager.
- (d) At all 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 by these By-Laws. If a quorum shall not be present at any meetings 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 the 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 9. Fidelity Bonds. The Board of Managers shall obtain and maintain to the extent obtainable (a) Fidelity Insurance covering all employees of the Condominium who handle Condominium funds in an amount not less than \$5,000.00 for each loss. The premiums on such bonds shall be a Common Expense.

Section 10. Management Agent. At its discretion, the Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

Section 11. Liability of the Board of Managers and Unit Owners. Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent, for the Unit Owners as a group only and that no member of the Board of Managers or individual Unit Owners shall be liable for such contract, agreement or commitment. The Unit Owners shall be liable as a group under such contract, agreement or

commitment but the liability of each Unit Owner shall be limited to such proportion of the total liability thereunder as his Common Interest bears to the Common Interest of all Unit Owners. The Board of Managers shall have no liability to the Unit Owners in the management of the Condominium except for gross negligence or willful misconduct or acts made in bad faith and the Unit Owners shall jointly and severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member except acts of gross negligence or willful misconduct or acts made in bad faith. Such joint and several liability of the Unit Owners shall, however, be limited as to each Unit Owner to such proportion of the total liability thereunder as such Unit Owners' Common Interest bears to the Common Interest of all Unit Owners.

Section 12. Compensation. No members of the Board of Managers will receive any compensation from the Condominium for acting as such.

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. All officers must be designees of the Unit Owners or members of the Board of Managers. The Board of Managers may also choose such other officers as in their judgment may be necessary. Two or more offices may be held by the same person so long as there are at least 3 officers.

Section 2. Election. All elections of Board members shall be determined by plurality vote.

2.1. When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Article II Section 2.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.2 Notwithstanding any other provisions of this Section 2 or any other provisions of these By-Laws to the contrary, commencing with the first annual meeting of the Unit Owners, Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Sponsor has closed title to all of the Unsold Units owned by it so that none of them remain Unsold Units. Sponsor shall hold a majority of seats on the Board during the Sponsor Control Period. Notwithstanding the foregoing, Sponsor may, at its discretion, relinquish voting control of the Board prior to the end of the Control Period. So long as Sponsor owns Unsold Units having a percentage of Common Interest in the Units in the aggregate of at least fifteen (15%) percent as the case may be, (a) Sponsor shall have the right to designate two

(2) members of the Board, or one less than a majority of the Board, as the case may be and for so long as Sponsor owns at least one (1) Unsold Unit, Sponsor shall have the right to designate one (1) member of the Board. For so long as Sponsor owns at least one (1) of the Unsold Units, the number of members of the Board may not be increased without the consent of Sponsor.

Section 3. Appointed Officers. The Board may appoint such other officers and agents as it shall deem necessary that 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 term of office of the Managers shall be fixed for at one (1) year. At the expiration of the initial term of office of each respective Manager, his/her successor shall be elected to serve a term of one (1) year.

Section 5. Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him or her, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

Section 6. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and 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 stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary shall attend all sessions of the Board and all Unit Owners' meetings 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, notices of all Unit Owners' meetings 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 moneys 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 Managers, at the regular meeting 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 account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Execution of Documents. Unless otherwise delegated by the Board all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof, or by such other person or persons as may be designated by the Board. However, the Board can, by resolution, determine that any expenditure in excess of a specified amount by the Board must be countersigned by two members of the Board.

Section 10. Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE V

NOTICES

Section 1. Definition. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners and to all Registered Mortgagees, as the case may be, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Board. All notices by Registered Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

Section 2. Waiver of Service of Notice. 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.

Section 3. Notice to Registered Mortgagee or Registered Guarantor

The Board shall provide timely written notice to such parties as follows:

- (A) Notice of unpaid Common Charges and default notice of any default or violation by the Unit Owner in the payment of Common Charges or the observance or performance of any of the provisions of the Condominium Documents as to which the Board has actual knowledge then exists which remains uncured for a period of sixty (60) days; and when giving notice of any default or violation to such mortgagor Unit Owner, the board shall also send a copy of such notice to such Owner's Registered Mortgagee and/or Permitted Guarantor.
- (B) Notice of Condemnation or Casualty Loss. Notice of any condemnation or casualty loss which affects a material portion of the Property or a Unit on which there is a Registered Mortgage held, insured or guaranteed by such Registered Mortgagee or Registered Guarantor, as applicable.
- (C) Notice as to Insurance Policy or Fidelity Bond. Notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Board.
- (D) Other Notices: Whenever Notice of any proposed action under the Documents which would: (i) change the boundaries of any Unit; (ii) change the interests in the common elements pertaining to a Unit; (iii) change the number of votes pertaining to a Unit; (iv) change the use restrictions of any Unit; (iv) any proposed termination of the condominium.
- (E) Oversight or Negligence. In no event, however, shall the Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any Claims or Liabilities and Expenses for any failure, through oversight or negligence, in giving a Registered Mortgagee or Registered Guarantor of any notice required under subsections (A) through (D) above. Nonetheless: (a) the Board shall give such missed notice with reasonable promptness after discovering such failure; and (b) if the Board shall foreclose its lien on such mortgagor's Unit hereof by reason of the mortgagor-Unit Owner's default or violation, the Board shall pay to such Registered Mortgagee the extent of any undistributed net proceeds of said foreclosure sale of such Unit then held by the Board (subject to an in accordance with the lien priority), but not more than the sum as shall be due and owing to such Registered Mortgagee.

ARTICLE VI

FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and such other person or persons as the Board of Managers may from time to time, designate.

Section 2. Common Charges and Assessments. The Board of Managers shall from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and any supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, water, sewer, repairs, reserves, and betterments, maintenance of the Common Elements and other operating expenses as well as charges to cover deficits from prior years, if any. The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective Common Interests appurtenant to such Units. This prorating of assessments shall remain constant regardless of the percentage of the building's square footage included in each Unit or the Common Elements restricted to the use of the Owner of said Unit. All of said assessments deemed to be Common Charges shall be payable monthly in advance as ordered by the Board of Managers.

In the event of a default in the payment of any monthly Common Charge assessment by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default, the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make his payment. The Board may charge the delinquent Unit Owner a fee of not more than One Hundred-Fifty (\$150.00) Dollars to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the Board on the Common Charge assessment from its due date to the date payment is actually received from the Unit Owner. Special assessments, should such be required, shall be levied and paid in the same manner as hereinabove provided for regular assessments. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his Unit. Any Unit Owner who fails to pay the monthly assessment imposed by the Condominium to meet any Common Expense shall be liable for any expenses incurred by the Condominium in collecting said monthly Common Charge assessment, including interest at the highest legal rate and reasonable attorneys' fees. The Board shall take action to collect any Common Charges due from any Unit Owner which remain unpaid ninety (90) days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law, or otherwise. Under Section 339-aa of the Condominium Act, a lien for non-payment of Common Charges will be subordinate only to liens for real estate taxes and to sums unpaid on a first mortgage of record on the Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the office of the County Clerk in Kings County, and until all sums secured thereby, with the interest accrued

thereon at twelve percent (12%) per annum shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever is earlier. The lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners, similar to a foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the unpaid Common Charges, without necessarily filing the lien.

The term "assessments" as used in this Section shall mean assessment of Common Charges, unless specifically described as a special assessment.

No Unit Owner shall be liable for any Common Charges that accrue against his Unit subsequent to a sale, transfer or other conveyance by him of his Unit in accordance with these By-Laws and the Declaration. A purchaser of a Unit (other than a mortgagee or a purchaser at a foreclosure sale) shall be liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon notice in writing, all rental payments from the tenant shall be directly payable to the condominium association.

If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board 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 of Managers may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Board of Managers, which must be held within thirty days of the date that such Board receives notice that such owner seeks to dispute such claim. Nothing in this section shall limit any rights of unit owners or of the Board of Managers existing under any other law or agreement. 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.

Any first mortgagee who obtains title to a Condominium Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid common charges before acquisition of the title to the Unit by the mortgagee. The lender will be liable for any fees or costs related to the collection of the unpaid Common Charges.

Section 3. Foreclosure of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, sell, vote or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit.

Section 4. Statement of Common Charges. Upon the written request of any Unit Owner or his mortgagee, the Board shall promptly furnish such Unit Owner or his mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 5. Liability for Water, Sewage, Gas and Electricity. All electricity and gas consumed in the Common Elements and all water consumed in the Units and on the Common Elements and all sewage charges shall be a common expense. Electricity and gas consumed in each Unit shall be individually metered and paid for by the respective Unit Owner.

Section 6. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 7. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE VII

INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: All risk or fire insurance with extended coverage, loss of business, income/extra expense, boiler and machinery, insuring the Building in the Condominium, including all of the Units and the bathrooms and

fixtures initially installed therein by the Sponsor, together with all heating, air conditioning and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as its interest may appear, in an amount equal to at least one hundred percent (100%) of the replacement value of the Building exclusive of the land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall contain New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any thereunder, shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine. The Board of Managers is hereby irrevocably appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium property to adjust all claims arising under insurance policies purchased by the Board of Managers and to execute and deliver releases upon the payment of claims. All of such policies shall provide that adjustment of loss shall be made by the Board of Managers and all policies of physical damage insurance shall provide that the proceeds thereof, if \$100,000 or less, shall be paid to the Board of Managers, and if in excess of \$100,000 shall be paid to the Insurance Trustee. The Board of Managers is hereby appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon a Unit and for each owner of any interest in the Condominium property to adjust all claims arising under insurance policies purchased by the Board of Managers and to execute and deliver releases upon the payment of claims.

The fire insurance will commence with the closing of title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners' Meeting, such amount to be no less than one hundred percent (100 %) of the replacement value of the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rate liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from acts of the insured or any Unit Owners, 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 insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and 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 expiration of the then current policies.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, general comprehensive 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, if any, and each Unit Owner. Such comprehensive general liability insurance shall also cover cross-liability claims of one insured against another and shall be in a single limit

of not less than One Million Dollars (\$1,000,000) covering all claims for bodily injury and for property damage arising out of one occurrence. Such comprehensive general liability insurance shall commence on the closing of title to the first Unit. The Board shall also be required to carry workmen's compensation insurance should it be required by law.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that such policies shall 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 such additional insurance carried by any such Unit Owner.

If the Condominium insurance policy does not include interior unit coverage, including replacement or interior improvements and betterment coverage to insure improvements that the Unit Owner may have made to the Unit, the Unit Owner must obtain a "walls-in" coverage policy.

Section 2. The Insurance Trustee. The Insurance Trustee shall be a bank or trust company located in the State of New York designated by the Board of Managers. All fees and disbursements of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee that shall be a bank or trust company located in the State of New York.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), subject to the provisions of any mortgage covering the Premises, the Board of Managers or the Insurance Trustee shall arrange for the prompt repair and restoration of the Building (including all kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance, but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units) and the Board of Managers, or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. 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.

ARTICLE VIII

OPERATION OF PROPERTY

Section 1. Restriction on Use of Units.

1.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used for residential purposes only, except as otherwise herein expressly provided.

1.2 The Board of Managers, may, in its discretion, grant permission for the use of a Unit as a professional office or for any other purpose, provided such use (1) is permitted by Law, (2) does not violate then existing Certificate of Occupancy for such Unit, (3) does not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) complies with all applicable governmental regulations. Such permission by the Board of Managers shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board of Managers before using such Unit as professional office or for any other purpose.

1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this subsection) may be accommodated therein.

1.4 No Unit may be used as a dormitory or similar arrangement.

1.5 Each Unit owner is obligated to notify the Board or the managing agent (if applicable) in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner is obligated to install at such Unit Owner's expense, the required window guards in all windows of the Unit, to maintain all window guards installed in the Unit and not to remove same until permitted by Law and in any event, without full knowledge of the Board or the managing agent.

1.6 Notwithstanding the provisions of subsection 1.1, Sponsor or its designee may without the permission of the Board of Managers use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable law.

1.7 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable law. "Hazardous Substances" means any pollutants, chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos containing materials, construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants,

explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law.

1.8 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, no Unit can be used for any unlawful, illegal, or extra hazardous business, use or purpose or in such a manner as to constitute a nuisance of any kind (private or public).

Section 2. Use of Common Elements

2.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

2.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the General or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Board. The lobbies, vestibules, public halls, and stairways shall be used only for normal passage through them.

2.3 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear expected, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

Section 3. Other Provisions as to Use. No nuisance shall be allowed in the Building nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Building or any portion thereof. All valid Laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any

portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain such part of the Property.

Section 4. Right of Access.

4.1 Each Unit Owner grants a right of access to such Unit Owners Unit to the Board, the managing agents, managers, and/or any other person authorized by any of the foregoing. In case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit owner is present.

4.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Board shall grant rights of access to the Common Elements to Sponsor and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

Section 5. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and the Limited Common Elements. The Board of Managers may from time to time, modify, amend or add to the Rules and Regulations except that a majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Board of Managers shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners. Copies of any newly adopted Rules and Regulations or any modifications, amendment or additions thereto, shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

Section 6. Gas and Water/Sewer. Gas, water, and sewer services will be supplied by the utility companies servicing the Building and commonly metered or sub-metered for the Building. Gas, water, and sewer charges will be paid by the Board and borne by the Unit Owners as a Common Charge.

Section 7. Electricity. Electricity for each Unit will be supplied by the utility company servicing the gas distribution system and separately metered or sub-metered for each Unit. Each Unit Owners shall be required to pay the bills for gas consumed or used in such Unit Owners Unit(or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to utility company or as directed by the Board.

Section 8. Utilities Servicing the General Common Elements. Except as otherwise provided in this Article 8, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any General Common Element shall be (a) considered part of the

expense of maintaining such General Common Element, (b) determined by the Board and (c) charged to the Unit Owners as a Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

Section 9 Abatement and Enjoinment of Violations by Unit Owners

9.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

9.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at Law or in equity, the continuance of any such violation or breach.

9.3 In the event the Board and/or the Sponsor (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (excluding Sponsor) (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of the Condominium Documents, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys' fees, together with all reasonable out of pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owners Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

Section 10 Smoking Policy.

Smoking and using electronic cigarettes is prohibited in any common area within the interior of the Building as required by all applicable laws. Smoking and using electronic

cigarettes is permitted in any of the Units by the Unit Owners and their occupants. Smoking and using electronic cigarettes is permitted in all outdoor common areas.

ARTICLE IX

DEFAULT

In the event any Unit Owner fails to make payment of Common Charges or Assessments when due, such Unit Owner shall be obligated to pay (a) a “late charge” of no more than \$150.00, and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date thereof, together with all expenses, including, without limitation, attorney’s fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such “late charges”, interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition, the Board may suspend a Unit Owner’s voting rights and privileges for failure to pay any Common Charges or Assessments due.

In any action brought by the board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner’s Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owner’s, shall have the power to purchase any such Unit, at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner’s obligations, such Unit Owner shall remain liable for the deficit. Notwithstanding anything to the contrary set forth above, the Board, at the request of Sponsor, will enter into a recognition agreement with any tenant with which Sponsor has entered into a lease. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle the Sponsor or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board lien on such Unit for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenants use, possession, or enjoyment of the Unit in question be

interfered with, nor shall the fee estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of the Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that the Board or any other party succeeds to the interests of the Sponsor under the lease, the tenant will agree to be bound to the Board or party under all of the terms, covenants and conditions of the lease and will satisfy the obligations of the Unit Owner under the Declaration, by-Laws and Lease, and that the tenant will attorn to the Board or party as its landlord and comply with all of the obligations of the Unit Owner under the lease.

Each Unit Owner, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default, regardless of the harshness of the remedy available to the Condominium and regardless of the availability of other equally adequate legal procedures. It is the intent of all Unit Owners to give the Condominium a method and procedure which will enable it at all times to operate on a business-like basis, to collect those monies due and owing it from the Unit Owners and to preserve each Unit Owner's right to enjoy his Unit free from unreasonable restraint.

ARTICLE X **AMENDMENTS**

These By-Laws may be altered, amended or added to at any duly called Unit Owners' meeting provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-seven percent (67%) of the Unit Owners and if material in nature by fifty one (51%) percent of the Registered Mortgagees, as well as the Construction Lender, provided that such Construction Lender's mortgage lien has not yet been satisfied; and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment shall affect or impair the validity or priority of the Unit Owner's interests and the interests of holders of a mortgage encumbering a Unit or Units, or adversely affect Sponsor's rights.

A written notice will be sent certified or registered mail with a "return receipt" requested to Registered Mortgagee's and Registered Guarantor's notifying them of any material change to the Documents.

Approval or consent to any change to the Documents by a Registered Mortgagee will be implied if the Registered Mortgagee fails to submit a response to any written proposal for an amendment within sixty (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.

ARTICLE XI

SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing of Units.

No Unit Owner, other than the Sponsor, may convey his Unit or any interest therein by sale or lease except in the manner set forth in this Section.

1.1 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Unit Power of Attorney required under the Declaration, in the form set forth in Part II of the Plan.

1.2 Payment of Assessments. Any Unit may be conveyed or leased by its owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell his Unit unless and until all unpaid Common Charges assessed against his Unit shall have been paid to the Board Managers. However, such unpaid Common Charges can be paid out of the proceeds from the sale of a Unit or by the grantee. A Unit with unpaid Common Charges that is leased by its owner shall be paid from the proceeds of the lease of that Unit. Further, a Unit Owner may convey his Unit and his Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this Section shall be voidable at the election of the Board. The provisions of this Section shall not apply to the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any Purchaser from such mortgagee. The provisions of this section 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 the term "Unit" is referred to in this Section, it shall include the Unit, the Unit Owner's undivided interest in the Common Elements and the Unit Owner's interest in any Units acquired by the Board of Managers.

Section 2. Waiver of Partition Rights. The Unit Owners waive all rights to partition their Unit except as otherwise set forth herein.

Section 3. Mortgaging of Units. No Unit Owner may mortgage his Unit except by a mortgage loan 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 provided that (i) the mortgage shall be substantially in the form of the New York statutory mortgage, (ii) the Board of Managers is notified in writing of the making of the mortgage and receives a conformed copy of the mortgage and note, (iii) the mortgage states that if consent by the

mortgagee is required to any amendment to the Condominium Declaration and By-Laws such consent will not be unreasonably withheld or delayed, and (iv) the Unit Owner making such mortgage first pays all assessments and Common Charges previously assessed by the Board of Managers against the Unit, and satisfies all unpaid liens against the Unit, except for the lien of a permitted mortgage. Notwithstanding the foregoing, the Sponsor and Sponsor's designee shall have the right to mortgage their Units without restrictions or limitation, but any such mortgage shall contain the representations in clauses (iii) and (iv) of this paragraph (if applicable).

Registered Mortgagees holding mortgages on Units that constitute a majority of the common interests (except where noted otherwise) of the Units that are subject to Registered Mortgages must consent to: (i) any change in the Plan, or the Documents that might have an adverse material impact on the Registered Mortgagees are expressly for the benefit of holders of first mortgages on the Units; (ii) any election to terminate the condominium after substantial destruction or substantial taking in a condemnation said consent to be given by 51% of the Registered Mortgagees and the Construction Lender, provided that such Construction Lender's mortgage lien has not yet been satisfied; (iii) any reallocation of common interests resulting from a partial condemnation or destruction; and (iv) any material change in the Documents affecting:

- (a) Voting;
- (b) Assessments;
- (c) Priority of Liens;
- (d) Reserves for maintenance or replacement;
- (e) Insurance or fidelity bond requirements;
- (f) Rights to use of common elements;
- (g) Responsibility for maintenance and repair for the Condominium;
- (h) Expansion or contraction of the Condominium;
- (i) Boundaries of any Unit;
- (j) Common Interests;
- (k) Conversion of Units into Common Elements or vice versa;
- (l) Leasing of Units;
- (m) Change in right of first refusal requirements; or
- (n) Establishment of self-management

Section 4. Gifts, etc. Any Unit Owner may convey or transfer his Unit by gift during his lifetime or devise his Unit by will or pass same by intestacy without restriction.

Section 5. Leasing. Leases on Units owned by the Sponsor or Unit Owner shall have a minimum term of one (one) year. All leases shall be in writing and are subject to these By-Laws.

Section 6. Right of First Refusal. Other than a sale or lease by Sponsor or a successor of Sponsor, any lease or sale of a Unit shall be subject to the Board's right of first

refusal, subject to the following terms:

(a) Any contract to sell a Unit, together with the Appurtenant Interests, and any lease of any Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, or overnight mail, which notice shall be accompanied by a copy of the fully executed Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror"). The sending of this notice shall constitute an offer by the Offeree Unit Owner to sell the Unit, together with its appurtenant interests, or to lease the Unit, as the case may be, to the Board or to its designee, corporate or otherwise, on behalf of all Unit Owners. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand, the Offeree Unit Owner shall submit to the Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Board may reasonably request.

(b) The Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail, or overnight mail, not later than thirty (30) days (in the event of a proposed sale) and fifteen (15) business days (in the event of a proposed lease) after receipt of (i) the notice referred to in subparagraph (a) hereof, or (ii) all other information reasonably required by the Board, whichever is later, to purchase or lease the Offeree Unit, as the case may be, on behalf of all Residential Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement. Notwithstanding anything to the contrary contained herein, however, the Board shall not exercise any option pursuant to this right of first refusal to purchase or lease any Units without the prior approval of a Majority of Unit Owners by number.

(c) In the event the Board fails to exercise its right of first refusal within the time period set forth in subparagraph (b) above, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (60) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Board, or (ii) the expiration of the period in which the Board might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such sixty (60) day period, then, should the Offeree Unit Owner thereafter elect to sell such Units or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of subparagraphs (a) and (b) hereof, but not more

often than once in any twelve (12) month period. The Board shall have the right to waive this requirement for good cause shown, in its sole discretion.

(d) The Board shall not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law in exercising its right of first refusal set forth herein.

(e) The Board may use the Unit for any legal purpose and in accordance with the Declaration and the By-Laws.

(f) In the event the Board does exercise its right of first refusal with respect to the sale of a Unit, the acquisition of the Unit may be made from the Working Capital and Common Charges, or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owners' percentage of Residential Common Interest, or may borrow money to finance such acquisition. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board may also assess each Unit Owner, as provided above, for Common Charges for the Unit, or the rent due pursuant to the Lease, and for the cost of maintenance and repairs to such Unit. Neither the Board nor any Unit Owners shall be entitled to cast any votes attributable to such Units. After the Board takes possession of the Unit, the proceeds of the lease, or proceeds from a sale of the Unit then held by the Condominium, may be distributed in one of three ways in the sole discretion of the Board: (i) the proceeds can be put into the Working Capital Fund; (ii) the proceeds can be put into the Reserve Fund; or (iii) the proceeds can offset Common Charges payable by the Residential Units.

ARTICLE XII

CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than \$100,000.00, and to the Board of Managers if the award is \$100,000.00 or less, to be distributed in accordance with Section 3 of ARTICLE VII but in the following amounts:

(a) So much of the award as is applicable to unrestricted Common Elements, to the Unit Owners pro rata according to their respective Common Interests appurtenant to the Units owned by such Unit Owners.

(b) So much of the award as is applicable to irrevocably restricted Common Elements, to the Unit Owners having general use of such Common Elements. Any change in the provisions of this Article shall not be valid unless (i) a majority of the Registered Mortgagees approves such a change, and (ii) the Construction Lender approves such change, if the

Construction Lender's mortgage lien has not yet been satisfied.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted Common Elements and to each irrevocably restricted Common Element. In the event the award does not set forth such allocation, then the question of such allocation shall be submitted to arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XIII

RECORDS AND AUDITS

Section 1. Records The Board or the Managing Agent shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Units Owners for whom the Board serves and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board of Managers shall keep a separate account for each Unit, which among other things, shall contain the amount of each assessment of Common Charges made by the Board of Managers against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

Section 2. Audits Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Board of Managers to all Unit Owners and, if so requested, to any Registered Mortgagee. The cost of such report submitted by the Board of Managers shall be paid by the Unit Owners as a Common Charge.

Section 3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE XIV

ARBITRATION

Section 1 General Procedure. Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The

decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any arbitration under this Article 14 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

Section 2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne by the losing party in the arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses will constitute Common Charges.

Section 3 Agreement by Parties. The parties to any dispute required or permitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 9.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE XV

MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in his Unit that will increase the insurance rates on his Unit or any other Unit or on the Common Elements.

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. Notice to Condominium. A Unit Owner who mortgages his Unit shall notify the Condominium through the Managing Agent, if any, or the President of the Board of Managers in the event there is no Managing Agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Units."

Section 4. Notice of Unpaid Assessments. The Board of Managers shall, at the request of a Registered Mortgagee or a Unit Owner, report any unpaid assessments due from the Unit Owner of such Unit.

Section 5. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Section 6. Compliance with Article 9-B. 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 said Statute or the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

Section 7. Condominium Plan. In the event of any conflict between the provisions herein and those of the Offering Plan filed by Sponsor (the Sponsor under the Declaration of Condominium), and any amendment thereto, the provisions of the Offering Plan shall govern. However, this shall only apply to initial Purchasers who purchase their Unit from Sponsor.

Section 8. Encroachments. In the event any portion of the Common Elements encroaches upon any Unit or a Unit encroaches upon a Common Element (the "Encroachment") and such Encroachment does not materially affect either the Unit or the Common Element, the Encroachment shall be a valid easement against the encroached owner with the maintenance for the Encroachment being the responsibility of the encroaching party.

Section 9. Depository. The Depository shall be a savings bank, a savings and loan association or a commercial bank or trust company designated by the Board to serve as Depository, provided all funds held by such Depository shall be held in New York City or Kings County. In the event the Depository resigns or the Board wishes to replace it, the Board shall promptly appoint a new Depository in accordance with the terms of this Section. The Board shall pay the fees and disbursements of any Depository and such fees and disbursements shall constitute a Common Charge. The Depository shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Sponsor's construction or permanent lender, and subject to the foregoing requirements, such lender shall be the Depository until its release of all Units from the lien of its mortgage.

Section 10. Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of some or all then Unsold Units then owned by Sponsor or its designee as the case may be. Subject to the foregoing, Sponsor and its designee shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

Section 11. Covenant of Further Assurances.

Section 11.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 11.2 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgement or delivery, and to the Board, stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instruments or take such action, then the Board which represents such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

Section 11.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor or its designee, or (ii) to deliver a written notice to Sponsor or its designee, as applicable, and to the Board stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Sponsor or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or take such action, in the name of such Unit Owner, the board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

Section 12 First Mortgagees Rights Confirmed No provision of the Documents gives a Condominium Unit Owner or any other party priority over any rights of the first mortgagee of the Condominium 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 Condominium Units and/or common elements.

SCHEDULE A

RULES AND REGULATIONS

In addition to the other provisions of these By-Laws, the following House Rules and Regulations, together with such additional Rules and Regulations as may hereafter be adopted by the Board of Managers, shall govern the use of the Units and the conduct of all residents thereof:

1. Owners of a Unit, their employees, licensees and guests shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium.

2. The Common Elements and the Limited Common Elements shall not be obstructed, littered, defaced or misused in any manner, except as may be provided for herein.

3. Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct he is legally responsible.

4. Every Unit Owner must perform promptly all maintenance and repair work to its own Unit, which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which its Unit forms a part, such Unit Owner being expressly responsible for the damages and liabilities that its failure to do so may engender. All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations, shall be at the Unit Owner's expense.

5. No Unit Owner shall paint the exterior surfaces of the windows and doors opening out of his Unit.

6. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom or from the doors or windows thereof, any dirt or other substance.

7. Nothing shall be installed in or be projected from any window, balcony or wall of the Building by a Unit Owner without similar approval.

8. 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 normal household use.

9. No Unit Owner shall make or permit any disturbing noises in his Unit or do or permit anything to be done therein which will interfere with the rights, comforts or conveniences of other Units Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument or operate or permit to be operated a CD player, radio or television set or other loud speaker in such Owner's Unit between the hours of 12:00 Midnight and the following 7:00 A.M. if the same shall disturb or annoy other occupants of the Building and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and

the follow 9:00 A.M.

10. No garments, rugs or similar items shall be hung from the windows or from any other part of the Building or balconies or clotheslines strung on or over the Common Elements (including any irrevocably restricted areas).

11. No sign of any kind shall be displayed to the public view on or in any Unit.

12. No birds, animals or reptiles, except dogs or cats, shall be permitted in any Unit unless the same shall have been expressly permitted in writing by the Board of Managers or the Managing Agent, and such permission shall be revocable at any time by the Board of Managers or Managing Agent in their sole discretion. No pet shall be permitted in the Common Elements, including dogs and cats, unless carried or on a leash.

13. No Unit Owner shall leave any personal property (i.e., bicycles, carriages etc.) to be left in the hallways, corridors, lobby or other common areas.

14. No one shall ride bicycles, mopeds or skateboards on any portion of the Common Elements.

15. Every Unit Owner shall comply with the recycling laws of the City of New York or any other governmental entity having jurisdiction thereof.

16. Every Unit Owner shall comply with the smoking policy of the Condominium. Smoking and using electronic cigarettes is prohibited in any common area within the interior of the Building as required by all applicable laws. Smoking and using electronic cigarettes is permitted in any of the Units by the Unit Owners and their occupants. Smoking and using electronic cigarettes is permitted in all outdoor common areas.

***THE 67 LIVINGSTON STREET CONDOMINIUM OFFERING PLAN
CERTIFICATIONS***

CERTIFICATION BY SPONSOR

67 LIVINGSTON LLC
40 West 57 Street, 29th Floor
New York, NY 10019

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

Re: The 67 Livingston Street Condominium
67 Livingston Street, Brooklyn, New York

The undersigned affirms as follows:

We are the Sponsor and the Principal of Sponsor of the condominium offering 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 Attorney General 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 form 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 that is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) not contain any representation or statement which is false, where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representations or statements made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

[SIGNATURE PAGE TO FOLLOW]

The undersigned make this affirmation this 12 day of MARCH, 2018.

SPONSOR:

67 LIVINGSTON LLC

By: 
Name: Joshua Schuster
Title: Member

Sworn to me this 12 day
of march, 2018


Notary Public

Lindsay Rene DelGrosso
Notary Public, State of New York
Registration #01DE6331015
Qualified In New York County
Commission Expires Sept. 28, 2019

PRINCIPAL:


Joshua Schuster

Sworn to me this 12 day
of march, 2018


Notary Public

CERTIFICATION BY SPONSOR'S ARCHITECT

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

Re: **The 67 Livingston Street Condominium**
67 Livingston Street, Brooklyn, New York

The undersigned certifies as follows:

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "**Report**"). We inspected the existing portions of the property, if any, on 07/13/2017, we examined the building plans and specifications that were prepared by H.T.O. Architect, PLLC dated on 10/18/2017 and prepared the Report dated 04/30/2018, a copy of which is intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report.

The undersigned is a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;
- (ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon the completion of construction, provided that construction is in accordance with the plans and specifications that we examined;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where we
 - i. knew the truth;
 - ii. with reasonable effort could have known the truth;
 - iii. made no reasonable effort to ascertain the truth; or
 - iv. did not have knowledge concerning the representation or statement made.

We further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my firm's compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

[SIGNATURE PAGE TO FOLLOW]

By: _____

H. Thomas O'Hara Jr., R.A.



Seal

Sworn to before me this

30th day of April, 2018

A handwritten signature in black ink, appearing to be "AT Collins", written over a horizontal line.

Notary Public

APRIL TRENETTE COLLINS
Notary Public, State of New York
Reg. No. 01C06372403
Qualified in Kings County
Commission Expires 03/19/2022



PART 20: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

September 14, 2017

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 67 Livingston Street Condominium
67 Livingston Street, Brooklyn, New York 11201

The undersigned, FirstService Residential New York, Inc., is a licensed real estate brokerage/management firm in the State of New York. FirstService Residential New York, Inc. has been engaged in the management of over 250 condominium, cooperative and residential rental properties over the course of 25 years.

The sponsor of the condominium offering plan for the above captioned property retained us to prepare Schedule B to the offering plan containing projections of income and expenses for the projected first year condominium operation, respectively ("First Year of Operation").

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule B.

We have reviewed the Schedule B and investigated the facts set forth in the Schedule B 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 mixed use and residential buildings in Manhattan.

We certify that the projections in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected First Year of Operation.

We certify that the Schedule:

- (i) set forth in detail the projection of income and expenses for the projected First Year of Operation;
- (ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the projected First Year of 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 projected First Year of Operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

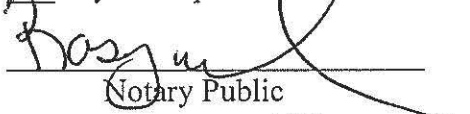
By: 

Name: Marc Kotler

Title: Senior Vice President

New Development Group

Sworn to before me this
14th day of September 2017



Notary Public
ROSEMARY MERCADO
Notary Public, State of New York
No. 01ME6282869
Qualified in Westchester County
Commission Expires May 28, 2021