
CONDOMINIUM OFFERING PLAN
For
THE 757 BERGEN STREET CONDOMINIUM
757 BERGEN STREET
BROOKLYN, NEW YORK 11238
KINGS COUNTY

3 Residential Units	\$4,700,000.00
Total Offering Price	\$4,700,000.00

SPONSOR AND SELLING AGENT:
757 BERGEN JV2 LLC
29 W 17th Street, 2nd Floor
New York, NY 10011

Date of Acceptance for Filing: _____

This Offering Plan May Not Be Used After _____ Unless Extended By Amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

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 WITH THE NEW YORK STATE OFFICE OF THE ATTORNEY GENERAL PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE OFFICE OF THE ATTORNEY GENERAL DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENTAL AGENCY HAS APPROVED THIS OFFERING.

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

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

THE 757 BERGEN STREET CONDOMINIUM

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SPECIAL RISKS

1. Because Sponsor is retaining the unconditional right to rent, after consummation, rather than sell units, this Plan may not result in the creation of a Condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the Sponsor. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%), one (1) units, necessary to declare the Plan effective. Purchasers for their own occupancy may never gain control of the board of managers under the terms of this plan. See "Introduction".

2. The By-Laws include a provision that after the Sponsor Control Period, a majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Purchasers should note, non-resident owners, including Sponsor, have no investment in their Residential Units and therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Purchasers are referred to the By-Laws in Part II of the Plan for further details.

3. This is a new construction project and is being built pursuant building applications filed with the New York City Department of Buildings ("DOB") under application #320613699, #320906604 file, and #340401782. The Condominium will consist of one (1) building, with three (3) dwelling units, and the building will be 3 stories with a cellar and 2 mezzanines. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers, and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is possible that during the first year of Condominium Operation, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction. During this period, various building systems, including but not limited to water and gas supply, air conditioning, heating and electricity, cooling, ventilation, the elevator, intercom systems, and/or telephone and cable systems, may need to be shut down temporarily. Sponsor and its designees will have the right to and may utilize building systems and may install and retain scaffolding and other equipment on and in the Building to complete the construction. The Sponsor and/or the Condominium Board may refuse to permit a Unit owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until all or a portion of the Units are occupied.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOS and FCOS are issued by the DOB. A TCO is intended to indicate that the property is safe

for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when someone or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate 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 FCO. A Fact sheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf. It is also strongly recommended that buyers consult the “Consumer tips” section of the DOB website for its recommendation when buying in a building that does not have a FCO. See Section II, “Description of Property and Improvements” and See Part II “Description of Property and Specifications”.

4. The first year of Condominium operation is estimated to be January 1, 2019 through December 31, 2019. Given the vagaries of the construction process, as more particularly described above, it is difficult to predict, with precision, the date Sponsor will first be able to close title to the Units. Accordingly, the First Closing may occur sooner or later than the projected first year of Condominium operation and closings to certain Units may occur substantially before or after closings for other Units. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement in the event the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser’s Unit is accelerated, delayed or postponed by Sponsor, provided however, that in the event the First Closing does not occur within twelve (12) months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation then Sponsor will offer Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements, if the Plan was declared effective) the right to rescind their Purchase Agreements within 15 days after such 12-month period, and any Purchaser electing rescission pursuant to such offer will have their Deposit returned. See Section II, “Description of Property and Improvements”.

5. No parking spaces are being created in connection with this project. There is limited alternate side of the street parking near the Condominium. Guest parking is not available. See Section II, “Description of Property and Improvements”.

6. The Units will be subject to full taxation and will receive no tax abatement benefits and will be required to pay the full amount of real estate taxes assessed against the Units. Sponsor can

only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH MAY NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS. SPONSOR ALSO MAKES NO REPRESENTATIONS AS TO THE ASSESSED VALUE OF THE CONDOMINIUM AFTER CONSTRUCTION, THE TAX RATE AFTER THE ABATEMENT/EXEMPTION PERIOD EXPIRES OR THE TAX RATE THAT WILL BE USED BY THE CITY OF NEW YORK IF THE ABATEMENT/EXEMPTION IS NOT GRANTED. See Section IV, Schedule A, "Offering Prices and Related Information." Also, please see Section XVII, "Real Estate Taxes", and the tax opinion letter from Metropolitan Realty Exemptions, Inc. for a further description and details of the estimated real estate taxes.

7. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements as set forth in Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price or imputed market value rather than its percentage interest in the Common Elements and, if so, Residential Units having the same or similar percentage interest may pay different real estate taxes and taxes may differ from those set forth on Schedule A. See Section IV, Schedule A, "Offering Prices and Related Information".

8. Residential Unit plans depicting layouts of Residential Units appear in Part II of the Plan. Purchasers should note that the square footage of each Unit, as reflected in Schedule A and Schedule B and the Floor Plans set forth in Part II of the Plan, is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. The square footage of each Unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the Unit is less than listed in the Schedule A. Because dimensions listed are based on measurements from exterior walls, and may include columns, interior walls, mechanical pipe shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be enclosed as freestanding columns, thereby reducing the available floor area, they do not accurately represent the interior space in the unit and exceed the actual useable floor area. See Section IV, "Offering Prices and Related Information" and See Part II, "Floor Plans".

9. Roof Space, Balconies or Terraces appurtenant to certain Units, as described in Schedule "A" and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. A Unit Owner who has a Roof Space, Balcony and/or Terrace appurtenant to his Unit shall have the exclusive use of same, subject to the right of the Condominium Board to regulate its use, and shall be responsible for all normal maintenance, repairs and replacements thereto. Unit Owners are expressly prohibited

from installing paving stones or other materials over the existing surfaces of the Roof Space, Balcony and/or Terrace without the prior written consent from the Condominium Board. Such installation must be in accordance with Law and is subject to the provisions of the Declaration and By-Laws regarding alterations. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Roof Space, Balcony or Terrace (unless due to damage caused by its Unit Owner), shall be charged to all Unit Owners as a Common Expense. See Section IV, "Offering Prices and Related Information" and See Part II, "Floor Plans".

10. All determinations with respect to the continuance of services provided to the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Sponsor Control Period as described in the Section of the Plan entitled "Control by Sponsor." The Sponsor must and will provide the same level of services as disclosed in Schedule B. The Sponsor will also self-manage the building until such time that control of the Board is turned over to the unit owners. In the event a management agent is hired or if the Board decides to hire a management agent the Common Charges will need to be increased, as the cost for a management agent is approximately \$1,200 per year. Please refer to Section V, "Schedule B" and the footnotes thereto.

Neither Sponsor, the Selling Agent if any, the Managing Agent if any, nor the Condominium Board will in any event be liable for the interruption, discontinuance or quality of any of the services provided to the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, including Building personnel or otherwise. Purchasers are advised that neither the Plan nor the Declaration or By-Laws provide Unit Owners with a means of redress with respect to the foregoing. The following items are not included in the Budget and may be obtained at an additional cost, rent insurance, water damage, and excess liability insurance. Additionally, the current insurance estimate does not cover boiler or machinery insurance. Please refer to the Budget in Part I of the Plan and the "Description of Property" set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

11. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing and loans. Such restrictions include requiring that a certain percentage (such as 50% or more) of the apartments in a building or group of buildings be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor has not sold a substantial percentage of the units 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 may also be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. See Section IX, "Procedure to Purchase".

Furthermore, even after a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales

requirements or to refinance an existing mortgage. See Section XVI, "Rights and Obligations of Unit Owners and the Board of Managers".

12. Cooling towers or any other mechanical equipment necessary for the maintenance and operation of the Building and the Units may be located on the roof. The Condominium Board will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for nor can it make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units. In addition, Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the roof of the Building other than those portions of the roof which comprise Limited Common Element Terraces. That portion of the roof constituting a Common Element roof (other than a Limited Common Element) may be used by Sponsor for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto, (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation and Maintenance thereof provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes. The aforementioned easements may be used by Sponsor for its own account or the account of any assignee licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof or facade of the Building or elsewhere on the Common Elements by Sponsor or its assignee or licensee shall be the exclusive property of Sponsor, its assignee or licensee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Please see Section XVI of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers".

13. A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to a Purchase Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Purchase Agreement whether or not such Purchaser has been able to obtain financing. Sponsor does not make any representations 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 a Purchaser would have to close without financing or risk losing such Purchaser's deposit. Furthermore, Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment. See Section IX, "Procedure to Purchase".

14. At the time a Purchase Agreement is executed, a Purchaser is required to make a down payment in an amount equal to ten (10%) percent of the purchase price. In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (i) cancel

such Purchase Agreement and retain, as liquidated damages, the down payment made by the Purchaser, or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction. Additionally, if a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, and (b) the Purchaser will be required to pay to Sponsor interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the original Closing Date until the actual date in which the Purchaser closes title to the Unit. Purchasers are further advised that if a Purchaser makes a Down Payment in excess of \$250,000 for the purchase of a unit, such Down Payment placed in the escrow account will not be federally insured in excess of \$250,000. Additionally, if a Purchaser has an account(s) at Citibank, the institution where all down payments will be deposited, Purchaser's account(s) will factor into the \$250,000 FDIC limit. Funds drawn on out-of-state or foreign banks will not be accepted in payment of the purchase for a Unit unless otherwise agreed by Sponsor. The Purchase Agreement also provides that except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan this agreement or the relationship created hereby. See Section IX, "Procedure to Purchase" for further discussion of the foregoing.

15. If after a Purchase Agreement is fully executed by both Parties, any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Residential Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Residential Unit and shall be payable by Purchaser to Seller at Closing, provided however, that if the amount of such additional cost exceeds \$1,000 then Purchaser may cancel the Purchase Agreement and receive a full refund of all down payments made to Seller on account of the purchase price, whereupon neither party shall have any further liability or obligation to the other in connection with the Purchase Agreement or transaction. However, such right to cancel the Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense. See Section IX, "Procedure to Purchase" for further discussion of the foregoing

16. All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. Such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the purchaser is entitled to rescission, the purchaser will not receive a refund of any funds used for upgrades or extras. See Section XI, "Terms of Sale".

17. Each Purchaser shall reimburse part of the Sponsor's cost for engineering, architect, legal fees and other expenses to create the Condominium, in the amount of \$5,000.00. Therefore, each Purchaser shall be obligated to pay \$5,000.00 at closing for these charges in addition to the purchase price and other adjustments. See Section XII, "Closing Costs and Adjustments".

18. At closing, the Purchaser must pay the Sponsor's attorney fee in the amount of \$2,000.00 to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title

of the Purchaser's unit. If Purchaser obtains financing and the lender is unwilling to close at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice,) the closing may be held elsewhere in New York City provided that an additional travel fee is paid to Sponsor's counsel equal to: (1) \$500 if the closing is held elsewhere in Manhattan, and (2) \$750 if the closing is held outside Manhattan. In addition: (a) if the closing is adjourned through no fault of the Sponsor, the Purchaser will be required to pay to Sponsor's Counsel an additional fee of \$250 for each adjournment to defray the cost of scheduling, preparing for, and coordinating the new closing; (b) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion, or substitution of names on the Purchase Agreement, Purchaser shall pay Sponsor's Counsel a fee of \$500, payable in advance, for preparation of an assignment agreement; (c) if Purchaser obtains mortgage financing, Purchaser shall pay an additional fee of \$500 to Sponsor's counsel to defray the additional cost associated therewith. Purchaser may be required to pay more than one fee with respect to a single unit pursuant to the preceding provisions of the paragraph. 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 prior to closing upon notice to Purchaser.

Additionally, although usually seller's obligation Sponsor is shifting its burden to pay transfer taxes to Purchasers. Purchasers shall pay the New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Residential Unit, is 1% of the Purchase Price of a Unit if such Purchase Price is \$500,000 or less and 1.425% of the Purchase Price if such Purchase Price is over \$500,000; and the New York State Real Estate Transfer Tax ("NYS Tax"), presently \$2 for each \$500 (or part thereof) of the Purchase Price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes which are the primary obligation of the seller but are paid by the Purchaser will be included in the consideration subject to tax. If the purchase price of a Unit is \$1,000,000.00 or more, the Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one (1%) percent of the purchase price, which by law is the primary obligation of the Purchaser. Also, Purchaser shall be responsible for any title company fees, E-tax form, RPT filing fees, and/or ACRIS fees, associated with the preparation and/or recording of the transfer tax documents.

Furthermore if Purchaser obtains a mortgage loan for the purchase of the Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage. See Section XII, "Closing Costs and Adjustments".

19. The Sponsor has chosen Infinity Land Services LLC (“Infinity”), 974 East 27th Street, Brooklyn, NY 11210, (718) 338-4200, to insure all titles and mortgages at closing. There is no restriction on which title company purchasers may choose to insure title. However, Purchasers must notify Sponsor’s attorney in writing if another title company will be used to insure title. Furthermore, a title company chosen by Purchaser, other than Infinity, must agree to submit all real estate tax forms, deeds, powers of attorney, satisfactions or partial releases of mortgage, and/or other instruments that must be recorded in connection with the conveyance of a deed to a Unit Owner and all transfer taxes due in connection therewith and will be obligated to indemnify Sponsor, or if such title company refuses then Purchaser’s attorney will be required to indemnify Sponsor, for such title company’s failure to file such forms and/or failure to remit the required transfer taxes in connection therewith in a timely manner. See Section XII, "Closing Costs and Adjustments".

20. New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which were stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. For further details see Part I of the Plan under Section XIII, “Rights and Obligations of Sponsor”.

21. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. See Section XIII, “Rights and Obligations of the Sponsor”.

22. The New York State Legislature adopted Article 36-B of the General Business Law, “The Housing Merchant Implied Warranty Law”, which pertains to warranties on the sale of certain new homes. This law is applicable to all purchase agreements entered into on or after March 1, 1989, for the units offered for sale under this plan. Pursuant to the terms of this law, the sponsor is giving a limited warranty to purchasers. See Section XIII, “Rights and Obligations of Sponsor” and “Description of Property & Specifications” in Part II of the Plan. The entire text of Article 36-B of the General Obligations Law is reproduced in Part II. The complete terms of the limited warranty, that Sponsor is giving, are contained in the Rider to the Purchase Agreement as set forth in Part II.

23. Sponsor and its designees may exercise veto power over some actions of the Condominium Board. Until Sponsor and its designees have conveyed title to all of the Units offered for sale herein, the Condominium Board may not take any of the following actions without Sponsor’s prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided,

however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium. See Section XIV, "Control by the Sponsor."

24. The initial Sponsor voting control period is until 2 of the 3 Residential Units offered for sale (66%) have been sold. Sponsor or Declarant shall hold a majority of seats on the Condominium Board until 2 of the 3 Units offered for sale have been sold. During that time the Sponsor will control the amount of Common Charges and the services and repairs to be provided to the Condominium. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Condominium Board, shall be filled by a person designated by Declarant. In addition, for so long as Declarant owns at least one Unsold Units Declarant shall have the right to designate at least one member of the Condominium. For so long as Declarant owns at least two of the Unsold Units the number of members of the Condominium Board may not be increased without the consent of Declarant. After the initial Sponsor Control period, all members of the board of managers must be owner occupants. Sponsor shall turn over control of the Board, after the seventh (7th) Unit Closing, upon at least 30 day's written notice to the then current Unit owners. See Section XV, "Board of Managers" and the "By-Laws".

25. It is the responsibility of each Unit owner to notify the Managing Agent, or the Sponsor in the event there is no Managing Agent in place at the time of closing, in writing, when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Except as may otherwise be provided by applicable Law, it is the responsibility of each Unit owner to maintain in proper repair (and not remove), the window "stops", if any, in all windows of the Unit which have been installed in lieu of window guards. Sponsor makes no representations whether Unit owners will comply with the foregoing obligations. See Section XVI, "Rights and Obligations of Unit Owners and the Board of Managers".

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

27. Adjustments for prepaid expenses between the Sponsor and the Board of Managers may be deducted only from the Working Capital Fund. The only substantial credit to the Sponsor that is anticipated with reasonable probability is an adjustment for real estate taxes advanced by the Sponsor before the units are separately apportioned. The approximate range of such adjustment items is \$3,000-5,000. Net adjustments for prepaid expenses, if in favor of the Sponsor, are to be paid from the Working Capital Fund. There will be a minimum Working Capital Fund regardless

of the amount of adjustments. Any balance will be paid over to the Board of Managers upon turnover of control to the board. See Section XIX, "Reserve Fund & Working Capital Fund".

28. A small Reserve Fund and a Working Capital Fund are being established for the Condominium. Sponsor has elected to provide for a Reserve Fund to be used for capital replacements or repairs, even though the Building will be newly constructed. In the event the need for capital replacements should arise it is possible the Reserve Fund may not have enough funds or the Condominium may not be able to finance needed capital expenditures such as renewal or replacement of Building components or systems or to remedy major building defects by mortgaging the Common Elements. It may be necessary for Unit Owners to finance their units to raise capital for these purposes. The Sponsor makes no guarantee that such financing is available. Additionally, the Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a special assessment or to increase the Common charges. Section XIX, "Reserve Fund & Working Capital Fund".

29. Prior to the closing of title to a Unit, the Agreement prohibits a contract vendee from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. If any Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an event of default under the terms of the Purchase Agreement, thereby entitling Sponsor any and all remedies under the terms of the Purchase Agreement. In addition, a Purchaser (other than a Purchaser purchasing for such Purchaser's own or their immediate family's occupancy) may not advertise, list or sell a Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Units). Any such conveyance in violation of the foregoing will be voidable by the Sponsor. See Part II, "Purchase Agreement."

30. The use of the Residential Units is for single family residence purposes only. A Residential Unit cannot be used for commercial, office, home office, home occupation, or any other non-residential uses. See Part II, "By-Laws".

31. The cellar, terraces, and/or balconies, may not legally be used as a bedroom or living area without resulting in fines and/or violations being levied against the entire building. See Part II, "Floor Plans".

THE 757 BERGEN STREET CONDOMINIUM
757 BERGEN STREET
BROOKLYN, NY

PART I

I. INTRODUCTION

The purpose of this Offering Plan is to set forth all the material terms of the offer. The Plan may be amended from time to time when an amendment is filed with the New York State Office of the Attorney General. Upon acceptance by the NYS Department of Law all amendments will be served pursuant to 13 NYCRR § 20.1(d).

The Condominium is subject to and complies with the New York Condominium Act and Part 20 of Title 13, New York Code of Rules and Regulations. The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the “Condominium Act.” The Property will be submitted to the provisions of the Condominium Act by Sponsor’s recording of the Declaration in the City Register’s Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

The Sponsor is 757 BERGEN JV2 LLC, a New York limited liability company. Sponsor acquired the property from 757 Bergen Residence LLC, an affiliate of Sponsor by deed dated April 13, 2015 under CRFN 2015000156822.

Because sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the 15 percent necessary to declare the plan effective (1 Unit) and owner-occupants may never gain effective control and management of the condominium. The Purchaser may be the only owner while the two (2) other units may be owned by the Sponsor or Purchasers who are non-owner occupants. In addition, Purchasers may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies.

The By-Laws do not include a provision that after the Sponsor Control Period, a majority of the Board must be owner-occupants or members of an owner-occupant’s household who are unrelated to the Sponsor and its principals. Purchasers should note that non-resident owners, including Sponsor, have an investment in their Units and may not share the same interests as Unit Owners in the maintenance and care of the Building’s facilities and amenities. Furthermore, owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts

on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

In the event Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor Sponsor is entitled to and shall be bound by those additional rights and obligations (including the aforementioned representation regarding good faith efforts to sell the Units) applicable to a “sponsor” as more fully described in the Plan.

Currently Sponsor has a construction loan or other mortgage encumbering the property with First Niagara Bank, NA. Sponsor shall satisfy the mortgage on or before each closing, or negotiate a release price for each Unit which will be paid to the Lender to “partially release” the individual Units from the mortgage(s). The Sponsor’s loan documents state that “Mortgagee may, without the consent of Mortgagor or any other person liable for the payment of the Indebtedness, release any portion or portions of or interest or interests in the Premises from the lien of this Mortgage, either with or without consideration, and may release or discharge in whole or in part any other property which it may at any time hold as security for payment of the Indebtedness or any part thereof and may take any other bond, note or obligation as evidence of the Indebtedness, payable at such time and on such terms as Mortgagee may approve.” Accordingly, each Unit shall be released from the underlying mortgage(s) at the Unit Closings.

Sponsor hereby offers 3 residential Units for sale under this Plan. No parking spaces will be offered for sale. The Purchase Prices, estimated Common Charges and estimated real estate taxes for each of the Units are listed below in the Section entitled “Schedule A-Purchase Prices and Related Information” (hereinafter referred to as “Schedule A”). **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.** While Sponsor is currently offering the Units for sale, Sponsor has reserved the right to rent, after consummation, rather than sell the Units, which right is unconditional and exercisable in Sponsor’s sole discretion.

Sponsor has not and will not enter into any written or oral contracts or agreements for the sale or transfer of any Units until this Plan has been accepted for filing by the NY State Department of Law. Additionally, all Units offered for sale herein are vacant and are not subject to any leases or tenancies.

For further details concerning the closing of title to the Units, the costs and adjustments with respect thereto and the time periods which must elapse before closings may occur, see the Sections entitled “Effective Date,” “Closing Costs and Adjustments” and “Terms of Sale.”

The basic aspects of Condominium ownership include the following:

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to such Unit Owner's Unit and is entitled to the exclusive possession thereof and the exclusive use of the Limited Common Elements appurtenant to such Unit Owner's Unit. A Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements, in common with the owners of all other Units.

The space owned exclusively by a Unit owner and reserved exclusively to the use of the Unit owner is the "Unit".

"Common Elements" are owned in common by all the Unit owners and may be used by all the Unit owners, i.e., a lawn, entrance, elevator, yard, or hallway.

"Limited Common Elements" are owned in common by all the Unit owners but are irrevocably restricted in use to specified Unit Owners and may be used by less than all the Unit owners, i.e., terrace or balcony, storage area, or yard, adjacent to, appurtenant to, or designated to a Unit. Certain Unit Owners have exclusive use of Limited Common Elements, appurtenant to their Units, and such Unit Owners are responsible for all normal Maintenance, thereto. (See Schedule A). Balconies and terraces appurtenant to Units are shown on the Unit Floor Plans included in Part II of the Plan. However, the costs and expenses of any structural or extraordinary repairs or replacements to any balcony or terrace (unless due to damage caused by a Unit Owner) shall be charged to all Unit Owners as a Common Expense. The type, size and quantity of plantings and other installations to be placed on terraces or balconies and the rights of Unit Owners to paint and decorate balconies or terraces shall be subject to the prior written approval of the Condominium Board. Terraces or balconies cannot be altered or enclosed without the consent of the Condominium Board. The Limited Common Elements are subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers (see By-laws, Article VIII).

Each Unit Owner must pay common charges in accordance with the New York Condominium Act, Real Property Law sections 339(i) and (m), or applicable state and local law.

A Unit Owner may decorate the interior of such Unit Owner's Unit in any way desired except as otherwise provided herein, subject to compliance with the By-Laws, the Rules and Regulations, and Law, and will be solely responsible for the cost of Maintenance and interior repairs to such Unit Owner's Unit after Closing. Each Unit owner is responsible for maintenance and repairs and for casualty and liability insurance for his Unit, as distinguished from the obligations of the Board of Managers with respect to the Common Elements and Limited Common Elements.

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

respective Units.

The Condominium Board does not have the right to approve or disapprove purchasers. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy and there may always be a substantial percentage of owners who are non-residents. Owners for investment and owner-occupants have inherent conflicts of how to operate the Condominium and how to manage the Board due to the inherent differences in their ownership and occupancy.

There are no limitations on who may purchase, lease or mortgage a Unit. However, prior to the closing of title to a Unit, a contract vendee may not list the Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease without Sponsor's prior written consent. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Condominium Board, any Unit Owner, or mortgagee, to refuse to approve and execute a Purchase Agreement for any Unit; provided, however, that, in either event, Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Down Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

The Condominium Board will be responsible for deciding all matters affecting the Building. Unit Owners will have the right to appoint members of the Condominium Board. Sponsor will control the Condominium Board during the Initial Control Period. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan for further details.

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board or the Condominium Board in accordance with the Condominium Act, Sections 339-i and -m.

Generally, the cost of operating the Common Elements will be borne by the Unit Owners in

proportion to their respective Common Interests except as otherwise provided in Schedule B "Projected Budget for First Year of Condominium Operation" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with Law.

The cost of improvements, repairs, replacements, alterations and additions to the Building will be determined by the Condominium Board and assessed against all Unit Owners in proportion to their respective Common Interests. The estimated Common Charges for each Unit for the first year of Condominium operation are set forth in Schedule A.

Purchasers should note, however, that in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict with any certainty whether the budgeted amount for energy costs will be sufficient to pay for the actual costs incurred in the first year of Condominium operation. See Schedule B-1 for further details.

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

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property and improvements and betterments situated within such Unit Owner's Unit, as well as liability insurance with respect to occurrences in or about such Unit Owner's Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. All Unit Owners must comply with the terms of the Declaration, By-Laws, Rules and Regulations and any other requirement of the Condominium Board. See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" for a more complete discussion of the foregoing.

The prices stated herein are not subject to approval by the Office of the Attorney General or any other government agency.

This Offering Plan, delivered to the prospective purchasers, contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan, and all Exhibits submitted to the Office of the Attorney General in connection with the filing of the Plan will be

available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the office of the selling agent or Sponsor. The Offering Plan and all Exhibits are also available for inspection, and copying at an additional charge, at the NYS Department of Law, 28 Liberty Street, New York, NY 10005.

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

II. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

This is a new construction project. The prior use of the property was a three story residential house. The building will be Type II-A, as described under the 1968 Administrative Building Code, non-combustible structure and will be fully sprinklered. Sponsor represents that a building application has been filed with the Department of Buildings for the construction under building application numbers # 320613699, 320906604 and 340401782. Sponsor has not yet obtained certificates of occupancy as construction is not yet complete. Sponsor will use its best efforts and will diligently pursue the issuance of temporary certificates of occupancy and eventually final certificates of occupancy once construction is complete. Sponsor anticipates construction at the Condominium to be fully complete before the first year of condominium operation.

Three (3) residential Units are to be built in one (1) three (3) story building, with a cellar, basement, first floor, first floor mezzanine, second floor, and a second floor mezzanine. There will be one common elevator for the building. The Units are fully described in Part II of the Plan, "Description of Property and Specifications."

The Units, the Building containing them and all other improvements will comply with all applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof including those governing zoning and construction, and the sponsor and all other persons engaged by the sponsor in connection with this plan have complied and will comply with all applicable laws, rules, regulations and other governmental requirements pertaining thereto including but not limited to the City of New York. The Sponsor must obtain at least a temporary certificate of occupancy prior to the closing of title to a Unit.

The Building will comply with NYC Local Law 58/87 ("LL 58/87"- Handicapped Accessibility Laws) in that the first floor is located at grade level. The public hall doors and apartment doors are 36" wide and meet the clearances published in the ANSI guidelines for wheelchair accessibility. Kitchens and baths are sized for wheelchair maneuverability and are adaptable where cabinets can be removed for wheelchair accessibility. Blocking has been placed in the walls for future grab bars at toilets and bathtubs. Exit stair risers and tread dimension ratios are also in compliance with LL 58/87.

The first year of condominium operation is estimated to be July 1, 2019 through June 30, 2020. Given the vagaries of the construction process, as more particularly described above, it is difficult to predict, with precision, the date Sponsor will first be able to close title to the Units. Accordingly, the First Closing may occur sooner or later than the projected first year of Condominium operation and closings to certain Units may occur substantially before or after closings for other Units. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event the First Closing occurs

earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor. However, in the event the First Closing does not occur within twelve (12) months from the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then Sponsor will offer Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements, if the Plan was declared effective) the right to rescind their Purchase Agreements within 15 days after such 12-month period, and any Purchaser electing rescission pursuant to such offer will have their Deposit returned.

However, if the first unit closing occurs before June 30, 2020, the 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.

The Condominium property consists of an urban street environment. No parking spaces are being provided or sold in connection with this offering plan. There is limited alternate side of the street parking.

The property will be improved and the Units constructed in accordance with all applicable zoning and building laws, in particular, the zoning and building codes of the City of New York.

New York City Local Law 7 of 2004 ("LL 7") requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of Units in residential Condominiums. Sponsor intends to provide smoke and carbon monoxide detectors in each Unit. Each Unit Owner will be responsible to keep and maintain the smoke and carbon monoxide detectors in good repair and to replace any detectors which were stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. For further details see Part I of the Plan under Section XIII, "Rights and Obligations of Sponsor".

It is expected that the Units will be ready for occupancy on or about July 1, 2019.

The Condominium is located on a public road owned and maintained by the City of New York. No new roads are to be constructed.

Units

Subject to the rights of Sponsor and its designee to change the number of Units, there are a total of 3 residential Units being offered for sale. Detailed descriptions of the Units are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule "A", "Prices of Units and Related Information" for further details.

Sponsor and its designee reserve the right, to use Unsold Units in any location in the Building as sales and leasing offices and model apartments. In the event Sponsor or its designee, thereafter, elects to sell such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unsold Unit, such amounts as Sponsor determines.

The Units may only be used for residential use.

General Common Elements

Generally, the General Common Elements consist of all portions of the Building other than the Units, and include, among other things, where applicable, the following: (a) the Land (including all yards and courtyards appurtenant to the Building); (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings, beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls; (c) passages, hallways, stairs and corridors and all fire staircases, rails, guard rails, landings and stairs, skylights, mechanical and other rooms, areas and spaces located in the Building, which are not part of any Unit; (d) the passenger elevator in the Building (including its shaft, pit, cab, machinery and appurtenant facilities); (e) the entrance, reception, lobby, mail boxes, boiler room, refuse rooms, refuse chutes, meter room, mechanical/sprinkler room, pump rooms, electrical room, sprinkler house trap and compactor room; (f) machine rooms and any other unnamed ancillary areas in the first floor of the Building; (g) the exterior doors in the Building; (h) general illumination fixtures and security systems; (i) the roofs over the Building and the roof common space; (j) kitchen and bathroom exhaust ducts, laundry ducts and vents, corridor and Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefitting the Condominium; (k) the water tower if any; (l) the rear yard; (m) the boiler, the chimney and flues located in the first floor and running through the Building to the roof of the Building; and (n) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, chutes, wires, ducts, flues, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the Building and the Unit Owners. A detailed description of the General Common Elements is set forth in the Declaration.

Limited Common Elements

Roof Space, Balconies or Terraces appurtenant to certain Units, as described in Schedule "A" and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. A Unit Owner who has a Roof Space, Balcony and/or Terrace appurtenant to his Unit shall have the exclusive use of same, subject to the right of the condominium Board to regulate its use, and shall be responsible for all normal maintenance, repairs and replacements thereto. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Roof Space, Balcony and/or Terrace without the prior written consent from the Condominium Board. Such installation must be in accordance with Law and is subject to the provisions of the Declaration and By-Laws regarding alterations. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Roof Space, Balcony or Terrace (unless due to damage caused by its Unit Owner), shall be charged to all Unit Owners as a Common Expense.

The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the balconies or terraces and may require a Unit Owner to remove same if the Condominium Board determines, in its discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. No balcony or terrace may be enclosed without the express written consent of the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the terraces and/or balconies without the prior written consent from the Condominium Board. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Balconies and Terraces

Included in the Limited Common Elements are Balconies and Terraces appurtenant to certain Units, as more particularly described in Schedule A, which Balconies and Terraces are included in the purchase prices for the Units. A Unit Owner who has a Balcony or a Terrace appurtenant to such Unit Owner's Unit shall have the exclusive use of same, subject to the right of the Condominium Board to regulate its use, and shall be responsible for all normal Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements to any Balcony or Terrace (unless due to damage caused by its Unit Owner) shall be charged to all Unit Owners as a Common Expense.

Services and Facilities

The Building will be maintained, operated and staffed in a manner to be determined by the Condominium Board. Prospective purchasers are urged to carefully review Schedule B in Part I of this Plan and the Description of Property set forth in Part II of this Plan, for a description of the services presently being provided. Sponsor makes no representation that the aforesaid services will continue to be provided. Notwithstanding the foregoing, however, the Condominium Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal requirements. Except as otherwise consented to in writing by Sponsor, the Condominium Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration, except for those services, if any, that are the obligation of Sponsor to provide under the terms of the Declaration or the Plan.

Refuse Disposal

Unit Owners will be responsible for removing their own garbage. Garbage will be removed from outside the building by the New York City Sanitation Department on days designated for garbage removal. Currently and subject to change by the City of New York with or without notice, the schedule for refuse collection is Mondays, Wednesdays and Fridays with recycling on Mondays as per the New York City Department of Sanitation's website.

Communication Facilities, Intercom Service, Television and Internet

Each Unit will be equipped with a new door signaling system and activated audio intercom connected to the intercom directory at the entry to the Building. The system will enable occupants of each Unit to communicate with the front door and guests requesting entry to the Building. All Units will be telephone and internet ready. There will be no central antennae in/on the Building. Each Unit owner will be responsible for providing their own antennae and television services.

No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is possible that during the first year of Condominium Operation, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction. During this period, various building systems, including but not limited to water and gas supply, air conditioning, heating and electricity, cooling, ventilation, the elevator, intercom systems, and/or television, telephone and cable systems, may need to be shut down temporarily.

Except as otherwise noted above, all determinations with respect to the continuance of services and facilities for the Building will be made by the Condominium Board, which, until the expiration of the Sponsor Control Period, will be controlled by Sponsor (see the Section "Control by Sponsor"). In all likelihood, the nature of the services listed above, the hours during which

they are provided and the rates charged for same will change from time to time, in the discretion of the Board, the Managing Agent or other party providing the service.

III. LOCATION AND AREA INFORMATION

The Condominium is located in a highly developed urban area in the Prospect Heights section of Brooklyn.

Local transportation is provided by the New York City Transit Authority by means of buses and subways to local shopping areas and medical facilities. Subway stations for the A, B, C, Q, 2, 3, 4, 5 and the S lines are conveniently located near the Condominium. The B45 and B65 bus stops are located nearby as well.

The Condominium is located in School District 13. There are numerous public schools, PS 131 and 164; private schools, and charter schools in the immediate vicinity, including Brooklyn Technical High School and Exceed Charter School.

Prospect Park and Brooklyn Botanical Gardens are both located approximately .75 miles away. The Brooklyn Museum is approximately 1 mile away and the Brooklyn Children's Museum is located approximately 1 mile away. Numerous houses of worship are also conveniently located near the Condominium. New York Methodist Hospital is located approximately 1.4 miles away from the Condominium.

The following services are provided by the City of New York: police protection, 77th Precinct – 127 Utica Avenue, Brooklyn, NY, 11213 (718) 735-0611, approximately 2 miles away; fire protection - Engine 280/Ladder Company 132 – 489 Saint Johns Place, Brooklyn, NY 11238 approximately .37 miles away; snow removal and road maintenance, water and sewer services, and garbage pickup. Electricity and gas are provided by Consolidated Edison and National Grid respectively, private utilities. The cost of these services is estimated in Schedule B-1.

A building permit has been obtained from the building department of the City of New York. The zoning of the site is C2-4/R6B, which permits residential use as of right. The site has no landmark designation.

The Sponsor is also offering 755 and 753 Bergen Street for condominium conversion.

In the opinion of the Sponsor, there are no uses presently in existence or proposed in adjacent or nearby buildings or land which a reasonable purchaser would find objectionable or obnoxious.

CERTAIN DEFINITIONS

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

“Building” refers to the structures and improvements including above and below grade segments, known as and 757 Bergen Street, Brooklyn, NY, in which the Units of the Condominium are located.

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

“City Register’s Office” refers to the New York County office of the Register of The City of New York.

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

“Closing Date” refers to the date on which Closing occurs.

“Common Charges or Carrying Charges” refers to assessments payable by the Unit Owners to the Condominium Board for the purpose of meeting the cost of the Common Expenses.

“Common Elements” refers to the Land and all portions of the Building other than the Units, including but not limited to the foundation, footings, columns, girders, concrete floor slabs and ceilings, water coils, tempering valves, ducts, vents, chutes, passages, hallways, stairways, stairwells, entrances, elevator, cables, shaft, pit, cab, mail boxes, meter room, sprinkler room, sprinklers, kitchen and bathroom exhaust ducts, steam lines supply and return for heating and air conditioning, circuits and circuit breakers, water lines, gas piping, roof, roof, any equipment on the roof, bulkhead skylights, general illumination and security fixtures, and any other equipment or facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the building and Unit Owners. Also, included are the Limited Common Elements as more particularly described in this section and Article Fifth of the Declaration.

“Common Expenses” refers to the costs and expenses incurred or projected in connection with the Maintenance of and to the Common Elements and the Limited Common Elements or in connection with any services or facilities exclusively benefitting the Building and the Unit Owners, including but not limited to routine maintenance, water and sewer charges, and property taxes.

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

“Condominium” refers to The 757 Bergen Street Condominium.

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

“Condominium Board” refers to the Board of Managers of the Condominium.

“Declaration” refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

“Department of Law” refers to the New York State Department of Law.

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

“Equal to or better quality” shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

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

“Floor Plans” refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Department of The City of New York and filed with the City Register’s Office.

“GBL” refers to the New York State General Business Law.

“General Common Elements” refers to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units and the Limited Common Elements, as more particularly defined in the Declaration.

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

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

“Limited Common Elements” refers to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners, including but not limited to storage units, yards, balconies, terraces, patios, or porches.

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

“Managing Agent” refers to the managing agent or manager of the Building, if any, at the time in question. It is anticipated that the managing agent of the Condominium will initially be the Sponsor or an affiliate of Sponsor as more fully discussed in Section XX, “Management Agreement, Contracts, and Leases.”

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

“Plan” refers to this Offering Plan for the establishment of Condominium ownership, as the same may be amended from time to time.

“Property” refers to the Land, the Building and the appurtenances thereto.

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

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

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

“Schedule A” refers to Schedule A, “Purchase Prices and Related Information” for the Projected First Year of Condominium Operation set forth in Part I of the Plan.

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

“Selling Agent” refers to The Sponsor, or any successor selling agent at the time in question.

“Sponsor” refers to 757 Bergen JV2 LLC, a New York limited liability company, and its successors and assigns.

“Sponsor and/or its designee(s),” “Sponsor or a designee of Sponsor” or similar terms refers to Sponsor and any designee of Sponsor.

“Sponsor Control Period” refers to the period ending whenever 66% of the Residential Units, 2 of the 3 Units offered for sale, have been sold.

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

“Unit Owner” refers to any Unit Owner and all of such Unit Owners are collectively referred to as the “Unit Owners.”

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

IV. Offering Prices and Related Information

THE 757 BERGEN STREET CONDOMINIUM

Schedule A

Projected charges and expenses from
July 1, 2019 through June 30, 2020

Unit no.	Bedrooms, bathrooms (1)	Total area (sq. ft.) (2)	Uninhabitable Space (sq. ft.) (2a)	Outdoor Area (SF)	Offering price (3)	Percentage of common interest (4)	Monthly common charges (5)	Monthly/annual real estate taxes (6)	Total monthly carrying charges (7)
1	3/3	1,240.11	982.96	516	\$1,700,000.00	37.23%	\$642.53	\$1,362.93/ \$16,355.10	\$2,005.46
2	3/3	1,824.87	104.14	450	\$1,200,000.00	30.56%	\$527.41	\$1,118.75 \$13,424.98	\$1,646.16
3	3/3	1,923.95	98.06	890	\$1,800,000.00	32.21%	\$555.89	\$1,179.15/ \$14,149.82	\$1,735.04
Tot:		4,988.93	1,185.16	1,856	\$4,700,000.00	100%	\$1,725.83	\$3,660.83 \$43,929.90	\$5,386.66

Unit 1 is allocated 982.96 SF of accessory space in the cellar. Units 2 and 3 shall each have exclusive use of and access to their designated cellar storage space area as a Limited Common Element. Cellar space is uninhabitable space and may not be legally used as a bedroom or living room and doing so may result in a building code violation being issued for the building. The cellar spaces have less light and air than ordinary living spaces and is therefore more susceptible to dampness.

The Units are allocated outdoor space as limited common elements, as noted in the chart above. Specifically, Unit 1 shall have as a limited common element a 74 SF terrace, 2 patios of 160 SF and 72 SF, respectively, and 210 SF private yard. Unit 2 shall have as a limited common element a 230 SF private yard and 220 SF terrace. Unit 3 shall have as a limited common element a 40 SF balcony and 2 terraces of 430 SF and 420 SF, respectively.

FOOTNOTES TO SCHEDULE A

1. A full bathroom has, in addition to a sink and toilet, a tub or shower.
2. Residential Unit plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and Schedule B and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and exceeds the actual floor area. Floor area may include columns, interior walls, mechanical pipe shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be enclosed as freestanding columns, thereby reducing the available floor area. Each Unit will consist of the area measured horizontally from the exterior face of the perimeter wall to the centerline of the partitions separating one Unit from another Unit, corridors, stairs, and other mechanical equipment spaces or any common elements; or to the exterior face of the opposite perimeter walls. A decrease of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material.
 - 2a. Each Unit has certain areas designated for its sole and exclusive use, and other areas are shared by a few but not all the Units, which areas have been designated as Limited Common Elements. See Section II, "Description of Property & Improvements."

Units 2 and 3 shall each have exclusive use of and access to their designated cellar storage space area. These spaces shall be considered Limited Common Elements.

THE LIMITED COMMON ELEMENTS MAY NOT LEGALLY BE USED AS A BEDROOM OR LIVING AREA WITHOUT RESULTING IN FINES AND/OR VIOLATIONS BEING LEVIED AGAINST THE ENTIRE BUILDING.
3. In addition to the purchase price listed here, purchasers should expect to pay the closing costs set forth in Section XII, "Closing Costs and Adjustments". No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sale prices below the Offering Plan prices without filing an amendment to the Plan at any time during the Offering where a reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated unit purchase. See Section VIII, "Changes in Prices and Units".
4. Percentage of Common Interest is based on the interest in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflects the substantially exclusive advantages enjoyed by one or more but not all the Units in part or parts of the Common Elements as

per Real Property Law 339-i(1)(ii).

5. This is the Annual Projected Common Charges, and divided by 12 for a monthly amount, for the first year of operation. These figures have been estimated by the Sponsor and include fire and liability insurance for the units and Common Elements, and maintenance and operation of the Common Elements. Common Charges are collected in order to fund the Condominium Budget shown in Schedule B. Common Charges are collected monthly. Common Charges exclude repair and decoration to the inside of a home, electricity, gas (excluding cooking gas), telephone & cable television service, and insurance for personal belongings. See Schedule B-1 for estimated water, gas and electric costs for each Unit.

All costs/expenses from the budget are being shared by the Unit Owners based on their common percentage interests.

The Sponsor is not offering or procuring mortgage financing. If a Purchaser obtains financing, Purchaser's debt service will be an additional monthly expense.

6. This figure is the estimated annual real estate tax, and divided by 12 for a monthly amount, for the first year of condominium operation. Real estate tax estimates are based upon annual tax estimates for each unit upon completion estimated by Metropolitan Realty Exemptions, property specialist, by letter dated February 11, 2019. The aggregate tax rate for the City of New York is approximately \$20.919 per \$100.00 of assessed value, and the estimated assessed value upon completion is \$210,000.00. There is no separate sewer rental charge, they are included in the common charges.

The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements as set forth in Schedule A. Upon determination of individual tax lots and individual residential unit assessments, the New York City tax authorities may allocate taxes between the residential units in proportion to each residential unit's purchase price or imputed market value rather than its percentage interest in the Common Elements and, if so, residential units having the same or similar percentage interest may pay different real estate taxes and taxes may differ from those set forth on Schedule A. A unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units.

7. This figure is the total of the monthly real estate taxes added to the monthly common charges. Some of these charges may be tax deductible. See Part XVIII, "Opinion of Counsel".

V. SCHEDULE B

SCHEDULE B

**PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION ANTICIPATED
TO BEGIN JULY 1, 2019**

INCOME	TOTAL
GENERAL COMMON CHARGES	\$20,710.00
TOTAL INCOME (1)	\$20,710.00
 EXPENSES	 TOTAL
LABOR (2)	\$0.00
HEATING (3)	\$0.00
UTILITIES (4)	\$4,048.00
WATER CHARGES AND SEWER RENTS (5)	\$2,932.00
REPAIRS MAINTENANCE AND SUPPLIES (6)	\$2,000.00
SERVICE CONTRACTS (7)	\$5,030.00
INSURANCE (8)	\$1,650.00
 LEGAL FEES AND AUDIT FEES (10)	 \$2,950.00
RESERVE - 10% (12)	\$2,100.00
TOTAL EXPENSES	\$20,710.00

FOOTNOTES TO SCHEDULE B

(1) Total Income:

This figure represents the sum of (1) the total annual Residential Common Charges to be levied by the Condominium Board against and collected from the Residential Unit Owners during the First Year of Condominium Operation.

The estimate of the annual Common Charges to be collected by the Condominium Board during the First Year of Condominium Operation is based upon the assumption that the First Year of Condominium Operation will be the year from July 1, 2019- June 30, 2020. The actual first year of operation may be earlier or later than estimated. The Plan will be amended if the date of the first year of operations changes.

Common Charges Payable by Unit Owners

This figure represents the total annual Residential Common Charges to be levied by the Condominium Board against and collected from all Residential Unit Owners. It is composed of (i) the aggregate of all Residential Common Charges (which are payable only by the Residential Unit Owners, to defray the Residential Common Expenses, including, without, limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and Residential Limited Common Elements) and (ii) the aggregate share of the General Common Charges to be levied by the Condominium Board against and collected from the Residential Unit, that is, the product of the aggregate of (i) the Common Interests with respect to all Residential Units and (ii) the Total of the General Common Charges (the "Residential Common Charges"). The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements.

Each Residential Unit owners share of the Common Charges payable by the Residential unit Owners as a group (that is, the Residential Common Charges) is equal to, for each Residential Unit owned by such Unit Owner, the Percentage of Residential Common Interest attributable to such Unit multiplied by the sum of (1) the Residential Common Charges and (2) the Residential General Common Charges. The "Percentage of Residential Common Interest" of each Residential Unit, is set forth on **Schedule A** and is equal to the Common Interest attributable to such Residential Unit, divided by the aggregate of the Common Interests attributable to all the Residential Units.

THE COST OF ELECTRICITY CONSUMED IN OR FOR EACH UNIT SHALL BE PAYABLE BY THE RESPECTIVE OWNER THEREOF DIRECTLY TO THE APPLICABLE UTILITY COMPANY AND IS NOT INCLUDED IN COMMON CHARGES. The projected consumption of electricity in and for each Residential Unit, as well as the estimated cost therefore, during the First Year of Condominium Operation, all as estimated by Alayne Real Estate, Inc., are

set forth on “**Schedule B-1, Budget for Individual Energy Costs**” which follows this Schedule B.

(2) Labor

A. Management. During the Initial Control Period since the Sponsor will be in control of the board, the Sponsor will manage the condominium. After Sponsor turns over control of the Board to the Unit owners, the Condominium shall be self-managed by the Unit Owners. Unit Owners will be responsible for the management of the condominium including tasks such as collecting common charges, paying bills, and hiring contractors to perform services. In the event the Board of Managers determines that it is in the best interest of the Condominium to employ a managing agent, this item will represent an additional expense not included in the projected budget and will require an increase in Common Charges of approximately 10 %.

B. Employees. Since the building contains only three (3) residential units, there is no requirement for any staffing or labor as per Article 3, section 83 of the Multiple Dwelling Law (which is applicable in buildings with 13 or more families) and §27-2053 (b) of the NYC Administrative Code (which is applicable for buildings with 9 or more units). As such, housing and labor laws regarding the level of staffing are not applicable. It is anticipated that the Condominium will require no full time help and part time help will be supplied on an as needed basis which will obviate the need to allocate money for payroll costs. However, this will necessitate Unit Owners to pay for items as they arise. Each Unit Owner will be responsible for his own refuse removal to the designated collection area and for keeping the common areas clear of all objects. Any such work to be performed on an ad-hoc basis may require the imposition of an assessment against unit owners to pay for same Should the condo board decide to hire a part time superintendent or other contractor in the future to perform tasks such as cleaning of the common areas, replacement of hallway light bulbs, snow removal and the like, such additional expense will cause an increase in the budget of approximately 25%, and a proportional increase in the individual common charges.

(3) Heating

The Building has no common heating systems that provide heat for the Residential Common Elements only as well as no hot water producing equipment.

Each Residential Unit shall be separately metered for electric, including for the provision of heat and for cooking purposes and hot water within or for each Residential Unit, and each Unit Owner shall be responsible directly to the gas utility or supplier for the cost of gas consumed (and delivery thereof) within or for his or her Unit. Gas consumed for Residential Common Elements shall be a Residential Common Expense.

(4) Utilities

This budget item includes the projected cost of electricity for (i) the Common Elements, including, without limitation, lighting of the residential hallways, stairwells, cellar, exterior, lobby and vestibule areas of the Lobby, and operation of the Elevator; (ii) outdoor lighting for the Building and Property (exclusive of any outdoor lighting for individual Units, the cost of which is payable by the respective Owners thereof directly to the utility company); and (iii) exhaust in hallways which are Residential Common Elements or General Common Elements. Each Residential Unit and the Non-Residential Units shall be separately metered for electricity, including but not limited to lighting, refrigerators, and dishwashers within or for each Residential Unit, and each Unit Owner shall be responsible directly to the utility for the cost of electricity consumed within or for his or her Unit. See Schedule B-1 for a projection by Alayne Real Estate, Inc. of the estimated consumption of electricity (as well as gas) within and for each Residential Unit and the estimated cost therefore, during the First Year of Condominium Operation. See Footnote 3 for a discussion of billing for heating and hot water generally and for a projection of the costs of heating and hot water for the Residential Common Elements.

The projected cost of electricity for the items covered by this budget line during the First Year of Condominium Operation is based on an estimate provided by Alayne Real Estate, Inc. estimates (i) based on a quote obtained by Alayne Real Estate, Inc. from Con Edison in of current residential electrical rate of \$0.23 per kilowatt hour (“kwh”) (ii) a projected consumption of 16,000 kwh. The projection for electricity in accordance with the aforesaid is \$3,680 (16,000 kwh times \$0.23 per kwh). This equals \$4,048.00 with a 10% increase to account for inflation.

Many factors affect the cost of electricity, including, among others, the cost of oil used to generate electricity. It is estimated that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity during the First Year of Condominium Operation. However, the figure is no more than an estimate.

The cost of this budget item shall be charged by the Condominium Board to all Residential Unit Owners, based upon their respective Percentages of Residential Common Interest. See **“Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws”** as of a summary of the provisions of the By-Laws dealing with allocation of the costs of utilities.

(5) Water Charges and Sewer Rents:

There will be one meter measuring water consumption for the Property. This budget item is based on the sponsors estimate (i) a cost factor, based on published costs of \$3.81 per one hundred cubic foot for water charges and \$6.06 per hundred cubic foot for sewer rents, including all applicable taxes, and (ii) annual water consumption for the First Year of Condominium Operation of 270 hundred cubic feet.

The cost of this budget item shall be charged by the Condominium Board to all Unit Owners. The Residential Unit Owners shall pay one hundred (100%) of the total of this budget line item to be shared based upon the respective Common Interest allocated to each of their Units.

The budget projection for Water and Sewer is \$2,665 (270 hundred cubic feet times \$3.81 per hundred cu. ft. for water charges plus 270 hundred cubic feet times \$6.06 per hundred cu. ft. for sewer rents). This equals approximately \$2,932.00 with a 10% increase to account for inflation.

(6) Repairs, Maintenance and Supplies

This item is intended to cover the projected cost during the First Year of Condominium Operation of normal maintenance of and repairs to the Common Elements and Limited Common Elements, plus the cost of supplying various cleaning supplies and materials, lubricants, bulbs and general and hardware supplies to the Common Elements. It also includes, without limitation, the periodic painting of the lobby and those hallways which are Common Elements. It does not include the cost of repairs (e.g. repairs of appliances), maintenance, painting, decorating or supplies to individual Units all of which is the responsibility of the respective Unit Owner nor does it include the cost of any capital repairs to the Property or any part thereof. It also does not include any service or maintenance items which are included in Footnote (7) below (Service Contracts).

The budget projection is based on an estimate provided to Sponsor by the firm of Alayne Real Estate, Inc., 3004 Ave L, Brooklyn, NY, 11210 predicated on its experience managing similar size properties over the last twenty years. The Residential Unit Owners as a group shall be responsible for paying to the Condominium Board (1) the cost of repairs, maintenance and supplies covered by this item and attributable only to the General Common Elements (their pro rata share based upon the aggregate of the Common Interests allocated to the Residential Units) as well as (2) all of the cost of repairs, maintenance and supplies covered by this item and attributable to the Residential Common Elements and Residential Limited Common Elements (such cost to be allocated among the Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units).

(7) Service Contracts

The amount is for the projected annualized cost of providing items of service and maintenance to the Common Elements, Residential Limited Common Elements. The budgeted amount is based on quotes obtained in 2018 for such service and maintenance including exterminating, Fire Monitoring, and sprinkler inspection, and Phone. The Unit Owners as a group shall be responsible for paying to the Condominium Board (1) the cost of the service contracts attributable to the General Common Elements (their pro rata share based upon the aggregate of the Common Interests allocated to the Units); as well as (2) all of the cost of service contracts covered by this item and attributable to the Common Elements and Limited Common Elements (such cost to be allocated among the Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Units). Refuse removal shall not be a service that is provided to the Condominium.

Service Provider

Projected Annual Cost for the First

Year of Condominium Operation

Sprinkler Maintenance	\$ 300.00
Exterminating	\$ 350.00
Phone	\$ 1,680.00
Elevator	\$ 2,700.00
Total	\$ 5,030.00

#	Name of Contracted Service Provider:	Contact Info
1.	Liftco Elevator Service	3611 14 th Avenue Brooklyn, NY 11218 (212) 444-9199
2.	Positive Pest Control Inc.	PO Box 30 Cedarhurst, NY 11516 (718) 337-7855
3.	Sprinkler Inspection - D.G. Orue, Inc.	1098 BOWLING GREEN DR. WESTBURY, NY, 11590 (516) 924-3602
4.	Alpha Fire and Security	333 Avenue X, 2nd Floor Brooklyn, NY 11223 (718) 336-3151

(8) Insurance

The estimate for the cost of insurance is based on the proposed coverage's and estimated current premiums set forth Park Brokerage, PO BOX 050330, Brooklyn, NY 11205.

<u>Items Covered</u>	<u>Amount of Coverage</u>
1. Buildings, special form (All Risk, agreed amount which waives co-insurance clause)	\$2,000,000 deductible of \$5,000
2. General Liability	\$1,000,000/2,000,000
3. Directors & Officers Liability	\$0
4. Umbrella	\$0
5. Fidelity	\$0
Premium: \$1,650.00	

The above property coverage limits are based upon the respective agreed value replacement cost for the building (the estimated cost to rebuild, exclusive of the cost of excavating and rebuilding the foundation) under an “agreed amount” clause and, accordingly, the policies will provide waiver of co-insurance. However, the insurer will not be obligated to pay insurance claims in excess of the property coverage limits set forth above for the building. In the opinion of the Insurance Consultant, the all-risk coverage in the amount set forth above is presently sufficient to rebuild the building should it be totally destroyed by fire based upon the coverage of \$2,000,000. However, because of the difficulty of estimating replacement costs, because of escalating construction costs and for other reasons, there can be no guarantee that the suggested coverage will yield sufficient proceeds to replace the building or any portion thereof in the event of a total partial loss, nor is the forgoing intended to take the place of a professional appraiser’s estimate in determining replacement cost. In order to safeguard the investment in the Units, in the event of a substantial or total destruction of the Building comprising same, the Condominium Board should periodically review the amount of casualty insurance for the Building to insure that the amount of coverage is sufficient. Additionally, the estimated premiums are subject to change based upon rate changes, market conditions and reinsurance costs at the time that coverage is actually bound.

This coverage does not include the cost of water damage except to the extent included in a “special form” policy.

In addition, this coverage does not include claims for personal injury or property damage resulting from occurrences in Units, nor does it include coverage of the furniture or personal property of the Unit Owners. Therefore, each Unit Owner should consider the desirability of obtaining additional insurance at his or her own cost covering, among other items, (i) fire or casualty losses to the contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, (ii) damage to other personal property; and (iii) liability for personal injury as a result of occurrences in the individuals Units. It is recommended that Unit Owners consult with an insurance broker as to the necessity for, and the desirability of obtaining coverage for one or more of such risks and as to the amount of such coverage.

The quotation is an indication of insurance premiums at current rates. Accordingly, although based on the quote obtained from the insurance consultant, the insurance projection is currently believed to be reasonable, it is not possible to predict whether insurance coverage for the First Year of Condominium operation (or for future years) will continue to be available at the premiums set forth above or whether such premiums will escalate.

The cost of the above insurance shall be a General Common Expense, to be borne by all Unit Owners in accordance with the respective Common Interests allocated to their respective Units.

At the first Unit closing, Sponsor will cause to be delivered (at the Condominium’s expense) a fire and liability binder or policy providing insurance coverage in accordance with the foregoing schedule. If the Condominium does not have sufficient funds available on the date of closing of the First Unit Closing with which to pay any premiums then due on such policies, then

the Sponsor will advance such insufficiency and the amount which is advanced by Sponsor shall be paid by the Condominium in the manner provided in "Closing Costs and Adjustments", subsection entitled: "Closing Adjustments between Sponsor and Condominium".

The fire, casualty, and liability insurance to be obtained by the Sponsor as described above shall provide that each Unit Owner is a certificate holder and that there will be no cancellation without notice to the Board.

(10) Legal fees and Audit Fees

A certified public accountant will be responsible for auditing the Condominium's books and records and preparing the requisite audited financial statements. In addition, the accountant will be responsible for filing federal, state and city income tax returns. The projected accountant's fee of \$700.00 is based on a proposal by the firm of Yehezkel CPA, 315 Madison Ave Suite 1804 New York, NY 10017 to provide the aforesaid accounting services. The line item also includes provisions for an estimated \$1,500 to cover the cost of the following items excluded from proposed fee: out of pocket expenses, data processing charges, fees for work on any income tax audit and reimbursement of any legal fees it might incur to obtain advice for issues related to any work it might do for the Condominium.

In addition, a \$750.00 allowance has been budgeted for legal fees to cover minor miscellaneous legal matters which may arise during the first year of operation.

The cost of this budget item will be borne by all Unit Owners. Unit Owners shall be responsible for this budget line item in accordance with the respective Common Interests allocated to their respective Units.

(12) Reserve- 10% OF TOTAL COMMON CHARGES

The Reserve Fund provides a fund for possible overages in the budget including but not limited to categories provided in footnotes 1-11. There can be no assurance that the Reserve Fund will be sufficient to pay for all of the aforesaid expenses. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. The cost of this budget item will be borne by all Unit Owners in accordance with the respective Common Interests allocated to their respective Units.

General

IN THE OPINION OF THE SPONSOR'S EXPERT THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATE EXPENSES FOR THE YEAR OF OPERATION COMMENCING JULY 1, 2019. THE FOREGOING SCHEDULE HOWEVER, IS NOT

INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE COMMON CHARGES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE, AND IT IS LIKELY THAT THE ACTUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

Sponsor reserves the right (but shall have no obligation) to cause the Condominium Board to reduce the Common Charges payable by the Unit Owners (including Sponsor) during the first year of Condominium Operation (and during part or all of any further period in which Sponsor controls the Board) to reflect the actual expenses incurred by the Condominium. Sponsor makes no representation that any savings in operating expenses or reduction in Common Charges will in fact occur.

The foregoing projected budget may be modified from time to time prior to the commencement of, or during, Condominium operation to add or increase one or more items of operating expense. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. The Residential Unit Owners and Non-Residential Unit Owners will share this cost based on the type of cost involved, as described above.

VI. SCHEDULE B - 1

PROJECTED BUDGET FOR ANNUAL INDIVIDUAL UNIT ENERGY COSTS (1)

THE 757 BERGEN STREET CONDOMINIUM

The following are estimated annual energy and water usage consumption costs based on the 2017 prevailing rates of The Consolidated Edison Co. of New York and Department of Environmental Protection:

UNIT	SQ FT	CCF USAGE \$2.90	PRICE GAS	KWH USAGE \$.21	PRICE ELECTRIC	HCF USAGE \$9.87	PRICE WATER	TOTAL
1	2252.54	1407	\$4,079.79	14129	\$2,967.12	90	\$888.30	\$7,935.21
2	1836.74	1147	\$3,326.70	11521	\$2,419.42	90	\$888.30	\$6,634.42
3	1936.04	1211	\$3,510.53	12158	\$2,553.12	90	\$888.30	\$6,951.95
Common Area	200			16000 (@.23)	\$3,680.00			

FOOTNOTES TO SCHEDULE B-1

The above estimates provided by Alayne Real Estate, Inc., Sponsor's management expert, by letter dated October 25, 2018 are subject to rate change, governmental surcharges, fuel adjustment charges or credits and municipal, M.T.A. and sales tax factors. An increase in the cost of a ccf of gas, kilowatt hour of electricity, and HCF of water is a real near-term possibility. Actual billed costs for gas, electricity, and water may vary substantially due to varying usage habits, family size and personal lighting, cooking heating and cooling preferences and needs.

In view of the fact that these averages may include the use of energy by persons of varying need, occupying dissimilar types of dwelling units, constructed of different materials at different times, with different standards of comfort or with families of different sizes, the amount of energy used by the purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity and/or gas substantially higher than the current or projected rate.

Although the Sponsor is under obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of heating and cooling after the purchase of a unit or in subsequent years. Sponsor represents, however, that it has followed the plans and specifications provided by the manufacturer of the heating, hot water and air conditioning units together with the recommendation of the utility company and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost. Sponsor further represents that it has not been induced to select the heating system described herein on the basis of any financial inducement other than the comparative advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used in connection therewith or by any of their agents or employees.

Purchasers should note that there will be one (1) water meter at the Building. The water costs shall be divided evenly among the Units despite how many people may reside in each Unit.

VII. COMPLIANCE WITH REAL PROPERTY LAW § 339(i)

MARK J. NUSSBAUM & ASSOCIATES PLLC

ATTORNEYS AT LAW
225 Broadway, 39th Floor
New York, NY 10007
212.632.8300

January 14, 2019

New York State Department of Law
28 Liberty Street
New York, New York 10005

Re: The 757 Bergen Street Condominium
757 Bergen Street
Brooklyn, NY

Sir or Madam:

I am an attorney at law admitted to practice in the State of New York and I am also a real estate broker licensed by the State of New York. I have over ten years' experience in reviewing offering Plans and contracts of sale of Condominium Units in New York State.

I am neither the selling agent nor the managing agent for above captioned Condominium.

The method selected for determining the percentage of common interest allocated to each Unit of The 757 Bergen Street Condominium complies with Section 339-i(1)(ii) of the Real Property Law in assigning the percentage of common interest to each Unit, in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflects the substantially exclusive advantages enjoyed by one or more but not all the Units in part or parts of the Common Elements.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Benjamin Fish', with a long horizontal flourish extending to the right.

Benjamin Fish

VIII. CHANGES IN PRICES AND UNITS

Unless it would constitute a discriminatory inducement, Sponsor reserves the right at any time and from time to time before and after the recording of the Declaration, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner or any mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default may be made without the consent of the Purchaser. If any price change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under this Plan for similar Units, but this will not affect any prior or subsequent sale of Units not the subject of such change. However, such price change shall not alter the Common Interest of, or the amount of the Common Charges payable by, the owners of such Units. The Purchase Prices set forth in Schedule A must be changed by a duly filed amendment to this Plan when the change in Purchase Price is an across the Board increase or decrease affecting one or more lines of Units, or is to be advertised, or is a price increase for an individual Purchaser. Unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a negotiated Purchase Agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to this Plan.

Furthermore, unless it constitutes a discriminatory inducement, Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Purchase Agreement, including but not limited to purchase price; the amount of the Down Payment; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of interim leases or use and occupancy agreements and the amount of interim rent; and the application of rent towards the Purchase Price. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under a Purchase Agreement.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate any portion of any Unit as part of a newly created Unit or Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to (b) - (d) above, such change shall be disclosed in a duly filed amendment to

the Plan and Declaration. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. No material change will be made in the size or number of Units or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in Unit layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default. No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Purchasers not in default received a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of an amendment setting forth the right to rescind. Sponsor will return any deposit or Down Payment promptly to Purchasers who rescind.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary Plans and specifications in connection therewith.

It should be noted that as long as the layout and dimensions of a Unit conform substantially to the Unit Plans, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change or discrepancy.

VIIIA. INTERIM LEASES

Sponsor has the unlimited right to rent after consummation of the offering plan. In addition, Sponsor has the exclusive option to enter into a lease with the purchaser of a unit to allow the purchaser to occupy the unit for the interim period between the contract signing and the closing of title to that unit (provided there is a temporary or final certificate of occupancy for the unit or the building). In the absence of such Interim Lease, no purchaser shall have the right to occupy, use, decorate, alter or store belongings in the unit purchased by him prior to the closing.

Any such Interim Lease or use and occupancy agreement will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease or use and occupancy agreement will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease or use and occupancy agreement in accordance with applicable Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein, provided however, that before Sponsor utilizes the default under the lease to declare a default under the Purchase Agreement, Sponsor will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

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

These Units are not subject to rent stabilization or rent protection laws. The Interim Lease, if any, shall be prepared substantially in accordance with the form of Interim Lease included in Part II of the Plan.

IX. PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute a Purchase Agreement in quadruplicate (i.e., four (4) original copies), which will be substantially in the form set forth in Part II of the Plan.

Purchasers will be afforded not less than three (3) business days to review this Plan and all filed amendments prior to executing a Purchase Agreement. If a Purchaser has not been afforded at least three (3) business days prior to executing a Purchase Agreement, such Purchaser will have seven (7) days after delivering an executed Purchase Agreement together with the Down Payment to rescind the Purchase Agreement and have the Down Payment refunded promptly. Such rescinding Purchaser must either personally deliver a written notice of rescission to the Sponsor within the 7-day period or mail the notice of rescission to the Sponsor and have the mailing post-marked within the 7-day period.

A Purchaser will be notified within thirty (30) days after submission of a signed Purchase Agreement, together with the Down Payment, whether the Purchase Agreement has been accepted or rejected. Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser or such Purchaser's attorney. If the Purchase Agreement is accepted, a fully executed counterpart will be returned to the Purchaser. If such Purchaser receives no response within the 30-day period, his Purchase Agreement will be deemed rejected and canceled and all monies paid thereunder shall be refunded within fifteen (15) days thereafter. Upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Condominium Board, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by Law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity. Sponsor shall have the right to reject such Purchase Agreement without cause or explanation to Purchaser, provided such rejection is not based on sex, sexual orientation, race, creed, religion, color, national origin or ancestry or other ground proscribed by Law. No prospective Purchaser will have any claim against Sponsor for Sponsor's failure to execute a Purchase Agreement.

The Sponsor expects the first closing of a Unit to occur by July 1, 2019 as stated in Schedule B. If such date is delayed twelve (12) months or more, Purchasers will be offered rescission. Purchasers will have the right to rescind the contract of sale by giving written notice of such intention, either by delivering said notice to Sponsor personally not later than fifteen (15) days thereafter or, by regular mail, post-marked not later than thirty (30) days thereafter.

The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase. Any Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is otherwise unable to raise the monies for the balance of the purchase price. Prospective Purchasers who require financing are advised to consult with a lending institution prior to execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. Purchasers should note banks and other lenders may require that a minimum percentage of the apartments (such as 70% or more) in a building be sold before the lender will consider making a loan. As a result, Purchasers may experience difficulty obtaining a loan in a building where the percentage of Units purchased is lower than a lender's particular sales minimum.

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

At the time of execution of a Purchase Agreement, a Purchaser is required to make a payment in an amount equal to ten (10%) percent of the purchase price (the "Down Payment"). All Down Payment checks must be made payable to the direct order of "MARK J. NUSSBAUM, ESQ. AS ATTORNEY". All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be canceled and of no further force or effect. All Down Payments will be held in escrow in the Sponsor's attorney's IOLA account at Signature Bank and shall be FDIC insured up to \$250,000.00. However, if a Purchaser maintains any account(s) at the bank it will factor into the \$250,000.00 insurance limit.

The balance of the purchase price (including any portion of the Down Payment paid at Closing) shall be payable simultaneously with the delivery of the deed to the Unit at the election of Sponsor by a wire transfer or an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The bargain and sale deed, with covenants against grantor's acts, will be substantially in the form set forth in Part II of the Plan and will convey good and marketable title to a Purchaser of fee ownership in the Unit and such percentage of Common Interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in this Plan.

Before issuance of the deed, at Closing, each Purchaser is obligated to execute and deliver the Power of Attorney substantially in the form set forth in Part II of the Plan. It shall be a default under the Purchase Agreement if Purchaser fails to deliver the Power of Attorney, which default shall entitle Sponsor to all of its remedies in the event of such default. The Power of Attorney gives the Board of Managers the power to acquire any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as the Board, in their sole discretion deem proper and thereafter to

convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as the Board may in their sole discretion determine. It also nominates, constitutes and appoints the Board of Managers to vote at any home owners meeting, and to file Amendments to the Declaration as necessary to carry out any of the provisions of the Offering Plan of the Condominium.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A UNIT.

"Time is of the essence" means that if such default is not cured within thirty (30) days after Sponsor gives written notice to the Purchaser, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event the Down Payment, together with accrued interest, if any, and any other monies held in the Escrow Account shall be paid over to Sponsor as and for liquidated damages, the Purchase Agreement shall become null and void and Sponsor shall have the right to immediately offer for sale the Unit which was the subject of such Purchase Agreement. Alternatively, but not by way of an election of remedies, Sponsor may institute a legal proceeding to compel the Purchaser to perform his or her obligations under the Purchase Agreement.

After the Plan has been declared effective, pursuant to a notice to be sent to all Purchasers after one contract has been signed, Sponsor will serve Purchasers with notice of the originally scheduled Closing Date at least thirty (30) days prior to the originally scheduled Closing Date. In the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure such default, time being of the essence, following which Sponsor shall have the remedies set forth below. A Purchaser may waive notice of such Purchaser's Closing Date, by signing the waiver included with the Purchase Agreement, included in this Plan.

In the event of any default by Purchaser under a Purchase Agreement, and if Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default and makes a written demand for payment, Sponsor may, at its option, either (a) cancel such Purchase Agreement and retain the Down Payment made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance. In addition, Sponsor shall also be entitled to retain (i) any costs or expenses incurred by Sponsor for special work requested by Purchaser and (ii) the reasonable cost to restore the Unit to its condition prior to such special work being performed. Sponsor will be entitled to maintain an action against Purchaser for such additional costs.

Sponsor will fix dates for closing title to all Unsold Units for which Purchase Agreements have been executed by serving notice upon each Purchaser stating the date of the First Closing and setting such Purchaser's Closing Date.

If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled “Closing Costs and Adjustments” will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor’s higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the original Closing Date until the actual date in which the Purchaser closes title to the Unit.

Prior to the closing of title to a Unit, Purchasers are expressly prohibited from advertising, listing the Unit with a broker or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease (“Advertising Activities”) without Sponsor’s written consent. If any Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an event of default under the terms of the Purchase Agreement, thereby entitling Sponsor any and all remedies under the terms of the Purchase Agreement. Purchasers are referred to the Purchase Agreement set forth in Part II of the Plan for further details.

Sponsor may permit the assignment or transfer of Purchase Agreements. However, no Purchase Agreement shall be assigned without the written permission of the Sponsor and shall be approved only if the assignee is deemed to be qualified to be a Purchaser. In the event the Sponsor approves of such assignment, all Down Payment funds shall be deemed assigned. No portion of the Down Payment funds shall be disbursed or refunded prior to closing. If Sponsor, in its sole discretion, consents to a Purchaser’s request for an assignment of the Purchase Agreement, or for the addition, deletion, or substitution of names on the Purchase Agreement, Purchaser shall pay Sponsor’s Counsel a fee of \$500, payable in advance, for preparation of an assignment agreement. Prior to the closing of title to a Unit, a contract vendee may not list the Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease without Sponsor’s prior written consent.

If the Plan is withdrawn or abandoned, the Down Payment, previously used and actually collected by Sponsor, shall be returned to Purchaser within five (5) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth. If the Plan is abandoned after filing and the Sponsor has accepted purchase agreements, the Sponsor shall promptly submit an amendment to the NYS Department of Law together with form RS-3 as promulgated by the Department of Law. If down payments under Purchase Agreements have been received, and the Plan is abandoned, Sponsor shall return the down payment to the Purchaser within five (5) days from the date of the amendment abandoning the Plan. However, monies paid for upgrades or extras will not be returned. If there are no outstanding Purchase Agreements the Sponsor will not submit an amendment for filing but will submit a form RS-3 to the Department of Law.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to such Unit Owner’s Unit, whether or not

the Unit Owner has taken possession of such Unit Owner's Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Unit or the Building has been completed.

No escrow will be established for unfinished items. At closing the Sponsor and Purchaser shall agree on a list of unfinished items, subject to Section XIII of this Plan, to be signed by both parties, in which the Sponsor agrees to complete said item within a reasonable time, not to exceed ninety (90) days. All representations under the Offering Plan and such additional obligations under the Offering Plan which are to be performed subsequent to the Closing Date will survive delivery of the deed.

PURCHASERS AGREE THAT NO DISCUSSION OF PUNCH-LIST ITEMS IS TO TAKE PLACE AT THE CLOSING ITSELF, AS NEITHER SPONSOR NOR ITS INSPECTION REPRESENTATIVE WILL BE PRESENT AT THE CLOSING. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE PURCHASE AGREEMENT, NEITHER PURCHASER NOR PURCHASER'S PROFESSIONAL, IF APPLICABLE, MAY INSPECT THE UNIT SOONER THAN THE DATE AGREED TO WITH SPONSOR UNLESS REASONABLE NOTICE IS GIVEN TO SPONSOR AND SPONSOR AGREES TO ATTEND.

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

Prior to the First Closing, the entire building will be insured by the Sponsor, and after the First Closing the entire building will be insured by the Condominium. A Person in possession who

is not an owner cannot insure the Unit, other than obtaining renter's insurance, as he or she has no ownership interest, and the Unit cannot be doubly insured. A person who take possession of a Unit prior to Closing assumes the risk of losses not covered by insurance.

If after a Purchase Agreement is fully executed by both Parties, any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Residential Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Residential Unit and shall be payable by Purchaser to Seller at Closing, provided however, that if the amount of such additional cost exceeds \$1,000 then Purchaser may cancel the Purchase Agreement and receive a full refund of all down payments made to Seller on account of the purchase price, whereupon neither party shall have any further liability or obligation to the other in connection with the Purchase Agreement or transaction. However, such right to cancel the Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense.

Purchaser is entitled to a refund of all down payments made to Seller if Sponsor abandons the Offering Plan.

In the event that a Purchaser is entitled to rescind or terminate a Purchase Agreement for any reason, Sponsor may retain any escrow funds expended for special work at the request of the Purchaser as well as the cost of any work necessary to restore the Unit to its condition prior to such work having been performed, provided that Sponsor shall only retain the Down Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto, as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

The Financial Crimes Enforcement Network ("FinCEN") has issued a Geographic Targeting Order ("GTO") most recently updated in November 2018 which requires US title insurance companies to report the personal identity of purchasers in certain residential real estate transactions which meet the following criteria: (a) purchaser is a legal entity as defined in the GTO; (b) total purchase price is in excess of \$300,000.00; (c) purchase is made without a bank loan or other similar form of external financing; and (d) 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, a money order in any form, virtual currency, or a funds transfer. The GTO was first issued in January 2016, and was re-issued to expand coverage to more jurisdictions in July 2016 and February 2017. In August 2017, FinCen revised the GTO to capture a broader range of transactions. The GTO was again extended in May 2018 and most recently updated in November 2018. The latest FinCen notice contains confidential requirements. As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria.

In the event of a dispute between the Sponsor and a Unit Owner after the Unit Owner successfully closes title to a Unit, or between a Unit Owner and the Board, or any dispute arising

out of the Purchase Agreement, including the disposition of a deposit, down payment, or advances received by Sponsor, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan the Purchase Agreement or the relationship created thereby and Purchaser will have to seek redress through arbitration or through commencing an action in the New York State Supreme Court for Kings County with a judge instead of a jury. Purchasers shall be required to pay at least a portion of the court costs or the arbitration costs, subject to a final ruling issued by the court or arbitrator. The arbitrator will be neutral and independent of the Sponsor and its principals and appointed by the court or will be an arbitrator who is a member of the American Arbitration Association. Purchasers should note, arbitration awards are generally final and binding, and that a party's ability to have a court reverse or modify an arbitration award is very limited, see New York Civil Practice Law and Rules §7511. Purchasers should also note, the ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings; the arbitrators may not have to explain the reason(s) for their award; the rules of some arbitration forums may impose time limits for bringing a claim in arbitration; New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings, unlike litigation; that the deposit(s) or downpayment(s) shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award (see CPLR § 7511). If the Purchaser brings a proceeding pursuant to CPLR § 7511 to vacate the award, the funds will and must remain in escrow until that proceeding is finally adjudicated.

ESCROW AND TRUST FUND REQUIREMENTS

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in a Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance, or defense of obligations arising from the handling or disposition of trust funds.

The Escrow Agent:

The law firm of Mark J. Nussbaum & Associates PLLC, with an address at 225 Broadway, 39th Floor, New York, NY 10007, telephone number (212) 632-8300, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Mark J. Nussbaum, Benjamin Fish, and Anthony Goodman. 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:

All contract deposits or down payments will be placed in the master IOLA escrow account at Signature Bank, at its branch located at 71 Broadway, New York, NY 10006 entitled Mark J. Nussbaum & Associates PLLC Attorney Escrow Account IOLA, Escrow Account No. [REDACTED] (the “Master Escrow Account”). Purchasers are advised that if a Purchaser makes a down payment in excess of \$250,000 for the purchase of a unit, such down payment placed in the escrow account will not be federally insured in excess of \$250,000.

At the time of execution of a Purchase Agreement, a Purchaser is required to make a payment in an amount equal to ten (10%) percent of the purchase price (the “Down Payment”). All Down Payment checks must be made payable to the direct order of “MARK J. NUSSBAUM AS ATTORNEY”. Endorsed instruments will not be accepted. All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be canceled and of no further force or effect.

Acceptance of the Down Payment by Sponsor’s attorney and the placement of the Down Payment by Escrow Agent into the master escrow account, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

In the event a check delivered by a Purchaser fails of collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

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 Purchase Agreement:

The Purchase Agreement, is annexed in Part II of the Plan. The revised escrow provisions are included in a Rider annexed to 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.

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

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.

The Escrow Agent shall release the Deposit if so directed:

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

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

directed pursuant to paragraphs (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/building] 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.

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor, Purchaser and Escrow Agent which incorporates the terms of the Attorney General's regulations.

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

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the escrow agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the escrow agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Before any Down Payment can be transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the relevant details with

respect to the new escrow account, the Escrow Agent and the escrow agreement as was originally provided in the Plan.

Waiver Void:

Any provision in the Purchase Agreement or escrow 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.

ASSIGNMENT OF PURCHASE AGREEMENTS

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

Any purported assignment by Purchaser shall be deemed a violation of the Purchase Agreement and will constitute a default under the Purchase Agreement which shall be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor.

Notwithstanding the foregoing, Sponsor may, in its sole discretion, consent to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement if Sponsor deems the assignee to be a qualified Purchaser. In such event, Sponsor will provide written permission for the assignment, then Purchaser will be required to pay Sponsor's attorney a fee of \$500, in advance, for preparation of an assignment agreement. In the event the Sponsor approves of such assignment, all Down Payment funds shall be deemed assigned. No portion of the Down Payment funds shall be disbursed or refunded prior to closing.

X. EFFECTIVE DATE

The offer to sell is contingent upon the Plan's being declared effective and upon compliance with the relevant conditions and time periods described herein. Sponsor must conform with the following provisions in determining whether, when and how the Plan will be declared effective.

The plan shall be declared effective by personal service of a notice on each Purchaser or by commencement of service by mail in the manner required by Section 20.1(d), of Part 20 of Title 13 NYCRR, stating that the plan was declared effective on a particular date, the percentage used to declare the plan effective and a list of the units being counted to meet the minimum percentage under the terms of the plan to declare it effective. A closing may occur without the sponsor's submitting an amendment to the Department of Law to declare the plan effective; however, the Sponsor must comply with the requirements of Section 20.5(e) of Part 20 when submitting a Post-Closing Amendment pursuant to Section 20.3(f).

The Plan may not be declared effective unless bona fide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Residential Units offered which in this Plan is one (1) unit. Units of a primarily ancillary nature such as garage spaces, parking spaces, storage Units, boat slips or cabanas, may NOT be counted toward effectiveness. Such Units are excluded from the base in calculating the percentage needed to become effective.

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 Closing, regardless of whether the Condominium Declaration has been recorded.

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

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

(ii) if the Purchasers were afforded fewer than three (3) business days to review the offering Plan and all filed amendments prior to the execution of a Purchase Agreement; or

(iii) with any Purchaser who is the Sponsor, the selling agent, or the managing agent or is a principal of the Sponsor, the selling agent or the managing agent or is related to the Sponsor, the selling agent or the managing agent or to any principal of the Sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Office of the Attorney General establishing that the Purchaser is bona fide.

The Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for eighty percent (80%) or more of the Units which in this plan is three (3) units. If Purchase Agreements for 80% of the Units have not been executed within eighteen (18) months of

the filing of the Plan the Sponsor may abandon this Plan so long as title to any Condominium Unit has not been conveyed and the Declaration has not been filed at such time. In the event Seller exercises such option, it shall forthwith return the Purchaser's Down Payment.

If the Plan is withdrawn or abandoned, the Down Payment, previously paid to and actually collected by Sponsor, shall be returned to Purchaser within five (5) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth. If the Plan is abandoned after filing and the Sponsor has accepted purchase agreements, the Sponsor shall promptly submit an amendment to the NYS Department of Law together with form RS-3 as promulgated by the Department of Law. If down payments under Purchase Agreements have been received, and the Plan is abandoned, Sponsor shall return the down payment to the Purchaser within five (5) days from the date of the amendment abandoning the Plan. However, monies used for upgrades or extras will not be returned. If there are no outstanding Purchase Agreements the Sponsor will not submit an amendment for filing but will submit a form RS-3 to the Department of Law pursuant to 13 NYCRR § 20.1(l)(2).

Sponsor may not abandon the Plan after effectiveness for any reason other than:

(i) a defect in title which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount, or

(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 of one percent of the total offering amount, or

(iii) the taking of any material portion of the property by condemnation or eminent domain. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorneys fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

XI. TERMS OF SALE

The term “Closing” as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Unit. The Closing to each Unit shall be held at the offices of Sponsor’s attorneys, Mark J. Nussbaum & Associates PLLC, 225 Broadway, 39th Floor, New York, NY 10007 or at such other place as Sponsor may designate on not less than five (5) business days’ prior notice. The Closing to each Unit shall take place only after or concurrently with the following events:

- A. The Plan has been declared effective in accordance with its;
- B. The recording or filing of the Declaration, By-Laws, and Floor Plans in the City Register’s Office after approval of same in the Real Property Assessment Department of the New York City Department of Finance as required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;
- C. Either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser’s mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;
- D. The delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, unless the Purchase Agreement was executed after the First Closing and a Closing date was specified in the Purchase Agreement, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor’s agent, prior to Closing;
- E. The execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor’s acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the permitted encumbrances;
- F. If the Purchaser of the Unit so requests, the issuance of a title insurance policy or certificate committing to insure fee title to the Unit in the Purchaser subject only to the encumbrances set forth in Exhibit A annexed to the form of Purchase Agreement, set forth in Part II of this Plan, which policy or certificate will also insure that a valid Condominium has been created pursuant to the Condominium Act. For an estimate of the cost to the Purchaser of obtaining such title insurance, see the Section entitled “Closing Costs and Adjustments,” and
- G. The execution and delivery by Purchaser of the Power of Attorney, the form of which is set forth in Part II of the Plan.

H. For Plans not subject to the provisions of General Business Law § 352-ee, a Closing will take place only concurrently with the issuance of a temporary or permanent certificate of occupancy for the entire project or, issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed or the building in which the Unit is located.

All personal property located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance unless such personal property (i) is construction-related (ii) has been placed therein for display purposes or (iii) is specifically excepted in the Purchase Agreement. Sponsor will maintain the Building and the Common Elements until the First Closing, subject to ordinary wear and tear. Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of Title of such Unit, except for repairs which Sponsor was obligated to make prior to the closing of title. Each Purchaser will be given a reasonable opportunity to examine the Unit prior to closing.

The cost of extras and special work must be paid for in advance by placing the money in the escrow account. If Purchasers rescind their Purchase Agreements they will not receive back the money used for such work. If Purchasers have not paid for the extras in advance, in the event of rescission the actual cost of such work will be deducted from any amounts returned to the Purchasers. However, Purchaser is entitled to a refund of such funds should Sponsor abandon the Plan.

This offering is restricted to individuals the age of eighteen (18) years or older, corporations, partnerships, limited liability companies, trusts, estates and other business entities that may hold title to real estate pursuant to New York Law. If the Purchaser is a trust, the Purchaser must, prior to executing a Purchase Agreement, provide Sponsor's attorney with documentation satisfactory to Sponsor's attorney which shall include, without limitation, a copy of the trust agreement, affidavit from trustee regarding the validity of the trust and all other information as may be required by Sponsor's attorney.

The risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair. Thereafter, the Purchaser will be refunded all purchase monies, including deposits for special work and extras paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair.

In the event of the existence of any lien or encumbrance, other than Permitted Encumbrances, Sponsor shall use its best efforts to clear, satisfy and/or discharge same. In the event a defect in title cannot be cured without litigation or cannot be cured for less than one-half of

one percent of the total offering amount, Sponsor may abandon the Plan, after effectiveness. At the present time Sponsor is unaware of any defect in title that cannot be cured or that cannot be cured less than one-half of one percent of the total offering amount. In the event the cost to discharge or satisfy said lien costs more than one-half of one percent of the total offering amount, Sponsor shall notify Purchasers of same and offer Purchaser's the right to rescind their Purchase Agreement and receive back their down payment. Purchasers may order title from a title company of their own choosing without incurring any additional fees from the Sponsor. A Purchaser electing to proceed with the purchase of a Unit will not be entitled to any credit against, or abatement of, the purchase price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects, except as set forth in the Section of the Plan entitled "Effective Date."

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. Currently Sponsor has a construction loan or other mortgage encumbering the property with First Niagara Bank, NA. Sponsor shall satisfy the mortgage on or before each closing, or negotiate a release price for each Unit which will be paid to the Lender to "partially release" the individual Units from the mortgage(s). The Sponsor's loan documents state that "Mortgagee may, without the consent of Mortgagor or any other person liable for the payment of the Indebtedness, release any portion or portions of or interest or interests in the Premises from the lien of this Mortgage, either with or without consideration, and may release or discharge in whole or in part any other property which it may at any time hold as security for payment of the Indebtedness or any part thereof and may take any other bond, note or obligation as evidence of the Indebtedness, payable at such time and on such terms as Mortgagee may approve." Accordingly, each Unit shall be released from the underlying mortgage(s) at the Unit Closings

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

At closing, Purchaser shall receive any manufacturers' warranty certificates with respect to equipment and appliances installed in the Unit and Sponsor shall assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

No escrow will be established for unfinished items, except for the lack of a permanent certificate of occupancy. In such case Sponsor will maintain all deposits and funds in the special escrow account required by GBL Section 352-3(2-b) unless the Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the

amount so certified by the Sponsor's engineer, architect or other qualified expert may be released from the special escrow account. Alternatively Sponsor must deposit with an Escrow Agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Attorney General. All representations under the offering Plan and such additional obligations under the offering Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

XII. CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs and expenses to be borne by each Purchaser are as follows:

1. Title insurance charges, if ordered, are shown in the table below for the cheapest and most expensive Units. They are in accordance with the schedules of rates set by the New York State Land Title Association and filed with the New York State Department of Insurance. The title policy premiums and the recording charges set forth herein are for informational purposes only and are in effect as of the date of this Offering Plan, and may be increased by the Title Company, state, county or municipality.

The first \$35,000 of the title insurance will be \$402. Each additional \$1,000 of insurance or fraction thereof will be charged: at \$6.67 from \$35,001 to \$50,000, at \$5.43 from \$50,001 to \$100,000, at \$4.36 from \$100,001 to \$500,000 and at \$3.98 from \$500,001 to \$1,000,000. Title insurance per the TIRSA Rate Manual will be charged at 70% of the total of the above owner's policy rate as same is the bulk rate applicable to condominiums.

Below are sample figures for the cheapest and most expensive Units, for informational purposes only.

WITHOUT MORTGAGE			WITH MORTGAGE		
Purchase Price	Title Insurance	Mortgage Amount (80%)	Fee Insurance	Mortgage Insurance	Total
\$1,800,000.00	\$7,436	\$1,440,000	\$7,436	\$ 744	\$ 8,180
\$1,200,000.00	\$9,266	\$ 960,000	\$9,266	\$1,898	\$11,164

2. Approximately \$200.00 recording fee for the deed and approximately \$175.00 for recording the Unit Power of Attorney.

3. In the event the Purchaser shall obtain a purchase money mortgage, he shall pay at the closing of title the sum of the following costs: recording fees for the mortgage of approximately \$225.00 and mortgage tax (subject to certain possible adjustments), up to \$500,000 is 1.925% of the principal amount of the mortgage minus a \$30.00 credit as the Unit is a single-family home, and if the mortgage is over \$500,000 the rate is 2.175% minus a \$30.00 mortgage, title policy charges, lending institution's attorney's fees, origination fees, mortgage application fees, and credit reporting fees. If applicable, a portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee, subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes which the Sponsor will have previously paid in connection with any existing mortgages on the Condominium property. In addition, the Purchaser may be required by the lending institution to post

with the lending institution a deposit towards the payment of real estate taxes based upon a multiple of estimated monthly real estate taxes which will vary with the closing date.

4. Although normally a seller's obligation, the Sponsor is shifting the burden of paying transfer taxes to the Purchasers. Purchasers must pay the New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Residential Unit, is 1% of the Purchase Price of a Unit if such Purchase Price is \$500,000 or less and 1.425% of the Purchase Price if such Purchase Price is over \$500,000; and the New York State Real Estate Transfer Tax ("NYS Tax"), presently \$2 for each \$500 (or part thereof) of the Purchase Price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes which are the primary obligation of the seller but are paid by the Purchaser will be included in the consideration subject to tax. Also, Purchaser shall be responsible for any title company fees, E-tax form, RPT filing fees, and/or ACRIS fees, associated with the preparation and/or recording of the transfer tax documents.

If the purchase price of a Unit is \$1,000,000.00 or more, the Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one (1%) percent of the purchase price, which by law is the primary obligation of the Purchaser.

5. Two (2) months Common Charges to be paid to the Condominium towards the Working Capital Fund. While Sponsor is in control of the Board of Managers the Working Capital Fund will not be used to reduce the Common Charges. If any portion of the Working Capital Fund is used during this period to pay for items in the budget set forth as Schedule B, such amounts will be repaid to such fund out of Common Charges collected.

6. At closing, the Purchaser must pay the Sponsor's attorney fee in the amount of \$2,000.00 to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title of the Purchaser's Unit. If Purchaser obtains financing and the lender is unwilling to close at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice,) the closing may be held elsewhere in New York City provided that an additional travel fee is paid to Sponsor's counsel equal to: (1) \$500 if the closing is held elsewhere in Manhattan and (2) \$750 if the closing is held outside Manhattan. In addition: (a) if the closing is adjourned through no fault of the Sponsor, the Purchaser will be required to pay to Sponsor's Counsel an additional fee of \$250 for each adjournment to defray the cost of scheduling, preparing for, and coordinating the new closing; (b) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion, or substitution of names on the Purchase Agreement, Purchaser shall pay Sponsor's Counsel a fee of \$500, payable in advance, for preparation of an assignment agreement; (c) if Purchaser obtains mortgage financing, Purchaser shall pay an additional fee of \$500 to Sponsor's counsel to defray the additional cost associated therewith. Purchaser may be required to pay more than one fee with respect to a single Unit pursuant to the preceding provisions of the

paragraph. Each Purchaser shall be responsible for the payment of fees to his/her own attorney.

7. In the event the Units have not been separately assessed for real estate purposes prior to the closing of title to the first Unit, Purchasers will be required to pay to Sponsor an amount equal to the then applicable taxes of the estimated unpaid real estate taxes which will be levied against the parcel until the Units are separately assessed. Sponsor on behalf of the Board of Managers will place said monies in an escrow account maintained by the Escrow Agent and will pay the real estate taxes from the escrow account when the taxes are due and payable. In the event the actual taxes are greater than the amount collected, Sponsor shall be entitled to a pro rata share of the additional taxes from each such Unit owner.

8. The Sponsor has chosen Infinity Land Services LLC ("Infinity"), 974 East 27th Street, Brooklyn, NY 11223, (718) 338-0065, to insure all titles and mortgages at closing. There is no restriction on which title company purchasers may choose to insure title. However, Purchasers must notify Sponsor's attorney in writing if another title company will be used to insure title. Furthermore, a title company chosen by Purchaser, other than Infinity, must agree to submit all real estate tax forms, deeds, powers of attorney, satisfactions or partial releases of mortgage, and/or other instruments that must be recorded in connection with the conveyance of a deed to a Unit Owner and all transfer taxes due in connection therewith and will be obligated to indemnify Sponsor, or if such title company refuses then Purchaser's attorney will be required to indemnify Sponsor, for such title company's failure to file such forms and/or failure to remit the required transfer taxes in connection therewith in a timely manner

9. Each Purchaser shall pay the Sponsor the sum of not more than \$500.00 per unit for final "as built" plans. Each Purchaser shall also reimburse part of the Sponsor's cost for engineering, architect, legal fees and other expenses to create the Condominium, in the amount of \$4,500.00. Therefore, each Purchaser shall be obligated to pay \$5,000.00 at closing for these charges in addition to the Purchase Price and other customary adjustments, including water charges and sewer rents, which shall be adjusted on a per diem basis.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be liability insurance, real estate taxes, sewer charges, if any, and common charges, if they have been declared by the Board of managers. Tax adjustments will be made as of 11:59 P.M. on the day preceding the closing date. In the event there are any other items which are to be apportioned at closing, if practicable, the Sponsor will advise the Purchaser in writing of such items at least one day before the closing. The "Customs in Respect of Title closings" recommended by the Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments mentioned except as otherwise provided in the Plan and Purchase Agreement.

Estimated closing costs

Below is a list of closing costs. Estimates are based on the highest-priced Residential Unit (\$1,800,000.00), but are not warranties or guarantees.

Title insurance (\$1,800,000 fee, with 80% mortgage)	\$ 8,180.00
Recording of deed, unit power of attorney, mortgage	500.00
Municipal, departmental, and abstract search	500.00
Mortgage tax on \$1,440,000 (1.925%*** - \$30)	27,690.00
New York State transfer tax	7,332.00
New York City transfer tax	26,118.11
Mansion Tax	18,000.00
Working Capital Fund (2 mos common charges)	956.70
Sponsor's attorney fee	2,000.00
Sponsor's creation cost	5,000.00
Miscellaneous title fees	4,500.00
 Total	 \$82,776.81

*** The full mortgage tax rate is 2.175% but lenders generally pay .25% of the mortgage tax.

XIII. RIGHTS AND OBLIGATIONS OF THE SPONSOR

The obligations of Sponsor under the Plan and applicable law with respect to this offering include, but are not limited to, the following:

Sponsor has the unlimited right to rent after consummation of the plan. Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right to rent or lease, after consummation, rather than sell, the Units offered hereunder. There is no commitment to sell more Units than the fifteen percent (15%) of Units necessary to declare the Plan effective. As a result, this Plan may not result in the creation of a Condominium in which a majority of the Units are owned by owner-occupants or investors unrelated to the Sponsor and owner-occupants may never gain effective control and management of the Condominium. Since only one unit is necessary to declare the plan effective, one Purchaser may be the only owner while the other two units may be owned by Sponsor or non-owner occupants. In addition, Purchasers may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies.

Purchasers should note that non-resident owners, including Sponsor, have a monetary investment in their Units and may not share the same interests as Owner occupants in the maintenance and care of the Building's facilities and amenities. Furthermore, owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

Sponsor shall be liable for and obligated to defend any suits or proceedings arising out of the acts or omissions of Sponsor, representations made by Sponsor in this Plan, or any obligations imposed by statutes and/or regulations. With respect to such suits and proceedings, Sponsor shall indemnify the board of managers and the unit owners.

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

Sponsor agrees to pay all common charges, special assessments and real estate taxes attributable to the Unsold Units in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet the aforesaid obligations with respect to Unsold Units and will fund same from income from projected sales, the rental or leasing of Unsold Units and Sponsor's other financial resources. No bond or other security has been posted to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to Unsold Units.

If a Purchaser is or becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall

assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workperson. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair. Thereafter, the Purchaser will be refunded its Down Payment paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair.

Sponsor shall initially procure on behalf of the Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Board in accordance with the provisions of the By-Laws. The cost of said insurance has been reflected in the Projected Budget set forth as Schedule B in Section V of this Plan. Such required coverage(s) may be satisfied by a so-called builder's risk policy obtained by Sponsor in connection with the construction of the Building, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

In the event of the dissolution or liquidation of the Sponsor, or the transfer of two (2) or more Units in the Condominium, to a single Purchaser, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan and applicable laws or regulations (including without limitation, Sponsor's representation that it will endeavor in good faith to sell the Units offered hereunder but subject to the reservation of the unconditional right to rent or lease, rather than sell, such Units).

Currently Sponsor has a construction loan or other mortgage encumbering the property with First Niagara Bank, NA. Sponsor shall satisfy the mortgage on or before each closing, or negotiate a release price for each Unit which will be paid to the Lender to "partially release" the individual Units from the mortgage(s). The Sponsor's loan documents state that "Mortgagee may, without the consent of Mortgagor or any other person liable for the payment of the Indebtedness, release any portion or portions of or interest or interests in the Premises from the lien of this Mortgage, either with or without consideration, and may release or discharge in whole or in part any other property which it may at any time hold as security for payment of the Indebtedness or any part thereof and may take any other bond, note or obligation as evidence of the Indebtedness, payable at such time and on such terms as Mortgagee may approve." Accordingly, each Unit shall be released from the underlying mortgage(s) at

the Unit Closings.

Sponsor is obligated to build and complete the condominium in accordance with the building plans and specifications identified in the plan and will, at its sole cost and expense and with reasonable diligence, will perform such work and supply such materials, or will cause same to be performed and supplied, as is necessary in order to complete the construction of the building with a quality of construction comparable to the currently prevailing local standards and substantially in accordance with the plans and specifications for the work filed with the Department of Buildings of the City of New York and other appropriate governmental authorities.

Sponsor reserves the right, without prior notice to Purchasers or amendment of the Plan (but subject to obtaining any required approval(s) of any governmental authorities having jurisdiction), to; (a) amend from time to time any of the Plans and Specifications (including changes in layouts and designs and changes affecting the material, appliances, equipment and fixtures and other construction details); and/or (b) substitute materials, appliances, equipment and fixtures that are of equal to or better quality and design in place of those described in the plans and specifications. "Equal to or better quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable. Any such change, if material (for example, variations in square footage in excess of 10%), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen, events, etc. and in all cases, in good faith, reasonably necessary due to factors not within Sponsor's control, and where no practicable (in the exercise of sound construction management practices) alternative exists, and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Purchase Agreement(s) and receive a refund of their Down Payment(s), together with any interest earned thereon, if applicable. However, as long as the layout and dimensions of a Unit conform substantially to the plans and specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Units offered hereby, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, but only if such defects are due to improper workmanship or material substantially at variance with Plans and specifications, and Sponsor is notified by the Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within one year from the earlier of the issuance of a temporary Certificate of Occupancy for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Unit, on or prior to the date of closing for such Unit, except that if any such defect in a Unit can be detected only by the

occupancy of the Unit, Sponsor will correct such defect if notified in writing, by the Unit Owner within one year from the earlier of the closing of title to such Unit or the commencement date of an interim lease for such Unit. However, notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Board or Unit Owners; or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any landscape improvements, nail pops, ridging on gypsum board or sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, grouting cracks, scratches in formica or porcelain surfaces, bath and kitchen tile grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, slight separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring, or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting, or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligation under the Plan shall be to repair, or at Sponsor's option, replace any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and specifications), subject to the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transaction contemplated in the Plan.

Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of: (i) any immaterial variations from the Plans and specifications or the description of the Building

or a Unit set forth in the Plan; or (ii) variations from the Plans and specifications or the description of the Building or a Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of substantially similar or better quality than as set forth in the plans and specifications or description of the property in this Plan. Any such variation which is material will be disclosed in a duly filed amendment to the Plan.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, governmental restrictions, acts of terrorism, acts of God, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Units to begin on or about July 1, 2019. Prospective Purchasers should note, however, that the Units may be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed, or postponed by Sponsor. However, in the event the actual or anticipated commencement date of the projected 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 and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements, if the Plan has been declared effective) the right to rescind their Purchase agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Down Payment returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of the Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

Prior to the First Closing Sponsor shall obtain a temporary (TCO) or final (FCO) certificate of occupancy for the unit. If Sponsor obtains a TCO, Sponsor and its principals agree to obtain a FCO for the unit within two (2) years after the first issuance of the TCO. Sponsor will obtain a FCO for the unit before the TCO expires, unless extended. In New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive TCOs. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of 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. TCOs have an expiration date, typically 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 closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO at its own cost and expense. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. **NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING AND SHALL EXERCISE ITS BEST EFFORTS TO OBTAIN IT WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT.** Unit owners and the Board shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings. The TCO may lapse for reasons outside the sponsor's control. In the absence of a FCO or TCO it is unlawful to reside in or rent a unit and will be difficult for purchasers to obtain financing or pass clear title. Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A factsheet on this topic is available on the DOB website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

If the first closing takes place prior to the issuance of a FCO for the unit, Sponsor will maintain all deposits and funds in the special escrow account required by GBL Section 352-e(2)(b) unless Sponsor's engineer, architect or other expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by sponsor's engineer or architect may be released from the special escrow account. Alternatively, the sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified.

The Purchaser of a Unit shall inspect such Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Unit by Sponsor following the closing for such Unit.

The Sponsor agrees to warrant the materials or workmanship of each Unit (and limited common elements) or common elements pursuant to The Housing Merchant Implied Warranty Law

(GBL Article 36-B) (**as limited**) which applies to the offering. All other warranties are excluded. The warranty and a copy of the statute is included in Part II of the plan. The warranty is extended only to the first purchaser of a Unit, not subsequent purchasers. The implied warranty has the following features:

FIRST YEAR BASIC COVERAGE: for one year from the Effective Date of the Warranty which is the earlier of the date of the transfer of title to the purchaser or the date on which any person takes residential occupancy. The performance standards cannot limit the Sponsor's warranty in a manner inconsistent with the requirements of law. The Unit will be free from latent defects that constitute:

- (a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;
- (b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller;
- (c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller; or
- (d) defective installation of appliances sold as part of the Home by the Seller or an agent, employee or subcontractor of the Seller.

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Effective Date of the Warranty, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Home which have been installed by the Seller are warranted to be free from latent defects resulting from defective installation by the Seller.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Effective Date of the warranty, the Home will be free from latent Major Structural Defects that result from:

- (a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;
- (b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller; or
- (c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller.

Sponsor has elected to limit the Housing Merchant Implied Warranty applicable to this offering.

Sponsor's Limited Warranty is limited to initial purchasers and capped at \$25,000 per unit. The limited warranty covers only conditions which result in physical damage and excludes all consequential, incidental, and/or special damages except as required by New York State law and excludes: items that have been altered by a person or persons other than Sponsor, its employees or agents; defects in appliances, fixtures, equipment and household items, if any are included in the sale; defects in any work or materials performed by others; conspicuous defects and any defects which an inspection of the Unit would reveal; damage caused by faulty operation by Purchaser; any damage caused by purchaser's failure to adequately maintain and preserve any item or property; loss or damage caused by workmanship performed by any person other than the Sponsor, employees or agents; loss or damage caused by defective materials supplied by a person other than Sponsor, employees or agents; loss or damage caused by defective design provided by any person other than a design professional retained exclusively by Sponsor; defects in outbuildings, recreational facilities, driveways, walkways, patios, boundary walls, retaining walls, bulkheads, fences, landscaping, offsite improvements or any other improvements that are not part of the Unit itself; concrete floors of basements and attached garages which are separate from foundation walls and other structural elements (after the 1st year of coverage); damage to real property which is not part of the Unit; damage to the extent it is caused or made worse by (a) negligence, improper maintenance, or improper operation by anyone other than the Sponsor, its employees or agents, (b) failure to comply with manufacturer warranty requirements, (c) failure to give notice to Sponsor, or (d) changes in the grading of the ground by anyone other than Sponsor its agents or employees; (e) changes, alterations or additions made to the Unit by anyone after the date of the warranty; or (f) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation. The warranty further excludes: loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, floor, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table; loss or damage caused by seepage of water, unless the direct result of a construction defect; damage caused by soil movement for which compensation is provided by legislation or which is covered by insurance; damage which the Unit Owner has not taken timely action to minimize; normal wear and tear and normal deterioration; insect damage; bodily injury or damage to personal property; items not completed by the Sponsor or its employees or agents (in the event the Sponsor does not complete construction of the Unit); loss or damage which arises while the Unit is being used primarily for nonresidential purposes; loss or damage due to abnormal loading on floors by the Unit Owner which exceeds design loads as mandated by the Building Code; and any claim not filed in the procedure prescribed by Sponsor's Limited Warranty, included as Exhibit C to the Purchase Agreement in Part II of the Offering Plan.

Sponsor's obligation, regardless of any limitations in the warranty or the offering plan, cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications, and locally accepted building practices for items which are not covered by codes. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Languages on Warranties in this offering plan must be in accordance with Section 777-a (New York Housing Merchant Implied Warranty) and Section 777-b (New York Exclusion or Modification of

Warranties) on sales of new homes of the NY GBL. Any exclusion or modification that does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such standard, a locally accepted building practice, shall be void as contrary to public policy. In addition, any exclusion or modification of warranties that fails to ensure that a home is habitable by permitting conditions to exist which render the home unsafe, shall also be considered void.

At the closing of the Unit, Sponsor will assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit owner and assign any warranties with respect to equipment and appliances installed in the common elements to the Board of Managers.

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

The Sponsor agrees to deliver a set of "as-built" plans to the Board of Managers. No bond or other security has been furnished to secure Sponsor's obligations, including Sponsor's obligations to complete construction of the Condominium.

Sponsor and its agents has the right of access at any time to complete construction of the Condominium, or in the event of a threat to life, health or property. If possible, all such access shall be scheduled at the Unit owner's convenience. Sponsor is responsible to repair any damage caused by such access.

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

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

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

non-occupant Unit owner and tenant within three (3) business days and thereafter the tenant will be payable to the non-occupant Unit owner or a designated agent.

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

(c) Any rights existing under any other Laws are not limited by RPL §339-kk.

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

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

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

Finally, no representation is made about the tax effects of RPL §339-kk.

All prospective purchasers should review RPL §339-kk to determine its effect on their own situation.

In the event that there are title encumbrances (other than Permitted Encumbrances annexed to the Purchase Agreement as Exhibit A and mortgages) affecting the Property at the time of the First Closing, Sponsor shall cause such encumbrances to be cured, remedied and removed, at its sole cost and expense, by the First Closing or within a reasonable time thereafter, except that Sponsor shall have no obligation to cure, remedy, or remove any such encumbrances if the same cannot be accomplished at an aggregate cost and expense of up to 0.5% of the Total Purchase Price to Tenant Purchasers (including attorney's fees and disbursements). The existence of any such encumbrances will not constitute an objection to title or excuse any Purchaser from completing payment of the

balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor furnishes adequate proof to the Title Company that such encumbrance has been remedied or deposits a reasonable sum to secure Sponsor's obligation to cure and remedy such encumbrance subsequent to the First Closing as determined by the Title Company. At Sponsor's request, the sums so deposited shall be applied towards payment of the cost of curing or remedying the title defect. If a Purchaser's title insurance company refuses to grant affirmative insurance and the Title Company chosen by Sponsor, First American, would have been willing to grant said affirmative insurance at its regular rates without additional premium, neither such lack of affirmative insurance nor the existence of the liens in question will constitute a valid exception to title.

At the closing of the Unit, Sponsor will deliver, assign, or otherwise grant to the Board, on behalf of all the Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Certain warranties with respect to the Building will be held by the Board on behalf of all Unit Owners as to whose Units such warranties pertain. Upon the recording of the Declaration the Board will assume the same and indemnify the assignor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the Declaration was recorded.

Sponsor has the unlimited right to rent after consummation of the offering plan. In addition, Sponsor has the exclusive option to enter into a lease with the purchaser of a unit to allow the purchaser to occupy the unit for the interim period between the contract signing and the closing of title to that unit (provided there is a temporary or final certificate of occupancy for the unit or the building). Any such Interim Lease or use and occupancy agreement will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease or use and occupancy agreement will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease or use and occupancy agreement in accordance with applicable Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein, provided however, that before Sponsor utilizes the default under the lease to declare a default under the Purchase Agreement, Sponsor will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. Sponsor anticipates that the lease or use and occupancy agreement

will not be subject to governmental regulation.

Sponsor or its designee reserves the right to use or occupy itself (for such rent and term and on such other conditions as may be agreed to between such parties) after consummation of the Offering Plan, any Unit not yet conveyed and occupied or to withdraw Units from the market. Sponsor's right to rent, rather than sell Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not contain a provision that requires members of the Condominium Board be owner-occupants of a Unit. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, such as a purchase for a home as opposed to purchase for investment.

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

If a Purchaser is or becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workperson. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair. Thereafter, the Purchaser will be refunded its Down Payment paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to

complete such repair.

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to any Unsold Units (for so long as Sponsor owns same) and any other obligations set forth in this Plan on the part of Sponsor to perform, the foregoing sets forth the entire extent of the obligations of Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers under their respective Purchase Agreements. Sponsor agrees to pay all Common Charges, special assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet its obligations respect to the Unsold Units. Sponsor intends to meet its obligations to the Condominium through proceeds from the sale of Units and rental income from Non-Purchasing Tenants. Sponsor makes no representations or warranties other than as set forth in this Plan. The obligations of Sponsor under this Plan and Article 23-A of the General Business Law shall survive the delivery of the deeds to the respective Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title to such Unit or the leasing thereof to any Purchaser or, with respect to the Common Elements, arising out of any occurrence taking place on or after the date of the First Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in this Plan. Sponsor makes no representation or warranty as to any work, materials, appliances, equipment or fixtures to be provided or performed by Sponsor or located at the Property other than as set forth in the Plan. Notwithstanding anything to the contrary set forth herein, nothing contained in the Plan shall be construed as to render Sponsor liable for consequential damages (whether based upon negligence, breach of contract, breach of warranty or otherwise) it being intended that Sponsor's sole obligation shall be to perform its obligations as expressly provided in the Plan.

Sponsor has not furnished any bond or other security for the performance of its obligations under this Plan.

While in control, Sponsor will cause the Condominium Board to maintain the Property in substantially the same condition and manner as on the date of presentation until Sponsor no longer controls the Condominium Board.

Obligations of Sponsor under this section with respect to the Condominium, the General Common Elements or the Limited Common Elements shall be enforceable only by the Condominium Board on behalf of all Unit Owners. In no event shall any obligations of Sponsor to the Condominium be enforceable by individual Unit Owners unless: (a) the alleged construction defect relates to one (1) Unit only and is not a common defect affecting two (2) or more Units or (b) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Condominium Board. During any period that Sponsor controls the board, the Board may not enforce (as a result of the Sponsor's control thereof) the obligations of the Sponsor under the Plan or as otherwise required by law and in such case, the Unit Owners may have to undertake, at their expense, enforcement of the obligations of the Sponsor. Any provision that gives Sponsor control of the enforcement of Sponsor's

obligations is not lawful. If there are non-sponsor controlled board members and there is a vote on whether to sue the Sponsor, Sponsor's board representatives cannot vote on that issue. Sponsor agrees that it will enforce such obligations pursuant to a resolution passed by a Majority of the Unit Owners, excluding the Sponsor, at a special meeting called for such purpose.

XIV. CONTROL BY THE SPONSOR

The Sponsor shall control the board of managers until 2 of the 3 Units offered for sale have closed, but for no more than 5 years. Upon such closing, a meeting will be held to elect new board members unrelated to the Sponsor within thirty (30) days of the expiration of the control period. The By-laws of the Condominium do not contain a provision that after this initial Sponsor voting control period a majority of the board of managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Purchasers for their own occupancy may never gain effective control of the Board of Managers. Owner occupants and non-resident owners may have inherent conflicts on the management of the condominium.

The Condominium shall have a 3 member Board. After the Initial Control Period, Sponsor shall have the right to designate one Board Member for as long as at least one Unit is owned by Sponsor.

Notwithstanding anything to the contrary set forth herein, in the event the regulations promulgated by the New York State Department of Law governing the conversion of newly constructed, vacant or non-residential condominiums are amended to provide that a Sponsor can elect a majority of its designated board members for a period in excess of five years, or if such regulations are finally determined to be unenforceable by a court of competent jurisdiction, provided that such Sponsor has a sufficient number of votes to cast a majority of the votes of the Unit Owners, then the aforesaid restrictions concerning Sponsor's rights to elect a majority of the Condominium Board shall no longer be effective and Sponsor shall have the same rights to vote its Common Interests as any other Unit Owner, whether or not Sponsor has previously been required to give up control of the Condominium Board.

Within thirty (30) days after the Initial Control Period, the applicable number of members of the Condominium Board which were designated by Sponsor shall resign and their replacement shall be filled by appointment of the members of the Condominium Board representing the Unit Owners (excluding members designated by Sponsor) at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose. Each unit owner shall be entitled to appoint one member to the Board. The term of office of each member of the Board shall continue until the unit owner appoints a new board member or the unit is sold. The Unit Owners may change their board appointee at any time by providing written notice to the other board member. Should Sponsor own 2 of the 3 units at the end of the Initial Control Period, the Sponsor shall only be entitled to one vote and the other Unit Owner shall be entitled to 2 votes until such time as at least one of the Unsold Units is transferred to a third party purchaser who may then appoint a board member.

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

Until Sponsor no longer designates a majority of the members of the Condominium Board, Sponsor will through its control of the Condominium Board have control of the Maintenance and

operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

The Condominium Board shall consist of three (3) members. The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board (the "First Annual Meeting") no later than one (1) year after the First Closing, unless more than fifty percent (50%) of the Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of fifty percent (50%) of the Units. The First Annual Meeting shall be held not less than 10 days nor more than 40 days after the sending of the notice. At such meeting, all Unit Owners, including Sponsor, may appoint a designee to the Board of Managers for each unit owned. The number of Condominium Board members and the number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

Until Sponsor or its designee has conveyed title to all the Units, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit; (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, if applicable; or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan; (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

Notwithstanding anything to the contrary set forth above, Sponsor will not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over other expenses as more fully described below. The Condominium Board may not, without the consent of Sponsor, reduce or eliminate any services initially provided by Sponsor.

The members of the Condominium Board will have no liability to Unit Owners for errors of judgement, negligence or otherwise, except that individual members will be liable for their own bad faith or willful misconduct. The Condominium Board may contract or effect other transactions with any member thereof, with any Unit Owners, with Sponsor, or with any affiliate of any of them at competitive rates without incurring liability for self-dealing.

XV. BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Condominium Board, which shall be comprised of at least three (3) members. Initially, the Condominium Board may contain fewer members and shall be designated by Sponsor. No later than one (1) year after the First Closing, the Condominium Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date, unless more than fifty percent (50%) of the Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of fifty percent (50%) of the Units. At the First Annual Meeting, the incumbent Condominium Board shall resign and the Unit Owners shall each appoint a designee for each unit owned to the Condominium Board. (See the Section entitled "Control by Sponsor.") After the Initial Control Period, each unit owner shall be entitled to appoint one member to the Board. The term of office of each member of the Board shall continue until the unit owner appoints a new board member or the unit is sold. The Unit Owners may change their board appointee at any time by providing written notice to the other board member. Should Sponsor own 2 of the 3 units at the end of the Initial Control Period, the Sponsor shall only be entitled to one vote and the other Unit Owner shall be entitled to 2 votes until such time as at least one of the Unsold Units is transferred to a third party purchaser who may then appoint a board member. The number of Condominium Board members and the number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

All Board members shall serve without compensation.

Until Sponsor or its designee has conveyed title to all the Units, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit; (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; (c) increase or decrease the number, or change the kind of, employees referred to in the Plan; (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium (other than the indebtedness in connection with the Resident Manager's Unit); or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

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

As more fully set forth in the By-Laws all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum

(majority) is present.

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, there shall be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Condominium to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held.

At all meetings, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each Unit said Unit Owner owns.

The principal officers of the Condominium Board shall be a President, Vice President, Secretary, Treasurer, all of whom shall be elected by the Condominium Board. The initial member of the Condominium Board shall be Amit Stern or his designee. Mr. Stern is a principal of the Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Condominium Board for which such officer serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.

Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. Only that Unit Owner whose appointee resigned shall have the right to designate a replacement for such appointee.

A member of the Condominium Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a Majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Condominium Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. Regardless of whether a Unit Owner's appointee to the Board is removed by the Unit Owner, its designee or the other unit owners or board members, only that Unit Owner whose appointee was removed shall have the right to designate a replacement for such appointee.

To the extent permitted by applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). Condominium Board members shall have no liability to Unit Owners except that a Condominium Board member shall be liable for such Unit Owner's own

bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

Generally, subject to certain exceptions concerning, among other things, Sponsor, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 60% of the Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

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

As more particularly set forth in the Special Risk Section and the Section of the Plan entitled "Rights and Obligations of Sponsor", it is possible that a significant portion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not require that members of the Board be owner-occupants of a Unit. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, such as a purchase of a home as opposed to a purchase for investment.

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

In the event of a dispute between the Sponsor and a Unit Owner after the Unit Owner successfully closes title to a Unit, or between a Unit Owner and the Board, or any dispute arising out of the Purchase Agreement, including the disposition of a deposit, down payment, or advances received by Sponsor, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan the Purchase Agreement or the relationship created thereby and Purchaser will have to seek redress through arbitration or through commencing an action in the New York State Supreme Court for Kings County with a judge instead of a jury. Purchasers shall be required to pay at least a portion of the court costs or the arbitration costs, subject to a final ruling issued by the court or arbitrator. The arbitrator will be neutral and independent of the Sponsor and its principals and appointed by the court or will be an arbitrator who is a member of the American Arbitration Association. Purchasers should note, arbitration awards are generally final and binding, and that a party's ability to have a court reverse or modify an arbitration award is very limited, see New York Civil Practice Law and Rules §7511. Purchasers should also note, the ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings; the arbitrators may not have to explain the reason(s) for their award; the rules of some arbitration forums may impose time limits for bringing a claim in arbitration; New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings, unlike litigation; that the deposit(s) or downpayment(s) shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award (see CPLR § 7511). If the Purchaser brings a proceeding pursuant to CPLR § 7511 to vacate the award, the funds will and must remain in escrow until that proceeding is finally adjudicated.

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

Sales and Leases of Units

Each Unit Owner may sell or lease such Unit Owner's Unit without limitation except that no unit owner may discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or any other grounds prohibited by law. Any lease terms, including rent, shall be subject to state and local law. The Board does not have a right of first refusal.

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

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to closing. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, Purchasers are expressly prohibited from advertising, listing the Unit with a broker or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease ("Advertising Activities"). If any Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an event of default under the terms of the Purchase Agreement, thereby entitling Sponsor any and all remedies under the terms of the Purchase Agreement. Purchasers are referred to the Purchase Agreement set forth in Part II of the Plan for further details.

Use of Units

Residential Units shall be used only as a residence (except as described below). The Board, may in its sole discretion, permit a Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations.

Notwithstanding the preceding paragraph, Sponsor or its designee may, without the permission of the Condominium Board (a) use or grant permission for the use of any Unsold Unit as

a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing Certificate of Occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest, if any.

Each Unit Owner shall notify the Condominium Board and the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall Maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Condominium Board and the Managing Agent.

No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by law.

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

It is the responsibility of each Unit owner to notify the Managing Agent, or the Sponsor in the event there is no Managing Agent in place at the time of closing, in writing, when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Except as may otherwise be provided by applicable Law, it is the responsibility of each Unit owner to maintain in proper repair (and not remove), the window "stops", if any, in all windows of the Unit which have been installed in lieu of window guards. Sponsor makes no representations whether Unit owners will comply with the foregoing obligations.

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

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

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition, in the Condominium Board's sole discretion) may be kept in a Unit without the consent of the Condominium Board or the Managing Agent. In no event will a Unit

Owner be entitled to maintain more than two (2) pets in any Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit will be required to abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board governing the maintenance of such pets and indemnifying and holding harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

Each Unit Owner shall keep such Unit Owner's Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair such Unit Owner's own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board in accordance with the By-Laws provided that copies thereof are furnished to Unit Owners prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by the Sponsor or its designee, as the case may be). Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

Mortgage of Units by Unit Owners

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

In certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or its designee, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners are included in their Common Charges, and are allocated among Unit Owners in proportion to their respective Common Interests. Common Charges shall also be deemed to include any special assessment imposed by the Board. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon interior floor space, subject to the location of such space and the additional factors of relative value to other space

in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Common Expenses include, among other things, all costs and expenses associated with operation of the Condominium, as determined by the Condominium Board, including but not limited to, the cost and expenses (including the payment of wages) in connection with the Maintenance to the Common Elements and certain other expenses common to all Unit Owners, electricity to the Common Elements, insurance premiums, management fees, service contract fees, legal and accounting fees, and contingencies. Any other costs associated with the operation of the Condominium shall be a Common Expense. Common Expenses may include amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit.

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

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet such Common Expenses. Unit Owners shall be responsible to pay Common Charges to the Condominium as provided in the By-Laws with or without having received a bill from the Managing Agent or the Condominium Board.

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

Common Charges: Collection and Lien for Non-Payment

Under the provisions of the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on any Unit, for Common Charges unpaid to it by the Unit Owner thereof. All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges, against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien.

The Sponsor will cause the Board of Managers to file a lien as provided in Real Property Law Section 339-aa on Units which the Sponsor is more than thirty (30) days in arrears of common charges while the sponsor controls the Board. Failure of the Board of Managers to place such a lien or impose such charges shall not constitute a waiver of the right to do so at a later date or, with respect to a subsequent failure to pay, within the designated time.

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" equal to the greater of \$150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or 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 Condominium 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 Condominium Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Assessments due.

No Unit Owner may exempt himself from liability for such Unit Owner's Common Charges by waiving use of any of Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been completed shall not be grounds for a Unit Owner to withhold or fail to pay all or any portion of the Common Charges or any other assessments. No Unit Owner, however, will be liable for the payment of any part of the Common

Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying such Unit Owner's Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing.

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

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

RPL §339-jj-Borrowing by Condominium

Subsection jj to Section 339 of the Real Property Law ("RPL"), was enacted into law on August 26, 1997 and authorizes the Condominium Board to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine Maintenance in or to any Unit (other than to the Common Elements included therein), including the individual cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense and in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense.

Notwithstanding the above, all normal Maintenance of any Balcony and/or Terrace shall be made by the Unit Owner having access to same, at such Unit Owner's own cost and expense, but any structural repairs to such Balcony or Terrace (including any structural repairs giving rise to leaks which are not caused by the negligence of the Unit Owner having access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Any Unit Owner having access to a Balcony or Terrace shall keep it free of snow, ice and accumulation of water, to the extent same would cause damage to the Building. In accordance with the By-Laws, the Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces or Balconies and may require a Unit Owner to remove same if the Condominium Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. No Balcony or Terrace may be enclosed without the express written consent of the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Terrace and/or Balconies without the prior written consent from the Condominium Board. The Condominium Board may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Each Unit includes, among other things, and each Unit Owner shall be responsible for, the Unit side of the front entrance door and any other entrance doors to such Unit, windows, skylights and green house additions, if any, and the related installations with respect thereto. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior glass surfaces of all windows in the Building may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be a Common Expense assessed against each Unit Owner; otherwise Unit Owners shall be obligated to clean such windows at their own cost and expense. The Budget for first year of Condominium operation does not include any expenditure for window washing. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Condominium Board or its agents or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). No replacement, modification or alteration may be made to or of the windows without the consent of the Condominium Board.

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

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

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

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to Sponsor. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. In addition, the Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements.

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

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board or, if required, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, material-person, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to Sponsor, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Condominium Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Condominium Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Unit Owner upon acquisition of the Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

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

Sponsor, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Unit or the Common Elements provided that the work is performed by Sponsor in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor may erect, maintain, repair and

replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of Units for sale or rental any Unsold Unit including, but not limited to, signs on the facade and/or the roofs of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

Rights of Access

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

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

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

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board, will, except as set forth below, arrange for the prompt repair and restoration thereof.

If the Building is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on such Unit Owner's Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

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

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to \$1,000,000 or less. In the event that such proceeds are in excess of \$1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) boiler and machinery insurance; and (c) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

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

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

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, the Managing Agent thereof, each Board member and each officer and employee of the Condominium, (2) the Unit Owners, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible

amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners.

The Condominium Board is not required to obtain or maintain any insurance with respect to the Units or any personal property contained in a Unit. Pursuant to the By-Laws, each 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 apartment or any part thereof, with minimum combined single limits of liability of \$1,000,000 for bodily injury or death arising out of any one occurrence including \$1,000,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The policies shall provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board. The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. 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.

Liability of Board of Managers and Unit Owners

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

Reports to Unit Owners

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

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

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

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

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. Currently, there are no pending tax certiorari proceedings. There is no procedure in the By-Laws governing grievances or appeals by Unit owners of their tax assessments. Each Unit owner may or may not file a grievance as he or she wishes.

Mechanics' Liens

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

Easements and Name of Condominium

In order to facilitate the operation and Maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Sponsor, shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs and facade of the Property and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "The Bergen Street Condominium". Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Condominium Board or Unit Owner. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor as the sponsor of the condominium offering, together with such other information as Sponsor determines in its sole discretion.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

Dispute Resolutions

In the event of a dispute between the Sponsor and a Unit Owner after the Unit Owner successfully closes title to a Unit, or between a Unit Owner and the Board, or any dispute arising out of the Purchase Agreement, including the disposition of a deposit, down payment, or advances received by Sponsor, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan the Purchase Agreement or the relationship created thereby and Purchaser will have to seek redress through arbitration or through commencing an action in the New York State Supreme Court for Kings County with a judge instead of a jury.

Purchasers shall be required to pay at least a portion of the court costs or the arbitration costs, subject to a final ruling issued by the court or arbitrator. The arbitrator will be neutral and independent of the Sponsor and its principals and appointed by the court or will be an arbitrator who is a member of the American Arbitration Association. Purchasers should note, arbitration awards are generally final and binding, and that a party's ability to have a court reverse or modify an arbitration award is very limited, see New York Civil Practice Law and Rules §7511. Purchasers should also note, the ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings; the arbitrators may not have to explain the reason(s) for their award; the rules of some arbitration forums may impose time limits for bringing a claim in arbitration; New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings, unlike litigation; that the deposit(s) or downpayment(s) shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award (see CPLR § 7511). If the Purchaser brings a proceeding pursuant to CPLR § 7511 to vacate the award, the funds will and must remain in escrow until that proceeding is finally adjudicated.

XVII. REAL ESTATE TAXES

The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements as set forth in Schedule A. Upon determination of individual tax lots and individual residential Unit assessments, the New York City tax authorities may allocate taxes between the residential Units in proportion to each residential Unit's purchase price or imputed market value rather than its percentage interest in the Common Elements and, if so, residential Units having the same or similar percentage interest may pay different real estate taxes and taxes may differ from those set forth on Schedule A.

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and no Unit owner will be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of taxes on other Units. The appropriate tax assessor's office usually makes such separate assessments on first of July following the granting of a permanent or temporary certificate of occupancy.

If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Unit owners will make payments towards the real estate taxes in proportion to the Unit's Common Percentage Interest, to the Board of Managers when the bills are sent, upon ten days' notice.

There is one taxing authority that sets real estate tax rates, the City of New York. Assuming the Property does not receive any exemption/abatement from real estate taxes, it is estimated that the aggregate tax rate will be approximately \$12.919 per \$100.00 of assessed value for the Units and the estimated assessed value upon completion, will be approximately \$210,000.00 and as estimated by Metropolitan Realty Exemptions Inc., property specialist, by letter dated February 11, 2019, a copy of said letter is attached hereto. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method of allocating real estate taxes which will be employed by the New York City tax assessor; (ii) of the assessed value of the Property during the first year of Condominium operation; (iii) of the assessed value of the Property upon completion; or (iv) of the tax rates employed by the City of New York.

There are no pending tax certiorari proceedings. There is no procedure in the By-Laws governing grievances or appeals by Unit owners of their tax assessments. Each Unit owner may or may not file a grievance as he or she wishes.



Office: 381 South 5th Street, Brooklyn, NY 11211
Mailing: 118 Middleton Street, Brooklyn, NY 11206
Phone: (718) 387-3004 | **Fax:** (718) 228-3503
Email: martin@mretax.com | **Web:** www.mretax.com

February 11, 2019

757 Bergen JV2 LLC
29 West 17 Street, 2nd Floor
New York, NY 10011

RE: 757 Bergen Street
Brooklyn, NY
Block & Lot: 1140 - 53

Letter of Opinion Regarding Real Estate Tax Liabilities
Three (3) Residential Condominium 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

METROPOLITAN Realty Exemptions, Inc.

the assessor's assessment on market values, only deviate from actual sales prices by 15 percent or less.

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

- The subject property is located at 757 Bergen Street, Brooklyn, NY 11238, and is known as Block: 1140, Lot 53, with the NYC Department of Finance ("DOF").
- The proposed is to construct a four story residential building with 3 condo units.
- There will be separate condominium tax lots filed with the DOF for each residential unit.
- The property is currently classed as Tax Class 1 with the DOF.

Proposed Tax Classification

Per New York Real Property Tax Law Section §1802: *a property which contains no more than three dwelling units held in condominium form of ownership and which was classified as a tax class 1 on the previous assessment roll, shall remain classified as a tax class 1.*

In this instance, the final assessment roll for tax year 2019/2020 classifies the property as a tax class 1 and the new structure is anticipated to be completed, with the issuance of a Certificate of Occupancy, by the next taxable status date of January 5th, 2020. In the case the property will still be classed as a tax class 1 in the first assessment following completion of construction, the NYC Department of Finance will retain the classification to remain as a tax class 1 thereafter (although condo projects with four stories or more are classed as a tax class 2).

In the event if the Department of Finance will change the classification to a Tax Class 2, the assessed value and property taxes will differ the amounts listed below.

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) dwelling units, 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.

Estimated Real Estate Tax Liabilities

Following completion of construction, the total assessed value of the property (i.e., the aggregate assessment of all units) is estimated to be \$210,000. Using the foregoing estimate of assessed value, assuming the current rate of 20.919% (i.e., \$20.919 per \$100 of assessed value, the final 2018/2019 tax rate) the projected tax liability will be \$43,930.

Although the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on the interpretation of the administrative code and the applicable rules and regulations of the City of New York.

METROPOLITAN Realty Exemptions, Inc.

Though we believe our opinions are well-founded, they are not intended, and should not be construed as warranties or guarantees or representations as to future assessed valuations of the property under discussion and we accept no responsibility or liability in the event that the figures or projections set forth herein are incorrect or inaccurate. In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Sincerely yours,

A handwritten signature in black ink, reading "Martin Joseph", is displayed on a light gray rectangular background.

Martin Joseph
Metropolitan Realty Exemptions, Inc.

XVIII. OPINION OF COUNSEL

MARK J. NUSSBAUM & ASSOCIATES PLLC
225 Broadway, 39th Floor
New York, NY 10007
212.344.8000

February 28, 2019

757 Bergen JV2 LLC
29 West 17th Street, 2nd Floor
New York, NY 10011

RE: The 757 Bergen Street Condominium
757 Bergen Street
Brooklyn NY

Gentlemen:

We have been requested to furnish a legal opinion with respect to several legal issues regarding the above referenced condominium project.

Due to the Tax Cuts and Jobs Act of 2017 (the “Law”), which was passed by Congress in January 2018, Purchasers should consult with their tax professional to make sure they fully understand what amounts of real estate taxes and mortgage interest can be deducted from their income taxes.

The Law capped the amount an owner of a residential property may deduct from his otherwise taxable income for mortgage debt eligible for deductions from \$1 million to \$750,000 (in the aggregate) and eliminates deductions for home equity debt (currently capped at \$100,000), unless the homeowner uses the money for home improvements, in which case the \$100,000 cap will still apply.

The deduction for second homes, with the \$750,000 cap applying in aggregate to mortgage debt. New mortgage debt caps will apply only to new mortgages, but all deductions for home equity loans will be eliminated (unless the money is used for home improvements).

The Law also capped the deduction amounts paid for certain state and local taxes to \$10,000 per year (\$5,000 for a married taxpayer filing a separate return).

I base my opinion on the following authorities: a review of the Summary of the Law, Public Law No: 115-97 (as of 12/22/17) on the Congress.gov website, 26 U.S.C., otherwise known as the

United States Internal Revenue Code of 1986 (the “Code”), 26 U.S.C. §§ 163(h)(3) and 164(a)(2), New York State Tax Law § 615, as amended. Owners of condominium units are entitled to the same deductions (Revenue Ruling 64-31). In addition, a homeowner may be entitled to a property tax reduction if he or she is a veteran, senior citizen or is handicapped. In our opinion, the unit owners in the referenced condominium will be entitled to the income tax deductions and the real estate tax benefits described above.

Section 528 of the Code affords certain condominiums, substantially all of whose units are used for residential purposes, the opportunity to elect to be treated as a tax exempt organization. In order to qualify under this statute, sixty percent or more of the condominium’s gross income must consist of common charges, membership dues, fees or assessments from the unit owners and ninety percent or more of the expenditures of the condominium must be for the acquisition, construction, management, maintenance and care of the condominium properties, which properties, as defined in Section 528, include property held by the condominium, or property within the condominium held by the members of the condominium, or unit owners.

Based upon my examination of the offering plan and subject to the condominium actually satisfying the minimum percentage income and expenditure criteria set forth above, it is my opinion that the condominium will be eligible to be treated as a tax exempt organization under Section 528 of the Code if it elects such status. Such an election may entail the filing of tax returns and will exempt from federal and New York state income taxation all amounts received by the condominium from the unit owners as membership dues, fees or assessments. The condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the unit owners such as tenants of commercial space owned by the condominium. In the event either the condominium fails to qualify for and elect Section 528 taxation status in any year, it may be subject to federal and New York state income taxation.

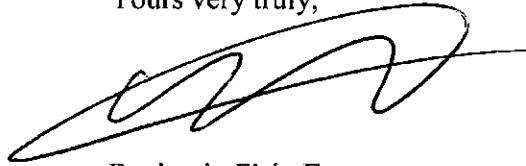
Sponsor has complied with Section 339-i(1)(i) of the Real Property Law assigning the percentage of common interest in the approximate proportion that the fair value of the Unit, at the date of the Declaration, bears to the then aggregate fair value of all the Units. My opinion on this matter is based on other expert factual determinations as required by 13 NYCRR §20.3(i).

In our opinion, the Condominium will be eligible for tax-exempt status, if it elects such status, and unit owners will be entitled to income tax deductions (or the unit owners will be eligible for the real estate tax benefits described above). However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of section 528 of the Internal Revenue Code of 1986, as amended, or the New York

State Tax Law, as amended, and cause the unit owners not to be entitled to income tax deductions (or which cause Unit Owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

Again, Purchasers should not rely on any representations in this offering plan addressing taxes without first consulting a tax expert.

Yours very truly,

A handwritten signature in black ink, appearing to be "Benjamin Fish", written in a cursive style with a long horizontal stroke extending to the right.

Benjamin Fish, Esq.

XIX. RESERVE FUND

A small Reserve Fund in the amount of \$2,100.00 is being established for the Condominium. Sponsor anticipates that the Reserve Fund will not need to be used for capital replacements or repairs, in the short term, because the Building will be newly renovated.

The small Reserve Fund has been established for the Condominium in its Budget for the Projected First Year of Operation of the Condominium (Schedule B) for use by the Board, which in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). The Board may decide in the future to increase the Reserve Fund or pay for necessary repairs or capital items by special assessment or by increasing Common Charges, payable by the Unit Owners. Each Unit Owner would be individually liable for the amount of such special assessment against, or increase payable by the Board to the extent of such Unit Owner's proportionate Common Interest among all Unit Owners.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Elements in need of such renewal, replacement or remedy. Alternatively, the Condominium Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws the Condominium Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the 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 other government agency has passed upon the adequacy of the Reserve Fund.

XIXa. WORKING CAPITAL FUND

The Purchaser of each Unit shall be required to make a contribution at the Closing of such Unit Owner's Unit(s) to the Working Capital Fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges then in effect for the Unit(s). The total amount in the Working Capital Fund, after all Units have closed shall be \$5,043.34 pursuant to the Budget and in accordance with Schedule A hereto, as the same may be amended from time to time.

The Working Capital Fund will be held and used for Working Capital, for closing costs, or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. While Sponsor controls the Condominium Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Condominium Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Condominium Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws the Condominium Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

XX. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Sponsor has not entered into any management agreement, contracts and/or leases of any kind, other than those related to the construction of the building.

During the Initial Control Period since the Sponsor will be in control of the board, the Sponsor will manage the condominium. After Sponsor turns over control of the Board to the Unit owners, the Condominium shall be self-managed by the Unit Owners. The managing agent's main duties, among others, will be: to bill and collect common charges and other charges; bookkeeping; to maintain the building as advised by the Board, to contract for necessary services, supplies, etc.; and to supervise, hire and discharge employees. In the event the Board of Managers determines that it is in the best interest of the Condominium to employ a managing agent, this item will represent an additional expense not included in the projected budget, and will require an increase in Common Charges of approximately 10%.

XXI. IDENTITY OF PARTIES

Sponsor & Selling Agent

1. The Sponsor and Selling Agent is 757 Bergen JV2 LLC, with a business address at 29 West 17th Street, 2nd Floor, New York, New York 10011. This is the first development project for the Sponsor. The principals of the Sponsor are Amit Stern and Assaf Cohen with business addresses at 29 West 17th Street, New York, New York 10011. Mr. Stern and Mr. Cohen are actively involved in real estate development and management as Managing Members of San Holdings LLC, which is a real estate holding company for properties throughout New York City. Neither Sponsor nor its principals have any felony convictions, convictions, injunctions, bankruptcies, indictments or judgments which are material to the Offering Plan or an offering of securities generally during the past fifteen (15) years. There is no other individual who owns or controls a 10% or more equity interest in Sponsor who has any felony convictions, convictions, injunctions, bankruptcies, indictments or judgments which are material to the Offering Plan or an offering of securities generally during the past fifteen (15) years.

A. Prior Offerings.

- (i) Sponsor. Sponsor has not had any prior offerings nor any prior experience as a selling agent.
- (ii) Principal. The principals of the Sponsor have been principal of the sponsor and selling agent in the following prior offerings during the past five (5) years (an asterisk indicates a plan that has been submitted to but not yet accepted by the Department of Law):

Amit Stern:	CD160014	34 Conselyea Street, Brooklyn, New York
	CD170375	71 Cooper Street, Brooklyn, New York
	*CD170356	753 Bergen Street, Brooklyn, New York
	*CD170357	755 Bergen Street, Brooklyn, New York

	*CD180258	65 Irving Place, Brooklyn, New York
Assaf Cohen:	CD140255	320 19 th Street, Brooklyn, New York
	CD160014	34 Conselyea Street, Brooklyn, New York
	*CD170356	753 Bergen Street, Brooklyn, New York
	*CD170357	755 Bergen Street, Brooklyn, New York
	*CD180258	65 Irving Place, Brooklyn, New York

Offering Plans for the above properties are on file with the Department of Law and are available for public inspection or will be available upon acceptance of filing.

- (iii) Current Holdings. Sponsor does not own an interest of greater than 10% in any other condominiums or cooperatives. Principal of the Sponsor owns 10% or more of the interests in the below condominium and does not own an interest of 10% or greater in any other condominiums or cooperatives (an asterisk indicates a plan that has been submitted to but not yet accepted by the Department of Law):

Amit Stern:	CD160014	34 Conselyea Street, Brooklyn, New York
	CD170375	71 Cooper Street, Brooklyn, New York
	*CD170356	753 Bergen Street, Brooklyn, New York
	*CD170357	755 Bergen Street, Brooklyn, New York
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	CD160014	34 Conselyea Street, Brooklyn, New York
	*CD170356	753 Bergen Street, Brooklyn, New York
	*CD170357	755 Bergen Street, Brooklyn, New York
	*CD180258	65 Irving Place, Brooklyn, New York

The Sponsor and principals of the sponsor are current in its financial obligations in these other cooperatives, condominiums or homeowners associations in which they own shares or units as an individual, general partner or principal.

Attorneys for Sponsor

Sponsor is represented by Jeffrey Zwick and Associates, P.C., 266 Broadway, Suite 403, Brooklyn, NY 11211, in connection with the final submission of the Offering Plan and the recording of the Declaration. The Final Submission of the Offering Plan was prepared by Danielle Pistola Sidiropoulos, Esq. The attorney has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such Plan.

Sponsor is represented by Mark J. Nussbaum & Associates, PLLC, 225 Broadway, 39th Floor, New York, NY 10007, in connection with the initial submission of the Offering Plan, the attorney opinion letters included in this Plan, the Closings, and as Escrow Agent. The Initial

Submission of the Offering Plan was prepared by Benjamin Fish, Esq. The attorney has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such Plan.

The Condominium does not have independent legal counsel. IT IS SUGGESTED AND EXPECTED THAT EACH PURCHASER WILL CONSULT WITH AND BE REPRESENTED BY HIS/HER OWN COUNSEL IN CONNECTION WITH THIS OFFERING.

Sponsor's Architect

Sponsor's architect is Ryback Architects, PC, 1337 Prospect Avenue, Brooklyn, NY 11218. Mr. Ryback is a New York State licensed architect who has been in business for many and has experience both in residential and commercial architecture. His prior projects include the following:

2070 East 13 Street, Brooklyn
2833 Ocean Parkway, Brooklyn
116-11 Curzon Road, Queens
412 Kings Highway, Brooklyn

Management Company. Sponsor shall manage the property during the Initial Control Period by reason of its control over the Board of Managers. Neither the Managing Agent nor its principals have had any prior felony convictions or prior convictions, injunctions or judgments that may be material to the offering plan or an offering of securities generally that occurred within fifteen (15) years prior to the submission of this offering plan. Sponsor does not have any prior management experience as a managing agent. Principals of Sponsor has some management experience as principal of 34 Conselyea Street, Brooklyn, New York. Amit Stern also has management experience as principal of 71 Cooper Street, Brooklyn, NY and Assaf Cohen has additional management experience as principal of 320 19th Street, Brooklyn, New York.

XXII. REPORTS TO UNIT OWNERS

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

- (1) a financial statement of the Condominium prepared by a certified public accountant or public accountant by each September first; such statement shall be certified while the Sponsor is in control of the Board of Managers;
- (2) thirty (30) days' notice of the annual Unit owners' meeting; and
- (3) a copy of the proposed annual budget of the Condominium at least thirty (30) days prior to the date set for adoption thereof by the Board of Managers; while the Sponsor is in control of the Board of Managers such budget shall be certified.

XXIII. DOCUMENTS ON FILE

The Sponsor shall keep copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Office of the Attorney General in connection with the filing of the plan, on file and available for inspection without charge and copying at a charge of \$.20 per page at Sponsor's office for six years from the date of first closing. The Sponsor shall deliver to the board of managers, if available, a copy of all documents filed with the appropriate recording office at the time of the closing of the first Unit. The Offering Plan and all Exhibits are also available for inspection, and copying at an additional charge, at the NYS Department of Law, 28 Liberty Street, New York, NY 10005.

XXIV. GENERAL

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect the offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium. The property has not been the subject of any prior cooperative or condominium offerings.

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

Purchasers have the right to rescind purchase agreements following material adverse amendments.

No contracts, written or oral, have been entered into for the sale or transfer of any of the Units offered in the Plan. No deposits or advances of funds have been accepted as of the date the Plan is accepted for filing.

All of the Units offered in the Plan are vacant.

XXV. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property and Building Condition set forth in Part II of the Plan, and represents that Sponsor has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Building Condition.

PART II

PURCHASE AGREEMENT

PURCHASE AGREEMENT

757 Bergen JV2, LLC

Sponsor-Seller

TO

Purchaser

UNIT NUMBER _____

The 757 Bergen Street Condominium
757 Bergen Street
Brooklyn, NY

UNIT NUMBER _____

The 757 Bergen Street Condominium
757 Bergen Street
Brooklyn, NY

(to be executed in quadruplicate)

This agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between 757 Bergen JV2, LLC, a New York limited liability company, having an office at _____ ("Seller" or "Sponsor"), and

_____, having an address at

_____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN. Seller has exhibited and delivered to the Purchaser and Purchaser acknowledges having received, read and understood the Offering Plan for condominium ownership of the Property and all filed amendments thereto, all of which are incorporated by reference and made a part of this Purchase Agreement with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan and all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. However, in the event any amendment materially and adversely affects Purchaser, Purchaser shall be given the right to rescind this Purchase Agreement. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. THE UNIT. Seller shall sell to Purchaser and Purchaser shall buy from Seller a condominium Residential Unit known as Residential Unit No. _____ (the "Residential Unit"), together with a _____ percent undivided interest in the Common Elements of the Condominium known as The 757 Bergen Street Condominium (the "Condominium") as described in the Declaration of Condominium to be recorded in the Kings County Register's Office, to be built by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the Kings County Register's Office. The Residential Unit that is to be built may vary from any display model type and Purchaser should not rely on the display Model Type Residential Unit. All dimensions are approximate and may vary from the Floor Plans.

The Residential Unit shall not include any of the following if displayed in any Model Residential Unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, ceramic floors, mirrors, shelves, wall and window treatments, built-ins, burglar alarm systems, electric fixtures, site lighting, intercom systems, special landscaping installed at any Model Residential Unit s, central vacuum systems, patios, decks, highhat lighting, additional fixtures and switches added for decorative purposes, pull down staircases and skylights and other optional fixtures or features exhibited in any Model Residential Units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. The above features contained in any Model Residential Unit and/or sales office are for display purposes only and are not included in this sale.

All improvements containing natural materials are subject to fade. Seller shall not be responsible to change, replace or remove any improvements in the event they fade.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is \$_____

The Purchase Price is payable as follows:

(a) \$_____ (the "Down Payment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged; and

(b) \$_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Down Payment shall be made payable to "MARK J. NUSSBAUM, AS ATTORNEY." Checks for the balance of the Purchase Price shall be made payable to the direct order of Sponsor or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 17 hereof.

4.3 THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY PURCHASER'S PERSONAL CERTIFIED CHECK OR OFFICIAL TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT

SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.

5. CHANGES. In building the Residential Unit and performing any other work to the Residential Unit or on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color, design and location of the Building, landscaping and grading of the property; (c) determine the location and type of Residential Unit to be constructed in the Building; (d) fix the location and setbacks of the Building; (e) determine the ultimate Residential Unit type mix to be constructed in the development; (f) determine whether existing trees, shrubs and other plant life are to be moved or removed, (g) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors; (h) change appliances as long as they are equal to or better than originally offered; and (i) make any other changes required by the City of New York.

6. GOVERNMENTAL REQUIREMENTS. If after the date of this Purchase Agreement, any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Residential Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Residential Unit and shall be payable by Purchaser to Seller at Closing (defined below), provided, however, that if the amount of such additional cost exceeds \$1,000 then Purchaser may cancel this Purchase Agreement and receive a full refund of all payments made to Seller on account of the purchase price, whereupon neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. However, such right to cancel this Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense.

7. CLOSING OF TITLE.

7.1 The act of transferring ownership of the Residential Unit in return for payment in full of the purchase price and all other sums due from Purchaser under this Purchase Agreement is known as "Closing", and shall take place at the office of the attorney for the Sponsor at such time and on such date as Seller shall designate to Purchaser by prior written notice ("Notice for Closing"), which shall be given to Purchaser (i) no less than thirty (30) days before the date set for Closing. Purchaser may waive the applicable notice period by execution of a waiver in the form set forth as **Schedule D-2** to the Purchase Agreement. In the event this Agreement is executed after

the First Closing, the closing of title shall occur thirty (30) days after the date this Agreement is executed.

7.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under “Terms of Sale” in Part I of the Plan.

7.3 Seller shall have the right, from time to time, to adjourn such date and time for Closing on written notice to Purchaser. If the Closing is adjourned or advanced by Seller, then Seller shall, by a new Notice for Closing, fix a new date and time for Closing and shall give Purchaser not less than ten (10) days prior written notice of the new scheduled date and time for Closing.

7.4 If the Closing takes place at the request of Purchaser at any location other than the office of Seller’s attorney, Purchaser shall pay to Seller’s attorney a travel fee in the sum of (1) \$500 if the Closing is held elsewhere in Manhattan; (2) \$750 if the closing is held outside of Manhattan; and (3) \$1,250 if the closing is held outside of the 5 boroughs. The Closing may not take place in any other location without Seller’s prior written consent. In the event the Closing is adjourned with Seller’s consent at the request of Purchaser or Purchaser’s attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller’s attorney an adjournment fee in the sum of \$250.

7.5 If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the anticipated closing date, either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation to the other no later than thirty (30) days after expiration of such twelve (12) month period (whichever is applicable) whereupon Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Part II of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Seller on account of the purchase price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Purchaser shall be obligated to notify Seller in writing of its intent to exercise said option no later than thirty (30) days after the twelve (12) month period, whichever is applicable. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Seller shall be unable to convey title to the Residential Unit within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter

7.6 The term “Closing Date” or “closing of title” or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 5.1 hereof.

8. DELIVERY OF THE DEED AND POWER OF ATTORNEY.

8.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser but subject, nevertheless, to the matters set forth in Schedule A annexed hereto and made a part thereof, which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

8.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge the Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

8.3 The deed and Power of Attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the Power of Attorney shall be sent to the Managing Agent.

9. FEE TITLE. The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in Schedule A annexed hereto and made a part thereof, which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged by Seller in proper statutory form for recording (except for payment of the New York State and City transfer tax) so as to convey to Purchaser fee simple title to the Residential Unit. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Seller recommends that Purchaser utilize and Purchaser shall accept such title and deed description of the Residential Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as Infinity Land Services LLC ("Infinity") a title company authorized to do business in the State of New York, is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any other title insurance company or abstract company or Purchaser may decline to obtain any title insurance at all. However, Purchasers must notify Sponsor's attorney in writing if another title company will be used to insure title. Furthermore, a title company chosen by Purchaser, other than Infinity, must agree to submit all real estate tax forms, deeds, powers of attorney, satisfactions or partial releases of mortgage, and/or other instruments that must be recorded in connection with the conveyance of a deed to a Unit Owner and all transfer taxes due in connection therewith in a timely fashion and will be obligated to

indemnify Sponsor, or if such title company refuses then Purchaser's attorney will be required to indemnify Sponsor, for such title company's failure to file such forms and/or failure to remit the required transfer taxes in connection therewith in a timely manner. Purchaser shall be responsible to pay the title company the entire premium for Purchaser's title insurance and shall also pay the applicable New York State and City transfer tax.

10. LIENS SATISFIED AT CLOSING. The existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided the Seller shall deposit a sufficient amount with Infinity so that said company shall be willing to insure against collection of same from the property herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the property, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of closing title

11. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES.

11.1 Subject to Paragraph 15 hereof, at Closing, Purchaser shall pay, or reimburse to Seller if Seller has already made payment, in addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement or listed in Section XII of the Offering Plan but not listed here, or pay to any Lender, all applicable charges including but not limited to:

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

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

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

(d) Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents; all commitment fees, points, origination fees and other fees and charges (howsoever characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;

(e) mortgage recording taxes;

(f) governmental charges which may be assessed on account of the mortgage loan;

(g) mortgage insurance, if required;

(h) New York State real estate transfer tax on the deed;

(i) New York City real estate transfer tax on the deed;

(j) New York State “Mansion tax”;

(k) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith including without limitation, any mortgage, deed, RPT, Power of Attorney, affidavit required pursuant to Section 339-ee of the New York State Real Property Law and any blanket-mortgage release documents;

(l) ACRIS preparation fees charged by the title company;

(m) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;

(n) recordation or filing of the Power of Attorney to be executed by Purchaser at Closing; and

(o) creation cost;

(p) Sponsor’s attorney fee pursuant to paragraph #7.

11.2 If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes and future tax payments shall be as described in the Section of the Plan entitled “Closing Costs and Adjustments.”

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

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

11.5 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. The provisions of this subsection shall survive the closing.

12. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is

specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require, in its sole discretion that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

13. CLOSING COSTS.

13.1 In addition to those costs and adjustments described in Articles 7, 8, 9 and 11 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

13.2 Purchaser shall make a contribution to the Working Capital Fund of the Condominium, payable to the Board, in an amount equal to two (2) months' Common Charges then in effect for each Unit pursuant to the Condominium budget and in accordance with Schedule A in the Plan, as the same may be amended from time to time.

14. TRUST FUNDS. All deposits, down payments or advances towards the purchase price made by Purchaser prior to closing shall initially be held in a segregated escrow account held by MARK J. NUSSBAUM pursuant to an Escrow Agreement between Seller and the Escrow Agent, in the form set forth in Part II of the Offering Plan and pursuant to the provisions of Sections 352-h and 352-e (2-b) of the New York State General Business Law and the escrow regulations promulgated thereunder by the Department of Law of the State of New York as disclosed in Part II of the Offering Plan. Said funds shall be held in an Interest-on-Lawyers Account pursuant to Judiciary Law Section 497 in an account entitled "Mark J. Nussbaum & Associates PLLC Attorney Escrow Account IOLA" at Signature Bank, 71 Broadway, New York, NY 10006. Pursuant to Judiciary Law, Section 497, all interest earned in the IOLA account will be paid to the State of New York. All instruments shall be made payable to or endorsed to the order of MARK J. NUSSBAUM AS ATTORNEY, as Escrow Agent. The deposit by the Escrow Agent of the Purchaser's down payment into the Escrow Account shall not be deemed acceptance of the Purchase Agreement. The Purchase Agreement shall only be deemed accepted when countersigned by the Seller or Seller's authorized agent. Purchaser will be notified within thirty (30) days after submission of signed copies of this Purchase Agreement, together with the Down Payment, whether this Agreement has been accepted or rejected. **In addition, although all funds received by Seller for upgrades,**

options or extras to the Residential Unit will initially be placed in the Escrow Account, such funds may be released from the Escrow Account as long as the Sponsor uses the funds for such upgrade or extra. In the event Purchaser is entitled to a right of rescission, the return of their down payment shall not include any funds paid towards, upgrades, options or extras. At Closing, the down payment shall be paid to Seller upon consummation of the closing, and execution of this Purchase Agreement shall be deemed a writing executed by both Seller and Purchaser authorizing the Escrow Agent to release said funds to Seller at closing. In addition, Purchaser shall execute the release form annexed to and made a part of the Purchase Agreement as **Schedule D-4** at closing and the Tender of Escrow form annexed to and made a part of the Purchase Agreement as **Schedule D-3** upon execution of the Purchase Agreement.

15. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

16. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made, any advances heretofore or hereafter made thereon, and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

17. DEFAULT BY PURCHASER.

17.1 The following shall constitute “Events of Default” hereunder:

- (i) Purchaser’s failure to pay the balance of the Purchase Price on the Closing Date designated by Sponsor; or

(ii) Purchaser's failure to duly complete and sign before a notary public and deliver at closing the Power of Attorney or the New York State and City transfer tax returns; or

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

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

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

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

(vii) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(viii) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(ix) If, prior to the closing of title, Purchaser engages in prohibited Advertising Activities (as such term is defined hereinbelow); or

(x) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

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

17.3 If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 10 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

18. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

18.1 The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

18.2 If the Plan is abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Down Payment paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Effective Date." After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

19. CONSTRUCTION.

19.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications, 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 the 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."

19.2 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 the 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.

19.3 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about January 1, 2019. Given the vagaries of the construction process, it is difficult to predict, with precision, the date Sponsor will first be able to close title to the Units. The actual date for the First Closing is only an estimate and is not guaranteed or warranted. Accordingly, the First Closing may occur sooner or later than the projected first year of Condominium operation and closings to certain Units may occur substantially before or after closings for other Units. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes, acts of terrorism, acts of God, late delivery or inability to obtain on a timely basis materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement in the event the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided however, that in the event the First Closing does not occur within twelve (12) months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation then Sponsor will offer Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Purchase Agreements, if the Plan was declared effective) the right to rescind their Purchase Agreements within 15 days after such 12-month period, and any Purchaser electing rescission pursuant to such offer will have their Deposit returned.

20. INSPECTION DURING CONSTRUCTION. Unless specifically agreed to by Seller, Purchaser shall not visit the construction site. Any unauthorized visits to the construction site by Purchaser are subject to a charge by Seller of \$500 per visit, which Purchaser agrees to pay Seller within ten (10) days of billing thereof. Purchaser acknowledges that unsupervised visits to the construction site present a dangerous circumstance and could incur liability to Seller. Purchaser hereby releases and agrees to indemnify, defend and hold Seller harmless for all claims and liabilities

incurred by Seller resulting from the presence of Purchaser or Purchaser's family members or invitees on the Premises or Seller's other property during the term of this Purchase Agreement.

21. DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS. Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Element on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This paragraph shall survive delivery of the deed.

22. PURCHASERS' INTERFERENCE. Purchaser acknowledges that it may not interfere with Seller's ability to construct this or other Residential Unit(s) or facilities, including interference with work performed on site by Seller's staff in connection with the construction of Purchaser's Residential Unit or any other Residential Unit, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the site for work on Purchaser's Residential Unit prior to Closing title to the Residential Unit, unless otherwise agreed to in writing by Seller.

23. EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER. Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Residential Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right in the event of Seller's failure to perform such extra work or supply and install such extra items is to receive a refund or credit at the time of Closing equal to the total payments made to Seller for such extra work or extra items. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller

24. OPTIONS AND COLOR SELECTIONS. Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

25. CONSTRUCTION SITE. Purchaser acknowledges that they may be living in an active construction site after they close on their Residential Unit. During this period of construction there may be dirt and debris and construction material on site, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences, which are normal in a community undergoing construction.

26. SPONSOR'S INABILITY TO CONVEY THE UNITS. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy will be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Down Payment paid by Purchaser hereunder, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Terms of Sale," and, upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

27. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those appliances, fixtures, 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. The Unit is being sold unfurnished. Furniture, wall coverings, furnishings, decorations and the like in or about any model unit is for display purposes only and is not included in this sale. Any floor plans or sketches shown to Purchaser or included in the Plan are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon.

28. ACCEPTANCE OF CONDITION OF PROPERTY. The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property including the Building, the Common Elements, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called "Installations"), in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement and delivery of the deed to Purchaser. Purchaser represents that he/she has not relied upon any information such Purchaser may have seen in any Unit or any models and sales and/or promotion offices in connection with the sale of the Units. Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may

otherwise be set forth in the Plan. Sponsor has agreed in the Plan to Maintain the Building and the Common Elements in substantially the same condition they were in on the Filing Date, until the First Closing (subject to ordinary wear and tear between the Filing Date and the First Closing), unless prevented from so doing by reason of acts or events beyond Sponsor's control, as more particularly set forth in the Plan. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Sponsor hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing and it is recommended that Purchaser make a careful examination at such time. Purchaser acknowledges that Purchaser must make arrangements to move into the Unit following the Closing and Purchaser agrees to follow the move-in procedures established by Sponsor or the Condominium Board. The provisions of this paragraph shall survive Closing.

29. 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:

29.1 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to closing under an Interim Lease or use and occupancy agreement or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its Installations. However, until closing Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease or Interim Lease or use and occupancy agreement and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Declaration and By-Laws.

29.2 If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workperson. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

29.3 Except as provided in the preceding paragraph, all other risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor elects to repair or replace the loss or damage, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete, or to permit the Condominium Board to complete, such repairs or

replacements. Purchaser shall not be required to pay the Balance unless and until: (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

29.4 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Condominium Board does not do so and Purchaser declines to accept the Unit without such repairs, this Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall be entitled to retain the Down Payment pursuant to the Paragraph Down Payment.”

30. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect’s plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser’s own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan.

31. PROHIBITION AGAINST ADVERTISING. Prior to the closing of title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease (“Advertising Activities”), without Sponsor’s prior written consent. If Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an Event of Default under Paragraph 16 hereinabove thereby entitling Sponsor any and all remedies set forth in Paragraph 16 of this Agreement.

32. ATTORNEYS. The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

33. BROKER. Purchaser represents to Sponsor that [] is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the closing of title.

34. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____. Any purported assignment by Purchaser in violation of this Agreement will constitute a default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. 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, then Purchaser will be required to pay Sponsor's attorneys a fee of \$500, in advance, for preparation of an assignment agreement.

35. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Mark J. Nussbaum, 225 Broadway, 39th Floor, Brooklyn, NY 10007, in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such

party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is hereby expressly designated and empowered to issue). A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

36. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasing, in which case their obligations shall be joint and several.

37. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

38. 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.

39. AGREEMENT NOT CONTINGENT UPON FINANCING. The obligation of a purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. If Purchaser obtains mortgage financing, Purchaser shall pay an additional fee of \$500 to Sponsor's counsel to defray the additional cost associated therewith.

40. PURCHASER MAY NOT TAKE POSSESSION OF THE RESIDENTIAL UNIT PRIOR TO CLOSING. Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Residential Unit nor have any work performed or materials supplied or installed at the Residential Unit prior to Closing without the prior written consent of Seller.

41. EXECUTION OF REQUIRED DOCUMENTS. Purchaser agrees to perform all acts required by the Seller to carry out the provisions of the Offering Plan, establish the Condominium, and conform to the provisions of all applicable laws and regulations. This Paragraph shall survive delivery of the deed

42. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement 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.

43. 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.

44. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

45. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law.

46. ZONING. It is understood and agreed that should zoning and/or building restrictions and regulations, imposed by any Governmental body having jurisdiction over the construction of residential housing and appurtenances, either presently in effect or as enacted or promulgated in the future, create or impose requirements upon the Seller which are not presently contemplated, then in that event the Seller may cancel this Purchase Agreement with a notice in writing addressed to the Purchaser at their address herein above set forth and return all funds deposited hereunder within thirty (30) days of such notice and upon making such payment, this Purchase 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 Purchase Agreement and the Offering Plan.

47. WAIVER OF JURY. EXCEPT AS PROHIBITED BY LAW, THE PARTIES SHALL, AND THEY HEREBY DO, EXPRESSLY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE CLOSING OF TITLE.

In the event of a dispute between the Sponsor and a Unit Owner, after the Unit Owner successfully closes title to a Unit, or between a Unit Owner and the Board, or any dispute arising out of the Purchase Agreement, including the disposition of a deposit, down payment, or advances received by Sponsor, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan the Purchase Agreement or the relationship created thereby and Purchaser will have to seek redress through arbitration or through commencing an action in the New York State Supreme Court for Kings County with a judge instead of a jury. Purchasers shall be required to pay at least a portion of the court costs or the arbitration costs, subject to a final ruling issued by the court or arbitrator. The arbitrator will be neutral and independent of the Sponsor and its principals and appointed by the court or will be an arbitrator who is a member of the American Arbitration Association. Purchasers should note, arbitration awards are generally final and binding, and that a party's ability to have a court reverse or modify an arbitration award is very limited, see New York Civil Practice Law and Rules §7511. Purchasers should also note, the ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings; the arbitrators may not have to explain the reason(s) for their award; the rules of some arbitration forums may impose time limits for bringing a claim in arbitration; New York law does not authorize the filing of a notice of pendency based on ongoing arbitration proceedings, unlike litigation; that the deposit(s) or downpayment(s) shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award (see CPLR § 7511). If the Purchaser brings a proceeding pursuant to CPLR § 7511 to vacate the award, the funds will and must remain in escrow until that proceeding is finally adjudicated.

48. PURCHASER'S REPRESENTATIONS.

48.1 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 the 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.

48.2 Purchaser is not now, nor shall it be at any time prior or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate 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 "US 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 US 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 US Person, including a “financial institution” 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.

48.3 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, as amended, 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. Section 1701 et. Seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as law relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

48.4 The provisions of this article shall survive the closing of title to the Unit or termination of this Agreement.

49. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

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

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

52. RULE OF CONSTRUCTION. There shall be no presumption against the draftsperson of this Agreement.

53. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall

bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

54. NO ORAL CHANGES. This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

55. On August 28, 2017, New York City Mayor Bill De Blasio signed Local Law 147 which amends the Administrative Code of the City of New York ("NYC Administrative Code") to require that all class A multiple dwellings—i.e., buildings with three or more residential dwelling units—adopt a written smoking policy for the building that is disclosed to all residents and incorporated into all leases, purchase agreements, and building governing documents. Local Law 147 does not dictate the contents of a building's smoking policy. For this Condominium's smoking policy, smoking is not allowed in the following areas (please take note that the Smoke-Free Air Act bans smoking tobacco or non-tobacco products, and using e-cigarettes in indoor Common Areas): outside of areas that are part of a Residential Unit including Outdoor Common Areas, balconies and yards; and outdoors within 15 feet of entrances, exits, windows, and air intake units on property grounds, and roof terraces.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after
execution by Sponsor)

SPONSOR:

757 Bergen JV2, LLC

By: _____
Name:
Title:

PURCHASER:

(Social Security or Federal
I.D. Number) _____

(Social Security or Federal
I.D. Number) _____

YOU, AS THE PURCHASER OF THE RESIDENTIAL UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR PURCHASE AGREEMENT OR INDEMNIFY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.
2. Any state of facts which an accurate survey of the Unit would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein.
3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans; as all of the same may be amended from time to time.
4. Consents by the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.
5. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.
6. Revocability of licenses for vault space, if any, under the sidewalks and streets.
7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.
8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.
9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.
10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.
11. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law or requirement of the

Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Infinity (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for residential purposes.

14. Any lease covering the Unit made from the Sponsor to the Purchaser, or if applicable, any lease covering, or tenancy or occupancy of, the Unit and the rights of such tenant(s) and occupant(s), if any, under the Rent Laws, GBL or other applicable Law.

15. Any violation against the Property (other than the Unit), which is the obligation of the Condominium Board, or another Unit Owner to correct.

16. Any other liens, encumbrances, and title conditions set forth in the Unit Owner's Specimen Title Policy set forth in Part II of the Plan.

SCHEDULE B

POLICY ON SMOKING FOR THE 1009 HANCOCK STREET CONDOMINIUM

There is no safe amount of exposure to secondhand smoke. Adults exposed to secondhand smoke have higher risks of stroke, heart disease and lung cancer. Children exposed to secondhand smoke have higher risks of asthma attacks, respiratory illnesses, middle ear disease and sudden infant death syndrome (SIDS). For these reasons, and to help people make informed decisions on where to live, New York City requires residential condominium unit owners (referred to in this policy as the “Owner” which includes the owner of record, seller, manager, landlord, any agent thereof or governing body) in buildings with three or more residential units to create a policy on smoking and share it with all occupants. The building policy on smoking applies to any person on the property, including guests.

Definitions a. “Smoking”: inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke

b. “Electronic Cigarette (e-cigarette)”: a battery-operated device that heats a liquid, gel, herb or other substance and produces vapor for people to inhale.

c. “Smoke-Free Air Act”: New York City law prohibits smoking and using e-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas, storage areas, garages and laundry rooms in any building with three or more residential units. NYC Admin. Code, § 17-505.

d. “Policy on Smoking”: Smoking is not allowed in the following areas (Take note that the Smoke-Free Air Act bans smoking tobacco or non-tobacco products, and using e-cigarettes in indoor common areas):

Outside of areas that are part of residential units, including balconies, patios and porches; Outdoor common areas, including play areas, rooftops, pool areas, parking areas, and shared balconies, courtyards, patios, porches or yards; and Outdoors within 15 feet of entrances, exits, windows, and air intake units on property grounds.

e. “Complaint Procedure”: Complaints about smoke drifting into a residential unit or common area should be made promptly to the Condo Board or Manager. Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

Acknowledgment and Signatures: I have read the policy on smoking described above, and I understand the policy applies to the property. I agree to comply with the policy described above.

For rental units, I understand that violating the smoking policy may be a violation of my lease. For condominiums, cooperatives or other owned units, I understand that violations of the policy on smoking may be addressed according to the building's governing rules.

Owner's printed name: _____

Owner's signature: _____ Date _____

Purchaser's/Tenant's printed name _____

Purchaser's/Tenant's signature _____ Date _____

LIMITED WARRANTY

LIMITED WARRANTY

NAME OF PURCHASER(S):

ADDRESS OF PURCHASER(S):

ADDRESS OF UNIT WARRANTED:

NAME OF BUILDER:

ADDRESS OF BUILDER:

WARRANTY DATE:

BUILDER'S LIMIT OF

TOTAL LIABILITY: \$25,000.00

This limited warranty excludes all other warranties on the construction and sale of the unit and its components, both expressed and implied. There are no warranties which extend beyond the face hereof and this limited warranty excludes all consequential and incidental damages, except as required by New York State law and nothing contained in this warranty shall be determined to make the builder-seller an insurer of personal property of the owner-Purchaser or of any third party. No steps taken by the builder-seller to correct defects shall act to extend the warranty period. The builder-seller shall have the option of selecting the materials and the methods to be used in making any repair. Items covered in this warranty altered by a person or persons other than the builder-seller, its employees, or agents are also excluded and the builder-seller shall not be liable or responsible for any corrective work performed by others or the cost thereof.

1. **To Whom Given:** This limited warranty is extended to the Owner/Purchaser named on page 1, while the Owner/Purchaser owns the unit. **It does not extend to subsequent owners, heirs, tenants or mortgagees in possession of the Unit, anyone who may succeed to the rights of Purchaser, or any other persons.**
2. **By Whom Made:** This limited warranty is made exclusively by the builder/seller whose name and address appears on page 1.
3. **Final Inspection of the Unit:** Before any person takes possession of the Unit, or accepts title, there will be a final inspection of the Unit. The purpose of this final inspection is to discover or point out any known or visible defects or flaws, or any unfinished work caused by back orders beyond the builder's/seller's control.

There will be a Final Inspection Sheet listing all flaws or defects found or pointed out and it shall include a schedule for each item that will be corrected. The Final Inspection Sheet will be signed by the owner/Purchaser and the builder/seller before taking possession of the Unit or transfer of the deed. When any person takes possession of the Unit, or accepts the deed, the builder's/seller's responsibility will be limited to:

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

(b) performance of warranty obligations under the provisions of this limited warranty, as listed below. The purpose of the Limited Warranty is to identify the builder's/seller's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

4. Standards. To determine whether workmanship, materials, designs or installation fail to meet or exceed the coverage and period provisions of this warranty and New York State Law, the standard to apply shall be the Accepted Standards which are attached to this limited warranty or the standards and specifications of the New York State Uniform Fire Prevention and Building Code.

5. Warranty Coverages and Periods: The period of this warranty shall begin on the date shown on page 1. The date shall be the day on which any person begins residential occupancy of the Unit or the day on which the Purchaser takes title to the Unit, whichever comes first.

A. FIRST YEAR BASIC COVERAGE: for one year from the Warranty Date, the Unit will be free from latent defects that constitute:

(1) defective workmanship performed or materials provided by the Builder/Seller, an agent of the Builder/Seller or subcontractor of the Builder/Seller;

(2) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged **solely** by the Builder/Seller.

B. TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Warranty Date, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Builder/Seller are warranted to be free from latent defects that constitute defective installation by the Builder/Seller.

(1) The Plumbing System means: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

(2) The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

(3) The Heating, Cooling and Ventilation System means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

(4) Disclaimers.

(i.) The foregoing two-year warranties do not include the relevant System or any of its parts which become defective through faulty operation, lack of routine maintenance, or alteration by the owner-Purchaser or his agents. It shall be the owner-Purchaser's responsibility to perform the normal maintenance functions, such as lubrication and replacing of filters, which are explained in the instructions supplied by the equipment manufacturer and in its Warranty Manual.

(ii.) All Systems are exclusive of appliances, fixtures and items of equipment.

C. SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six (6) years from the Warranty Date, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

(1) defective workmanship performed or materials provided by the Builder/Seller, an agent of the Builder/Seller or subcontractor of the Builder/Seller;

(2) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged **solely** by the Builder/Seller.

A. Major Structural Defect is a defect resulting in **actual** physical damage to the following load-bearing portions of the unit caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

B. Damage to the following non-load bearing portions of the Unit do not constitute a Material Defect for the Material Defect coverage period: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Unit; electrical plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; insulation.

6. The builder-seller assigns to the owner-Purchaser its interest in any manufacturer's warranties for mechanical equipment, appliances, and any other manufactured items furnished with the house.

7. Septic System: If included as part of the builder-seller's responsibility, builder-seller guarantees only that the septic system has been installed in accordance with a septic layout prepared by a licensed engineer and the installation thereof has been approved by the proper local official.

8. Water System: If a private well is included as part of the builder-seller's responsibility, builder-seller guarantees only the submersible pump for one year against faulty material and workmanship. Builder-seller makes no representation as to the quantity or quality of the water produced by such well. If connection to a municipal or community water system is included, the service line from the curb cock to the house is guaranteed against leakage for a period of one year.

9. Exclusions from All Coverages. The following are excluded from Basic Coverage, Major System Coverage and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Builder/Seller, (ii) an agent of the Builder/Seller, or (iii) a subcontractor of the Builder.

(b) Loss or damage caused by defective materials supplied by any person other than (i) the Builder/Seller, (ii) an agent of the Builder/Seller, or (iii) a subcontractor of the Builder/Seller.

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Builder/Seller.

(d) Patent defects which an examination of the Unit prior to acceptance of the deed or occupancy of the Unit ought to have revealed excluding defects shown on the Final Inspection Sheet and defects.

(e) Defects in outbuildings including but not limited to detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Unit); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Unit itself.

(f) After the first year Basic Coverage, concrete floors of basements and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Unit.

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

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

(i) negligence, improper maintenance, or improper operation by anyone other than the Builder/Seller, its employees, agents, or subcontractors; or

(ii) failure by the Purchaser/Owner or anyone other than the Builder/Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser/Owner to give notice to the Builder/Seller of any defects or damage within a reasonable time; or

(iv) Changes in the grading of the ground by anyone other than the Builder/Seller, its employees, agents or subcontractors; or

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

(vi) dampness or condensation due to failure of the Purchaser/Owner or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Unit.

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table.

(k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the Unit Owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage.

(p) Bodily injury or damage to personal property.

(q) Any items not completed by the Builder/Seller in the event the Builder/Seller does not complete construction of the unit.

(r) Loss or damage when which arises while the Unit is being used primarily for nonresidential purposes.

(s) Loss or damage due to abnormal loading on floors by the Unit Owner which exceeds design loads as mandated by the Building Code.

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

(u) Consequential damages (except where required by state law).

(v) Any claim not filed in a manner set forth below in paragraph.

10. Warranty. If a defect occurs in an item covered by this Limited Warranty, the Builder/Seller will repair, replace or pay the Purchaser/Owner the reasonable cost of repairing or replacing the defective item(s) within a reasonable time after the Builder's inspection or testing discloses the problem. The choice amount repair, replacement or payment is solely that of the Builder/Seller.

In no event will the Builder's total liability for deficiencies under this Limited Warranty exceed the Builder's Limit of Total Liability, shown on page 1.

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

When the Builder/Seller finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed and delivered to the Builder/Seller.

11. Step by Step Claims Procedures. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Builder, identified on page 1, no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Builder by that deadline, the Builder will have no duty to respond to any complaint or demand, and any or all claims may be rejected. NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Builder, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Builder's response to any complaint or request, other than to a timely and properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Builder/Seller, including but not limited to the Builder's/Seller's right to receive a timely and properly completed Notice of Warranty Claim.

12. Legal Actions. (a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Builder/Seller in any Court or forum unless notice of the claim or cause of action has been received by the Builder in a timely and properly completed Notice of Warranty Claim Form.

(b) No suit, action and proceeding against the Builder/Seller under this Limited Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverage under paragraph 5 of this Limited Warranty, or (ii) sixty calendar

days after the Warrantor has given written notice of rejection of claim or completion of corrective action.

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

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

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

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

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

NOTICE OF WARRANTY CLAIM FORM

Dear Unit Owner: to ask the Builder to correct a defect in your Unit that you think is covered by the Builder's Limited Warranty, you must complete this form and deliver it to the Builder. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Builder is aware of the problem, fill out this form and deliver it to the Builder.

The information you will need to fill out the form will be on page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't Know." Please do not leave any item blank.

Your Name: _____

Mailing Address: _____

Phone: _____

Limited Warranty No.: _____

Warranty Date: _____

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem:

(Signature)

(Date)

(Signature)

(Date)

ACCEPTED STANDARDS

PERFORMANCE STANDARDS - Topic Index

The Performance Standards list specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials; the second section covers Systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. Possible Deficiency - a brief statement in simple terms of problems that may be encountered.
2. Performance Standard - a performance standard relating to a specific deficiency.
3. Responsibility - a statement of the corrective action required of the Builder/Seller to repair the deficiency or a statement of the Unit Owner's maintenance responsibilities.

Workmanship and Materials, First Year Only

1. Site Work
2. Concrete
3. Masonry
4. Wood and Plastic
5. Thermal and Moisture Protection
6. Doors and Windows
7. Finishes
8. Specialties
9. Equipment
10. Plumbing
11. Heating and Cooling
12. Ventilation
13. Electrical

Systems, First and Second Year

14. Plumbing System
15. Ventilation System
16. Electrical System

1. A. Site Grading. Settling of ground around foundation, utility trenches or other areas. Settling of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the Unit. If the Builder/ Seller has provided final grading, upon request by the Unit Owner, Builder/Seller shall fill settled areas affecting proper drainage, one time only, during the first year of the Limited warranty period. Unit Owner shall be responsible for removal and replacement of shrubs or other landscaping affected by placement of such fill.

B. Site Drainage. Improper drainage of the site. The necessary grades and swales shall have been established by the Builder/Seller to insure proper drainage away from the Unit.

Limited Warranty

Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated. The Builder/Seller is responsible only for initially establishing the proper grades and swales. The Unit Owner is responsible for maintaining such grades and swales once they have been properly established.

2. A. Expansion and Contraction Joints. Separation or movement of concrete slabs within the structure at expansion and contraction joints. Concrete slabs within the structure are designed to move at expansion and contraction joints.

B. Cast-in-Place Concrete.

(1) Basement or foundation wall cracks: Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired. Builder/Seller will repair cracks in excess of 1/8 inch wide.

(2) Cracking of basement floor: Minor cracks in basement floors are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired. Builder/Seller will repair cracks exceeding maximum tolerances by service patching or other methods as required.

(3) Cracking of slab in attached garage: Cracks in garage slabs in excess of 1/2 inch in width or 1/2 inch in vertical displacement shall be repaired. Builder/Seller will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

(4) Uneven concrete floors/slabs: Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions, or areas of unevenness exceeding 1/2 inch in 32 inches. Builder/Seller will correct or repair to meet the Performance Standard.

(5) Cracks in concrete slab-on-grade floors with finish flooring: Cracks which rupture the finish flooring material shall be repaired. Builder/Seller will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place.

(6) Pitting, scaling or spalling of concrete work covered by this Limited Warranty: Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use. Builder/Seller will take whatever corrective action necessary to repair or replace defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond its control.

(7) Settling, heaving or separating of stoops, steps or garage floors: Stoops, steps or garage floors shall not settle, heave or separate in excess of 1 inch from the house structures. Builder will take whatever corrective action is required to meet the Performance Standard.

(8) Standing water on stoops: Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain can be anticipated. Builder/Seller shall take corrective action to assure drainage of steps and stoops.

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3. Masonry Coverage: 1st Year Only:

A. Unit Masonry

(1) Basement or foundation wall cracks: Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/4 inch in width shall be repaired. Builder/Seller will repair cracks in excess of 1/4 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Limited Warranty period.

(2) Cracks in masonry wall or veneer: Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive. Builder/Seller will repair cracks in excess of Performance Standard by pointing or patching. These repairs shall be made during the first year of the Limited warranty period. Builder will not be responsible for color variation between old and new mortar.

4. Wood and Plastic Coverage: 1st Year Only:

A. Rough Carpentry

(1) Floors squeak or subfloor loose: Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak -proof floor cannot be guaranteed. Builder/Seller will correct the problem only if caused by an underlying construction defect.

(2) Uneven wood floors: Floors shall not have more than 1/2 inch ridge or depression within any 32 inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the applicable building code. Builder/Seller will correct or repair to meet Performance Standard.

(3) Bowed walls: All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 1/2 inch out of line within any 32 inch horizontal or vertical measurement. Builder/Seller will repair to meet Performance Standard.

(4) Out-of-plumb walls: Walls should not be more than 1/2 inch out of plumb for any 32 inch vertical measurement. Builder/Seller will repair to meet the Performance Standard.

B. Finish Carpentry (Interior): Poor quality of interior trim workmanship. Joints in moldings or joints between moldings and adjacent surface, shall not result in open joints exceeding 3/8 inch in width. Builder/Seller will repair defective joints, as defined. Caulking is acceptable.

C. Finish Carpentry (Exterior): Poor quality of exterior trim workmanship. Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements. Builder/Seller will repair open joints, as defined. Caulking is acceptable.

5. A. Thermal and Moisture

Limited Warranty

(1) Leaks in basement: Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency. Builder/Seller will take such action as necessary to correct basement leaks except where the cause is determined to result from Unit Owner action or negligence.

B. Insulation: Insufficient insulation: Insulation shall be installed in accordance with applicable energy and building code requirements. Builder/Seller will install insulation in sufficient amounts to meet Performance Standard.

C. Louvers and Vents: Leaks due to snow or rain driven into the attic through louvers or vents: Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.

D. Roofing and Siding:

(1) Ice build-up on roof: During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up. Prevention of ice build-up on the roof is a Unit Owner maintenance item.

(2) Roof or flashing leaks: Roofs or flashing shall not leak under normally anticipated conditions except where cause is determined to result from ice build-up or Unit Owner action or negligence. Builder/Seller will repair any verified roof or flashing leaks not caused by ice build-up or Unit Owner action or negligence.

(3) Standing water on flat roof: Water shall drain from flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention. Builder/Seller will take corrective action to assure proper drainage of roof.

(4) Delamination of veneer siding or joint separation: All siding shall be installed according to the manufacturer's and industry's accepted standards. Separations and delaminations shall be repaired or replaced. Builder/Seller will repair or replace siding as needed unless caused by Unit Owner's neglect to maintain siding properly. Repaired area may not match in color and/or texture. For surfaces requiring paint, Builder/Seller will paint only the new materials. The Unit Owner can expect that the newly painted surface may not match original surface in color.

E. Sheet Metal:

(1) Gutters and/or downspouts leak: Gutters and downspouts shall not leak but gutters may overflow during heavy rain. Builder will repair leaks. It is a Unit Owner responsibility to keep gutters and downspouts free of leaves and debris which could cause overflow.

(2) Water standing in gutters: When gutter is unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

F. Sealants:

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(1) Leaks in exterior wall due to inadequate caulking: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water. Builder/Seller will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during the life of the Unit.

6. A. Door and Windows:

(1) Warpage of exterior doors: Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association Standards (½ inch, measured diagonally from corner to corner). Builder/Seller will correct or replace and refinish defective doors, during the first year of the Limited Warranty period.

(2) Warpage of interior passage and closet doors: Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards (½ inch measured diagonally from corner to corner). Builder/Seller will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of the Limited Warranty period.

(3) Shrinkage of insert panels show raw wood edges: Panels will shrink and expand and may expose unpainted surfaces.

(4) Split in door panel: Split panels shall not allow light to be visible through the door. Builder/Seller will, if light is visible, fill split and match paint or stain as closely as possible, one time in first year of the limited Warranty period.

B. Glass: Broken glass: Broken glass not reported to Builder/Seller prior to closing is the Unit Owner's responsibility.

C. Garage Doors on Attached Garages:

(1) Garage doors fail to operate properly, under normal use: Garage doors shall operate properly. Builder/Seller will correct or adjust garage doors as required, except where the cause is determined to result from Unit Owner action or negligence.

(2) Garage doors allow entrance of snow or water: Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions. Builder/Seller will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Plastic and Metal Windows:

(1) Malfunction of windows: Windows shall operate with reasonable ease, as designed. Builder/Seller will correct or repair as required.

(2) Condensation and/or frost on windows: Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Unit Owner. Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's/Seller's control. No corrective action required.

Limited Warranty

E. Weatherstripping and Seals: Air infiltration around doors and windows. Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping shall be adjusted or replaced. Builder/Seller will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping.

7. A. Gypsum Wallboard: Defects which appear during first year of the Limited Warranty such as nail pops, blisters in tape, or other blemishes: Slight "imperfections" such as nail pops, seamlines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable. Builder/Seller will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

B. Ceramic Tile:

(1) Ceramic tile cracks or becomes loose: Ceramic tile shall not crack or become loose. Builder/Seller will replace cracked tiles and re-secure loose tiles unless the defects were caused by the Unit Owner action or negligence. Builder/Seller will not be responsible for discontinued patterns or color variations in ceramic tile.

(2) Cracks appear in grouting ceramic tile joints or at junctions with other materials such as a bathtub: Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions. Builder/Seller will repair grouting if necessary one time only, during the first year of the Limited Warranty period. Builder/Seller will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Unit Owner within the life of the Unit.

C. Finished Wood Flooring: Cracks developing between floor boards: Cracks in excess of 1/8 inch in width shall be corrected. Builder/Seller will repair cracks in excess of 1/8 inch within the first year of the Limited Warranty period, by filling or replacing, at Builder's/Seller's option.

D. Resilient Flooring.

(1) Nail pops appear on the surface of resilient flooring: Readily apparent nail pops shall be repaired. Builder/Seller will correct nail pops which have broken the surface. Builder/Seller will repair or replace, at Builder's/Seller's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.

(2) Depressions or ridges appear in the resilient flooring due to subfloor irregularities: Readily apparent depressions or ridges exceeding 1/4 inch shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch straightedge placed over the depression or ridge with three inches of the straightedge on one side of the defect, held tightly to the floor. Builder/Seller will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder/Seller will not be responsible for discontinued patterns or variations in floor covering.

(3) Seams or shrinkage gaps show at resilient flooring joints: Gaps shall not exceed 1/16 inch in width in resilient floor covering joints. Where dissimilar materials abut, a gap not to

Limited Warranty

exceed 1/8 inch is permissible. Builder/Seller will repair or replace, at Builder's/Seller's sole option, the affected resilient flooring as required. Builder/Seller will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Unit Owner neglect or abuse.

E. Painting

(1) Exterior paint or stain peels, deteriorates or fades: Exterior paints or stains should not fail during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions. If paint or stain is defective, Builder/Seller will properly prepare and refinish affected areas, matching color as close as possible. Where repaired area affects the majority of the wall area, the whole area will be refinished.

(2) Deterioration of varnish or lacquer: Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty. Builder/Seller will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.

(3) Painting required as corollary repair because of other work: Repairs required under the Limited Warranty shall be finished to match surrounding areas as closely as practicable. Builder/Seller will finish repair areas as indicated.

(4) Mildew or fungus on painted surfaces: Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake or river front.) Mildew or fungus formation is a condition the Builder/Seller cannot control and is a Unit Owner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

F. Carpeting:

(1) Open carpet seams: Carpet seams will show. However, no visible gap is acceptable. Builder/Seller will correct.

(2) Carpeting becomes loose, seams separate or stretching occurs: Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate from its point of attachment. Builder will re-stretch or re-secure carpeting as needed, if original installation was performed by Builder/Seller.

(3) Spots on carpet, minor fading. Exposure to light may cause spots on carpet and/or minor fading. No responsibility.

G. Special Coatings: Cracks in exterior stucco wall surfaces: Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired. Builder/Seller will repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

8. Specialties - Coverage: 1st Year Only

A. Fireplaces

Limited Warranty

(1) Fireplace or chimney does not draw properly: A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situation. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some unit may need to have a window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria. Builder/Seller will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.

(2) Chimney separation from structure to which it is attached: Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed ½ inch from the main structure in any 10 vertical measurements. Builder/Seller will determine the cause of separation and correct if standard is not met. Caulking is acceptable.

(3) Firebox paint changed by fire: Heat from fires will alter finish. No responsibility.

(4) Cracked firebrick and mortar joints: Heat and flames from "roaring" fires will cause cracking. No responsibility.

9. Equipment - Coverage last Year Only

A. Residential Equipment

(1) Surface cracks, joint delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops: Countertops fabricated with high pressure laminate coverings shall not delaminate. Builder/Seller will replace delaminated coverings to meet specified criteria. Builder/Seller will not be responsible for chips and cracks noted following first occupancy.

(2) Kitchen cabinet malfunctions: Warpage not to exceed ½ inch as measured from face frame to point of furthest warpage with door or drawer front closed position. Builder/Seller will correct or replace doors or drawer fronts.

(3) Gaps between cabinets, ceiling or walls: Acceptable tolerance 1/4 inch in width. Builder/Seller will correct to meet Performance Standard.

10. Plumbing - Coverage last Year Only

A. Water Supply System: Plumbing pipes freeze and burst: Drain, waste and vent, and water pipes shall be adequately protected, as required by the applicable code, during normally anticipated cold weather, and as defined in accordance with ASHREA design temperatures, to prevent freezing. Builder/Seller will correct situations not meeting the code. It is the Unit Owner's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System:

(1) Faucet or valve leak: No valve or faucet shall leak due to defects in workmanship and materials. Builder/Seller will repair or replace the leaking faucet or valve.

(2) Defective plumbing fixtures, appliance or trim fittings: Fixtures, appliances or fittings shall comply with their manufacturer's standards. Builder/Seller will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.

Limited Warranty

(3) Noisy water pipes: There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated. Builder/Seller cannot remove all noises due to water flow and pipe expansion, Builder/Seller will correct to eliminate "water hammer".

(4) Cracking or chipping of porcelain or fiberglass surfaces. Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects. Builder/Seller will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy.

(5) Decrease in flow and/or volume of domestic hot water: Unit will perform in compliance with manufacturer's specifications. Builder/Seller will repair if failure is the result of defective workmanship or materials. If problem due to water conditions, maintenance and responsibility revert to unit owner.

11. Heating and Cooling - Coverage 1st Year Only

A. Heating: Inadequate heating: Heating system shall be capable of producing an inside temperature of 70 F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHREA handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted. Builder/Seller will correct heating system to provide the required temperatures. However, the Unit Owner shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration: Inadequate cooling: Where air-conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor summer design conditions specified in ASHRAE handbook. In the case of outside temperatures exceeding 95 F, a differential of 15 F from the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted. Builder/Seller will correct cooling system to meet temperature conditions, in accordance with specifications.

C. Condensation Lines: Condensation lines clog up. Condensation lines will clog eventually under normal use. This is a Unit Owner maintenance item. Builder/Seller shall provide unobstructed condensation lines at time of first occupancy.

D. Evaporative Cooling: Improper mechanical operation: Equipment shall function properly at temperature standard set. Builder/Seller will correct and adjust so that blower and water system operate as designed.

12. Ventilation - Coverage last Year

A. Air Distribution:

(1) Noisy ductwork: When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is generally to be expected. No responsibility.

Limited Warranty

(2) Oilcanning: The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not "oilcan". The booming noise caused by "oilcanning" is not acceptable.

13. Electrical Coverage: Coverage 1st Year

A. Electrical Conductors, Fuses and Circuit Breakers: Fuses blow or circuit breakers (excluding ground fault interrupters) "kick out": Fuses and circuit breakers shall not activate under normal usage. Builder/Seller will check wiring circuits for conformity with local, state, or approved national electrical code requirements. Builder/Seller will correct circuitry not conforming to code specifications.

B. Outlets, Switches and Fixtures:

(1) Drafts from electrical outlets: Electrical junction boxes on exterior wall may produce air flow whereby the cold air can be drawn through the outlet into a room. The Problem is normal in new unit construction. No responsibility.

(2) Malfunction of electrical outlets, switches or fixtures: All switches, fixtures and outlets shall operate as intended. Builder/Seller will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution: Ground fault interrupter trips frequently: Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily. Builder/Seller shall install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

14. Plumbing System : Coverage 1st and 2nd Year

A. Water Supply: Water supply system fails to deliver water: All on-site service connections to municipal water main and private water supply shall be the Builder's/Seller's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes. Builder/Seller will repair if failure is the result of defective workmanship or materials. If conditions beyond Builder's/Seller's control disrupt or eliminate the sources of the supply, the Builder/Seller has no responsibility.

B. Septic System: Septic systems shall be designed by a licensed engineer and installed by the Builder/Seller in accordance with plans provided by a licensed engineer. Upon installation, the appropriate local official will inspect the installation prior to backfill. After inspection, the area will be finish graded to conform to existing topographical conditions. Builder/Seller will repair only if failure is the result of defective workmanship or materials. (If problem is due to water or drainage beyond the Builder's/Seller's control, responsibility reverts to the Unit owner.)

C. Piping:

(1) Leakage from any pipe: No leaks of any kind shall exist in any soil, waste, vent or water pipe. Condensation on piping does not constitute leakage, and is not covered. Builder will make repairs to eliminate leakage.

Limited Warranty

(2) Refrigerant lines leak. Refrigerant lines shall not develop leaks during normal operation. Builder/Seller will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Unit owner.

(3) Stopped up sewers, fixtures and drains: Sewers, fixtures and drains shall operate properly. Builder/Seller will not be responsible for sewers, fixtures and drains which are clogged through the Unit Owner negligence. If a problem occurs, the Unit Owner should consult Builder/Seller for a proper course of action. Where defective construction is shown to be the cause, Builder/Seller will assume the cost of the repair; where Unit Owner negligence is shown to be the cause, the Unit Owner shall assume all repair costs.

15. Ventilation System: Coverage 1st and 2nd Year

A. Air Distribution: Ductwork separate or become unattached: Ductwork shall remain intact and securely fastened. Builder will re-attach and re-secure all separated or unattached ductwork.

16. Electrical Systems: Coverage 1st and 2nd Year

A. Wiring: Failure of wiring to carry its designed load: Wiring should be capable of carrying the designed load for normal residential use. Builder/Seller will check wiring for conformity with local, state or approved national electrical code requirements. Builder/Seller will repair wiring not conforming to code specifications.

POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by 757 Bergen JV2, LLC ("Declarant") establishing a plan for condominium ownership of the premises known as The 757 Bergen Street Condominium and by the street number 757 Bergen Street, Brooklyn, NY under Article 9-B of the Real Property Law of the State of New York, dated _____, 2019, and recorded in the Kings County Office of the Register of The City of New York on _____, 2019, in CRFN _____ or (b) in the By-Laws of The Bergen Street Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in The Bergen Street Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 1140 of the Borough of Kings on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements and the Condominium Board with respect to the Building deem necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission,

the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the General Common Elements or the Building as the case may be, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Building which the Condominium Board deems necessary or appropriate or (c) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate.

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

The undersigned, do(es) hereby nominate, constitute and appoint the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 2019.

,Purchaser

State Of New York)
)ss.:
County Of New York)

On the _____ day of _____ in the year 2019 before me, the undersigned, a notary public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

Notary Public

DEED

UNIT DEED

THIS INDENTURE made the day of , 2019, between 757 BERGEN JV2, LLC, with an address at 29 West 17th Street, 2nd Floor, New York, New York 10011, (hereinafter "Grantor"), and

,(hereinafter "Grantee");

W I T N E S S E T H:

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

Unit ____; Block 1140, Lot ____, as more particularly described in the attached Schedule A.

TOGETHER with any strips or gores adjoining the above described premises on any of the sides thereof;

TOGETHER with an undivided _____ percent interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements");

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

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Units;

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

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

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Buildings, or as a result of repair or restoration of the Buildings, or any adjoining Unit, or of the Common Elements, after damage, condemnation, or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by, or with the consent of, the Board of Managers so that any such encroachments may remain so long as the Buildings shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units.

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for The Bergen Street Condominium recorded in the Kings County Office of the Register of the City of New York on the ____ day of _____, 2019, CRFN _____.

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the New York County Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having time, any interest, or estate in the Unit, as though such provisions were recited and stipulated at length herein;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

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

The use for which the Unit is intended is that of a residence and/or professional office as permitted by the By-Laws and the Declaration.

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

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

IN WITNESS WHEREOF, the Grantor has duly executed this Deed the day and year first above written.

757 BERGEN JV2, LLC

By: _____,
Member, Grantor

State Of New York)
)ss.:
County Of New York)

On the _____ day of _____ in the year 2019 before me, the undersigned, a notary public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

Notary Public

ARCHITECT REPORT AND FLOOR PLANS

RYBAK ARCHITECTS, P.C.

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ARCHITECT'S REPORT

DESCRIPTION OF PROPERTY AND SPECIFICATION
AT 757 BERGEN STREET, BROOKLYN NEW YORK

DATE: August 9, 2018

Prepared by: Yevgeniy Rybak, Architect

A. Location and Use Property

The property is located on the North Side of Bergen Street 118.0' East of Washington Avenue in Borough of Brooklyn, County of King, City and State of New York. The property, proposed project and its construction will comply with all applicable use and Zoning requirements of the City of New York in conjunction with the New York City Department of Building and the New York City Department of City Planning. The project is subjected to Quality Housing Requirements.

(1) Address:

The project will consist of one (1) Main Building facing Bergen Street with the addresses assigned by Topographic Bureau of Brooklyn Borough President Office as follows:

- 757 Bergen Street Brooklyn, NY 11238

(2) Block and Lot Number: Block 1140, Lot 53.

(3) Zoning:

Zoning R-6B and C2-4 (for the portion of the lot), as defined in Zoning Resolution of the City of New York.

(4) Permissible Use: Residential.

B. Status of Construction

(1) Year Build:

A New Building Application was filed with New York City Department of Building and approved on December 16, 2014. New Building Permit was issued on May 15, 2015. The Building construction has started in the spring of 2015 and projected to reach total completion by the end of the November of 2018.

(2) Class of Construction:

The Building is classified as a Construction Class II-A (all exterior walls and supporting bearing members are of non-combustible construction having fire protection rating of one (1) hour. The entire Building including roof is constructed of non-combustible materials-as per New York City Building Code. The proposed structural systems for this project are cast in place concrete foundation walls, steel and metal framing and concrete and decking

structural floors and masonry and stucco exterior walls having fire resistance rating of one (1) hour.

(3) **Certificate of Occupancy:**

All Residential Units will have a Temporary or a Final Certificate of Occupancy (C of O) before delivering Title to any Condominium.

(4) **Alteration Permit Numbers:**

The following application numbers were assigned by New York City of Building for respected parts of the project:
320613699 - New Building, Plumbing, Structural and Support of Excavation
320906604 - Builder's Paving Plan.
340401782 - Shed

C. Site

(1) **Size:**

This is parcel of land with overall dimensions 25'-0"x 110'-0" and lot area of approximately 2,750.0 square feet or 0.631 acres.

(2) **Number of Buildings and Use:**

The site will be used for one (1) Building consisting of three (3) Residential Units.

First (ground) floor Residential unit will be ADA Handicap adaptable in compliance with ANSI-117 and Chapter 11 of NYC Building Code.

(3) **Streets:**

The proposed project will be facing Bergen Street as it is mapped on the final map of the City of New York.

Bergen Street is a public one (1) way street with a total width of 60'-0" running in East to West direction. Proposed project will be directly facing the road.

- (i). Paving: Existing asphalt at the roadway is in good condition as maintained by the City of New York. New concrete paved sidewalk will be installed directly in front of the property in accordance with an approved Builder's Paving Plan or any amendment thereto and to comply with all applicable NYC DOT and ADA requirements. Maintenance of the sidewalk, as required by AHJ will be responsibility of the Condominium Association.

- (ii). Curbing: New concrete curb will be installed on all street frontages directly faced by the project in accordance with BPP or any amendment thereto
- (iii). Catch basins: Installed in the bed of existing street in accordance with General Drainage Plan and maintained by the City of New York.
- (iv). Street lighting: Provided and maintained by the City of New York on overhead poles along public roadways
- (v). All improvements will be in strict conformance with New York Building Code, Department of Transportation and Department of Highways rules and regulations

(4) Drives, Sidewalks and Ramps:

- (i). Paving: New cast in place concrete slab or masonry pavers
- (ii). Curbing: New concrete curbs will be installed at all walkways inside the property lines.
- (iii). Catch basins: Area drains will be installed in open areas to collect storm water and lead it to underground detention tank installed in front of the building.
- (iv). Street site lighting: N/A
- (v). All the above items shall be in compliance with New York City Building Code

D. Utilities

Water: Water is obtained by tap to the New York City water main located on Bergen Street. The Building will have three (3) water meter that will be installed prior to closing of Condominium units. The water invoice will be a Common Charge of the Condominium. Rates for water use set are by the Water Board of the City of New York.

Sewer: The Building will be connected to the combined sewers located on Bergen Street and maintained by the New York City Department of Environmental Protection. From the property line to the City sewer line the combined sewer size will be six (6") inches. The Condominium will be responsible to maintain and repair the sewer within the boundary of the Condominium. The sewer charges will be paid as part of the Common Charges of the Condominium. Storm drainage will be collected in the drywells located within the rear yard of the property and detained on the main roof of the Building for the controlled disposal into public storm sewer.

Gas: Gas service will be provided by National Grid. There will be a separate gas meter for each Condominium Unit.

The gas service for each Condominium Unit will be for hot water, clothes dryer and cooking only. Gas charges will be responsibility of the Condominium Unit Owner.

Electricity: Electric service will be by overhead connection to electric service on Bergen Street, owned and maintained by Con Edison. All Condominium Units will be separately metered for individual electrical consumption and costs associated therewith will be the sole cost of the Condominium Unit Owner. All common electrical use will be included in the Common Charges of the Condominium.

Telephone: Optimum or other regulated company, at the discretion of the Board of Managers of the Condominium, will provide telephone service. Each residential unit will be separately billed and the telephone service to each unit will be sole responsibility of the Condominium Residential Unit. There will be (2) two phone lines provided by Optimum for the sole purpose of the Fire Alarm Connection.

E. Sub-soil Condition

Sub-soil conditions are consistent throughout the project site. Test borings were taken by Professional Solutions Group of Astoria, NY on January 24, 2013. The results of the tests were examined by the professional engineer. The sub-soil consists of mixed fill (sand, silt, gravel-cinders) with an acceptable bearing capacity up to approximately depth of 10'-0". The soil below 10'-0" is considered to be suitable for a soil bearing capacity of at least 2 tons per square foot.

- (1) The consistent conditions of the soil below proposed bottom of the foundation level shall prevent any uneven foundation movement or settlement. The foundation walls are to be insulated with continuous exterior applied insulation of minimum R3 which should address ad-freezing stresses;
- (2) The ground water elevation shown on the boring tests log is consistently located at or below 14'-6" below grade. The cellar floor level is designed to be above such elevation. The cellar floor slab waterproofing is designed to withhold standard hydrostatic pressure and prevent from ground moisture seepage. 10 mil vapor barrier with joint tape is to be used for the Passive Radon Mitigation System beneath the cellar slab. Exterior drainage pairing system leading to drywells, shall address any excess of ground water conditions.
- (3) In accordance with the latest Federal Insurance Rate Map, the building is located outside of a flood hazard area. There is no danger due to the flood to the building structure assessed at present time.

F. Landscaping

- (1) **Grass:** New planted grass area in front of the building within the initial setback area in compliance with Zoning Resolution of the City of New York.
- (2) **Plantings:** New planted grass area in front of the building within the initial setback area in compliance with Zoning Resolution of the City of New York.
- (3) **Trees:** One new curbside tree to be planted off-site in compliance with New York City Zoning Resolution. The exact location, specie and caliper/size of the tree will be determined by the Department of Parks and Recreation at the time of planting.

(4) **Fencing:** Vinyl fence, 6'-0" tall or equivalent on continuous concrete curb within rear yard of property.

(5) **Gates:** N/A

(6) **Garden Walls:** 4'-0" tall masonry garden walls will be installed around private patio within initial setback area.

(7) **Retaining Walls:** Reinforced cast-in-place retaining walls and curbs to be provided with adequate drainage.

(8) **Pool:** N/A

G. Building Size

(1) **Height:** Approximate height of the Building measured from Bergen Street side from ground to highest point of the roof of the bulkhead is 58'-0".

(2) **Crawl spaces:** N/A

(3) **Sub-Cellars:** N/A

(4) **Number of Floors:** Building is comprised of three (3) floors, cellar, two (2) mezzanines and the roof bulkhead. Minimum floor-to-ceiling height of the typical floor will be approximately 9'-0"

(5) **Equipment Rooms:** Building has mechanical/laundry rooms located in within boundaries of the apartments and meter rooms located in the cellar.

(6) **Parapet:** Constructed of masonry or assembly of metal framing and exterior sheathing with 4'-0" maximum height as measured of the finished surface.

H. Structural System

Structural System of the Building will consist of masonry bearing walls and metal floors and roofs beams, joists and rafters as it is indicated on the applicable structural drawings. Foundation system for the Building is cast in place reinforced concrete spread footings, foundation walls (12" thick-minimum) and slabs. Foundation walls will have an applied 4 mil waterproofing membrane. Bottom of foundation will be located on undisturbed soil with a bearing capacity sufficient to withhold applicable loads.

All demising walls and floor assemblies shall have an Sound Insulation Class (IIC) of not less than 45 when field tested in compliance with New York City Building Code.

Drywall material used in the project does NOT contain Sulfide.

(1) **Exterior of the Building:**

- (i). **Walls:** Comprised reinforced masonry units. All exposed surface will be covered with masonry veneers or installer certified and warranted exterior insulation, waterproofing and finish system of ¾" minimum. Exterior walls will be insulated with a thermal fiber glass insulation installed on the interior of masonry units. Wall assembly will have cavity insulation value of R-13 minimum; walls will be weatherproofed with Cav-Clear™ masonry mat installed according to manufacturer's specifications.
- (ii). **Floors:** Comprised of the system of metal beams and cold-framed joists, concrete and metal deck and incombustible ceiling materials meeting Code requirements.
- (iii). **Windows:** Composite clad frame casement and gliding windows as manufactured by "Anderson" or approved equal with standard manufacturer's warranty, meeting or exceeding New York State Energy Code Standards and New York City Building Code Requirements. All windows will be double glazed insulated with 'low E' glass and caulked on the perimeter of the opening. All apartment windows will have insect screens and standard type handles by manufacturer. All lintels and flashing materials will be of corrosion-resistant galvanized metal or better.
All windows will be covered by the standard manufacturer's warranty for materials and labor as disclosed in the Condominium Offering Plan at Part II. There are no Lot Line Windows.
- (iii) **Landmark Status:** N/A

(2) **Parapets and Copings:**

Concrete masonry units as an extension of interior and exterior masonry walls. Copings are of galvanized aluminum and pre-cast concrete or better.

(3) **Chimney and Caps:**

Individual low temperature 3" diameter PVC flues with a manufacturer's standard termination for individual furnaces and three (3) hot water heaters will terminate above the main roof or the bulkhead roof at least 3'-0" above any obstruction to prevent any back draught in accordance with requirements of New York City Mechanical Code and in compliance with manufacturer's specifications.

(4) **Balconies and Terraces:**

Balconies shall remain open as-built. If the owner wants to install an enclosure and the condominium by-laws would allow it, the enclosure must

be built via the proper approvals and in strict compliance with the requirements of DOB or Local Authority Having Jurisdiction.

- (i). Deck: Constructed of cast in place concrete over metal deck and finished with high density topping over waterproofing membrane or approved equal. All exterior metals including fasteners will be corrosion resistant.
- (ii). Balustrade: Wrought iron with 1½" diameter top rail and vertical bars spaces 4.5" minimum or approved equal.
- (iii). Railings: Wrought iron with 1½" diameter top rail and vertical bars spaced 4.5" maximum or approved equal.
- (iv). Copings: Galvanized sheet metal or approved equal installed by a certified roofing contractor or approved equal.
- (v). Soffits: Layer of cement board and R3 min EFIS finish. No perimeter drip edge grooves will be provided.
- (vi). Doors: Sliding and in-swing doors are silver line 5800 as manufactured by "Anderson" with clad composite frame and insulated tempered glass or approved equal and caulked on the perimeter of the opening to meet New York State Energy Code requirements. The doors have thermal breaks. All doors have limited lifetime warranty. Approved equal substitution is permitted provided meeting all code requirements.

5) Exterior Entrances:

- (i). Exterior Doors: Non-rated thermally U-0.6 minimum insulated self closing Class 'A' metal door and frame or approved equal lockset as approved by City of New York Doors will be equipped with key lockset exterior dead bolt with electronic release.
- (ii). Vestibule Doors: N/A
- (iii). Exterior Stairs: Steel frame and stringers; Metal treads with concrete fill or better; all metals are to be corrosion resistant.
- (iv). Ground Floor Entrances: Ground floor and units located therewith will be NYC Building Code ADA compliant. Area drains will be installed in front of the entrances. Unit's entrance surfaces shall be leveled and free of trip hazard. Drainage is designed to be adequate and in compliance with all applicable Rules and Regulations.
- (iv). Railings: Painted corrosion resistant steel tube 1 ½" diameter or approved equal.
- (v). Mail Boxes: US Post Office standard released type grouped at the front of the Building entrances or inside the building lobby.
- (vi). Lighting: In front of the building located at all building entrances and walks. Lighting will be generic H.I.D. sodium or better as selected by Sponsor; lighting at all entrances, yards and courts shall be in compliance with New York State Multiple Dwelling Law.

(6) Service Entrances: N/A

(7) Roof and Roof Structures:

- (i). Type:
 - (a) Material: Two (2) rubber layer total of 7.9 mm. Rubber APP 160/180 by Firestone™ smooth torch down; roofing will be provided with 10 years and NDL warranty for materials and labor.
 - (b) Insulation: ISO 95 GL Insulation by Firestone™ and cavity insulation with an insulating rating of R-30 average at main roof and bulkhead roof.
 - (c) Surface: Ballast pavers by Firestone™ or equivalent, installed in accordance with manufacturer's specifications with a standard manufacturer's warranty.
 - (d) Flashing material: galvanized sheet aluminum or better installed at all parapet and bulkhead walls. All metals will be corrosion resistant.
- (ii). Drains: Roof and area drains for all flat roofs and terraces are to be detention type cast iron with guard and sediment basket. Interior leaders will be cast iron 'no hub' fitting
- (iii). Skylights: N/A
- (iv). Bulkheads:
Constructed of assemblies of metal studs and exterior sheathing with installer certified and warranted exterior insulation, waterproofing and finish system;
- (v). Metal work at roof levels: N/A
- (vi). Rooftop facilities:
Condensing HVAC units on standard manufacturer's vibration insulating curbs in conjunction with apartments below; standard manufacturer's terminators for exhaust fans and flues.

(8) Fire Escapes:

One steel or approved equal ladder for Fire Department access to be installed from the level of front setback roof to the main roof level. Ladder to be secured to the front wall at the setback level and to the roof.

(9) Yards and Courts:

One (1) front yard will be provided along Bergen Street frontage to the front access of the building. One (1) rear yard will be provided in the rear of the property for accessory uses. All yards will be in compliance with NYC Zoning Resolution.

- (i). Paving: Cast in place concrete or better

- (ii). Drainage: Area drains will collect storm water to storm drain and drywells in compliance with LL 103/89 and NYC DEP rules and regulations.
- (iii). Railings: Painted corrosion resistant steel tube 1½" diameter adequately secured to the concrete walls.
- (iv). Stairs: Cast-in-place concrete with sealant type paint; there will be an area drain at the bottom of the stairs collecting water to the building storm drainage. Drainage is designed to be adequate and in compliance with all applicable Rules and Regulations.
- (v). Fencing: 6'-0" tall vinyl fencing on concrete curb.
- (vi). Walls: Reinforced cast-in-place retaining walls and curbs to be provided with adequate drainage.
- (vii). Lighting: Lighting for all yards and courts shall be adequate and in compliance with New York State Multiple Dwelling Law.

(10) Interior Stairs:

- (i). Stairs: There is one interior main common stairs connecting all building floors from cellar to the main roof level and individual stairs connecting levels within apartments.
- (ii). Enclosure: Common stairs has concrete masonry units continuous enclosure meeting fire rating requirements of New York City Building Code; individual stairs located within and connecting levels or each dwelling units are not enclosed.
- (iii). Stair construction: Steel frame and stringers; Metal treads with concrete fill or better and one (1) hour fire rated.
- (iv). Stringers: Steel
- (v). Treads: Steel
- (vi). Risers: Steel
- (vii). Guard rails: Wood on metal brackets or approved equal to conform to NYC Building Code.
- (viii). Balustrade: Metal and wood hand rails or approved equal to conform to NYC Building Code.

(11) Interior Doors and Frames:

All interior doors and frames will be in compliance with requirements of New York City Building Code for material and finish type and fire rating.

- (i). Residential Units Entrance doors: 1 ½ hour fireproof insulated self closing with Class 'A' hollow metal door and frame with chain guard, peephole and lockset as approved by City of New York
- (ii). Interior doors and frames: Hollow core wood doors and frames (not rated)
- (iii). Stair hall doors and frames: 1½ hour fireproof self closing Class 'A' hollow metal doors and frames.

- (iv). Roof doors: Non-rated thermally U-0.6 minimum insulated Class 'A' metal door and frame or approved equal lockset as approved by City of New York Doors will be equipped with key lockset exterior dead bolt with electronic release.
- (v). Cellar doors: 1 ½ hours fireproof self closing class 'A' hollow metal doors and frames

(12) Elevators:

- (i). Numbers elevators: One (1) elevator
- (ii). Manufacturer: 'UT Elevator Corp'
Elevator capacity: 1,000 lbs, 6 person max.
- (iii). Type of operation:
An automatic operational 'LULA' (Limited Use/Limited Applicability) residential passenger.
- (iv). Automatic type of controls:
Automatic operation by means of car or hall buttons and secure locking device for apartment's access.
- (v). Floor served: Floors from cellar, basement, first and second floors.
Total of four (4) stops.
- (vi). Type: Gearless; Electric Traction System
- (vii). Doors:
Doors will be automatic sliding doors, doors will be 1 ½ hour fire rated
- (viii). Locations of machine room:
Located inside the shaft with control system at main roof level
- (ix). DC motor: N/A
- (x). AC motor: AC Motor manufacture by Torin Drive Corp; gearless system GT series.
- (xi). Other: N/A

(13) Elevator Cabs:

- (i). Kind: Manufactured by 'UT Elevator Corp'
- (ii). Floor material: Nonskid resilient material (VCT or better)
- (iii). Walls material:
Cab walls will be relief panels with laminated plastic from standard manufacturer's catalog of choices or better as supplied by same manufacturer.
- (iv). Ceiling: suspended ceiling from manufacturer's catalog or better
- (v). Lighting: Florescent lighting fixtures as a part of the ceiling system or equal as provided by same manufacturer.
- (vi). Safety system: Safety system provided by manufacturer; UT Elevator Corp., integral to the car frame, wedge emergency safety type, including over speed governor switch.
- (vii). Alarms: To be provided by manufacturer; UT Elevator Corp., and will include: battery operated alarm bell system and land line

telephone system. Emergency car lighting with an emergency pulsating siren mounted on top of the car operating panel with rated sound pressure of twenty (20) db (a) and maximum delay of one (1) second.

I. Auxiliary Facilities

(1) Laundry Room:

- (i). Number and Location: three (3) - inside of each residential unit
- (ii). Clothes washers: Complete electrical and water hookups are provided; units are not supplied by the Sponsor
- (iii). Clothes dryers: Complete gas, electrical and water hookups are provided; units are not supplied by the Sponsor
- (iv). Room ventilation: Negative pressure through dryer exhaust to roof
- (v). Dryer ventilation: N/A

(2) Refuse Disposal:

- (i). Incinerators: N/A
- (ii). Compactors: N/A
- (iii). Approvals by authority: N/A
- (iv). Initial storage: Designated area in front of the Building
- (v). Pick-up schedule: Pick-up by New York City Department of Sanitation according to the Department schedule.

J. Plumbing and Drainage

(1) Water Supply:

Water will be provided to the building from an existing New York City water main in Bergen Street. There will be one (1) 4" Ø water connection for the domestic and fire service. Connection will be copper pipe installed per New York City Department of Environmental Protection specifications. Backflow preventing devices will be installed in the cellar meter room in compliance with NYC Department of Environmental Protection rules and regulations. All cold water piping will be insulated throughout with Rubbertex™ of 1/2"

(2) Fire Protection System:

Fire hydrants are located in the City streets in front of the Building in accordance with Fire Department Requirements.

- (i). Standpipes: N/A
- (ii). Hose racks, hoses and nozzles: N/A

- (iii). Sprinkler heads: Wet system of domestic water supply for interior protection to meet requirements of New York City Building Code and NFPA Standards. The valves and meter are located at cellar floor. Water is taken to all parts of the building by way of risers, horizontal pipes and branches. Heads are pendant, concealed or sideways types
- (iv). Siamese connection: One Fire Department Siamese Connection located on the front building wall at first floor

(3) **Water Storage Tanks and Enclosures:** N/A

(4) **Water Pressure and how Maintained:**

Water pressure of minimum 45 PSI as maintained by City of New York is to maintain an adequate pressure for normal use at the upper floor of the building.

(5) **Sanitary Sewage System:**

- (i). Sewage piping: Gravity collector system will consist of 1 ½ “to 6” diameter cast iron ‘no hub’ connection piping
- (ii). Sewage pump: N/A
- (iii). Sewage disposal: Connection to New York City Municipal Sewer System

(6) **Permits:**

Plumbing permits (D.O.B.), Sewer Connection and Water Tap and Meter Permits (D.E.P.)

(7) **Storm Drainage System:**

There will be a gravity system collecting storm water into retention drywells and to storm house drain for controlled disposal to New York City Public Sewer. Detention system will be adequate to accommodate required rainfall.

- (i). Catch basins: N/A
- (ii). Yard and roof drains: Located on the roofs and in front of the Entrances and on the paved walkways, driveways and terraced areas;
- (iii). Piping: Cast iron ‘no hub’ connection
- (iv). Eject or sump pumps: N/A

K. Heating

(1) **Heating (space heating):**

Residential units will be heated by central split HVAC hot air systems with duct work. Systems will be located within boundaries of each residential unit. Residential lobby will be heated by split HVAC heat pump system manufactured by "DAIKIN", model number CTXS07.

The proposed heating system should adequately maintain comfortable conditions under New York City anticipated weather conditions and it is adequate for peak required need for all residential units.

Meter rooms and common areas in the cellar, as well as residential bathrooms, will be provided with electrical space heaters manufactured by Q-MARK, model number CSH-07A.

Hot water for all Residential units will be provided by six individual (6) individual hot water heaters manufactured by "A.O. Smith", model number XGV-50, installed in the mechanical rooms of Residential Units. All water heaters will be covered by the standard manufacturer's warranty for materials and labor as disclosed in the Condominium Offering Plan at Part II.

(2) **Number of Boilers:** N/A

(3) **Manufacturer of Boilers:** N/A

(4) **Manufacturer of Burners:**

There will be gas furnaces installed in the HVAC units to provide heat for Residential Units manufactured by 'LUXAIRE', Model #TG9S40C08MP11A, TG9S60C10MP11A and TG9S130C20P11.

(5) **Type of Controls:**

Residential units will be controlled individually with a unit mounted thermostat located inside of the unit.

(6) **Radiators, Piping, Insulation, Valves, Pumps:**

All hot water piping will be copper with 1/2" Fiberglass™ insulation throughout. All piping insulation to comply with NYS Energy Code.

(7) **Fuel:** Natural Gas

(8) **Location of Oil Tank:** N/A

(9) **Capacity of Oil Tank:** N/A

L. Gas Supply

(1) **Type:** Natural Gas

- (2) **Meters:** Individual meters for each Condominium unit
All meters are located in mechanical/meter room in the cellar
- (3) **Piping:** Black iron welded and/or threaded to meet New York City Plumbing and Fuel Codes

M. Air Conditioning

The proposed system should adequately maintain comfortable conditions under anticipated New York City weather conditions. The capacity of the units on the following; Heating 70° F inside/ 0° F outside; Cooling 75° F inside / 89° F outside.

- (1) **Type of System:** Individual split systems for each Condominium Unit and a split system for the Residential lobby.
- (2) **Central System:** Split systems manufactured by "LUXAIRE" (Residential units) and "DAIKIN AC" (Residential lobby)
- (3) **Condensers:**

Condensing units serving Residential Units, are manufactured by "LUXAIRE", model numbers: TCJD18S41S1, TCJD30S41S1, and TCJD60S41S1. Condensing unit serving Residential lobby is manufactured by "DAIKIN AC", model number RXS12. All units are located on the main roof. All units will be placed on standard manufacturer's vibration insulated curbs. All refrigerant piping will be insulated.

- (4) **Individual Units:** N/A

N. Ventilation

All kitchens, bathrooms and public corridors will have mechanical ventilation by means of the exhaust registers of minimum 120 CFM for kitchens and 75 CFM for bathrooms as manufactured by 'Titus' or equal and ducted to the exterior walls or to the roof exhaust fans as manufactured by 'GREENHECK', Model number GB-101-HP-3 or equal.

O. Electrical System

- (1) **Service from Main service switchgear:**

Service entrance main service switchgear is located in the open space in front of the building - 125 AMP, 208-220 voltage, single phase, circuit breakers, cut off distribution switches panels are located in the open space in front of the building and determined by Con Edison.

No emergency generator is provided by Sponsor.

(2) Service to individual units:

Electrical minimum service to each individual Residential unit - 125 AMP 220 V TWHH#2 copper wire service. Code compliant breaker panel will be provided inside of each residential unit.

(3) Compartment switch gear:

All transformers and sectional meter boards are located in the open space in front of the building.

(4) Unit service:

Ratings for unit service of main fuses - 100 AMP. Circuit breakers: 20 @20AMP; 1@30 AMP; 1@60 AMP; 1 - 2Pole-20 copper wire entrance wires for each unit.

(5) Adequacy:

- (i). Service – average of 23 circuits per apartment with the capacity to handle appliances, A/C units, dishwashers and clothes dryers
- (ii). Lighting and Fixtures – approximately three (3) circuits will be provided for general and localized lighting; three (3)-way switches will be provided at all interior unit stairs.
- (iii). Convenience outlets, appliance outlets- generally there will be a minimum of (4) outlets per room including (1) A/C outlet per occupiable room if central A/C is not provided; AFCI and GFCI outlets will be provided at all wet locations and water-resistant outlets will be provided at all outdoor areas in compliance with National Electrical Code.

P. Intercommunication

Push button intercom with a door signal system manufactured by 'Alphone', GF series, as minimum required will be provided for each Residential Unit. Television distribution wiring will be provided to each living room and a bedroom of all Residential Units.

No master antennae or cable TV is provided by Sponsor.

No closed circuit TV is provided by Sponsor.

Q. Public Area Lighting

Public area lighting as minimum or excepting requirements of New York City Building Code, National Electrical Code and NYS Multiple Dwelling Law for following areas:

- Front yard, Building entrances and Public terrace over parking garage with exterior H.I.D. type wall or surface mounted lighting.
- Main Residential lobby, public corridors and stairs and exercise room with wall or ceiling mounted or recessed incandescent or fluorescent lights.

R. Garage and Parking Area

- | | | |
|-----|--|-----|
| (1) | <u>Location of Garages:</u> | N/A |
| (2) | <u>Location of Parking Areas:</u> | N/A |
| (3) | <u>Surface:</u> | N/A |
| (4) | <u>Parking:</u> | N/A |
| (5) | <u>Garage Ventilation:</u> | N/A |
| (6) | <u>Garage Fire Protection:</u> | N/A |
| (7) | <u>Drainage:</u> | N/A |

S. Swimming Pool N/A

T. Recreation Facilities

- | | | |
|-----|--|-----|
| (1) | <u>Tennis Court:</u> | N/A |
| (2) | <u>Playgrounds:</u> | N/A |
| (3) | <u>Other Recreation Facilities:</u> | N/A |

U. Permits and Certificate

The following permits listed below are reburied with their respective agencies:

Department of Buildings

New Building Construction Permits
Plumber's Affidavit and Permit
Curb Cut Permit

Department of Highways

Roadway Paving Permit
New Sidewalk Permit
Curb Work Permit

Department on Environmental Protection

Sewer Connection Permit

Department of Water Supply

Water Tap Permit

V. Violations

- #35229840X (dated 01/15/2017) - ECB Construction violation for failure to comply
with violation #35180334Z.
- #35232525N (dated 04/03/2017) - ECB Construction violation for failure to comply
with violation #35180334Z.
- #35186512J (dated 06/25/2016) - ECB Construction violation for failure to comply
with violation #35180334Z.
- 101705C0801GW - DOB Construction violation.

All violations will be paid/cleared prior to Sale. Clearing of all the existing violations shall be the responsibility of the Sponsor.

W. Unit Information

There will be a total of one (1) Building that will have three (3) Condominium Residential Units, called Unit #1, Unit #2 and Unit #3 as described below

All dimensions and sizes are approximate. Unit sizes below do not include common area stairwells or any other common areas within the building. Additionally where applicable size show does not include square footage for balconies or terrace.

Residential Unit #1 at Basement & Cellar **2,223.07 square feet**

Unit consist one (1) living/ dining room, one (1) kitchenette, two (2) bedrooms, three (3) bathrooms, one (1) storage room and one (1) recreation room at cellar level. Amenities/ Limited Common Elements (LCE) will include patios at grade and private yard area. Full size bathroom at Cellar shall be furnished with a tub.

Residential Unit #2' at 1st Floor and 1st Floor Mezzanine **1,824.87 square feet**

Units consist one (1) living/ dining, one (1) kitchenette, three (3) bedrooms, three (3) bathrooms and one (1) loft on 1st Floor Mezzanine
Amenities/ Limited Common Elements (LCE) will include private yard area, private terrace and storage room #2 in the cellar of the building.

Residential Unit #3 at 2nd Floor, 2nd Floor Mezzanine and Roof**1,923.95
square feet**

Unit consist one (1) living/dinning room, one (1) kitchenette, three (3) bedrooms, three (3) bathrooms and one (1) loft at 2nd Floor Mezzanine and private roof bulkhead.

Amenities/ Limited Common Elements (LCE) will include private rooftop terraces and storage room #3 in the cellar of the building.

X. Finish Schedule**(1) Finish Material Used:**

(a)	Sub-Floor	Floor	Walls	Ceiling
Living/Dining	PLYWD	WD	GWB/PNT	GWB /PNT
Kitchen	PLYWD	WD	GWB/PNT	GWB/PNT
Bedroom	PLYWD	WD	GWB/PNT	GWB /PNT
Bathroom	CONC	CT	MRGWB/CT	MRGWB/PNT
Mechanical/ Laundry	CONC	CT	MRGWB/PNT	MRGWB/PNT
Meter Rooms	CONC	CONC	MRGWB/PNT	MRGWB/PNT
Recreation Room	CONC	WD	MRGWB/PNT	GWB/PNT
Cellar Storage Rooms	CONC	CONC	MRGWB/PNT	MR GWB/PNT

Abbreviations:

CONC-Concrete	CT-Ceramic Tile	WD-Hard Wood	/PNT-Paint
GWB-Gypsum Wall Board	MR-Moisture Resistant	PRM - Prime	

- All hardwood floors to be ¾" white oak planks over vapor barrier and plywood underlayment

(b) Bathroom Finishes:

- All walls and ceiling to have coat of primer and two (2) coats of paint.

Residential Units: Full bathrooms will be equipped with a wash basin, a water closet and a combination bathtub and shower

Water Closet (all units)
American Standard or equal

Bathtub (all units)
American Standard or equal

Pedestal Lavatory
American Standard or equal

Shower Bodies:
American Standard or equal

(c) Kitchen Equipment:

Hood (for all residential units)
Marker: Broan or comparable

Stove / Oven (for all residential units)
Marker: Hotpoint
Model: RGB745 Deluxe or comparable

Refrigerator (for all residential units)
Not provided.

Dishwater: (for all residential units)
Marker: General Electric
Model: GSD200 or comparable

(d) Kitchen Finishes:

All kitchen cabinets will be generic washable 'Formica' laminate finish or comparable. The counter tops be manufactured by 'American Standard' Americast™ or equal

Special Risk: Project is subjected to the following restrictions:
Refrigerators and laundry equipments will not be provided by the Sponsor.
Project is restricted to the Zoning Lot restrictions between Block 1140 Lots 53, 54 and 55.
Zoning Lot Exhibits are filed under CRFN numbers 2013000430014 and 2013000430013.
Project is subjected to the party wall restrictions filed under CRFN number 2014000097865.

Y. Safety and warning

Underground parking garage and interior stairs will have sprinkler system as required by Building Code. All Residential Units will be equipped with approved

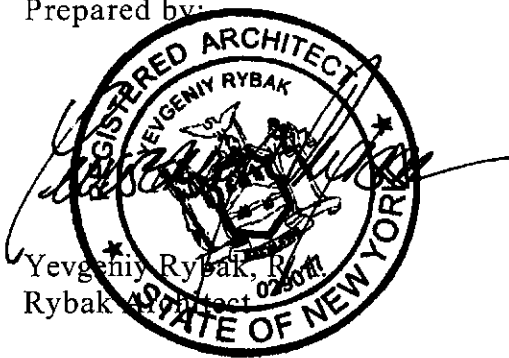
type combined Smoke/ Carbon Monoxide Detectors installed in accordance with all applicable laws.

Z. General Comments

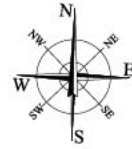
Sponsor intends to use fixture, appliances, equipment and materials described herein but reserve the right substitute fixtures, appliances, equipment and materials of equal or better quality.

The occupancy of building prior to Temporary or Final Certificate of Occupancy is not intended by the Sponsor. Tenant Protection Plan will be provided whether the Sponsor is seeking occupancy prior to Final Certificate of Occupancy.

Prepared by:



August 9, 2018



LOCATION DIAGRAM

SCALE: N.T.S.

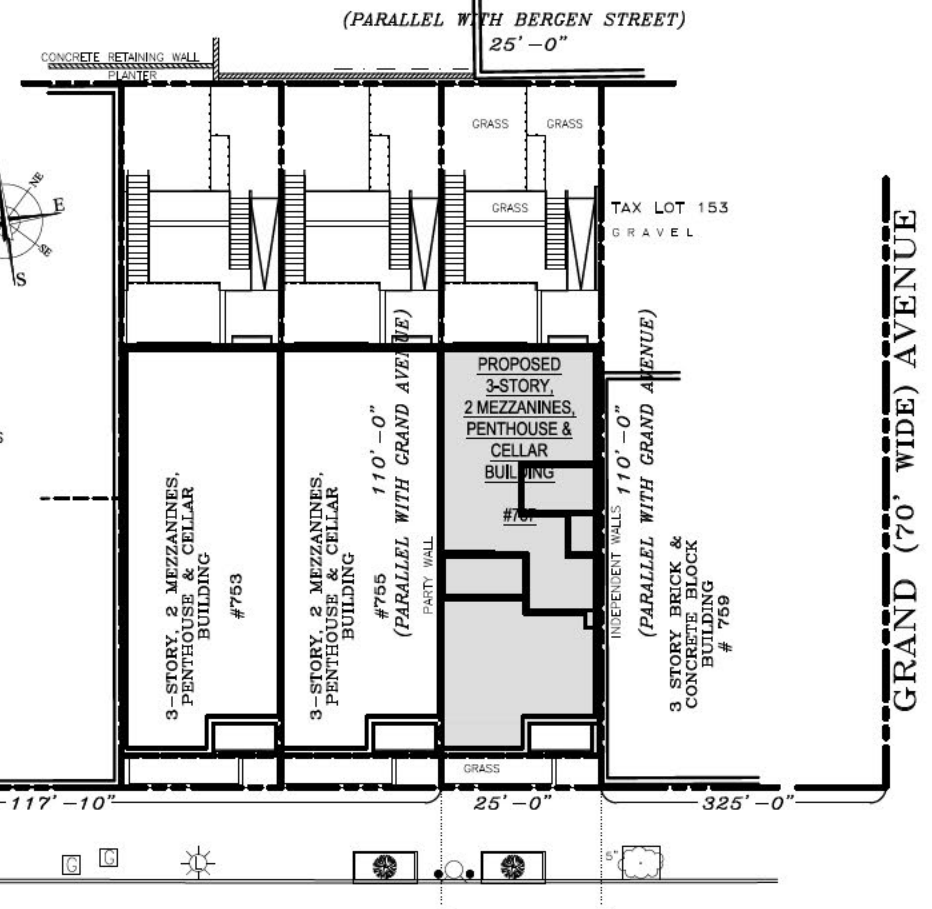
Legend:

- 6" EXIST. TREE WITH SIZE
- PROPOSED TREE IN TREE PIT
- SEWER MANHOLE
- ELECTRIC MANHOLE
- ELECTRIC VAULT
- WATER VALVE
- CATCH BASIN
- GAS VALVE
- LIGHT POLE
- UTILITY POLE
- FIRE HYDRANT W/ GUARDS POSTS
- TRAFFIC FLOW AND DIRECTION



WASHINGTON AVENUE
(80' WIDE)

113°47'35"

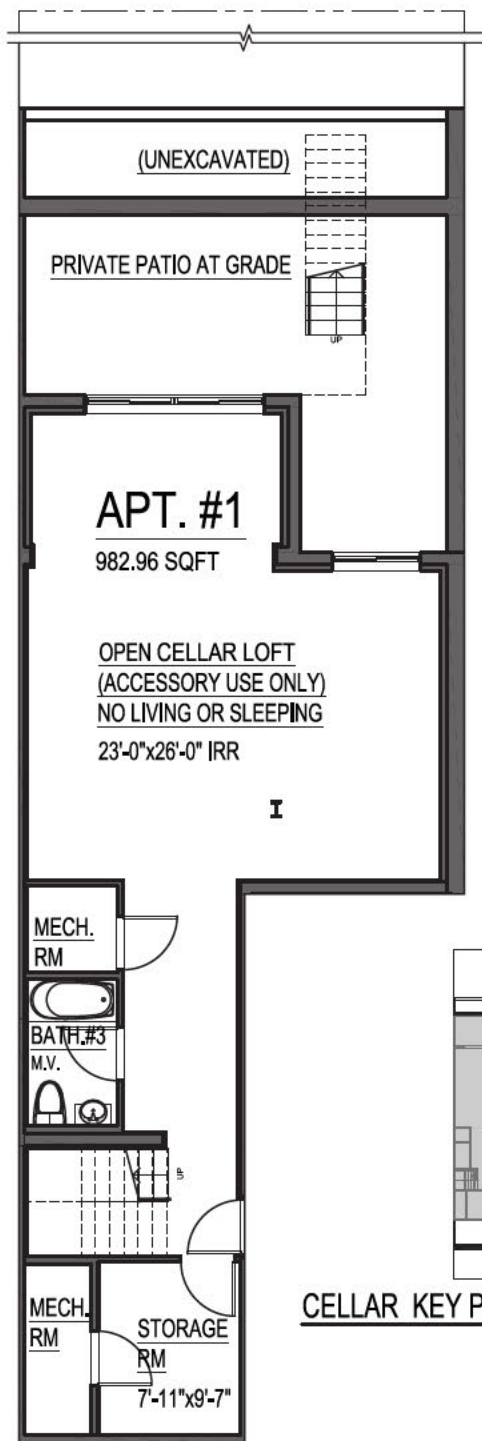


BERGEN STREET
(70' WIDE)

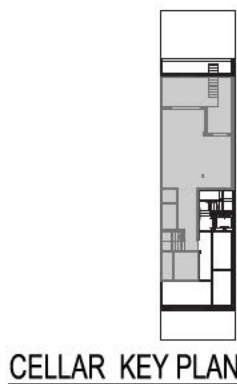
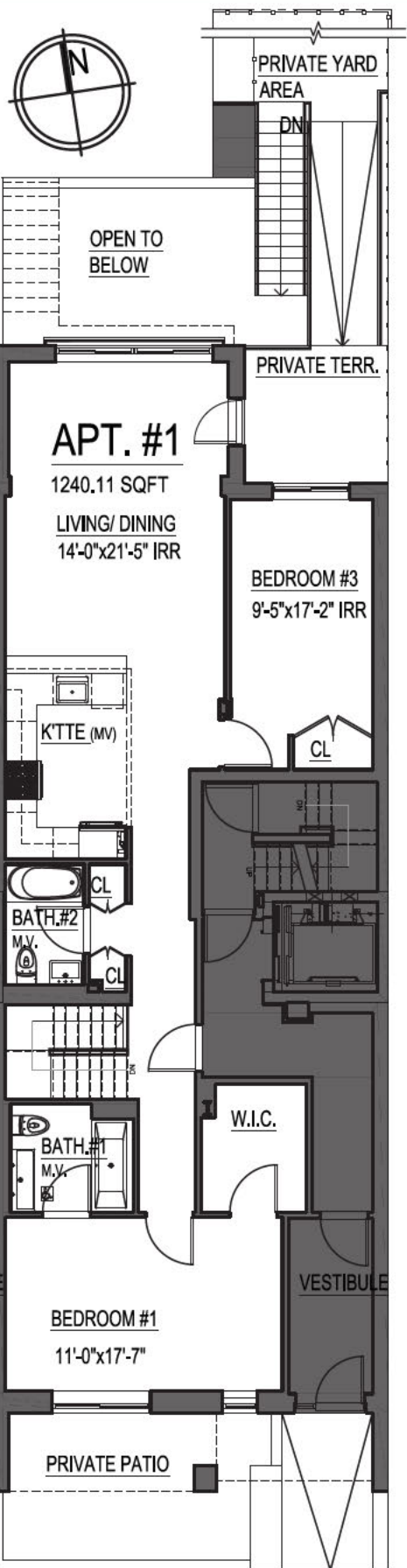
SITE PLAN

SCALE: 1"=30.0'

drawn by DS	checked by YR	title SITE PLAN, LOCATION DIAGRAM	date 04/02/2018
project RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667		project PROPOSED DEVELOPMENT AT: 757 BERGEN ST., BROOKLYN, NY 11238	job # 33019
			dwg # RE-00



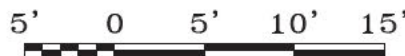
ALL AREAS AND
DIMENSIONS SET
FORTH IN THE PLAN
ARE APPROXIMATE.
ACTUAL AREAS AND
DIMENSIONS WILL
VARY.



AREA: 2,223.07 SF

UNIT #1 @ CELL.
MAX CLG HEIGHT: 8'-6¹/₂"

UNIT #1 @ BSMNT
MAX CLG HEIGHT: 10'-0"



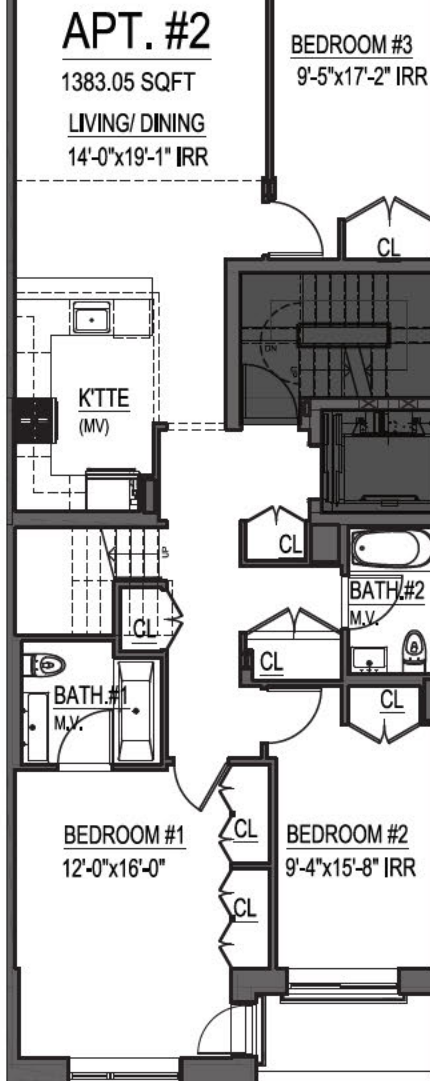
drawn by DS	checked by YR	title UNIT #1 @ CELLAR AND BASEMENT SCALE: 3/32" = 1'-0"	date 04/02/2018
project RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667		PROPOSED DEVELOPMENT AT: 757 BERGEN ST., BROOKLYN, NY 11238	job # 33019 dwg # RE-01

ALL AREAS AND
DIMENSIONS SET
FORTH IN THE PLAN
ARE APPROXIMATE.
ACTUAL AREAS AND
DIMENSIONS WILL
VARY.



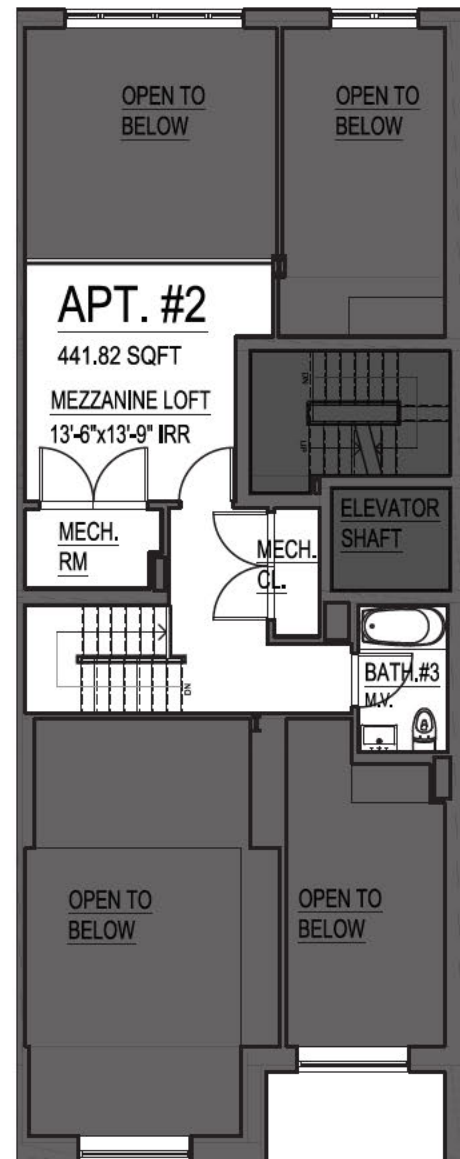
1ST FL. KEY PLAN

1ST FL. MEZZ.
KEY PLAN



UNIT #2 @ 1ST FL.
MAX CLG HEIGHT: 8'-10"

AREA: 1,824.87 SF



UNIT #2 @ 1ST FL. MEZZ.
MAX CLG HEIGHT: 7'-7"

drawn by DS	checked by YR	title UNIT #2 @ 1ST FL. AND 1ST FL. MEZZ, SCALE: 3/32" = 1'-0"	date 04/02/2018
project PROPOSED DEVELOPMENT AT: 757 BERGEN ST., BROOKLYN, NY 11238		job # 33019	dwg # RE-02
RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667			

ALL AREAS AND
DIMENSIONS SET
FORTH IN THE PLAN
ARE APPROXIMATE.
ACTUAL AREAS AND
DIMENSIONS WILL
VARY.



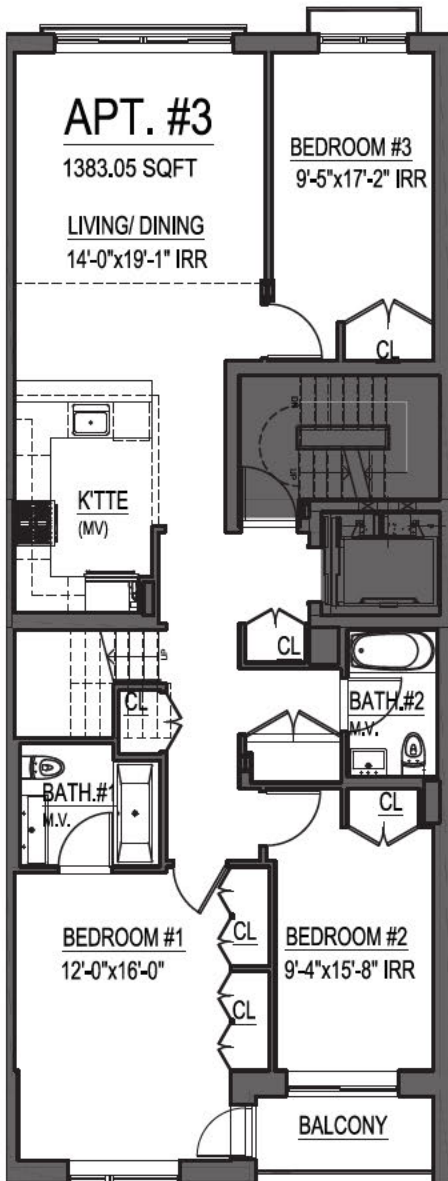
2ND FL. KEY PLAN

2ND FL. MEZZ
KEY PLAN

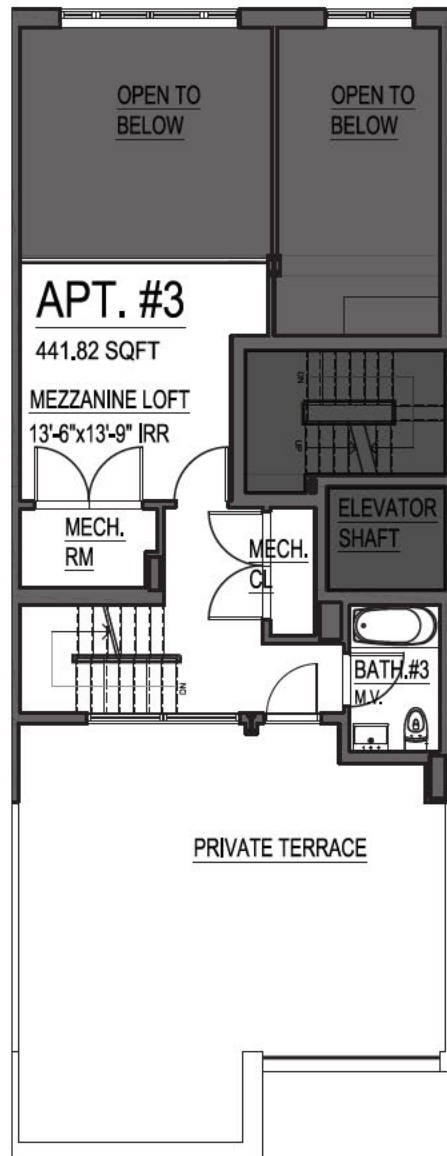
ROOF KEY PLAN

AREA: 1,923.95 SF

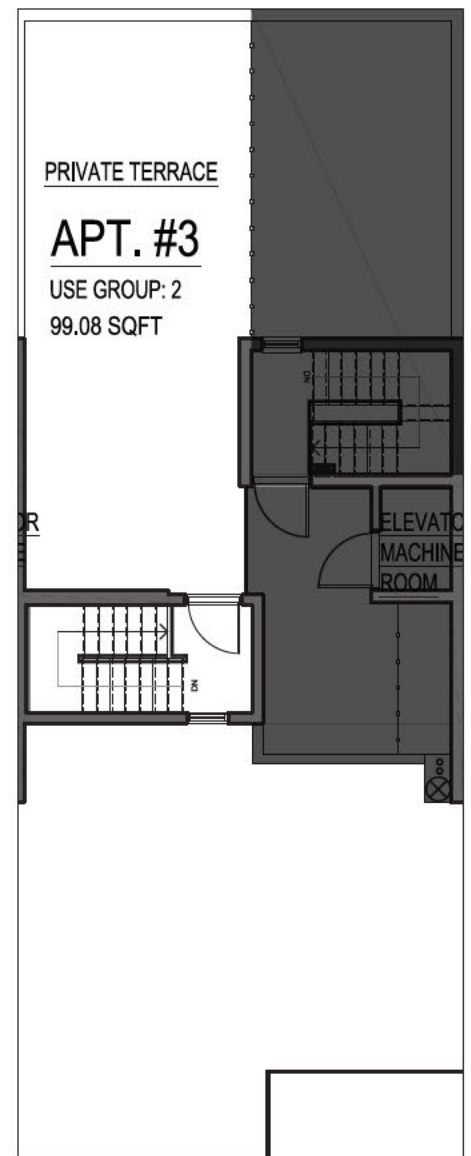
5' 0 5' 10' 15'



UNIT #3 @ 2ND FL.
MAX CLG HEIGHT: 8'-10"



UNIT #3 @ 2ND FL. MEZZ
MAX CLG HEIGHT: 8'-10"



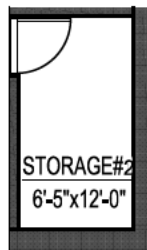
UNIT #3 @ ROOF
MAX CLG HEIGHT: 7'-4"

drawn by DS	checked by YR	title UNIT #3 @ 2ND FL., 2ND FL. MEZZ, ROOF, SCALE: 3/32" = 1'-0"	date 04/02/2018
project RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667		PROPOSED DEVELOPMENT AT: 757 BERGEN ST., BROOKLYN, NY 11238	job # 33019
			dwg # RE-03



CELLAR KEY PLAN

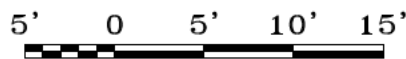
ALL AREAS AND
DIMENSIONS SET
FORTH IN THE PLAN
ARE APPROXIMATE.
ACTUAL AREAS AND
DIMENSIONS WILL
VARY.



AREA: 104.14 SF

STORAGE @ CELL.

MAX CLG HEIGHT: 8'- $\frac{6\frac{1}{2}}{2}$ "

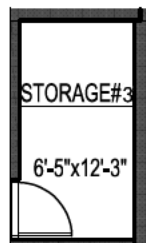


drawn by DS	checked by YR	title STORAGE #1 @ CELL., SCALE: 3/32" = 1'-0"	date 04/02/2018
RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667		project PROPOSED DEVELOPMENT AT: 757 BERGEN ST., BROOKLYN, NY 11238	job # 33019
			dwg # RE-04



CELLAR KEY PLAN

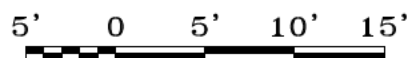
ALL AREAS AND
DIMENSIONS SET
FORTH IN THE PLAN
ARE APPROXIMATE.
ACTUAL AREAS AND
DIMENSIONS WILL
VARY.



AREA: 98.06 SF

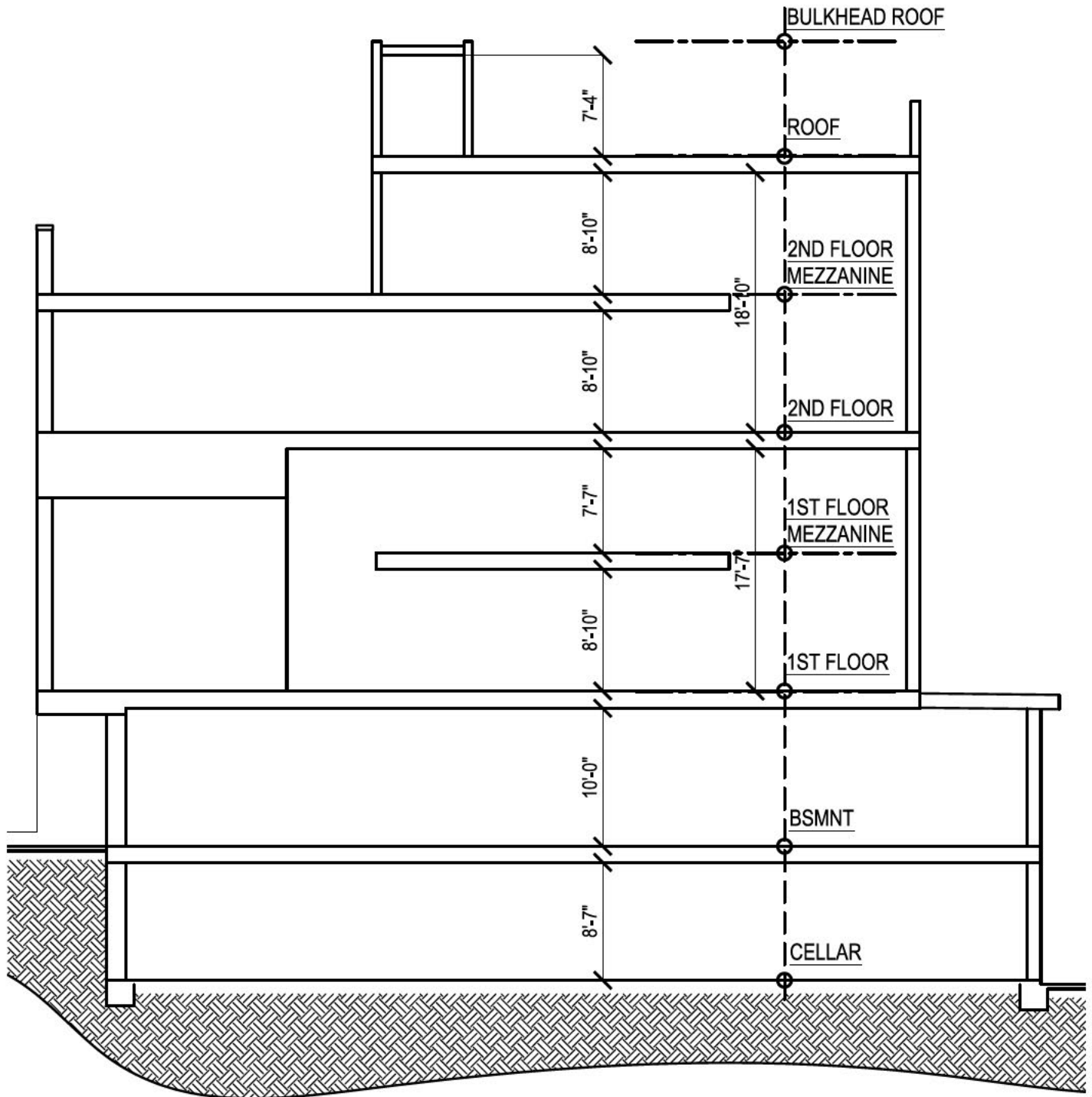
STORAGE @ CELL.

MAX CLG HEIGHT: 8'- $\frac{1}{2}$ "



drawn by DS	checked by YR	title STORAGE #2 @ CELL., SCALE: 3/32" = 1'-0"	date 04/02/2018
RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667		project PROPOSED DEVELOPMENT AT: 757 BERGEN ST., BROOKLYN, NY 11238	job # 33019
			dwg # RE-05

ALL DIMENSIONS SET FORTH ARE
APPROXIMATE AND MAXIMUM PROPOSED.
ACTUAL DIMENSIONS MAY VARY.



drawn by DS	checked by YR	title CEILING HEIGHTS DIAGRAM SCALE: 3/32" = 1'-0"		date 04/02/2018	
RYBAK ARCHITECTS, P.C. 1337 Prospect Avenue, Brooklyn, NY 11218 Phone (718)437-4965 Fax (718)504-3667		project	PROPOSED DEVELOPMENT AT: <u>757 BERGEN ST., BROOKLYN, NY 11238</u>	job # 33019	dwg # RE-04

339KK

RPL §339-kk

§ 3. The real property law is amended by adding a new section 339-kk to read as follows:

§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.

(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.

(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER OR A DESIGNATED AGENT. A NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL PAYMENTS PURSUANT TO THIS SECTION SHALL BE ENTITLED TO PRESENT FACTS SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.

(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.

(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

INTERIM LEASE

INTERIM LEASE

AGREEMENT made this ___ day of _____, 20__, between, _____ (hereafter SPONSOR) and _____ (hereinafter PURCHASER);

WITNESSETH:

WHEREAS, SPONSOR is the Sponsor of a condominium conversion of premises located at _____; and,

WHEREAS, PURCHASER has executed a Purchase Agreement for Unit ___ at said premises; and,

WHEREAS, PURCHASER wishes to occupy said apartment prior to the closing of the transaction;

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

1. Commencing on the date of the execution of the Purchase Agreement, and terminating as hereinafter specified, PURCHASER shall have the right to use and occupy the aforementioned apartment.
2. PURCHASER shall have the right to occupy the apartment and PURCHASER shall pay a fee for use and occupancy of the apartment of \$ per month starting ____ __, 20__. It is understood that this use and occupancy fee is not rent, and that no landlord-tenant relationship has been created between the parties, and that this agreement is not governed or subject to any rent regulatory laws. If the unit fails to close within 90 days of __, 20__, the use and occupancy charge shall be increased \$ a month unless the unit failed to solely through the fault of the Sponsor.
3. The use and occupancy fee for the month in which closing occurs shall not be adjusted for at closing. No portion of the use and occupancy fee will be applied to the purchase price of the apartment.
4. The terms of the Offering Plan and all related documents in effect as of the date hereof are incorporated in and made a part of this agreement.
5. As of the date of this Agreement, risk of loss to the apartment and its contents by fire or other hazard shall be determined pursuant to the terms of the Purchase Agreement for such apartment, as contained in the Offering Plan for the premises in effect as of the date hereof, as if PURCHASER was the owner of such apartment.

6. PURCHASER shall pay all utility costs and make any repairs to the apartment for which he would be obligated as owner. SPONSOR will not be responsible for ordinary wear and tear to the apartment during the PURCHASER'S occupancy.
7. PURCHASER may not make any alterations to the apartment without SPONSOR'S written consent.
8. This lease will terminate on the happening of the earliest of the following:
 - a. Closing
 - b. Rescission of the Purchase Agreement by PURCHASER
 - c. Default by PURCHASER
9. Upon a default by PURCHASER or Rescission of the subscription agreement by PURCHASER, which is not cured within 15 days after notice thereof, PURCHASER'S right to occupy the apartment will terminate, and PURCHASER must vacate the apartment within thirty (30) days after mailing of Notice to Vacate by the SPONSOR. Such notice must be by certified mail, return receipt requested, to the apartment. PURCHASER agrees to pay SPONSOR \$500.00 per day for each day he remains in possession beyond the 30th day following mailing of the Notice to Vacate in conformity with this section. SPONSOR is hereby irrevocably authorized to deduct said per diem sum directly from any amounts being held as a security deposit hereunder, or from any sums being held in escrow pursuant to the contract of sale. Nothing contained herein shall be construed so as to limit SPONSOR's ability to have PURCHASER evicted from the premises and to pursue any other legal remedy available to SPONSOR; nor shall anything herein be construed as a waiver by the SPONSOR of his right to retain, as liquidated damages, the down payment deposited upon execution of the Purchase Agreement.
10. Any default under this agreement will be a default under the Purchase Agreement, and any default under the Purchase Agreement will be a default under this agreement. Any such default will terminate PURCHASER'S right to use and occupancy, and will also terminate PURCHASER'S right to purchase the apartment, and may result in loss of the down-payment.
11. This agreement may not be assigned, and may not be changed, except by signed, written instrument. This agreement is the entire agreement between the parties as regards use and occupancy of the apartment pending closing.
12. As of the date hereof PURCHASER confirms that all work required to be done in or about the subject apartment has been completed; and that in all respects PURCHASER agrees to accept the apartment in "as is" condition; subject to the "punch list", if any, attached hereto. As of the date hereof, PURCHASER waives any right whatsoever to cancel the contract, except for material change in the Offering Plan.

13. Before the Sponsor may utilize the default under the lease to declare a default under the purchase agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.
14. If any term of this agreement differs from the Offering Plan as accepted for filing by the Attorney General of the State of New York, the offering plan shall be controlling.
15. There is no safe amount of exposure to secondhand smoke. Adults exposed to secondhand smoke have higher risks of stroke, heart disease and lung cancer. Children exposed to secondhand smoke have higher risks of asthma attacks, respiratory illnesses, middle ear disease and sudden infant death syndrome (SIDS). For these reasons, and to help people make informed decisions on where to live, New York City requires residential condominium unit owners (referred to in this policy as the "Owner" which includes the owner of record, seller, manager, landlord, any agent thereof or governing body) in buildings with three or more residential units to create a policy on smoking and share it with all occupants. The building policy on smoking applies to any person on the property, including guests.

Definitions a. Smoking: inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke;

b. Electronic Cigarette (e-cigarette): a battery-operated device that heats a liquid, gel, herb or other substance and produces vapor for people to inhale;

c. Smoke-Free Air Act: New York City law prohibits smoking and using e-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas, storage areas, garages and laundry rooms in any building with three or more residential units. NYC Admin. Code, § 17-505.;

d. Policy on Smoking. Smoking is not allowed in the following areas: (please take note that the Smoke-Free Air Act bans smoking tobacco or non-tobacco products, and using e-cigarettes in indoor common areas) Outside of areas that are part of residential units, including balconies, patios and porches; outdoor common areas, including play areas, rooftops, pool areas, parking areas, and shared balconies, courtyards, patios, porches or yards, and outdoors within 15 feet of entrances, exits, windows, and air intake units on property grounds.

Please see Section VIIIA in Part I of the Plan entitled Interim Leases.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereunto set their hands this ____ day of
_____ March, 2017.

SPONSOR

PURCHASER

BY: _____

BY: _____

ESCROW AGREEMENT

ESCROW AGREEMENT

AGREEMENT made this ____ day of _____, 201_, by and among _____ (the "PURCHASER"), 757 Bergen JV2, LLC (the "SPONSOR"), as sponsor of the 757 Bergen Street Condominium offering plan, dated _____, as amended (the "Plan") and Mark J. Nussbaum & Associates PLLC (the "ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale of condominium units at the premises located at 757 Bergen Street, Brooklyn, NY, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT has established an escrow account for the purpose of holding the Deposit(s) made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of unit ____ (the "Purchase Agreement") at Signature Bank (the "Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "MARK J. NUSSBAUM & ASSOCIATES PLLC, ATTORNEY ESCROW ACCOUNT, IOLA" at Signature Bank, 71 Broadway, New York, NY 10006, account number [REDACTED]

1.2. ESCROW AGENT has designated the following attorneys to serve as signatories: Mark J. Nussbaum, Anthony L. Goodman, and Benjamin Fish. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of 225 Broadway, 39th Floor, New York, NY 10007, and a telephone number of 212-632-8300.

1.3. ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4. Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5 The Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement, and the Purchase Agreement shall be void ab initio.

2.2 Within five (5) business days after the Purchase Agreement has been tendered to ESCROW AGENT along with the DEPOSIT, ESCROW AGENT shall place the DEPOSIT into the Escrow Account. Within ten (10) business days of placing the DEPOSIT in the Escrow Account, ESCROW AGENT shall provide written notice to Purchaser and Sponsor, confirming the Deposit. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the unit;

- 3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or
- 3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the unit is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

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

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

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

6. RESPONSIBILITIES OF SPONSOR.

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

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-hand the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

Mark J. Nussbaum & Associates PLLC

By: _____
Name: Mark J. Nussbaum, Esq.
Title: Principal

SPONSOR:

757 Bergen JV2, LLC

By: _____
Name: _____
Title: Managing Member

PURCHASER

By: _____
Name: _____
Title: _____

DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
THE 757 BERGEN STREET CONDOMINIUM
757 Bergen Street
Brooklyn, New York

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
THE 757 BERGEN STREET CONDOMINIUM
Declarant
757 Bergen JV2, LLC
29 West 17th Street
New York, New York 10011

Date of Declaration
_____, 2019

The land affected by the within instrument lies in
Block 1140 formerly known as Lot 54,
now known as Lots _____
on the Tax Map of the Borough of Brooklyn, City of New York

Mark J. Nussbaum & Associates PLLC
Attorneys for Declarant
225 Broadway, 39th Floor
New York, NY 10007
(212) 344-8000

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Exhibits

- A. Description of the Land
- B. Description of the Units
- C. Definitions
- D. By-Laws
- E. Power of Attorney

**DECLARATION
OF
THE 757 BERGEN STREET CONDOMINIUM**

**(Pursuant to Article 9-B of the Real Property Law
of the State of New York)**

757 Bergen JV2, LLC, a New York limited liability company, having an office at 29 West 17th Street, New York, New York 10011 (“Declarant”), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the “Declaration”) that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the “Property”) to the provisions of Article 9-B of the Real Property Law of the State of New York (the “Condominium Act”) and pursuant thereto does hereby establish a condominium to be known as “THE 757 BERGEN STREET CONDOMINIUM” (the “Condominium”).

2.2 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 (said 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.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the “Land”) situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 7,500 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the “Building”) consisting of three (3) residential units (the “Residential Unit” or “Residential Units”,) collectively referred to as the “Units” and individually, a “Unit”). The owner of a Unit is herein called a “Unit Owner” and all the owners of the Units are herein collectively called the “Unit Owners.”

ARTICLE 5

THE BUILDING

The Building consists of a three story Class II-A (protected-combustible), fully sprinklered building, with a cellar. The Building contains new structural, mechanical, plumbing, and electrical elements.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; and (vi) the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the “Floor Plans”) prepared by Rybak Architects PC, 1337 Prospect Avenue, Brooklyn, NY 11218, 718-437-4965 and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the “City Register’s Office”) following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the Unit side of the front entrance door and any other entrance doors to such Unit, flooring, windows, skylights and green house additions, if any, and the related installations, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning (“HVAC”) units (including the fans inside the units), refrigerators, dishwashers, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner

other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

The approximate floor area of each Unit and/or common element as reflected are approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and may significantly exceed the actual floor area. Floor area may include columns, interior walls, mechanical pipe shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be enclosed as freestanding columns, thereby reducing the available floor area. Each Unit will consist of the area measured horizontally from the exterior face of the perimeter wall to the centerline of the partitions separating one Unit from another Unit, corridors, stairs, and other mechanical equipment spaces or any common elements; or to the exterior face of the opposite perimeter walls. All units contain three bedrooms and three bathrooms.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the General Common Elements and the Limited Common Elements (as hereinafter defined). The General Common Elements include, but are not limited to the Land and all parts of the Building and improvements thereon other than the Units and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units or the Unit Owners. The General Common

Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners.

8.2 As used in this Declaration, the word "Facility" or "Facilities" means all equipment and facilities necessary for the operation of the Building or its systems and includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, cab, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed structural members of those walls.

8.4.3 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, sewage, drainage, gas supply, electrical work, and/or fire safety which exclusively serve the Building.

8.4.4 The rooms and Facilities, including but not limited to: compactor room, machine room and the house traps, the entrance, reception, main lobby, mail boxes, boiler rooms, laundry room, storage room, mechanical room, pump rooms, electrical room, sprinkler house trap and compactor room, the water tower and pump, and any Facilities located on the roof.

8.4.5 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports, skylights, exterior walls and load bearing interior walls (including those within each Unit exclusive of sheet rock or plaster coats or any wall coverings or decorations thereon) and interior load bearing walls from above the slab of the Building to the roof (except as otherwise provided in Section 8.)

8.4.6 Electric meters and panels, electric closets, feeders, risers and Facilities, gas meter and telephone cables serving exclusively the Building.

8.4.7 Kitchen, bathroom and dryer exhaust ducts, corridor and Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting the Condominium.

8.4.8 CATV riser and all other Facilities located in the Property serving or benefiting the Condominium to the extent that the same are not owned by a third party.

8.4.9 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Units or Limited Common Elements.

8.4.10 The rear yard pavings, fencing, retaining walls, and drainage equipment.

8.4.11 Fire staircase located in the Building and its landings and stairs from the landing on the First Floor to the roof.

8.4.12 The roof.

8.4.13 Any mechanical equipment on the roof.

8.4.14 Any other Facilities on, in, or around the Building which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Condominium and are not a part of any Unit or any Limited Common Element.

8.5 The Limited Common Elements consist of the following:

8.5.1 The front and rear yards, decks, balconies, Terraces, and/or Storage areas to which one or more Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Yard, Storage area, Terrace or a Balcony is a Limited Common Element appurtenant to a Unit, the Unit Owner thereof shall have the exclusive right to use such Yard, Storage area, Terrace or Balcony subject to rights of the Condominium Board to regulate its use and to access the Yard, Storage area, Terrace or Balcony for maintenance, repair and replacement and other uses.

8.5.2 That portion of equipment, fixtures or Facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.5.3 All other Facilities exclusively serving one or more but not all Units, excluding the Units and the General Common Elements, and which serve or benefit or are

necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Units.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 Except as more particularly set forth in this Declaration or the By-Laws, Residential Units may be used for residential purposes only, but not more than one family may occupy a Unit at one time. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof,) may only be occupied (unless the Condominium Board otherwise consents) by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or said fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family, guests or domestic employees of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such family members, guests or domestic employees). Any Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Unit, (2) applicable Law, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes, (4) compliance with the By-Laws and (5) the prior written permission of the Condominium Board, which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in (1) through (3) above have been met. A home office use hereunder shall only be accessory to the residential use of the Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 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 Condominium Board, (1) grant permission for the use of any Unsold Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Unit or any other governmental regulations and (2) use any Unsold Units 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 applicable Law.

9.3 As more particularly set forth in the By-Laws a Unit may be used for any lawful purpose, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Unit, (2) applicable Law, and (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

ARTICLE 10

CHANGES IN THE CONDOMINIUM

Except to the extent prohibited by Law, Declarant or the owner of an Unsold Unit shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a Unit or a Common Element as part of a newly created or expanded Unit, Limited Common Element or General Common Element or designate all or part of a Unit as a newly created or expanded Unit, Limited Common Element or General Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or the owner of an Unsold Unit, as the case may be, shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units, including, without limitation, the right to combine, subdivide and/or otherwise reconfigure two or more adjacent Units owned by such Unit Owner. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium, or any other person reasonably acceptable to the Condominium Board in the case of any other Unit. Declarant or the owner of any Unsold Unit will have the right, without the consent of any other Unit Owner or Board to amend the Declaration and By-Laws to reflect the foregoing changes. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or the owner of any Unsold Unit.

ARTICLE 11

INTENTIONALLY OMITTED

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The Percentage of Common Interest is based on the interest in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion reflects the substantially exclusive advantages enjoyed by one or more but not all the Units in part or parts of the Common elements as per Real Property Law 339-i(1)(ii).

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or the owner of an Unsold Unit, in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "THE 757 BERGEN STREET CONDOMINIUM". Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor

of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 16

EASEMENTS

16.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the Common Elements and any Facilities located therein, including, but not limited to, such easement as will be necessary to Maintain, repair, rebuild, restore and replace, as necessary, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation. The Condominium shall be subject to such easement.

16.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Building and for the use of any Common Element, to the extent necessitated by an emergency. The Condominium shall be subject to such easement.

16.3 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to Maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

16.4 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an emergency.

16.5 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.6 Declarant or its designee and their successors and assigns shall, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more signs, awnings, marquees, canopies, banners, flags, pennants, aerals, antennas or the like (each a "Sign") on the Property for the purposes of advertising (i) the sale or lease of any Unsold Unit, the sale or lease of all or any portion of the Units and (ii) the operation of any business of Declarant, a tenant, occupant, managing agent or operator of all or any portion of any Unsold Units, as the case may be. Declarant shall have an easement to utilize the Common Elements of the Building in connection with its sales and leasing efforts relative to the Unsold Units. Declarant will have an easement and the rights to change the facade of the Building and alter,

replace, restore, renovate, remodel and reconstruct the existing facade of the Building, provided that such penetration does not materially weaken the structural soundness of the Building.

16.7 Declarant shall have an easement to use the sidewalks and the surrounding portions of the Building for purposes permitted by Law.

16.8 Declarant or its designee and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, steam, ventilation or other easements for utilities or otherwise or construct any shafts or flues, or install or relocate any compressors or other rooftop equipment or relocate any easements in any portion of the Property, as Declarant or its designee or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

16.9 Declarant and the owner of any Unsold Unit, assignees and licensees shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate and Maintain satellite dishes and similar equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto, other than those portions of the roof which comprise Limited Common Elements and to retain any and all income derived therefrom, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Declarant, its designees, assignees or licensees for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof and the facade of the Building and elsewhere on the Common Elements by Declarant, its designees, assignees or licensees shall be the exclusive property of Declarant, its designees, assignees or licensees and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Notwithstanding the foregoing, additional utilities or the relocation of existing utilities cannot be installed in a manner that would unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

16.10 Any easements granted to Declarant, the Condominium Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, tenants, tenant-shareholders, subtenants, visitors, and/or members, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or the Condominium Board,

provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

ARTICLE 17

POWER OF ATTORNEY

17.1 Each Unit Owner shall grant to the Condominium Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (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 Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the General Common Elements or the entire Property which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, of the entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Condominium Board deems necessary or appropriate.

17.2 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 and By-Laws and the Plan including the power to execute the Required Documentation.

ARTICLE 18

ACQUISITION OF UNITS BY CONDOMINIUM BOARD

18.1 If (a) any Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar

sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the Resident Manager of the Building and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Common Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 19

COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this

Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition or deletion without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the foregoing provisions of this Section 20.1 and the rights of Declarant or its designee under Articles 9, 10 and 11 of this Declaration, Articles 8 and 9 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby.

20.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the

appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 The provisions of Sections 20.1 and 20.2 and this Section 20.4 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee. Notwithstanding the foregoing, Declarant may amend the Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and the owner of any Unsold Units have conveyed title to all Units, provided that in no event shall Declarant's consent be required more than five years after the date fee title to a Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 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

24.1 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.

24.2 The terms “herein,” “hereof” or “hereunder” or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 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

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 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 Condominium 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 10 days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board which represents such Unit Owner, is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Condominium Board or other party.

26.3 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium 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, Condominium 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, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 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 then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, 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

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 Units.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) 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.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the
____, day of _____, 2019.

757 Bergen JV2, LLC,
a New York limited liability company

By: _____
Name: Amit Stern
Title: Member

ACKNOWLEDGMENTS

State Of New York)
)ss.:
County Of)

On the ____ day of _____ in the year 2019 before me, the undersigned, a notary public in and for said state, personally appeared AMIT STERN, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

All that/those certain plot/plots, piece/pieces or parcel/parcels of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

EXHIBIT B TO THE CONDOMINIUM DECLARATION

TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DECLARATION

THE BERGEN STREET CONDOMINIUM							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)	Square Footage	Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements
TOTAL							

EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

“Arbitration” shall have the meaning ascribed thereto in Section 11.1 of the By-Laws.

“Building” refers to the structure and improvements including above and below grade segments, known as 757 Bergen Street, Brooklyn, NY 11238 in which the Units of the Condominium are located.

“By-Laws” refers to the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D of the Declaration, as same may be amended from time to time.

“City Register’s Office” refers to the Kings County office of the Register of The City of New York.

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

“Closing Date” refers to the date on which Closing occurs.

“Common Charges” refers to assessments payable by the Unit Owners to the Condominium Board for the purpose of meeting the cost of the Common Expenses.

“Common Elements” refers to the Land and all portions of the Building other than the Units, and include the General Common Elements and Limited Common Elements as more particularly described in Article 8 of the Declaration.

“Common Expenses” refers to the costs and expenses incurred or projected in connection with the Maintenance of and to the Common Elements and/or the Limited Common Elements (to the extent such costs and expenses are not the obligation of the Unit Owners owning the Units to which such Limited Common Elements are appurtenant) or in connection with any services or facilities exclusively benefiting the Building and the Unit Owners.

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

“Condominium” refers to THE 757 BERGEN STREET CONDOMINIUM.

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

“Condominium Board” refers to the board of managers of the Condominium.

“Declarant” refers to 757 Bergen JV2, LLC, a New York limited liability company, and its successors and assigns.

“Declarant and/or its designee(s),” “Declarant or a designee of Declarant” or similar term refers to Declarant, any of the partners of Declarant, any affiliate of Declarant, any affiliate of any of the general or limited partners of Declarant, any officer or shareholder of a corporate partner of Declarant, or any partner of a partnership which is a partner of Declarant or any party designated in writing as a designee.

“Declaration” refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

“Department of Law” refers to the New York State Department of Law.

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

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

“Floor Plans” refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Department of The City of New York and filed with the City Register’s Office.

“General Common Elements” refers to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units and the Limited Common Elements, as more particularly defined in the Declaration.

“Initial Control Period” refers to the period during which members of the Condominium Board elected or designated by Declarant constitute a majority of the members of said Board (until 2 of the 3 Units are sold).

“Land” refers to the parcel of land described in Exhibit A to the Declaration.

“Law or Laws” refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property,

the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

“Limited Common Elements” refers to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners including, but not limited to the front yard, rear yard, decks, Terraces or balconies appurtenant to certain Units.

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

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

“Non-Purchasing Tenant” has the meaning set forth in Section 352-eeee of the New York State General Business Law.

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

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

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

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

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

“Plans and Specifications” refers to the plans and specifications for the Building which (to the extent required by Law) are filed with, and approved by, the Department of Buildings of The City of New York, 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 the Plan.

“Property” refers to the Land, the Building and the appurtenances thereto.

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

“Purchaser” refers to person(s) or entity(ies) named as Purchaser(s) in a Purchase Agreement, which has been duly executed by such person(s) or entity(ies) and accepted by Declarant.

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

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

“Selling Agent” refers to Sponsor, or any successor selling agent at the time in question.

“Terrace(s)” refers to decks, terraces and/or balconies appurtenant to certain Units.

“Unavoidable Delays” refers to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, acts of terrorism, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

“Unit” or “Condominium Unit” refers to a Unit as more particularly designated in the Declaration and the Floor Plans and all such Units are collectively referred to as “Units.”

“Unit Owner” refers to any Unit Owner and all of such Unit Owners are collectively referred to as the “Unit Owners.”

“Unsold Unit” refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by (i) Sponsor, (ii) any party designated by Sponsor as a “sponsor” under the Plan (iii) any party designated by Sponsor as the owner of an Unsold Unit, (iv) the holder of a Permitted Mortgage given by a Sponsor or (v) the designee of a holder of such a Permitted Mortgage.

BYLAWS

BY-LAWS
OF
THE 757 BERGEN STREET CONDOMINIUM
757 BERGEN STREET
BROOKLYN, NY

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BY-LAWS

ARTICLE 1.

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of THE 757 BERGEN STREET CONDOMINIUM (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately _____ square feet of land (the "Land") which forms a part of Lot 54, Block 1140 of the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York, the buildings 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 a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration or in Exhibit C thereto.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Kings reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2.

BOARD OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first annual meeting of Unit Owners as provided in Section 3.1,

the Condominium Board shall consist of three (3) persons appointed by the Unit Owners, subject to Declarant's 3.9.3 rights.

2.1.2 Each member of the Condominium Board except for the first Board as provided in Section 2.4 and except as otherwise provided herein, shall be appointed by a Unit Owner and shall serve until the unit owner appoints a new board member or the unit is sold.

2.2 Powers and Duties.

2.2.1 The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners). All determinations with respect to the administration of the affairs of the Condominium, shall be made by the Condominium Board.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring and Maintaining the Common Elements, including contracts for utilities, services and supplies;

2.2.2.1(b) Determining the amount of Common Charges (as hereinafter defined).

2.2.2.1(c) Employing and dismissing the personnel necessary for the Maintenance and operation of the Common Elements.

2.2.2.1(d) Adopting and amending the Rules and Regulations, as they affect the Common Elements.

2.2.2.1(e) Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.1(f) Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of Unit Owners.

2.2.2.1(h) Levying fines against Unit Owners for violations of any rules and regulations adopted by the Condominium (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves Common Elements, as set forth in 6.2.

2.2.2.1(k) Borrowing 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 at least 60% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of \$100,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), 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 consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the Common Elements, as the Condominium Board deems advisable.

2.2.2.1(m) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as such Board may determine.

2.2.2.1(n) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium 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, demolition or construction of the Building, or (ii) any

consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(o) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(p) Obtaining and reviewing insurance for the Property pursuant to the provisions of Section 6.2.

2.2.2.1(q) Leasing or purchasing an apartment for use as the residence of the building superintendent, either in the Building or elsewhere (in compliance with applicable Law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment.

2.2.2.1(r) Leasing or licensing the Common Elements.

2.2.2.1(s) Imposing move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.1(t) Reviewing and approving alterations, additions, improvements, renovations and repairs by Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such alterations, additions, improvements, renovations and repairs.

2.2.2.1(u) Otherwise performing all of the acts to be performed by the Condominium Board in accordance with the terms of the Plan.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or the owner of Unsold Units continue to own at least 25% of the Units but in no event later than five years from the First Closing of a sale made under the Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, 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 as is required to reflect normal annual increases 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; or (vi) exercise

a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with applicable Laws of any governmental authority having jurisdiction over the Condominium.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own at least one Unsold Unit, the Condominium Board may not, without the consent of the Declarant, separately assess a Unit Owner for fees for such services (unless such services are separately assessed at the time of the filing of this Declaration).

2.3 Managing Agents and Managers. With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a managing agent and/or a manager at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such managing agent or manager other powers granted to the Condominium Board by these By-Laws, except the powers set forth in **Subsections 2.2.2.1(b), (e), (g), (h), (l), (m), (n) and (o).**

2.4 First Board. The Condominium Board shall initially consist of one (1) person designated by Declarant to initially comprise the Condominium Board. The various Board members shall be deemed to have been "elected" as members of the Condominium Board for the purposes of these By-Laws. Within one (1) year after the date of the First Closing the Condominium Board will call for the first annual meeting of Unit Owners for the purpose of electing the new Condominium Board in accordance with the provisions of 3.1 of these By-Laws and subject to the rights of Declarant to designate certain members of the Condominium Board as more particularly described in Section 3.9.3 of these By-Laws. .

2.5 Resignation and Removal. A Condominium Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium 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. Only that Unit Owner whose appointee resigned shall have the right to designate a replacement for such appointee. Subject to the provisions of Subsection 3.9.3, the Condominium Board may be removed, with or without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners, at which a quorum is present. A Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in Section 2.6. Regardless of whether a Unit Owner's appointee to the Board is removed by the Unit Owner, its designee or the other unit owners or board members, only that Unit Owner whose appointee was removed shall have the right to

designate a replacement for such appointee.**Vacancies.** Vacancies shall be filled by the Unit Owner whose board representative created the vacancy.

2.6 Organizational Meetings of the Condominium Board. The first meetings of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.7 Regular Meetings of Board. Regular meetings of the Condominium Board may be held at such time and place in the Borough of Brooklyn as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.8 Special Meetings of Board. Special meetings of the Condominium Board may be called by the President or Vice President of the Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Condominium Board shall be called in like manner and on like notice on the written request of at least two members of the Condominium Board.

2.9 Meetings of Condominium Board. No organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five business days prior to the day named for such meeting. Special meetings of the Condominium Board may be called by the President of the Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting.

2.10 Resolutions of Board. The Condominium Board shall cause to be promptly delivered to the Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.11 Waiver of Notice. Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

2.12 Determinations by Board; Quorums.

2.12.1 Except as otherwise set forth in 2.13.3, all determinations by the Condominium Board shall be made at a meeting of the Condominium Board at which a quorum thereof is present. At any Condominium Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Condominium Board.

2.12.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.12.3 Members of the Condominium Board may participate in a meeting thereof by means of a telephone conference or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of the Condominium Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Condominium Board.

2.13 **Compensation.** No member of the Condominium Board shall receive any compensation for acting as such.

2.14 **Liability of Board and Unit Owners.**

2.14.1 To the extent permitted by applicable law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium or any Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any managing agent or manager thereof shall state, if reasonably possible, that it is made by the Condominium Board, managing agent or manager only as agent for all Unit Owners, that such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or any Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also

provide that it covers the assets, if any, of the Condominium Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for such Unit Owner's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with the Condominium Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.14.2 Neither the Condominium Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any member thereof; or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common Element.

2.15 **Fidelity Bonds.** After the initial Sponsor Control Period the Condominium Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute Common Expenses.

2.16 **Committees.** The Condominium Board may, subject to such limitations and exceptions as the Condominium Board may prescribe, appoint an Executive Committee and such other committees as the Condominium Board may deem appropriate, each to consist of as many members as the Condominium Board shall deem appropriate for the purpose of making such reports and studies as each the Condominium Board deems appropriate. For so long as Declarant is entitled to designate members to the Condominium Board, any committee appointed by the Condominium Board shall have at least one member appointed by Declarant.

2.17 **Principal Offices of Board.** The principal offices of the Condominium Board shall each be located within the Property or at such other place in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Condominium Board.

2.18 **Status of Board.** In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Condominium Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of any of the Condominium Board pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to the Condominium Board.

2.19 Incorporation of Board. To the extent and in the manner provided in the Condominium Act the Condominium Board may by action of the Condominium Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

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

ARTICLE 3.

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners shall be called on or no more than one (1) year after the First Closing. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the incumbent Condominium Board shall resign and the Unit Owners shall appoint (in accordance with the provisions of Section 2.1 and as otherwise provided in these by-laws) a Condominium Board consisting of three (3) members. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, there shall also be transacted such other business as may properly come before such meetings.

3.2 Place of Meetings. Meetings of all or any Unit Owners, shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the Borough of Brooklyn, as may be designated by the Condominium Board.

3.3 Special Meetings. The President of the Condominium Board shall call a special meeting of Unit Owners, if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium Board upon not less than 25% in Common Interest of Unit Owners.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or email, at least ten (10)

but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all meetings of Unit Owners shall be as follows:

- (1) Call to order;
- (2) Roll call;
- (3) Proof of notice of meeting;
- (4) Reading of minutes of preceding meeting;
- (5) Reports of officers;
- (6) Reports of members of the Condominium Board;
- (7) Reports of committees;
- (8) Election of inspectors of election (when so required);
- (9) Election of members of the Condominium Board (when so required);
- (10) Unfinished business;
- (11) New business; and
- (12) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, association, limited liability company, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Condominium 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 Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Condominium Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Condominium Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for nearest .0001% of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days notification of such proposed amendment from the Condominium Board, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 Election of Board Members; Rights of Declarant.

3.9.1 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it. Declarant shall hold a majority of seats on the Condominium Board until 2 of the 3 Residential Units offered for sale have been sold (the "Initial Control Period"). Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Condominium Board, shall be filled by a person designated by Declarant. In addition, for so long as Declarant owns at least one Unsold Units Declarant shall have the right to designate at least one member of the Condominium Board. For so long as Declarant owns at least one of the Unsold Units the number of members of the Condominium Board may not be increased without the consent of Declarant. Within 10 days after the Initial Control Period, one of the Declarant designated members of the Condominium Board shall resign and in such event a Unit Owner meeting will be held to appoint a new board member unrelated to the Declarant within thirty (30) days after the expiration of the Initial Control Period.

3.9.2 Until Declarant and the owner of any Unsold Units have conveyed title to all Units, the Condominium Board may not take any of the following actions without Declarant's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or Maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Declarant's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with Laws of any governmental authority having jurisdiction over the Condominium.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means Unit Owners, having more than 50% of the total authorized votes of all Unit Owners, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes

ARTICLE 4.

OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be a President, Vice-President, Secretary and Treasurer. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium Board must be members of the Condominium Board.

4.2 **Election of Officers.** The officers of the Condominium Board shall be elected annually by the members of the Condominium Board, at the organizational meetings

thereof, except that the initial officers of the Condominium Board shall be elected, by the initial Condominium Board members and shall hold office at the pleasure of the Condominium Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium 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 Condominium Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

4.4 Presidents. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 Vice Presidents. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice are unable to act, the Condominium Board shall appoint some member of the Condominium Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President.

4.6 Secretaries. The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Treasurers. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the managing agent appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. Unless otherwise delegated by the Condominium 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 Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

4.9 Compensation of Officers. Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such.

ARTICLE 5.

NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail to the office of the Condominium Board or to such other address as the Condominium Board may designate from time to time, and if there is a managing agent of the Condominium Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6.

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, the Common Expenses (as hereinafter defined) shall be determined by the Condominium Board as set forth below, and shall be borne by Unit Owners in proportion to their respective Common Interests. Common Expenses shall be defined to include the following: (i) all costs and expenses attributable to the Maintenance and operation of, and any alteration, addition or improvement to, the Common Elements, (ii) all such other items provided for in the

Declaration or these By-Laws to be Common Expenses, (iii) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with their respective Common Interests ("Common Charges"), except as otherwise provided in the Declaration or these By-Laws. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. Notwithstanding anything to the contrary in this Section, if a General Common Element or Limited Common Element benefits only certain Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) may be borne solely by those Unit Owners who benefit from the General Common Element or Limited Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interest of all benefiting Unit Owners.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. The Condominium Board shall advise all Unit Owners in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners at least ten (10) days prior to the adoption thereof and shall make copies of the budget available to Permitted Mortgagees. In the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of the First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of \$100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of Condominium Operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time Declarant and each Unit Owner owned such Unit.

6.1.3 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use

of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, Maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 Insurance.

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss involves the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Condominium Board, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of \$1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5.

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

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance coverages, the Condominium Board and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein. The Condominium Board and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

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

6.2.6 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines.

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to a Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of \$300,000 for bodily injury or death arising out of any one occurrence including \$300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect to property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in

form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that either (i) the Building or any part thereof (other than the Units) is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the Common Elements and/or Limited Common Expense, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 6.2 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be \$1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed \$1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements and the Units, and for the benefit of all Unit Owner's with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements, the Limited Common Elements and the Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 6.3. Notwithstanding anything to the contrary contained either in this Subsection 6.3.1 or elsewhere in this Section 6.3, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he/she may have to pursue a separate claim against the condemning authority by reason thereof.

6.3.2 Except as otherwise provided herein, the Condominium Board with respect to the Common Elements and Limited Common Elements shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. Damage or destruction to a Unit shall be promptly repaired and reconstructed by the Owner of the affected Unit(s). If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be

repaired or reconstructed and the costs incurred in connection therewith shall be charged to the defaulting Unit Owner as a Special Assessment. Notwithstanding anything to the contrary, the Condominium Board shall only be responsible for fixing structural elements of the Limited Common Elements. All other work required or necessary for the Limited Common Elements shall be the responsibility of the Unit Owner and shall be construed herein as the Unit Owner's Unit.

6.3.3 In the event that Work shall be performed pursuant to the terms of Subsections 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If said damage or destruction by fire or other casualty affects the Building, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Building, bears to the total cost of repairing all damage or destruction. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a Common Expense or profit, respectively, as provided in 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.4 If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty, the Work shall not be performed unless 75% or more of all Unit Owners (including Declarant, if Declarant shall then own any Units), shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of Subsections 6.3.1 and 6.3.2 hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Common Elements and to all Unit Owners in proportion to their respective Common Interest, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

6.3.5 If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of Section 6.3.4 hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest, appurtenant to such

Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

6.3.6 As used in this Section 6.3, the terms:

(i) “Prompt repair or restoration” shall mean that the Work is to be commenced not more than either: (a) sixty days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1, sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) “Promptly resolve” shall mean that a resolution shall be duly made not more than sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

6.4 Payment of Common Charges.

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Condominium Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner’s Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common

Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Condominium Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in Subsection 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, the Condominium Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and such Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.4.6 Unit Owners are required to (a) deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish certain services and facilities, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a thirty (30) day period. The failure of the Unit Owner to replenish the fund in the time period set forth hereinabove shall result in the Condominium Board, on behalf of the Unit Owners, having a lien against the Unit Owner's Unit. Interest, if any, earned on the fund shall be the property of the Unit Owner.

6.5 Collection of Common Charges. The Condominium Board shall take prompt action to collect any Common Charges due to such Board, which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 Default in Payment of Common Charges and other Obligations.

6.6.1 In the event any Unit Owner fails to make payment of Common Charges or Assessments when due, such Unit Owner shall be obligated to pay (a) a “late charge” equal to the greater of \$150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys’ fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or 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 Condominium 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 Condominium Board may suspend a Unit Owner’s voting rights and privileges for failure to pay any Common Charges or Assessments due.

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

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner’s Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are

insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Condominium Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 Maintenance and Repairs.

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Condominium Board. All normal Maintenance of any Storage area, Yard, Terrace or Balcony shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Storage area, Yard, Terrace or Balcony (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces or Balconies and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the Condominium Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove plantings, surface coverings and other furniture, equipment and

installations from the Terrace or Balcony, if requested by the Condominium Board, to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or these By-Laws. No Terrace or Balcony may be enclosed without the express written consent of the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Rear Yard, Terrace and/or Balconies without the prior written consent from the Condominium Board. The Condominium Board may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.3 The exterior surface of all windows in the Building, if so determined by the Condominium Board, shall be washed and cleaned by the Condominium Board and the cost and expense thereof shall be a Common Expense assessed against each Unit Owner. Otherwise, the exterior of all windows in the Building shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respective agents and employees, for all losses, damages, or fines suffered by any of them as a result of a violation of Law.

6.9.2.4 The exterior of all front doors of Units shall not be painted or decorated other than with the consent of the Condominium Board.

6.9.2.5 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Building without prior written approval of the Condominium Board.

6.9.2.6 Any repairs or Maintenance work performed with respect to any air conditioning unit or incremental HVAC units in each Unit shall only be performed by a company or individual previously approved by the Condominium Board.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace or Balcony, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to such parts of the Building required to be

Maintained by it, (b) each Unit Owners with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner, including, without limitation shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit.

6.9.4 Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

6.10 Violations of Obligations.

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such Maintenance unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board (or sooner in the case of Emergency), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the Condominium Board, together with 10% for overhead and interest thereon at the rate of 2% per month from the date on which such Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to such Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.10.2 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 **Alterations, Additions, Improvements and Repairs of Units.** Except as otherwise provided in the Declaration, no Unit Owner shall make any alteration, addition, improvement or repair to his/her Unit involving structural work or which impact upon Building systems, in or to such Unit Owner's Unit, without the prior written approval of the Condominium Board. With respect to any alteration, addition, improvement or repair the Condominium Board, may exercise the right to reasonably approve the contractors and suppliers, performing alteration, addition, improvement or repair in any Unit and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Condominium

Board may impose fees upon a Unit Owner to reimburse the Condominium Board for its costs incurred in reviewing or supervising the aforesaid work and providing appropriate security with respect thereto. In addition, the Condominium Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgagee (or its designee) of Declarant or its assignee, which shall not be required to (a) obtain the approval of the Condominium Board for any alteration, addition, improvement or repair, whether structural or non-structural in or to Unsold Units, (b) enter into any alteration agreement with respect thereto or (c) perform any additional work as a condition thereof.

6.11.1 All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all Laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Condominium Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.2 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Condominium Board (if such approval is required) shall, if required by Law or such department or authority, be executed by the Condominium Board, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialperson, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant or its designee is hereby authorized on behalf of the Condominium Board to execute the Required Documentation required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the Condominium Board, if requested by Declarant or its designee, shall execute the Required Documentation.

6.11.3 In the event that any alterations, additions, improvements or repairs made by any Unit Owner shall materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the

written request, then the Declarant or the Condominium Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.12 Alterations, Additions, Improvements or Repairs to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to (i) any Common Elements or Limited Common Element shall be made by the Condominium Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Condominium Board, the cost of any alteration, addition, improvement or repair would exceed \$100,000 in the aggregate in any calendar year (except if such alteration, addition, improvement or repair is provided for in a duly approved budget), then such proposed alteration, addition, improvement or repair shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid and by the Mortgage Representatives (as hereinafter defined), as the case may be, if any, with respect to alterations, additions, improvements or repairs made by the Condominium Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, improvements or repairs costing in the aggregate \$100,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Condominium Board, Mortgage Representative or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Condominium Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Condominium Board, Mortgage Representative or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and

expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for Maintaining such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.13.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 Restrictions on Use of Units.

6.14.1 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. A Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary, trust or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate or other instrumentality thereof). A Unit may only be occupied by (i) the individual Unit Owner (or members of such Unit Owner's family, guests or domestic employees), (ii) an officer, director, stockholder or employee of such corporation (or members of such Unit Owner's family, guests or domestic employees), (iii) a partner or employee of such partnership (or members of such Unit Owner's family, guests or domestic employees), (iv) the fiduciary or beneficiary of such fiduciary (or members of such Unit Owner's family, guests or domestic employees), or (v) a principal or employee of such other entity (or members of such Unit Owner's family, guests or domestic employees) as the case may be. Unless otherwise consented to by the Condominium Board, occupants of a leased Unit must be (a) an individual lessee (or members of such Unit Owner's family, guests or domestic employees), (b) an officer, director, stockholder or employee of a corporate lessee (or members of such Unit Owner's family, guests or domestic employees), (c) a partner or employee of a partnership lessee (or members of such Unit Owner's family, guests or domestic employees), (d) a fiduciary or beneficiary of a fiduciary lessee (or members of such Unit Owner's family, guests or domestic employees), or (e) a principal or employee of such other entity which is a lessee (or members of such Unit Owner's family, guests or domestic employees). "Members of such Unit Owner's family" or words of similar import whenever used herein shall be deemed to mean spouse, domestic partner, their children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Unit Owner and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Unit by such family members or guests. Notwithstanding the foregoing, the Condominium Board may consent to occupancy of a Unit by persons other than those set forth above.

6.14.1.1 The Condominium Board, 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 the 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 Condominium Board 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 Condominium Board before using such Unit as a professional office or for any other purpose.

6.14.1.2 The Unit Owner shall ensure that all operable windows opening into the Unit comply with all applicable laws relating to window guards and, if necessary, install, operate and Maintain, at the Unit Owner's expense, any additional equipment required by applicable Law.

6.14.2 Notwithstanding the provisions of Subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit as a professional office or for any purpose including, without limitation, use as a long or short term rental or other use, provided such use is permitted by Law, does not violate the certificate of occupancy for such Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in Section 6.14.4 of these By-Laws) and the user of such Unit complies with all applicable governmental regulations with respect to such use, and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable Law.

6.14.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law.

6.14.4 Consistent with the foregoing, in the event Declarant or its designee seeks to change an existing use, Declarant and/or its designee shall have the right, from time to time, to amend the certificate of occupancy to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant or its designee, at the requesting party's expense, execute all

applications, authorizations and other instruments reasonably required to enable the Declarant or its designee to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to person or damage to property arising therefrom. In addition to the foregoing, Declarant or its designee shall have the authority to execute the foregoing on behalf of the Condominium Board, in accordance with Section 6.11.2 of these By-Laws.

6.15 Use of Common Elements.

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General or Limited Common Elements other than in (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 Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 Scaffolding necessary for the performance of work to the General Common Elements, Limited Common Elements or any Unit may be erected on the sidewalks adjacent to the Building, however, such scaffolding shall be installed (a) upon at least ten (10) Business Days prior written notice to the Condominium Board (except in the case of an Emergency), (b) after provision of evidence to the Condominium Board that such scaffolding will be erected and Maintained in conformance with all applicable Laws and any insurance requirements imposed by the Condominium, (c) in such a manner so as to minimize interference with access to each Unit and in no event shall prevent access to any Unit, (d) consistent with the general manner in which scaffolding is installed in similar buildings in Manhattan (e) Maintained and removed as expeditiously as possible in a commercially reasonable way. The Condominium Board shall use commercially reasonable efforts to install two story scaffolding.

6.15.5 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 Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a

hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Condominium Board. Notwithstanding the above, if an owner transfers or conveys its Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 Other Provisions as to Use. No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium 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 Condominium or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.17 Right of Access.

6.17.1 Each Unit Owner grants a right of access to such Unit Owner's Unit to the Condominium Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing. The Unit Owners grant a right of access to their respective Units to the Condominium Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, Maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Condominium Board shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of 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.

6.18 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 Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Condominium Board with respect to any such modification, amendment or addition. The Condominium Board 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, amendments or additions thereto, shall be furnished by the Condominium Board responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

6.19 Real Estate Taxes, Water Charges and Sewer Rents. Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. The costs incurred by the Condominium Board will be paid by the Unit Owners and included in Common Charges. Until the Units are separately assessed for real estate tax purposes, the Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in proportion to the Units' percentage of Common Interest) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In the event of a proposed sale of any Unit, the Condominium Board, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as the Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities. The Condominium Board, on behalf of and as agent for all Unit Owners, shall be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners shall share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, shall execute any documents or

other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

6.20 **Fuel.** Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and providing hot water) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of Maintaining such Unit and/or Common Element, (ii) determined and paid by the Condominium Board and (iii) charged as a Common Expense. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a survey to be made, the cost of which shall be borne by the Unit Owners as a Common Expense.

6.21 **Gas.** Gas will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Condominium Board. Gas for the Units for cooking is not separately metered for individual Units and therefor all Unit Owners will pay for gas as part of Common Charge payable to the Condominium. The cost of gas consumed in the Condominium will be borne by the Unit Owners as a Common Charge.

6.22 **Electricity.** Electricity for each Unit shall be supplied by the utility company servicing the Units and separately metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by the Condominium Board. Electricity for the Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges.

6.23 **Utilities Serving the General Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, fuel, electricity and gas serving or benefiting any Common Element shall be (a) considered part of the expense of maintaining such Common Element, (b) determined by the Condominium Board, and (c) charged to the Unit Owners as a Common Expense..

6.24 **Abatement and Enjoinment of Violations by Unit Owners.**

6.24.1 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 Condominium 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 Condominium Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant 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.

ARTICLE 7.

MORTGAGES

7.1 Notice to Board. A Unit Owner may mortgage such Unit Owner's Unit. The mortgage secured by a Unit shall be substantially in the form of the New York Board of Title Underwriters or Fannie Mae or such other forms customarily used by lenders making loans secured by individual residential condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. As used herein the term "Permitted Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system or (iv) consented to in writing by the Condominium Board prior to the execution of said loan.

7.2 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee of any Unit, the Condominium Board with respect to Permitted Mortgagees of Units shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which of which the Condominium Board may have received notice.

7.3 Performance by Permitted Mortgagees. The Condominium Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a different Permitted Mortgagee to so act, by notice to the Condominium Board.

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

7.5 Representatives of Mortgagees.

7.5.1 In the manner more particularly set forth in Subsection 7.5.2, the holders of Permitted Mortgages (as hereinafter defined) secured by Units, may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Permitted Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Condominium Board. Unless otherwise required by Law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

ARTICLE 8.

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. Each Unit Owner may sell or lease such Unit Owner's Unit without limitation except that no unit owner may discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or any other grounds prohibited by law. Any lease terms, including rent, shall be subject to state and local law. The Board does not have a right of first refusal.

8.2 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of

the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.3 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer such Unit Owner's Unit by gift, devise such Unit Owner's Unit by will, or have such Unit Owner's Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall remain subject to, the provisions of this Article 8.

8.4 Unauthorized Sales or Leases of Units. Any purported sale or lease of a Unit consummated in violation of this Article 8 shall be voidable at the election of the Condominium Board and if the Condominium Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Condominium Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.5 Charges Imposed on Sale or Lease of Units. If permitted by Law, the Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Condominium Board, in connection with the sale or lease. Additionally, the Condominium Board may, by resolution adopt a "flip" tax in connection with such sale in order to create a reserve fund which will provide reserves for the Condominium to use in the future for capital improvements, emergency repairs and working capital. If such charges are adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charges shall not apply to the lease of a Unit to Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units.

8.6 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Power of Attorney required by Article 17 of the Declaration, substantially in the form set forth in Part II of the Plan.

8.7 Notices Concerning Unit Occupancy. Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.8 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Condominium Board, or their respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.9 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed by the Condominium Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages.

8.10 Mortgage of Units. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage such Unit Owner's Unit without restriction.

8.11 Lease or Purchase of Unit or Other Apartment for Superintendent's/Resident Manager Residence. The Condominium Board shall have the right to lease or purchase and finance the purchase of a Unit or other apartment for the resident manager's unit (whether or not in the Building) and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease, purchase or financing without the approval of a Majority of Unit Owners.

ARTICLE 9.

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Condominium Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Condominium Board. The award made for any such taking shall be payable to the Condominium Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds \$1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata, as follows: first, to the Unit Owners in accordance with their respective Common Interests; thereafter, the Condominium Board shall allocate such deficit or surplus, as the case may be, pro rata, in accordance with their respective Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that 75% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the Condominium, then such repairs or restorations of the Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in accordance with their

respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words “promptly resolve” shall mean not more than 60 days from the date of such taking.

ARTICLE 10.

RECORDS AND AUDITS

10.1 **Records.** The Condominium Board or the managing agent, if any, shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Condominium Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits.** Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee. The cost of such report shall be paid by all Unit Owners as a Common Expense.

10.3 **Availability of Documents.** Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11.

ARBITRATION

11.1 **General Procedure.** Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 11 (an “Arbitration”). Each Arbitration shall be conducted before one 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 11 shall be a lawyer or real estate owner, developer, or manager

familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the New York "Simplified Procedure for Court Determination of Disputes - - Action without Pleadings."

ARTICLE 12.

MISCELLANEOUS

12.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 Certain References.

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or

under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee. The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of \$500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant 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 then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant and/or its designee, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 Covenant of Further Assurances.

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Condominium Board representing such Unit Owners, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium

Board which represents such Unit Owner, or other party is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If any Unit Owner, the Condominium 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, the Condominium Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Condominium Board representing such Unit Owners stating the reasons why such Unit Owner, the Condominium Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Condominium 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, the Condominium Board or other party and such document or action shall be binding on such Unit Owner, the Condominium Board or other party, as the case may be.

ARTICLE 13.

AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.** Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 60% of the Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, (i) no amendment, modification, addition or deletion pursuant to the provisions of the clause above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the respective Mortgage Representatives, if any, and (ii) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be), 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 Amendments Affecting Declarant or its Designee. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Declarant or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Unit, as the case may be, or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit. Declarant shall have the right to amend the By-Laws, without the consent of the Condominium Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant under the terms of the Declaration and these By-Laws.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 8.7(d) or (e), or 8.10 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

SCHEDULE A

RULES AND REGULATIONS OF THE CONDOMINIUM

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Units.
2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways, fire tower landings, or fire escapes of the Condominium, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Condominium.
3. Neither occupants nor their guests shall play in the entrances, passages, public halls, vestibules, corridors, stairways, fire towers or fire escapes of the Condominium.
4. No public hall or public vestibule of the Condominium shall be decorated or furnished by any Unit Owner in any manner.
5. Each Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface of any Storage area, Terrace or Balcony appurtenant to a Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of plantings and other installations to be placed in the Yards, on Decks, Terraces or Balconies and the rights of Unit Owners to paint and decorate any Decks, Storage areas, Terraces or Balconies shall be subject to the prior written approval of the Condominium Board. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Storage area, Yard, Terrace or Balconies shall be within the sole but reasonable discretion of the Condominium Board.
6. No window guards or window decorations shall be used in or about any Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, which approval shall not be unreasonably withheld or delayed.
7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval, except as may otherwise be provided by Law.

8. No heat, ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.
9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment.
10. No velocipedes, bicycles, scooters, baby carriages or similar vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium.
11. No Unit Owner or the tenants or occupants of the Units shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Units. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television, computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.
12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition, in the Condominium Board's sole discretion) shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the managing agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Condominium Board nor shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Condominium Board setting forth such other rules regarding pets as the Condominium Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

13. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the front desk in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the front desk to individual Units only by building personnel or as otherwise directed by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.
14. No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Condominium may direct.
15. Water-closets and other water apparatus in the Condominium shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.
16. No occupant of the Condominium shall send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.
17. The agents of the Condominium Board or the managing agent, and any contractor or worker authorized by the Condominium Board or the managing agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.
18. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.
19. The Condominium Board or the managing agent of the Condominium may retain a passkey to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the managing agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under

- these Rules and Regulations or under the By-Laws and has not furnished a key to such Board or such managing agent, then the Condominium Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).
20. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.
 21. Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the managing agent of the Condominium.
 22. Any consent or approval given under these Condominium Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional.
 23. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board or the Condominium Board.
 24. Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.
 25. Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.
 26. No Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

27. If any key or keys are entrusted by a Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the managing agent of the Condominium, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the managing agent of the Condominium shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.
28. Nothing shall be done or kept in any Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the General or Limited Common Elements.
29. The Condominium Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.
30. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the managing agent of the Condominium.
31. In the event that any Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.
32. Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.
33. There will be no barbecuing in the Units, in the Limited Common Elements (including Storage areas, Terraces or Balconies), or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.
34. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or Maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or

addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

35. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces or Balconies, other than furniture of the kind usually maintained in outdoor areas.
36. There is no safe amount of exposure to secondhand smoke. Adults exposed to secondhand smoke have higher risks of stroke, heart disease and lung cancer. Children exposed to secondhand smoke have higher risks of asthma attacks, respiratory illnesses, middle ear disease and sudden infant death syndrome (SIDS). For these reasons, and to help people make informed decisions on where to live, New York City requires residential condominium unit owners (referred to in this policy as the “Owner” which includes the owner of record, seller, manager, landlord, any agent thereof or governing body) in buildings with three or more residential units to create a policy on smoking and share it with all occupants. The building policy on smoking applies to any person on the property, including guests.

Definitions a. Smoking: inhaling, exhaling, burning or carrying any lighted or heated cigar, cigarette, little cigar, pipe, water pipe or hookah, herbal cigarette, non-tobacco smoking product (e.g., marijuana or non-tobacco shisha), or any similar form of lighted object or device designed for people to use to inhale smoke b. Electronic Cigarette (e-cigarette): a battery-operated device that heats a liquid, gel, herb or other substance and produces vapor for people to inhale

Smoke-Free Air Act New York City law prohibits smoking and using e-cigarettes of any kind in indoor common areas, including but not limited to, lobbies, hallways, stairwells, mailrooms, fitness areas, storage areas, garages and laundry rooms in any building with three or more residential units. NYC Admin. Code, § 17-505.

Policy on Smoking Smoking is not allowed in the following areas (Take note that the Smoke-Free Air Act bans smoking tobacco or non-tobacco products, and using e-cigarettes in indoor common areas): Outside of areas that are part of residential units, including balconies, patios and porches; Outdoor common areas, including play areas, rooftops, pool areas, parking areas, and shared balconies, courtyards, patios, porches or yards ; and Outdoors within 15 feet of entrances, exits, windows, and air intake units on property grounds.

CERTIFICATIONS

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPAL'S

State of New York Department of Law
120 Broadway - 23rd Floor
New York, New York 10271

Re: THE 757 BERGEN STREET CONDOMINIUM
757 BERGEN STREET
BROOKLYN, NY

Gentlemen:

We are the Sponsor and the Principals of the Sponsor of the Condominium Offering Plan for the captioned property.

We understand that I/We have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. I/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 the documents submitted hereafter by us which amend or supplement the Offering Plan, will:

1. Set forth the detailed terms of the transaction and be complete, current and accurate;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sales;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false, where I/We: a) knew the truth; b) with reasonable effort could have known the truth; c) made no reasonable effort to ascertain the truth, or d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violation are subject to the civil or criminal penalties of the General Business Law and Penal Law.

Very truly yours,

757 BERGEN JV2 LLC

BY: Amit Stern
Amit Stern, Member

Amit Stern
Amit Stern, Individually

State Of New York)
)ss.:
County of New York)

On the 27 day of September in the year 2017 before me, the undersigned, a notary public in and for said state, personally appeared AMIT STERN personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

Keith Blackman
Notary Public

Keith Blackman
Notary Public, State of New York
Qualified In King County
No. 01BL6315614
My Commission Expires 11-24-2018

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPAL'S

State of New York Department of Law
120 Broadway - 23rd Floor
New York, New York 10271

Re: THE 757 BERGEN STREET CONDOMINIUM
757 BERGEN STREET
BROOKLYN, NY

Gentlemen:

We are the Sponsor and the Principals of the Sponsor of the Condominium Offering Plan for the captioned property.

We understand that I/We have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. I/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 the documents submitted hereafter by us which amend or supplement the Offering Plan, will:

1. Set forth the detailed terms of the transaction and be complete, current and accurate;
2. Afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
3. Not omit any material fact;
4. Not contain any untrue statement of a material fact;
5. Not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sales;
6. Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. Not contain any representation or statement which is false, where I/We: a) knew the truth; b) with reasonable effort could have known the truth; c) made no reasonable effort to ascertain the truth, or d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violation are subject to the civil or criminal penalties of the General Business Law and Penal Law.

Very truly yours,

757 BERGEN JV2 LLC

BY: Assaf Cohen
Assaf Cohen, Member

Assaf Cohen
Assaf Cohen, Individually

State Of New York)
)ss.:
County of New York)

On the 27 day of September in the year 2017 before me, the undersigned, a notary public in and for said state, personally appeared ASSAF COHEN personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) acted, executed the instrument.

Keith Blackman
Notary Public

Keith Blackman
Notary Public, State of New York
Qualified In King County
No. 01BL6315614
My Commission Expires 11-24-2018

**ALAYNE REAL ESTATE
3004 AVE L
BROOKLYN, NY 11210
718-421-3400
718-421-3456**

February 26, 2019

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

Re: The 757 Bergen Street Condominium
757 Bergen Street
Brooklyn, NY
Certification of Adequacy of Budget

Ladies and Gentlemen:

The Sponsor of the condominium offering plan for the captioned property retained our firm to review and prepare Schedules B and B-1, containing projections of income and expense for the first year of condominium operation.

Our experience in this field includes: Our firm is a licensed real estate brokerage firm and real estate management company that has been engaged in the real estate business in the New York metropolitan area for over twenty years. We have extensive experience with condominium sales and projects. Since 1990, we have managed five residential rental properties for the last ten years, including representing sponsors as the managing agent.

We understand that we are responsible for complying with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

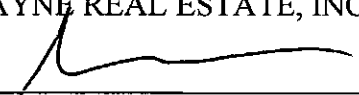
We certify that the Schedules:

1. set forth in detail the projected income and expenses for the first year of condominium operation;
2. affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
3. does not omit any material fact;
4. does not contain any untrue statement of a material fact;
5. does not contain any fraud, deception, concealment, or suppression;
6. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. does not contain any representation or statement which is false, where we:
 - a) knew the truth;
 - b) with reasonable effort could have known the truth;
 - c) made no reasonable effort to ascertain the truth, or
 - d) did not have the knowledge concerning the representation or statement made.

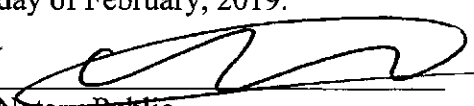
We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

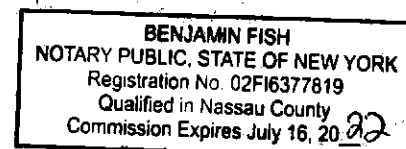
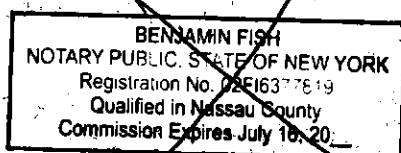
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil or criminal penalties of the General Business Law and Penal Law.

ALAYNE REAL ESTATE, INC.

By: 
Name: Abraham Davies

Affirmed to before me this 26th
day of February, 2019.


Notary Public



RYBAK ARCHITECTS, P.C.

1337 Prospect Avenue Brooklyn, NY 11218

Tel 718.437.4965 Fax 718.504.3667

www.rybackarchitects.com

RE: Condominium located at
757 Bergen Street
Brooklyn, NY 11238

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). I examined the building plans and specifications that were prepared by Rybak Architects, P.C., December 16, 2014 and prepared the Report dated August 9, 2018, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered architect in the State of New York, in which the property is located.

I understand that I am/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.

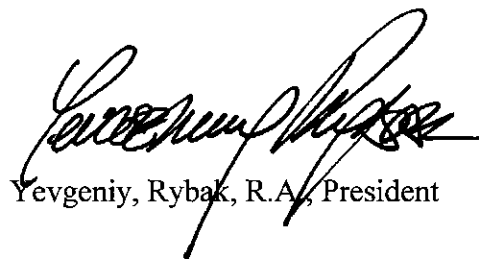
I have read the entire Report and investigated the facts forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

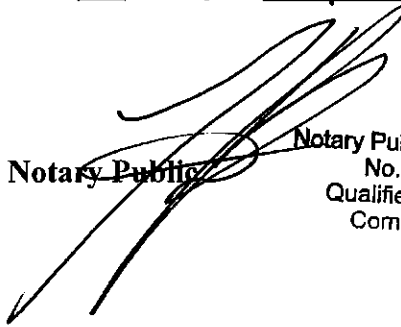
- (i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I 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 I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am are not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to 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.


Yevgeniy, Rybak, R.A., President

Subscribed and sworn to before me
This 1 th day of August, 2018


LEE PESH
Notary Public State of New York
No. 01PE5014938
Qualified in Kings County
Commission Expires 1/30/2019