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

CONDOMINIUM OFFERING PLAN

CALVERT-VAUX CONDOMINIUM

295 EAST 8TH STREET
NEW YORK, NEW YORK 10009

	Offer to Tenant Purchasers	Offer to Non-Tenant Purchasers
Seven (7) Residential Units	$18,615,250.00	$ 19,395,000.00
One (1) Commercial Unit	$	Not offered for sale
Less Reserve Fund**	($ 558,457.50)	($ 558,447.00)
Total Amount of Offering	$18,056,792.50	$ 18,836,542.50

* See Section entitled "Rights of Existing Tenants" regarding the rights of *bona fide* tenants to purchase the Units in which they reside during the first 90 days of this offering.

** This is an estimate of the minimum Reserve Fund required pursuant to Local Law 70 based on the price offered herein to Tenant-Purchasers without deduction for credits allowed to Sponsor. The actual amount cannot now be determined prior to the Plan being declared effective, but shall be determined, established and transferred to the Condominium Board within thirty (30) days of the First Unit Closing. There will also be a Working Capital Fund funded by contributions from Purchasers, subject to closing adjustments in favor of Sponsor. See Section entitled "Reserve Fund".

SPONSOR:

Calvert-Vaux, Ltd.
295 East 8th Street
New York, NY 10009

Date of first offering under this Plan is _____, 2023
This Plan may not be used after _____, 2024 unless extended by an amendment hereto.

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

SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS. ACCORDINGLY 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 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.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE 1.

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SPECIAL RISKS

1. Purchase of a Condominium Unit

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

At the time a Purchase Agreement is executed, any Purchaser who wishes to purchase a Unit is required to make a Contract Deposit in an amount equal to ten percent (10%) of the Purchase Price for such Unit, whether such Purchaser is purchasing a vacant Unit or an Existing Tenant is purchasing the Residential Unit in which such Tenant resides on the Filing Date. Sponsor reserves the right to increase the Contract Deposit to twenty percent (20%) of the Purchase Price in the event that Sponsor enters into an Interim Use and Occupancy Agreement (each, an "Interim Occupancy Agreement") for a Residential Unit. Such additional deposit will be credited to the Purchase Price at Closing. Such additional deposit is in addition to the security deposit in the amount of one (1) month's rent payable pursuant to the Interim Occupancy Agreement.

The Plan may not be declared effective until, among other requirements, Purchase Agreements have been executed and delivered for at least fifteen percent (15%) of all Residential Units in the Building by Bona Fide Tenant Purchasers or Non-Tenant Purchasers who represent that they or one (1) or more specified members of their immediate family will occupy the Residential Unit after the Closing or when the Residential Unit becomes vacant (a "Bona Fide Non-Tenant Purchaser"). All Non-Tenant Purchasers, when executing a Purchase Agreement, must also execute a Bona Fide Purchaser Statement of Purchase, the form of which is annexed to the Purchase Agreement in Exhibit A.

For purposes of effectiveness, the purchase of the contiguous units (*i.e.* unit combinations) shall be treated as one unit. Notwithstanding the foregoing, the purchase of non-contiguous units by one (1) purchaser for more than one (1) bona fide purchaser (*e.g.* one (1) unit for parents and one (1) for adult child) shall be treated as individual units for effectiveness purposes.

The New York State Department of Law ("DOL") requires an affirmative representation from a Bona Fide purchaser as a part of an investigative process. A Purchaser who is Bona Fide, as defined above, will be required to execute an affidavit entitled "Affidavit of Bona Fide Tenant/Non-Tenant Purchaser for Purposes of Declaring Offering Plan Effective." Copies of the affidavits are attached hereto as to the Purchase Agreement as Schedules D-1 and D-2 in Part II of the Plan.

Purchasers are advised to seek the advice of an attorney before executing the affidavit. The submission of any misinformation to the Department of Law, including

a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the purchaser to both civil and criminal liability.

Disclaimer:

The Department of Law reserves the right to request additional information from Sponsor and any and all purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the purchaser to both civil and criminal liability.

A Bona Fide Non-Tenant Purchaser may also be required to submit to the DOL additional information regarding the intended occupancy of the Residential Unit that is the subject of their Purchase Agreement and otherwise cooperate with any inquiry by the DOL into the intended occupancy of the Residential Unit. A Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant Purchaser who fails to (i) complete and return to the DOL any documentation that the DOL may require, as and when requested; (ii) deliver any and all additional information the DOL may require; and (iii) otherwise cooperate in any inquiry the DOL may initiate, will be deemed to be in default pursuant to the Purchase Agreement. Bona Fide Tenant-Purchasers and Bona Fide Non-Tenant Purchasers are advised that the failure of a Purchaser to comply with these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Contract Deposit and any interest earned thereon, as set forth below, or, in the alternative, the right to commence an action to obtain a declaratory judgment for specific performance, in which case the Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant Purchaser may be compelled by a court of law to fulfill all obligations concerning the Tenant Affidavit or the Non-Tenant Affidavit, as applicable. Samples of the DOL's current form of Tenant Affidavit and Non-Tenant Affidavit are included in Part II of the Plan as Schedules D-1 and D-2, respectively, of the Purchase Agreement. Please see the ***See the Section entitled "Procedure to Purchase" for additional details and the Purchase Agreement in Part II of the Plan.***

2. Time is of the Essence. The Purchase Agreement provides that "time is of the essence" with regard to the obligations of Purchaser thereunder.

In the event a Purchaser is in default of any of Purchaser's obligations to be performed pursuant to the Purchase Agreement, whether monetary or non-monetary, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser thereunder, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) terminate the Purchase Agreement and retain the Contract Deposit made by Purchaser, together with interest earned thereon, as liquidated damages, if any; (ii) commence an action in a court of competent jurisdiction to obtain a declaratory judgment to compel such Purchaser to fulfill all obligations concerning the DOL Tenant Affidavit or Non-Tenant Affidavit, as applicable, and/or complete the purchase of the Residential Unit, provided however, Sponsor may not compel a Tenant Purchaser to close on a Unit; or (iii) exercise all other rights and remedies pursuant to the

Purchase Agreement at law or in equity, including retaining the Contract Deposit (together with interest earned thereon, if any).

If Sponsor elects to terminate the Purchase Agreement, Purchaser shall have 30 days after Sponsor gives notice of termination to cure the default specified in such notice. If the default is not cured within 30 days after Sponsor gives notice of termination, TIME BEING OF THE ESSENCE with respect to the requirement for Purchaser to cure such default, then the Purchase Agreement shall be deemed terminated, and, in such event, Sponsor shall have the right to retain, as liquidated damages, the entire Contract Deposit and any interest earned thereon, it being acknowledged and agreed by Sponsor and Purchaser that it is impossible to determine the actual damages sustained by Sponsor by reason of such default, and that the Contract Deposit (including interest earned thereon) shall constitute and be deemed to be the reasonable and agreed-upon liquidated damages due to Sponsor and the same shall not be deemed a forfeiture or penalty. Upon the cancellation of the Purchase Agreement and the release of the Contract Deposit to Sponsor, Purchaser and Sponsor will be released and discharged of all further liability and obligations to compel such Purchaser to close pursuant thereto and pursuant to the Plan, and the Residential Unit may be sold to another person as though the Purchase Agreement had never been executed, and without any obligation on the part of Sponsor to account to Purchaser for the proceeds of such sale.

In the event that a Purchaser fails for any reason, other than a reason arising from acts or omissions by Sponsor or one acting on behalf of Sponsor, to close title to his or her Unit on the originally scheduled Closing Date and Sponsor elects not to terminate Purchaser's Purchase Agreement by reason of such default, then in addition to the amounts due and owing pursuant to the Purchase Agreement, Purchaser shall pay to Sponsor (a) amounts due with respect to the apportionments to be paid at the Closing, calculated as of midnight of the day preceding the originally scheduled Closing Date (instead of the Closing Date), and (b) an amount equal to 0.04 percent of the Purchase Price of the Unit for each day that the Closing is adjourned, which is equal to 14.6 percent per annum.

If Sponsor elects to seek specific performance, then Purchaser shall have 30 days after Sponsor gives notice to cure such default. In the event that a Purchaser fails to fulfill Purchaser's obligations concerning the DOL Tenant Affidavit and/or close title to the Unit within 30 days after Sponsor gives notice of its election, as applicable, Sponsor may commence an action for specific performance in a court of competent jurisdiction seeking an order (i) compelling Purchaser to comply with his or her obligations concerning the DOL Tenant Affidavit; and/or (ii) compelling Purchaser to close title to the Unit in accordance with the Purchase Agreement and (iii) to recover from Purchaser all costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant-Purchaser to compel such Purchaser to close on the Unit that such Tenant-Purchaser occupied on the Filing Date of the Plan. ***See the Section entitled "Procedure to Purchase" for additional details.***

See the Section of the Plan entitled "Procedure to Purchase" for details.)

3. As Is Condition; Cost of Repairs and Replacements. Except as specifically provided herein, the Property and all occupied Residential Units are being offered for sale by Sponsor in the "AS IS" condition in which the same exist as of the Presentation Date of this Plan, with the appliances and fixtures contained therein, subject to reasonable wear and tear. However, Sponsor has the obligation to maintain the tenanted Residential Units as required pursuant to the leases presently in effect and applicable laws. The Sponsor is performing certain work in Units In the event the Sponsor instead subsequently elects to renovate certain of the other Residential Units, Sponsor will file an amendment to the Plan. Sponsor will maintain the Property until the First Unit Closing in substantially the same condition and manner as on the Presentation Date, subject however to reasonable wear and tear. ***Purchasers are advised to refer to the Section entitled "Description of Property and Building Condition" contained in Part II of the Plan.***

Although a landlord is required pursuant to various laws, statutes, codes and ordinances to cure violations of record, a sponsor is not obligated to cure any dangerous or hazardous conditions or violations of any kind, solely by reason of presentation of the Plan. Therefore, the Condominium will be obligated to cure hazardous or dangerous conditions, if any, and any violations that are or become of record after the date this Plan is accepted for filing, although said obligation and the cost thereof with respect to conditions inside Units may, in some cases, become the responsibility of the owners of such Units. In the event sufficient funds are not available (from the Reserve Fund, Working Capital Fund, money budgeted for repairs and maintenance, or otherwise) to cover the cost of curing violations and/or hazardous or dangerous conditions, if any, for which the Condominium is responsible, it may be necessary to increase Common Charges (in the form of special assessments or otherwise). If violations and/or hazardous conditions, if any, are not cured, the Condominium may be subject to fines and penalties and may be in breach of insurance policies, thereby risking loss of coverage.

As stated above, the Units are being offered for sale in the existing condition of the same as of the date of this Plan, provided however, the work listed below will be performed in Units 2E-3E and 3W by Sponsor or a Sponsor principal, which work will be completed prior to the closing of the sale of the applicable Unit:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem Model # XE40m065ST 45 U1 or equivalent'
- Electric range will be provided;
- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.

Purchasers are advised that the cost of necessary repairs to the Common Elements will be borne by the Condominium and, to the extent that the cost of such repairs exceeds any amounts in reserve that the Condominium Board wishes to expend, such repairs may result in an assessment to Unit Owners or an increase in Common Charges. ***Please refer***

to the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws".

As of the date hereof, there are no conditions at the Building or on the Property that are in violation of the New York City Building Code and Health Code, although certain violations remain "open" in the New York City Department of Buildings, the applicable notes indicate that such conditions have been corrected. Sponsor has not undertaken to correct or repair any existing conditions noted in this Plan, unless otherwise expressly provided herein or in the Description of Property and Condition Report contained in Part II of the Plan. Any price estimates contained in this Plan are approximate and are good faith projections based solely on the experience of Sponsor's architect, not based on any specifications or documentation of the work. The estimates are not derived from bids by contractors or vendors. Actual costs may substantially vary from the cost estimates stated herein. The heating and hot water systems for the Building are being converted so that the same may be operated using natural gas instead of oil. Such work has been completed; however, the public utility, Con Edison, has not yet initiated the gas service required to complete such conversion. Sponsor has been informed that it will not be possible for the conversion to be completed until the scaffolding has been removed. Sponsor will be liable for all costs incurred to complete the conversion. ***Please refer to the Section entitled "Property Description and Condition Report" in Part II of the Plan for further details.***

Sponsor presently has no plans to renovate the Residential Units when the same become vacant and are offered for sale. In the event that Sponsor elects to renovate the Units, Sponsor will amend the Plan. At such time when any of the Units become vacant, Sponsors will then cure any outstanding violations of the Building Code and will confirm that the Floor Plans contained herein accurately reflect the Unit.

Purchasers are advised that necessary repairs and replacements to each Unit's windows and doors and skylights, if any, are to be performed by the Unit Owner at such Unit Owner's sole cost and expense. All such repairs and/or replacements shall conform to standards established by the Condominium Board. ***Please refer to the Section entitled "Rights and Obligations of Unit Owners".***

The execution of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan), including the Building and the Unit contained therein, in the condition existing on the date the Purchase Agreement is executed, ordinary wear and tear excepted between the date Purchaser signs the Purchase Agreement and delivery of the deed to Purchaser. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building or the Unit, except that the work listed below will be performed by the Sponsor or a principal in Units 2E and 3W and will be completed prior to the Closing of the sale of such Units:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem: Model # XE40m065ST 45 U1 or equivalent'
- Electric Cooking equipment will be provided;

- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.
- Fireplace will be infilled since the chimneys have been sealed and are no longer operable.

In addition, the existing laundry equipment, gas water heater, gas dryer laundry sink at Unit 3W will be removed and related piping capped off.

The renovation and performance of construction in the Building is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and structural systems. No assurance can be given to any Purchaser with regard to the accuracy of any projected completion dates set forth herein. The aforementioned work may not be completed prior to the First Unit Closing. During the first year of Condominium operation, construction workers and related personnel may be at the Property from time to time making adjustments and performing various tasks related to the completion of the work described above. The Offering Plan permits Closing to the Residential Units before the completion of such work.

Except as noted above, the Description of Property contained as Exhibit D herein, does not disclose any "unacceptable conditions" that the Sponsor's architect recommends be repair ***See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for additional information.***

4. Sponsor-Owned Residential Units. Sponsor does not represent that it will endeavor to sell, rather than rent, any Residential Unit in excess of the number required to declare the Plan effective. Maximilian Olivas, a principal of Sponsor, occupies Unit 4W and has occupied such Unit since on or about June 1985. As of May 1, 2018, Nana Olivas, daughter of Maximilian Olivas, took occupancy of Unit 2W. Previously, through April 30, 2018, Unit 2W was occupied by an unrelated party, pursuant to a market rate lease, expiring on April 30, 2018, which was not renewed. Sponsor hereby reserves the right to rent or lease any vacant Residential Unit to any other party. Residential Units retained by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Residential Units as and when it chooses. Residential Units may also be acquired by investors who purchase the Residential Units as rental property.

Therefore, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from either Sponsor or other Unit Owners. Individuals leasing Residential Units from Sponsor will not, except as otherwise expressly provided in their respective leases, have any special rights to purchase such Residential Units. Individuals who rent vacant Unsold Units from Sponsor are not Existing Tenants under the Plan and shall have no rights to purchase such Units. Subsequent to the expiration of the Exclusive Purchase Period, Sponsor hereby reserves the right to withhold certain Residential Units from sale. If

this occurs, an amendment to the Plan will be filed setting forth the Residential Units being withheld. If Sponsor leases certain Residential Units to tenants and such Residential Units subsequently are offered for sale, Sponsor shall then amend the Plan accordingly. ***Please refer to the Sections entitled "Introduction" and "Rights and Obligations of Sponsor".***

5. Owner-Occupant Unit Owners May Never Gain Control of the Condominium Board. No provision in the By-Laws provides that, following the end of Sponsor's initial control period of the Condominium Board, a majority of members of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and Sponsor's principals. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD PURSUANT TO THE TERMS OF THIS PLAN. Further, Unit Owners who are owner-occupants and Unit Owners who are non-residents (including Sponsor) may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing (*i.e.*, purchase of a Unit as a home as opposed to an investment). ***See Section entitled "Rights and Obligations of the Condominium Board/Summary of the By-Laws".***

6. Reserve Fund. Local Law 70 enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund. The exact amount of the Reserve Fund may not be ascertained until the Plan is declared effective. The formula is based upon the last price offered to Tenant-Purchasers. In addition, Local Law 70 permits Sponsor to make its required contribution to the Reserve Fund over a five (5) year period. Sponsor reserves the right to take a credit against the Reserve Fund for qualifying work performed in the Building. No assurance may be given that the Reserve Fund will be adequate to pay for the replacement of capital items likely to be needed or how the Condominium Board, which will initially be controlled by Sponsor, will utilize the Reserve Fund. While it is likely that the Reserve Fund will be utilized by the Condominium Board to perform certain capital improvements as permitted pursuant to Local Law 70, Sponsor makes no representations or assurances as to what work might be done by the Condominium Board or the amount that may remain in the Reserve Fund after the Condominium Board performs such work. Moreover, if Sponsor elects to fund the Reserve Fund through supplemental contributions, there may not be a sufficient amount in the Reserve Fund at the time repairs are deemed necessary or appropriate and, if additional monies are required in excess of the then balance of the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against the Unit Owners. ***See the Section of this Plan entitled "Reserve Fund," which may be found in Part I of this Plan and the Reserve Fund Law (Local Law 70) which may be found in Part II of this Plan for more details.***

7. Replacements. Sponsor may replace major components of the Building's systems, including the electrical, plumbing and heating systems and the windows. The foregoing improvements and replacements are each permitted pursuant to Local Law 70. As of the date hereof, Sponsor has no intention of performing capital work that will be eligible for a credit against the Local Law 70 Reserve Fund. In the event that Sponsor elects to perform such work, prior to the date on which the Plan is declared effective, Sponsor will amend the Plan to disclose the same. In the event that any such work is performed, to the extent that any such work could be the basis for a rent increase based upon a "Major Capital Improvement",

Sponsor hereby waives any right that it may have to take the same, provided however, inasmuch as none of the apartments are subject to rent stabilization, Sponsor has no right to file for a rent increase based upon a "Major Capital Improvement.

Please refer to the Sections entitled "Description of the Property" and "Working Capital and Apportionments" and "Reserve Fund" for further details.

8. Reserve for Contingencies. The reserve for contingencies provided for in Schedule B (the projected budget for the first year of Condominium operation) is separate and distinct from the Reserve Fund. The reserve for contingencies is intended to provide a fund for unanticipated expenses and for increases in the operating expenses above amounts projected in the budget for the First Year of Condominium Operation set forth in Schedule B. The reserve for contingencies is not intended and would not be sufficient to meet the cost of any major or capital repairs or replacements that may be required. If funds are required to meet such costs, it may be necessary to utilize the Working Capital or Reserve Funds, increase Common Charges, institute a special assessment or obtain a capital improvement loan, if the Condominium is eligible to obtain such a loan. ***See the footnotes to Schedule B in Part I of this Plan.***

9. Asbestos Containing Materials. Included in this Plan as Exhibit E is a report regarding Asbestos Containing Materials ("ACM") that was filed with the New York City Department of Buildings. The report contained in Exhibit E, does not include results for the any samples taken in the cellar or basement, including without limitation, the boiler room. Sometimes pipes located in the boiler room are insulated with ACM; however, at the time the Building was converted to residential use, *i.e.* 1985, ACM were no longer is use. Due to the age and construction of the Building, it is possible that ACM may be present on pipes that run behind walls or in other presently sealed areas. The Environmental Engineer recommends, as a general rule, caution and further investigation prior to any destructive repair or renovation.

Notwithstanding any ACP-5 or ACP-7 reports that may have been filed with DOB for all work that Sponsor has performed at the Building, Sponsor makes no representation that any Units or common areas are free of asbestos or asbestos-containing materials. Sponsor's obligations pursuant to the Plan do not include the obligation to remove any asbestos identified in the Asbestos Report and Sponsor does not intend to perform any such remedial work unless otherwise specifically stated herein. It will be the obligation of the Condominium Board to formulate an Operations and Maintenance (O&M) Program for dealing with ACM, if necessary.

Please see the Asbestos Report which appears as Exhibit E in Part II of this Plan.

10. No Financing Contingency. The Purchase Agreement in the form set forth as Exhibit A in Part II of the Plan may not be contingent upon Purchaser obtaining financing nor does this Plan contain any provision requiring Sponsor to provide or assist a Purchaser in obtaining financing for the purchase of a Unit. Accordingly, a Purchaser who is unable to tender the balance due at Closing will be in default of his or her Purchase Agreement, entitling Sponsor to retain such Purchaser's Contract Deposit and all accrued interest thereon. Sponsor

does not make any representation as to the terms or availability of mortgage financing. ***See the Section entitled "Procedure to Purchase" and the Purchase Agreement set forth in Part II for further information.***

A Purchaser's obligation to purchase a Residential Unit pursuant to a Purchase Agreement shall not be contingent on such Purchaser obtaining financing for the purchase of the Unit, so a Purchaser will remain obligated pursuant to a Purchase Agreement whether or not Purchaser has been able to secure a mortgage loan commitment. Neither Sponsor nor its principal, managers, members, agents, designees, employees or affiliates, makes any representations as to the terms or availability of any mortgage financing (including, without limitation, the availability of financing conforming to FHA or Fannie Mae requirements). Prospective Purchasers may want to confirm their financing arrangements or eligibility to obtain a mortgage loan before executing a Purchase Agreement. Purchaser should also be aware that even if a loan commitment is obtained, its term may be fixed, and the interest rate lock and/or the commitment itself may expire before the Closing Date. Neither Sponsor, the representatives of Sponsor shall have any liability as a result of any scheduling or adjournment of closing beyond the expiration of an interest rate lock or any loan commitment. In the event that Purchaser's mortgage commitment lapses or expires prior to the closing and Purchaser has made a good faith effort to extend the commitment, Sponsor shall grant Purchaser an adjournment of the closing of no more than 30 days, without penalty. ***See the Section of the Plan entitled "Procedure to Purchase" and Special Risk No. 44 for further details.***

11. Minimum Sales Required; Limitations on Availability of Mortgage Financing. Pursuant to existing law and regulation, Sponsor may declare the Plan effective by selling a minimum of fifteen percent (15%) *i.e.*, two (2) of the Residential Units offered for sale herein. Even if the Plan is declared effective based upon the sale of fifteen percent (15%) of the Residential Units, it is still possible that Sponsor may convert the Building with fewer than the minimum number of Units if Purchasers counted toward effectiveness do not ultimately purchase their Residential Unit. By reason of the fact that a proposed offering plan for the Building, commonly referred to as a "Red Herring", was submitted to the Department of Law and served on the Tenants-in-Occupancy on or about September 30, 2018, the consummation of the offering described in this Plan, to convert the Building to a condominium, does not have to comply with the increased threshold of sales and related matters that are required to declare an offering for an occupied building effective pursuant to the Housing Stability and Tenant Protection Act of 2019.

Purchasers should note that banks and other lenders may impose various restrictions in connection with loans secured by condominium apartments. Such restrictions may include a requirement that a certain percentage of the apartments in a building be sold before the lender will consider making a loan. The minimum number of sold Residential Units may be greater than fifteen percent (15%) and up to seventy percent (70%), for purposes of obtaining a loan.

Accordingly, if the Plan is declared effective based upon the sale of fifteen percent (15%), *i.e.*, two (2) of the Residential Units, certain lenders may decline to make mortgage loans until additional Residential Units are sold. Purchasers should also note that

lenders may still impose minimum sales requirements before approving a loan long after the First Unit Closing. It may be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements. ***See Sections entitled "Effective Date" and "Rights and Obligations of Sponsor" for further details.***

12. Requirement to Re-Declare the Plan Effective. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, if all Purchase Agreements are either rescinded or terminated prior to the date of First Unit Closing, regardless of whether the Declaration has been recorded, Sponsor must re-declare the Plan effective in order to conclude the conversion to a Condominium pursuant to the Plan in accordance with 13 N.Y.C.R.R. § 23.1(c)(5). ***(See Sections entitled "Effective Date" and "Rights and Obligations of Sponsor" for further details.)***

13. No Assurance of Performance of Sponsor Obligations. The assets and borrowing capacity of Sponsor are sufficient to meet the obligations of Sponsor hereunder. Such obligations include the payment of Common Charges and real estate taxes with respect to the Unsold Units, and the payment of the costs of conversion, including the funding of the Reserve Fund as required herein. No bond or other form of security has been posted by Sponsor to guarantee its performance of the obligations of Sponsor hereunder, and therefore, there is no assurance of the performance of Sponsor's obligations hereunder. ***See Section entitled "Rights and Obligations of Sponsor" for further details.***

14. Control of Condominium Board. Sponsor will control the Condominium Board until the earlier of: (i) the Closing with purchasers under the Plan to Units having more than fifty percent (50%) of the aggregate Common Interests appurtenant to all Units, or (ii) five (5) years after the First Unit Closing (the "Initial Control Period"). After the Initial Control Period, Sponsor, as owner of Unsold Units shall have the right to designate one member of the Condominium Board for so long as Sponsor owns at least one Unsold Unit. In no event may any party other than the Commercial Unit Owner appoint the member of the Condominium Board who is to be elected or designated by the Unit Owner of the Commercial Unit.

During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. ***See the Section entitled "Control by Sponsor" for further details.***

15. Sponsor's Veto Powers. Until such time when Sponsor owns Residential Units with an aggregate interest of less than twenty-five percent (25%) of the aggregate Common Interests of the Condominium, but in no event later than five (5) years after the First Unit Closing, Sponsor may veto certain actions of the Condominium Board. During the aforementioned period, 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, unless the same complies with applicable laws or regulations, and except for any repair or replacement necessary for the preservation or safety of the Building or the safety of its occupants; (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency or

surplus fund; (c) increase or decrease the number, or change the kind of, employees initially employed by the Condominium; (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, 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 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 applicable laws or regulations, remedy any notice of violation or remedy any work order of the Condominium's insurer. Notwithstanding anything to the contrary contained herein, Sponsor may not exercise veto power over the expenses described in Schedule B, or over expenses required to: (i) comply with applicable laws or regulations; or (ii) remedy any notice of violation; or (ii) remedy any work order by an insurer. ***See Section entitled "Control by Sponsor" and "Rights and Obligations of the Condominium Board/Summary of By-laws" for further details.***

16. Unit Purchasers to Pay Transfer Taxes. Pursuant to applicable law and regulation, a seller is obligated to pay the New York City Real Property Transfer Tax and New York State Real Property Transfer Tax (Deed Stamps); however, pursuant to this Plan and the Purchase Agreement, this obligation shall be transferred to Purchasers and Purchasers shall be obligated to pay these taxes. The New York City Real Property Transfer Tax (the "City Transfer Tax") is payable at the rate of 1.0 percent for Units where the Purchase Price is less than $500,000.00 and 1.425 percent of the Purchase Price in instances where the Purchase Price is greater than $500,000.00. The New York State Real Estate Transfer Tax (the "State Transfer Tax") is payable at the rate of 0.4 percent of the Purchase Price in instances in which the Purchase Price is $3,000,000 or less and if the Purchase Price is more than $3,000,000, the State Transfer Tax is payable at the rate of 0.65 percent. However, in instances where the transfer taxes which are the statutory liability of a seller are paid by a purchaser, the New York City adds the amount of such transfer taxes to the Purchase Price for purposes of determining the consideration on which the NYC RPT is computed. Accordingly, in instances where the Purchase Price is less than $500,000.00, the effective rate of the City Transfer Tax is 1.014 percent, where the Purchase Price is greater than $500,000.00, the effective rate of the City Transfer Tax is 1.451 percent. Effective as of July 1, 2021, New York State has taken the position that the consideration for the purpose of computing the State Transfer Tax and the Mansion Tax (as described below), if applicable, is to include the RPT Tax paid that is paid by purchasers pursuant to the Purchase Agreement, but such consideration shall *not* include the State Transfer Tax; provided however, for purposes of computing the State Transfer Tax and the Mansion Tax, the New York City Real Property Transfer Tax is added to the consideration on which such taxes are payable.

In addition, Purchasers who purchase Units having a Purchase Price of $1,000,000.00 or more will be liable for payment of the New York State Special Additional Transfer Tax, commonly referred to as the "Mansion Tax", which is the responsibility of purchasers pursuant to applicable law. The "Mansion Tax" shall be computed as follows: For sales of Residential Units with Purchase Prices between: (i) $1,000,000 and $1,999,999 the tax is equal to one percent (1%) of the Purchase Price: (ii) $2,000,000 and $2,999,999 the tax is equal to one and

one-quarter percent (1.25%) of the Purchase Price; and (iii) $3,000,000 and $4,999,999 the tax is equal to one and one-half percent (1.50%) of the Purchase Price. The tax rate escalates further for sales in excess of $5,000,000; however, it is not presently anticipated that any Residential Units will sell for more than $5,000,000. If this were to change, Sponsor will amend the Plan.

See the Section entitled "Unit Closing Costs and Adjustments" for further details.

17. Reimbursement of Legal Fees to Sponsor if Sponsor Prevails; Waiver of Jury Trial. The Purchase Agreement provides that Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in successfully defending or enforcing Sponsor's rights pursuant to the Purchase Agreement or, if Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder. **THE PURCHASE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT, EXCEPT AS PROHIBITED BY LAW, THE PARTIES WAIVE THE RIGHT TO 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**. ***See the Purchase Agreement in Part II of the Plan.***

18. Working Capital Fund. At the Closing to a Unit, Sponsor will collect from each Purchaser of a Unit, on behalf of the Condominium Board, an amount equal to two (2) months' Common Charges to be deposited into the Working Capital Fund. Other than Sponsor, a Purchaser of a Residential Unit occupied by a Non-Purchasing Tenant will pay a contribution to the Working Capital Fund in an amount equal to two (2) months' Common Charges then applicable to such Residential Unit. The Working Capital Fund may be expended for any purpose, including the reduction of Common Charges, during any period, including the period during which Sponsor controls the Condominium Board. The Working Capital Fund may be augmented by allocations from the monthly Common Charges collected from each Unit. No representation or warranty may be made and no assurance may be given as to the exact amount of funds available in the Working Capital Fund at any specific time. Notwithstanding the foregoing, while Sponsor controls the Condominium Board ***(see the Section of the Plan entitled, "Control By Sponsor" set forth in Part I of the Plan)***, the Working Capital Fund will not be used to reduce estimated Common Charges. Purchasers are advised that if Sponsor enters into leases for Unsold Units, the tenants thereunder will not be obligated to contribute to the Working Capital Fund. The Working Capital Fund may be insufficient for the payment of unanticipated expenses, if any, and Unit Owners may be subject to a Special Assessment to pay for the costs of such unanticipated expenses, if any. ***See the Sections of this Plan entitled "Working Capital Fund and Apportionments", "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" and "Unit Closing Costs and Adjustments" which may be found in Part I of this Plan, for additional details.***

19. Sponsor Attorneys' Fees. All legal costs, fees and expenses charged by Purchaser's attorney shall be the sole responsibility of Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's counsel, Phillips Nizer LLP, in connection with the Closing to Purchaser's Residential Unit: (i) the sum of $3,500 for the

preparation of closing documents and attendance at closing, (ii) if the Purchaser requests the Closing to occur at a location other than at the offices of Phillips Nizer LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change of location, an attendance fee of $700 for each Closing held within Manhattan and $1,000 for each Closing held in any borough outside of Manhattan, (iii) if the Closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; and (iv) if Purchaser, Purchaser's counsel or Purchaser's lender is more than one (1) hour late to the Closing, Sponsor reserves the right to adjourn or delay the Closing and cause Purchaser to pay an adjournment fee of $500. Notwithstanding the obligation of Purchasers obligation to pay Sponsor's attorney fees pursuant to this Plan, Sponsor's attorneys will be acting on Sponsor's behalf in connection with the preparation of the Purchase Agreement and the Closing of the transaction. ***Please refer to the Section of the Plan entitled "Unit Closing Costs and Adjustments" in Part I of the Plan for further details.***

20. Contract Deposits Held in Escrow. All Contract Deposits will be held in escrow by Sponsor's counsel, Phillips Nizer LLP, having an office at 485 Lexington Avenue, 14th Floor, New York, NY 10017, in accordance with the Purchase Agreement in the form contained as Exhibit A in Part II of this Plan. Contract Deposits shall be maintained in a separate interest-bearing account for each Purchaser at Webster Bank, Two Blue Hill Plaza, Second Floor, Pearl River, New York 10965. Upon delivery of a Contract Deposit, together with IRS Form W-9, such Contract Deposit will be placed in an individual interest-bearing account. Deposits of $250,000 or less will be covered by insurance issued by the Federal Deposit Insurance Corporation ("FDIC"). Notwithstanding the foregoing: Contract Deposits in excess of $250,000 are not FDIC insured; Contract Deposits may also not be FDIC insured during the time that such amounts remain in the master portion of such escrow account. In addition, the FDIC aggregates other accounts that a Purchaser may have on deposit at Webster Bank for the purpose of determining the $250,000 insurance limit. Accordingly, if a Purchaser maintains other accounts at Webster Bank such deposits may limit the portion of the Contract Deposit that may be recovered in the event that Webster Bank becomes insolvent. Neither Sponsor nor the Escrow Agent shall be liable for the loss of the Contract Deposit in the event that Webster Bank becomes insolvent. Although Sponsor does not intend to undertake the performance of custom work, in the event Sponsor agrees to perform any custom work in the Unit, Sponsor may require the additional cost for such custom work to be paid in advance, (in each instance a "Custom Work Deposit"), which payment shall initially be deposited in the Escrow Account. Such payment or deposit for custom work may be disbursed to Sponsor upon Sponsor's written request therefor provided that Sponsor certifies in such written request that it will use the funds so disbursed to perform such custom work. A Purchaser who is entitled to rescission will not be entitled to the refund of any portion of any Custom Work Deposit tendered by Purchaser for the performance of custom work in the Unit the extent that the same was expended by Sponsor for custom work completed prior to the date that such Purchaser exercised any right of rescission; however, Sponsor will be obligated to return to Purchaser the unexpended portion of such amounts. In the event that the Plan is abandoned, Purchaser will be entitled to a refund of all amounts deposited for the performance of custom work, regardless of whether such funds have then been expended. ***See Section entitled "Escrow and Trust Fund Requirements" for further details.***

21. Foreign Banks. Funds drawn on out-of-state or foreign banks or New York bank or trust companies that are not a member of The New York Clearinghouse Association will not be accepted in payment of the Purchase Price, including the Contract Deposit and any Custom Work Deposit, unless otherwise agreed by Sponsor. ***See the Section entitled "Procedure to Purchase" under the subsection entitled "Escrow and Trust Fund Requirements" set forth in Part I of the Plan.***

22. Right of First Refusal on Sale or Lease of Residential Units by Residential Unit Owners. The sale or lease of a Unit by a Residential Unit Owner, other than Sponsor or its successor with respect to Unsold Residential Units, is subject to a right of first refusal in favor of the Condominium Board. ***Please refer to the Sections of the Plan entitled "Rights and Obligations of Unit Owners" and "Rights and Obligations of the Condominium Board/Summary of By-laws" for further discussion.***

23. No Right of First Refusal for Unsold Units or the Commercial Unit. Unlike Purchasers, Sponsor or its successors will not be required to offer a right of first refusal or seek or obtain approval, as the case may be, from the Condominium Board for any transfer, lease of, or alterations, repairs or improvement to its Residential Units, provided, however, any such alterations, repairs or improvements must comply with applicable laws. The Condominium Board does not have: (a) a right of first refusal to approve any sale or lease of the Commercial Unit; or (b) the right to approve the alterations, improvements and/or repairs to the Commercial Unit; provided, however, any such work must comply with applicable laws. ***Please refer to "Rights and Obligations of Sponsor" and "Commercial Unit" in Part I of the Plan.***

24. Adjustments between Sponsor and the Condominium Board. On a date determined by Sponsor, which should occur no later than sixty (60) days following the date of the First Unit Closing, customary adjustments will be made between Sponsor and the Condominium Board. Customary adjustments shall include prepaid insurance premiums and service contracts, water and sewer charges that are billed on an annual basis and payroll expenses. To the extent that such adjustments result in a net credit in favor of Sponsor, such credit shall be paid to Sponsor in twelve (12) consecutive monthly payments with interest at the rate of ten percent (10%) per annum or, at the option of Sponsor, Sponsor shall be entitled to a credit against the Common Charges due from Sponsor on account of the Unsold Units. It is not presently possible to determine the amount of any net adjustment in favor of Sponsor. Accordingly, no provision has been made in the Budget for First Year of Condominium Operation for any such payment to Sponsor or credit in favor of Sponsor. If the net adjustment at Closing is in favor of Sponsor, it may be necessary to increase the initial Common Charges payable by the Unit Owners for a limited period of time in order to reimburse Sponsor for any such adjustments. ***See the Notes to Schedule B and the Sections entitled "Working Capital Fund and Apportionments" and "Reserve Fund" for further details.***

25. Real Estate Tax Assessments. Sponsor has been advised by its real estate tax counsel that the current practice of the New York City Department of Finance is to allocate the aggregate tax assessment for the entire Property existing as of the date of the recording of the Declaration among all Units in the relative proportion that the Common Interest appurtenant to each Unit bears to the aggregate Common Interest. This is the method to be used by the

Condominium Board to determine the escrow amount to be paid by each Unit Owner prior to the time that the Department of Finance separately assesses the Units for real estate taxes. No representation is made that the New York City Department of Finance will continue to assess Real Estate Taxes on such basis. ***See Note 7 to Schedule A in the Section entitled "Notes to Schedule A" and the Section of Part I entitled "Real Estate Taxes".***

26. Sale of Occupied Units by Sponsor. In accordance with the terms of this Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Residential Units to one or more Non-Occupant Purchasers for investment or resale. Any such sales are subject to the rights, if any, of Non-Purchasing Tenants to purchase their Residential Units during a subsequent Exclusive Purchase Period that occurs prior to the Effective Date. ***Please refer to the Section entitled "Rights of Existing Tenants".***

27. Interim Use and Occupancy Agreements. Sponsor has further reserved the right, which may be exercised in Sponsor's sole and absolute discretion, to enter into an Interim Use and Occupancy Agreement with respect to a Residential Unit, for which Purchaser has entered into a Purchase Agreement prior to Closing the sale of such Residential Unit (each, an "Interim Occupancy Agreement"). As such, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or from the Residential Unit Owners. In the event that Sponsor elects to enter into an Interim Occupancy Agreement, such Purchaser will be required to authorize Sponsor to obtain a credit report, at Purchaser's expense, which will not exceed the limits permitted pursuant to applicable law. In addition, Purchaser will be required to give Sponsor a security Deposit in an amount equal to one months' rent to be held in accordance with the New York General Obligations Law until either the date of the Closing or the date on which such Purchaser vacates the Residential Unit that is the subject of the Interim Occupancy Agreement, whichever is first to occur. At Closing, Purchaser will receive a credit in the amount of the security deposit made pursuant to any Interim Occupancy Agreement and Sponsor and Purchaser will adjust the rent payable pursuant to the Interim Occupancy Agreement in accordance with the "Customs with Respect to Real Estate Closings". Any Interim Occupancy Agreement for a Residential Unit entered into with a Purchaser, other than a Tenant Purchaser, will provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Residential Unit that is the subject of the Interim Occupancy Agreement will constitute a default pursuant to the Interim Occupancy Agreement entitling Sponsor, at its sole option, to terminate such Interim Occupancy Agreement in accordance with applicable law. In addition, each Purchase Agreement may provide that an uncured default by Purchaser under the Interim Occupancy Agreement with respect to the Residential Unit that 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. In the event that Sponsor is in default under the Interim Occupancy Agreement, Sponsor may apply the security deposit paid thereunder in accordance with applicable law. ***Please refer to the Section entitled "Interim Use and Occupancy Agreements".***

28. Visitors; Personal Injuries and Losses. During the period that Units are being offered for sale or lease by Sponsor or its successors, there will be a greater number of visitors to the subject premises than would otherwise be the case. No representation or warranty is

made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor, nor its successors nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by any act or omission of Sponsor or its successors, the Managing Agent or their respective agents. ***See the Section entitled "Introduction."***

29. Prohibition on Advertising. Prior to the Closing to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing the Residential Unit for resale or rental with any broker or listing agent or advertising or otherwise offering, promoting, holding open houses or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent, which consent may be withheld or delayed in Sponsor's sole and absolute discretion. Any such listing or promotion of the Residential Unit for sale and/or advertising by Purchaser in violation of the terms of the Plan shall be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon. ***See the Section entitled "Procedure to Purchase" in Part I of the Plan and the Purchase Agreement in Part II of the Plan.***

30. Prices for the Residential Units. All of the Residential Units being offered are intended to be sold as condominium Units in accordance with this Plan at the prices set forth on Schedule A. These prices have been established solely by Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency. ***Please refer to Schedule A in Part I of this Plan.***

31. Commercial Unit. As of the date of the First Unit Closing, the Condominium will be a "mixed use" condominium by virtue of it containing Residential Units and a Commercial Unit in the same building. There will be one (1) Commercial Unit located in the cellar which is not offered for sale at this time. At such time when the Commercial Unit is offered for sale, it will be offered pursuant to an amendment to this Plan or pursuant to a "No Action Letter" application.

Pursuant to the New York City Zoning Resolution, such Commercial Unit may be used, as of right, as administrative and executive offices for professionals, including, without limitation, consultants, accountants, psychologists, social workers, attorneys, etc. Sponsor makes no representation as to the compatibility of uses in the Building. The Declaration of Condominium states that the Commercial Unit may be used for any lawful purpose permitted by the New York City Zoning Resolution. The Declaration prohibits certain uses including, but not limited to, a drug or alcohol treatment center, a shelter for homeless persons, or an AIDS treatment center. The use of the Commercial Unit may generate noise, vibration, traffic or other disturbances over which the Residential Unit Owners will have no control. The Commercial Unit may operate 24 hours per day, 365 days per year. The Commercial Unit Owner shall have the right to subdivide and combine portions of the Commercial Unit (if the same was previously sub-divided), subject to the provisions of the Declaration and By-Laws. The Commercial Unit is not subject to a Right of First Refusal in the event that the Unit Owner thereof wishes to sell

or lease the same. Also, the Unit Owner that owns the Commercial Unit may perform alterations therein without the approval of the Condominium Board provided however, all such alterations must comply with applicable law and code. Notwithstanding the foregoing, Sponsor reserves the right to convert the Commercial Unit to residential occupancy, if so permitted under applicable law.

As of the date hereof, the rear portion of the space that will constitute the Commercial Unit is rented to Amy Botello who uses the same for storage. The front portion of the space that will comprise the Commercial Unit is vacant. ***See Section of the Plan entitled "Commercial Unit" for further information.***

32. Lead-Based Paint. Due to age and construction of the Building, it is possible that lead-based paint may be present in a variety of areas throughout the Building. Buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Pursuant to various federal, state or local laws mandating the disclosure of information concerning the presence of lead-based paint in residential housing, Sponsor will distribute to each Purchaser a copy of the pamphlet "Protect Your Family from Lead in Your Home" published by the United States Environmental Protection Agency, which provides important lead-based paint information. A copy of such pamphlet appears as Exhibit L in Part II of the Plan. Pursuant to subdivision (6) of Section 23.3(kk), the regulation requires disclosing the existence of applicable federal, state or local laws concerning lead-based paint (see regulatory advice below). Under subdivision (dd) of Section 23.7 of Title 13 NYCRR, a Sponsor must disclose any records, reports, violations and any other information known or available to Sponsor or its agents, if any, concerning the presence of lead-based paint and/or lead-based paint hazards. Therefore, Sponsor will make all documents concerning the presence of lead-based paint, which it has in its possession, if any, available for inspection at its office during regular business hours by appointment.

Local Law 38 of 1999 ("Local Law 38") is applicable to units built before 1960 in New York City. Local Law 38 requires that, in the event an owner has notice that a child under six (6) years of age resides in a Residential Unit, the owner must conduct annual inspections for peeling paint and deteriorated surfaces. An owner must abate and repair peeling paint, smooth all bare floors and repair deteriorated sub-surfaces and building doors and windows, whenever the foregoing inspection reveal such conditions in an apartment that becomes vacant. The existence of a lead paint hazard is a Class C immediately hazardous violation. For purposes of compliance with Local Law 38, Residential Unit Owners are each deemed the "Owner" of their respective Residential Units. The foregoing requirements would apply whenever a Residential Unit Owner rents such Residential Unit Owner's Unit or sells their respective Residential Unit to a party other than the party residing in such Residential Unit. Purchasers are urged to review and to familiarize themselves with Local Law 38 and New York City Local Law I of 2004, a copy of which is included as an exhibit to this Plan, and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owner thereunder. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their

own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of and any appropriate remediation for lead paint.

As of the date of this Plan, there are three (3) violations, all dated July 11, 2022 and related to lead based paint located in Unit 1W having Department of Building ID Nos. 15262651,15262649 and 15262647. Copies of such violations are annexed to the Description of Property contained in Part II of the Plan. Sponsor has retained a contractor licensed to remediate lead-based paid and undertaken all work advised to remediate the lead based paint condition in Unit 1W (the "Lead Remediation Work"). Subsequent to the completion of the Lead Remediation Work, Sponsor is having the relevant portions of Unit 1W tested to confirm the completion of the Lead Remediation Work and upon the receipt of the report confirming such completion, Sponsor shall cause the violations to be "closed out" and removed of record.

See the Description of Property contained in Part II of the Plan for further information. See also the Section of the Plan entitled "Rights of Existing Tenants" and the "Lead Paint Questionnaire" and the pamphlet entitled "Protect Your Family from Lead in Your Home" published by the United States Environmental Protection Agency annexed hereto as Exhibits L and M, respectively, in Part II of this Plan.

33. Limited Warranty. The Building was constructed in or about 1887. The Housing Merchant Implied Warranty set forth in Section 777 of the New York General Business Law does not apply to this offering. ***See Section entitled "Rights and Obligations of Sponsor" for further information.***

34. Square Footage of Units. Each Unit consists of the area measured horizontally from the exterior faces of exterior walls, from the center lines of walls separating one unit from another unit and to the outside faces of the walls separating the Units from the Common Elements as indicated in the Floor Plans, and from lot line at party walls separating one Unit from another, and measured vertically from the top of the sub-floor to the underside of the floor construction. No deductions have been made for the Common Elements contained therein, *e.g.* pipe chases, structural columns. The square footage set forth on Schedule A significantly exceeds the useable square footage of the Unit. Sponsor will not do any work to modify the configuration of the Units that would affect the square footage thereof subsequent to the date of the Plan unless such modification is disclosed in an amendment to the Plan. In any case, the Units are sold in the "AS IS" condition as of the date of the Plan, subject only to performance of work set forth in the Description of Property in Part II of the Plan, if any, or as agreed in writing upon the execution of a Purchase Agreement or as otherwise specifically disclosed in the Plan. The square foot area and dimensions of the Units listed in Schedule A or on the Floor Plans or in the Declaration are approximate within reasonable tolerances. Accordingly, no immaterial variation between the Floor Plans set forth herein and the actual layout of a Unit will affect a Purchaser's obligations under the Purchase Agreement or the Plan. ***See Footnotes to Schedule A.***

35. Window Guard Requirements. It is the responsibility of each Residential Unit Owner to notify the Condominium Board in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. It is the

responsibility of each Residential Unit Owner to ensure that all operable windows opening into the Residential Unit comply with all applicable laws relating to window guards and, if necessary, install, operate and maintain, at the Residential Unit Owner's expense, any additional equipment required by applicable law in effect from time to time. Sponsor makes no representation, warranty or assurance whether Residential Unit Owners will comply with the foregoing obligations. ***Please refer to Sections of the Plan entitled "Rights and Obligations of Unit Owners" and "Right and Obligations of Condominium Board/Summary of By-laws" in Part I of the Plan for further details.***

36. Balconies. Units 2E, 2W, 3W and 4W each have a balcony appurtenant to such Units as a Limited Common Element (each a "Balcony" and collectively, "Balconies"), and each Residential Unit Owner who owns a Residential Unit to which a Balcony is appurtenant shall be referred to as a "Balcony Unit Owner" and collectively, as the "Balcony Unit Owners". Each Balcony Unit Owner will be responsible for all maintenance and non-structural alterations of the outdoor space appurtenant to their respective Units, subject to applicable laws, the Condominium Documents, including Rules and Regulations imposed by the Condominium Board from time to time regarding installations, plantings, furnishings, etc. Each Balcony Unit Owners will be responsible for keeping the Balcony appurtenant to their respective Residential Unit free of snow, ice, and water accumulations to the extent that failure to so do will damage the Building or injure others. Repairs and replacements to the structural elements of the Balconies will be performed by the Condominium Board with all costs and expenses thereof charged to all Unit Owners as a Common Expense. Alterations to the Balconies are subject to review and approval of the Condominium Board and compliance with any applicable law and code. Prospective purchasers are advised that the Balconies may not be enclosed without the permission of the Condominium Board. ***See the Section of the Plan entitled "Introduction" subsection "Features of Condominium Ownership" for details.***

37. Income Taxes Payable by the Condominium. Sponsor anticipates that the Condominium will qualify as a homeowner association under Section 528 of the Internal Revenue Code. In the event that the Condominium does not qualify as a homeowners association, or if it qualifies but chooses not to make the election to be a homeowners association, the present state of the law is uncertain as to the tax treatment of any income received by the Condominium in excess of appropriate deductions and credits. As discussed in the Counsel's Income Tax Opinion Letter prepared by Sponsor's counsel and set forth in Part I of the Plan, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the non-membership, and possibly membership, income, less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise and/or Unincorporated Business Tax. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any substantial income that may be taxable and, accordingly, does not specifically budget any amounts for taxes for non-membership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. ***Please refer to the Counsel's Income Tax Opinion Letter and***

the Section entitled "Income Tax - Deductions to Residential Owners and Tax Status of Condominium" in Part I of the Plan for further discussion.

38. Sponsor's Acceptance of Purchase Agreements. Purchase Agreements that are executed by Purchasers who are not Tenants-in-Occupancy will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser. Sponsor will have 30 days after delivery by a Purchaser of an executed Purchase Agreement and the Contract Deposit required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law.

If a Purchase Agreement is not accepted by Sponsor within the aforesaid 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Contract Deposit shall be returned to Purchaser within 30 days thereafter. 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. ***Please refer to Section of the Plan entitled "Procedure to Purchase" in Part I of the Plan for further details.***

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

40. Power of Attorney. Each Purchaser will be obligated to enter into a Power of Attorney at the Closing to the Residential Unit. The form of Power of Attorney set forth in Part II of the Plan, grants broad powers to the Condominium Board to enter into agreements affecting the General Common Elements. It also grants to the Condominium Board the right to file tax certiorari proceedings to challenge the tax assessment of the Building and the Units on behalf of all of the Unit Owners. The Power of Attorney also grants to Sponsor the right to

amend the Condominium Declaration with respect to Unsold Units and to effectuate such other rights granted to Sponsor pursuant to the Declaration and By-Laws. ***Please refer to the form of Power of Attorney set forth as an Exhibit in Part II of the Plan.***

41. Landmark Designation. The Building has been designated as a landmark by the New York City Landmarks Preservation Commission (the "LPC") pursuant to Notice of Designation dated June 6, 2001. By reason of such Landmark Designation, all improvements to the Building, including any work to the interior of the Units (other than cosmetic work), will require the prior approval of the New York City Landmarks Preservation Commission. ***See "Description of Property" set forth in Part II of the Plan.***

42. Financial Crimes Enforcement Network. Pursuant to an Amended Geographic Targeting Order ("GTO"), dated October 22, 2023, the Financial Crimes Enforcement Network (FinCEN), a bureau of the United States Department of the Treasury, will require title insurance companies to identify the beneficial owners, *i.e.,* the natural persons who own the shares or interest in corporations and limited liability companies, respectively, which purchase luxury residential real properties located in the Borough of Manhattan, having a purchase price of more than $300,000 in an "all-cash transaction", *i.e.* transactions that do not include a bank loan or similar form of external financing by a financial institution that has both an obligation to maintain an anti-money laundering program and an obligation to report suspicious transactions under FinCen regulations appearing in Chapter X of Title 31 of the Code of Federal Regulations (each a "covered transaction"). Any "covered transaction" includes transactions in which the consideration paid at closing, at least in part using currency, a cashier's check, certified check, traveler's check, a personal check, a business check, a money order in any form, a funds transfer or wire transfer of immediately available funds or virtual currency. In the event that a Purchaser acquires title to a Unit purchased pursuant to this Plan in a covered transaction and obtains title insurance in connection therewith, the title insurance company must report said transaction to FinCEN within 30 days of the closing. The title insurance company must identify (1) the purchaser; (2) the purchaser's representative, if any; and (3) the beneficial owner, which is defined as each natural person who, directly or indirectly, owns 25 percent or more of the equity interests of the purchaser. The title insurance company must obtain and copy the driver's license, passport or other similar identification for each beneficial owner. The title insurance company must retain all records relating to the GTO for at least five (5) years and make such records available to FinCEN or any other law enforcement or regulatory agency upon request. In the event that a Purchaser elects to acquire title in a Unit offered for sale pursuant to this Plan in the name of a corporation or a limited liability company, such transaction may be a covered transaction pursuant to the GTO. ***See Section entitled "Procedure to Purchase".***

43. Certification of Sponsor's Principals Executed Solely for Martin Act Purposes. As required by the applicable regulations, Sponsor and principals of Sponsor have executed a certification of this Plan, which appears in Part II hereof. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or the Condominium on their behalf) in connection with or arising solely by reason of such principals' execution of the Certification of Sponsor and Principals, absent liability pursuant to another statute or the successful assertion of a claim to "pierce the corporate veil." See Board of Managers of 184

Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al., 106 A.D. 3rd 542 (1st Dept. May 16, 2013). ***See the Section entitled "Rights and Obligations of Sponsor."***

44. Sponsor's Right to Sell Unsold Units / Retain Vacant Units for Future Sale or Lease. In accordance with the terms of the Plan, Sponsor reserves the unconditional right, following the expiration of the Exclusive Purchase Period, to sell occupied Residential Units. Sponsor also reserves the unconditional right to retain vacant Residential Units for future sale or lease to the Purchaser thereof or to any other party. Any such sales are subject to the rights, if any, of Non-Purchasing Tenants, to purchase their Residential Units during a subsequent Exclusive Purchase Period which occurs prior to the Effective Date. ***See Sections entitled "Obligation of Unit Owner of Residential Units Occupied by Non-Purchasing Tenants" and "Rights and Obligations of Sponsor."***

Sponsor also reserves the unconditional right to lease rather than sell Residential Units as the same become vacant, exercisable in Sponsor's sole discretion. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Moreover, a significant number of Residential Unit Owners may not be residents of the Building and a significant number of tenants may not be Residential Unit Owners. Sponsor is not limiting the conditions under which it will lease rather than sell Residential Units; accordingly, there is no commitment to sell more than fifteen percent (15%) of the Residential Units necessary to declare the Plan effective (*i.e.*, two (2) Residential Units). Purchasers are advised that, as a result, Residential Unit Owners who occupy their Units may never gain control and management of the Condominium. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, *i.e.*, purchasing as a home as opposed to as an investment.

Prospective Purchasers should be aware that occupants who are not Unit Owners may reside in many of the Residential Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, occupants who are not Unit Owners (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants; however, such occupants who are not Unit Owners have no investment in their Residential Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities. ***(See the Section of the Plan entitled "Introduction" for details.)***

45. Rights of Existing Tenants. Sponsor acquired the Property from a religious institution, East Side Hebrew Institute–Zitomer Talmud Tora Darchei Noam, Inc., which occupied the Building for its own use. The Building was converted to residential use and received a certificate of occupancy for residential use in April, 1985. By reason of the fact that the Building was converted to "Residential Use" and the Certificate of Occupancy for the Building for residential use was initially issued in 1985, none of the apartments in the Building are subject to any rent laws, *i.e.* The Emergency Tenant Protection Act ("Rent Control") or the

New York City Rent Stabilization Law and Code ("Rent Stabilization" and together with Rent Control, collectively, the "Rent Laws").

Pursuant to this Plan, the existing tenants who occupy the apartments located in the Building occupy said apartments pursuant to leases that are ***not subject*** to the Rent Laws. Tenants who are in occupancy on the Presentation Date of the Plan will have the exclusive right to purchase the Unit in which they reside during the 90-day period following the Presentation Date, as such exclusive period may be extended pursuant to the terms hereof.

In the event that any tenant who is occupancy on the Presentation Date and on the date that the Plan is declared effective pursuant to leases that have not expired and are otherwise in material compliance with terms of their respective leases become a "Non-Purchasing Tenant." Section 352-eeee(e) of the New York General Business Law defines a "Non-Purchasing Tenant" as "a person who has not purchased under the Plan and who is a tenant entitled to possession of the apartment in which such tenant resides on the date the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant."

Non-Purchasing Tenants (those who are entitled to remain in occupancy in accordance with the terms of their respective lease on the date the Plan is declared effective) may not be evicted unless they are in default under their lease and will be entitled to renewal leases for their Units, subsequent to the conversion of the Building to a condominium, at rents subject to increases that are not unconscionable. "Unconscionable rent increase" is defined by Law as increases that are "beyond ordinary rentals for comparable apartments during the period of their occupancy." Notwithstanding the foregoing, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

Unit Owners of Units occupied by Non-Purchasing Tenants must also comply with the requirements of the Housing Stability and Tenant Protection Act of 2019. In the event that the Unit Owner intends to require an increase in the rent for a renewal lease of more than five (5%) percent, a Non-Purchasing tenant who has been in occupancy for: (i) less than one (1) year shall be given no less than 30 days advance notice of such rent increase; (ii) more than one (1) year, but less than two years, shall be given no less than sixty (60) days advance notice of any such increase, and (iii) for more than two (2) years, shall be given no less than 90 days advanced notice.

Tenants whose leases have expired prior to the date on which the Plan is declared effective and against whom holdover proceedings are commenced before the Plan is declared effective, retain only the minimal protections available to a common law "tenant at sufferance". Such tenants ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to the expiration of their tenancy, or from unconscionable rent increases, absent a determination made by a court of competent jurisdiction. The Appellate Division, First Department, has held that, "[w]here an unregulated tenancy has expired" before an offering

plan is declared effective, "absent some special circumstance, the tenant retains only the minimal protections applicable to the common-law 'tenant at sufferance.'" *MH Residential I, LLC v. Barrett,* 78 A.D.3d 99, 104 (1st Dep't 2010) (citation omitted). Applying this principle, the First Department has found that unregulated tenants "whose leases had expired and holdover proceedings commenced," but no "warrants of eviction" had yet "issued" when the offering plan was declared effective, *are not entitled to protection* from eviction under GBL § 352-eeee(2)(c)(ii).

Unsold Units that are leased by Tenants subsequent to the date on which the Plan is declared effective are not entitled to renewal leases and ARE NOT PROTECTED from eviction for any other reason applicable to the expiration of their tenancy or from unconscionable rent increases. ***See Section entitled "Rights of Existing Tenants."***

46. Insurance Coverage. (a) The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property, furniture or furnishings in any Unit or with respect to the following items in, on or affixed to the Unit, whether existing in the Unit as of the Closing Date or installed therein after the Closing Date, including, but not limited to, interior doors and hardware, the interior walls, partitions, wood or other floors (including all under-layments above the concrete slab) and floor coverings and ceilings affixed, attached or appurtenant to such Unit, smoke and carbon monoxide detectors, all window treatments and associated hardware, all plumbing, gas and heating fixtures, equipment and appliances such as refrigerators, ranges, microwaves, dishwashers, washers and dryers, heating, ventilating and air-conditioning units, electrical panel boxes, lighting and electrical fixtures and switches and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the electrical panel box (including electrical branch wiring, but excluding electrical service risers) and serving or benefiting only that Unit, sinks, bathtubs, water closets, medicine cabinets and vanities, built-in cabinetry of any type, kitchen cabinets, countertops in kitchens and bathrooms, wall accessories, trim and moldings and all other facilities as may be affixed, attached or appurtenant to such Unit or appurtenant to such Unit and serving such Unit exclusively; plumbing, gas and heating fixtures and equipment as used in this paragraph shall include fireplace (if any), fireboxes and dampers, 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 the same are attached, and any special pipes or equipment that a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, flues or ductwork within the walls, ceilings or floors.

(b) The By-Laws provide that each Unit Owner shall, at such Unit Owner's own cost and expense, obtain and keep in full force and effect (i) comprehensive personal liability insurance against any and all claims for bodily injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Residential Unit or any part thereof, with minimum insurance for liability with a combined single limit of $300,000 arising out of any one occurrence, (ii) umbrella liability insurance with minimum combined single limit of $1,000,000 and (iii) "special causes of loss" property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to, appropriate coverage for additions, alterations, improvements and

betterments), provided however, that Commercial Unit Owner shall maintain liability insurance with a minimum combined single limit of $1,000,000 and an umbrella policy of no less than $2,000,000. The limits of liability set forth above may be increased by the Condominium Board from time to time, provided that for so long as Sponsor owns at least one (1) Unsold Unit, any change or elimination of the requirements set forth above may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the Purchaser at the Closing of each Unit and thereafter, whenever requested by the Condominium Board or Managing Agent.

For so long as Sponsor owns at least one (1) Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types of insurance and coverage amounts set forth in the First Year's Budget. ***See Section entitled "Rights and Obligations of the Condominium Board/Summary of the By-Laws."***

(c) In addition, the following shall apply:

If Purchaser is the existing tenant or occupant of the Unit or if Purchaser is given possession of the Unit prior to Closing, then the "risk of loss" shall pass and 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 except to the extent set forth in the "Punch List" delivered at the time that possession of the Unit is delivered to Purchaser pursuant to the Interim Occupancy Agreement. Notwithstanding the foregoing, until Closing, as to tenants in occupancy who enter into Purchase Agreements, Sponsor will remain responsible to make those repairs required of it as landlord pursuant to any existing lease and applicable law. Note, however, Sponsor is not liable for the personal property of Tenant Purchasers and Tenant Purchasers are advised that it is prudent to maintain "Renters' Insurance." After Closing, the Condominium Board will be responsible to make those repairs to the extent that the Condominium Board is responsible for the sale pursuant to the Declaration and By-Laws.

Individual Unit Owners are required to procure additional insurance at their own expense to cover such risks as fire and casualty losses to Unit contents, replacements, additional, fixtures and improvements, and liability coverage for occurrences within the Unit, or (where applicable) on Limited Common Elements.

During Purchaser's occupancy prior to Closing, pursuant to an Interim Occupancy Agreement, Purchaser shall assume the risk of loss in the event that a Unit is damaged by casualty or otherwise, and Purchaser shall have the obligation to repair the damage to the extent that a Unit Owner would be liable for such damage subsequent to the conveyance of title of the Unit; unless the cause thereof originated outside the Unit and did not result from the acts or omissions of Purchaser or other occupants of the Unit or Purchaser's guests, invitees, agents or workers except to the extent set forth in the "Punch List" delivered at the time that possession of the Unit is delivered to Purchaser pursuant to the Interim Occupancy Agreement. If Purchaser is obligated to repair the damage, then the necessity of making such repair shall not excuse Purchaser from closing as required and paying the balance of the Purchase Price due to Sponsor pursuant to the Purchase Agreement and accepting delivery of the deed.

Purchasers who take possession of a Unit prior to Closing pursuant to an Interim Occupancy Agreement shall be responsible to obtain appropriate levels of insurance coverage for damage by fire or other casualty to the Unit as a consequence of assuming the risk of loss ***See the Section of the Plan entitled "Terms of Sale, Rights and Obligation of Unit Owner" and the Section of the Purchase Agreement entitled "Acceptance of Condition of Unit; Risk of Loss" set forth in Part II of the Plan for details.***

(d) In the event the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted in the Declaration or (ii) destroy the means of access to one or more Units, the Common Charges otherwise payable by the Owner(s) of any affected Unit(s) shall not be abated. Sponsor makes no representation that a Unit Owner's property insurance policy will cover the Common Charges required to be paid by the Unit Owner in the event of such occurrence. Prospective Purchasers are advised to consult with an insurance broker concerning the circumstances under which additional living expenses and other costs may be covered by such policy. ***See Section entitled "Rights and Obligations of Unit Owners."***

47. Special Allocation of Common Charges. In accordance with Article 9-B of the New York Real Property Law, Section 339(m), the Condominium Declaration, the By-Laws and the budget for the First Year of Condominium Operation and Section 20.1 of the Declaration of Condominium Section 6.1 of the Condominium By-Laws provide that the Commercial Unit Owner will not be liable for its' *pro rata* portion of certain expenses of the Condominium. As described in the Schedule B hereof, which sets forth the projected expenses for the First Year of Condominium Operation, specifically, labor, electricity (for the Residential Common Elements, the cost of natural gas for the production of heat and hot water, and the Management Fee, which are presumed to be incurred for the benefit of the Residential Units will be charged only to the Residential Units Owners. The allocation of the cost of services, and the adjusted amount of the projected contingency expense, is predicated upon the non-use or disproportionately lower usage of such services by the owner of the Commercial Unit. In the event that the Commercial Unit is used as a medical office or other use other than for lavatories or for a pantry kitchen, which creates a demand for additional water or additional hot water, the By-laws require the Commercial Unit Owner to install a water heater to produce the hot water required for the Commercial Unit and to install a separate water meter and pay for the cost of such additional water usage. The Declaration grants the Condominium Board certain rights to conduct an audit regarding the usage of water and hot water in the Commercial Unit and the power to reallocate the portion of water charges allocated to one or both of the Commercial Unit Owner, or if such water is separately metered or the hot water is furnished from equipment other than the equipment that generates hot water for the Residential Units, the Commercial Unit Owner shall not be liable to pay for water or hot water in the Common Charges attributable to the Commercial Unit. ***See Schedule B and the accompanying footnotes for further information and Section 15.1 of the Declaration.***

48. Wood Floors. The Residential Units will be delivered with the existing wood floors, in the "as is" condition thereof as of the date of the Closing, unless otherwise specifically stated in the relevant Purchase Agreement. Wood floors should not be washed with water, and should be maintained and cared for according to the recommendations of the National Wood

Flooring Association (http://www.nwfa.org). Wood is subject to changes as a result of humidity as well as chipping, scratching and cracking. Purchasers are advised that standing water will cause cupping, swelling, and subsequent gapping. Sponsor makes no representation or warranty that the wood floors will maintain their current appearance after the same are subject to further wear and tear, including without limitation, bleaching due to sun exposure. ***See Description of Property in Part II of the Plan.***

49. Description of Property.

(a) No Laundry Room Facilities. Purchasers should note that the Building does not contain a laundry room. See Description of Property in Part II of the Plan.

(b) Ventilation. The Building does not have a building-wide ventilation system or central air-conditioning. Due to the designation of the Building as a landmark, residents are not permitted to install permanent air-conditioning units, *i.e.* units installed in a "sleeve" in the facades that are visible from East 8th Street and Avenue B. It may be permissible to install "sleeve air conditioning units on the facades facing the north side of the Building and the rear yard, however all work in the Building is subject to the approval of the LPC. Residents are permitted to install removable window air-conditioning units throughout the Building because the installation of such Units do not permanently alter the facade.

(c) Electrical System. The electrical wiring in throughout the Building was last updated in or about 1984 at which time the building was converted to residential use, which is reflected in the Certificate of Occupancy dated 1985. No electrical work is being performed by Sponsor in connection with the conversion of the Building to a Condominium. Sponsor is not aware of any material deficiencies in the electrical service of the Units are presently configured.

(d) . Unit Finishes. Since the Units being offered for sale herein have been in the possession of different principals of Sponsor and over an extended period, the interior finishes installed in the Units are not uniform and it is not possible to accurately disclose the unit finishes existing in each of the units or the condition of such finishes. Purchasers are advised to inspect the Unit that they intend to purchase to ascertain unit finishes installed therein and the condition of the same prior to entering into a purchase agreement.

(e) Boiler, Burner and Hot Water Heater. The Boiler, Burner and Hot Water Heater that and In use and have no manufacturer's warranty and components of the system are approximately 40 years old. The same have been properly maintained and are currently all working without incident. The estimated remaining useful life of the water heater is five (5) to ten (10) years. The existing boiler was installed in 2004. The expected useful life of the boiler is ten (10) years, so it has currently exceeded its anticipated useful life. However, as of the date hereof, the boiler is in working order and there is no immediate need for the replacement of the same.

(f) Oil Tank. It is not possible to provide the age, condition and the anticipated remaining useful life of the oil tank because it is inside a CMU enclosure.

(g) Roof. The roof is comprised of multiple sloping portions which are finished with slate shingles with copper flashing and modified bitumen flat portion. The roof was restored in 2004. The roof materials are in good condition and the estimated remaining useful life of the slate portion is 50 years; the modified bitumen portion will need to be monitored more closely. There is no warranty, bond or guaranty for the roof materials.

(h) Lot Line Windows. There are lot line windows located on the Property in Units. Such lot line windows are identified on the floor plans for the Units contained in Part II of the Plan. Prospective Purchasers are advised to carefully check the floor plan for the Unit that they intend to purchase prior to entering into a Purchase Agreement in order to identify any lot line windows located therein. The New York City Building Code requires that lot line windows have fire-rated ceramic glass or wired glass that will not 'explode' in the event of a fire, thus allowing flames to escape and move to neighboring buildings. The existing lot line windows are not code compliant because the same are fitted with standard glass, instead of fire-rated ceramic glass or wired glass.. Sponsor does not intend to correct the condition of the lot line windows. As of the date hereof, the estimated cost to make such lot line windows code compliant is estimated to be $1,500 to $4,000 per window.

For further information regarding the conditions listed in this Special Risk, No. 50, please refer to the Description of Property contained in Part II of the Plan,

50. Accessory Space. The mezzanine level in Unit 2W constitutes "accessory space" and is not "habitable space" within the meaning of the New York City Building Code, because the same will not conform to the applicable requirements regarding legal "light and air". Such space may be used only for storage. The mezzanine level is currently designated for storage and includes a "walk-in" closet. The use of the same used for sleeping, cooking or living purposes will constitute a violation of the Building Code and will be grounds for the Department of Buildings to place a violation against the Building. In the event that any such violation is posted against the Building, it will be the responsibility of the Unit Owner to correct such violation. Furthermore, in no event shall the mezzanine level be rented independently. Please see "Schedule A", including the footnotes thereof and Description of Property contained in Part II of the Plan.

51. Smoking Policy. The City of New York has enacted Local Law 147 of 2017 requiring all buildings to adopt and distribute a smoking policy to residents on an annual basis. This Condominium By-Laws set forth the following as the initial Smoking Policy of the Condominium:

No smoking is permitted inside the Residential Units or in hallways, stairways or other Common Elements. Section 6.26 of the Condominium By-Laws provides as follows:

(a) No smoking is permitted in any Residential Unit in the Condominium.

(b) Smoking is not permitted on any Balconies or terraces adjacent or appurtenant to the Residential Units.

(c) No smoking is permitted (a) within twenty-five feet of the Residential entrance to the Building facing East 8th Street, or (b) in any of the Common Elements of the Building, including, without limitation, its lobby, hallways, elevators, stairwells, basement, storage areas, balconies or the rooftop.

(d) The word "smoking" for the purpose of this policy means inhaling, exhaling, burning or carrying any lighted cigar, conventional cigarette or pipe, operating electronic cigarette, or other form of lighted object or operating device which contains tobacco or any other material intended to produce either smoke or a non-therapeutic aerosol for inhalation. ***See the Section entitled "Description of Property" and the By-Laws of the Condominium in Part II of the Plan***

INTRODUCTION

Nature of the Transaction

Calvert-Vaux, Ltd., a New York corporation (referred to herein as "Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of the land (the "Land") together with the building erected thereon known as and having a street address of 295-297 East 8th Street, New York, New York known by the street address 295 East 8th Street, New York, New York 10009 (the "Building") (the Land, the Building, and the appurtenances thereto are being referred to herein as the "Property") pursuant to the terms of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"). Sponsor maintains an address at 295 East 8th Street, New York, New York 10009. The Condominium will be known as the "Calvert Vaux Condominium" and shall be referred to herein as the "Condominium."

Background of the Transaction.

The Building was converted to residential use by Sponsor and is subject to Certificate of Occupancy No. 87099 issued on April 26, 1985 (a copy of which is attached as Exhibit R in Part II of the Plan), which remains in effect. The Building received Landmark Designation pursuant to a Notice of Designation by the New York City Landmarks Preservation Commission dated June 6, 2001.

The Property was acquired by Maximilian Olivas ("Olivas"), a principal of Sponsor, from the East Side Institute on November 28, 1978, from Olivas, who, on the same date, conveyed the Property to the Sponsor. Contemporaneous with the conveyance of the Property to Sponsor, Olivas sold 29 shares of Sponsor to Roland Legiardi-Laura ("Legiardi"), which included the possessory right to Apartment No. 3W and 25.4 shares to Nathaniel Freedberg, which included the possessory right to Apartment 2E-3E. In 1982, Alan Dolinsky ("Dolinsky") and Legiardi acquired Apartment 2E-3E from Mr. Freedberg for investment.

Subsequent to the acquisition of the Property, the Building was converted from a community facility to residential use, as evidenced by the certificate of occupancy issued April 26, 1985 (the "Certificate of Occupancy"). Since residential occupancy of the Building was not permitted prior to the issuance of the Certificate of Occupancy, neither the Emergency Tenant Protection Act (also known as the Rent Stabilization Laws) nor the Rent Control Laws apply to the tenancies in this Building. Accordingly, all tenants of the residential apartments in the Building who occupy their respective apartment pursuant to "fair market" leases are not presently entitled to renewal leases upon the expiration of the term thereof.

In the event that any tenant who is occupancy on the Presentation Date and on the date that the Plan is declared effective pursuant to leases that have not expired and are otherwise in material compliance with terms of their respective leases become a "Non-Purchasing Tenant." Section 352-eeee(e) of the New York General Business Law defines a "Non-Purchasing Tenant" as "a person who has not purchased under the Plan and who is a tenant entitled to possession of the apartment in which such tenant resides on the date the Plan is declared

effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant." Notwithstanding the foregoing, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

Non-Purchasing Tenants (those who are entitled to remain in occupancy in accordance with the terms of their respective lease on the date the Plan is declared effective) may not be evicted unless they are in default under their lease and will be entitled to renewal leases for their Units, subsequent to the conversion of the Building to a condominium, at rents subject to increases that are not unconscionable. "Unconscionable rent increase" is defined by Law as increases that are "beyond ordinary rentals for comparable apartments during the period of their occupancy." Unit Owners of Units occupied by Non-Purchasing Tenants must also comply with the requirements of the Housing Stability and Tenant Protection Act of 2019. In the event that the Unit Owner intends to require an increase in the rent for a renewal lease of more than five (5%) percent, a Non-Purchasing tenant who has been in occupancy for: (i) less than one (1) year shall be given no less than 30 days advance notice of such rent increase; (ii) more than one (1) year, but less than two years, shall be given no less than sixty (60) days advance notice of any such increase, and (iii) for more than two (2) years, shall be given no less than 90 days advanced notice.

Tenants whose leases have expired prior to the date on which the Plan is declared effective and against whom holdover proceedings are commenced before the Plan is declared effective, retain only the minimal protections available to a common law "tenant at sufferance". Such tenants ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to the expiration of their tenancy, or from unconscionable rent increases, absent a determination made by a court of competent jurisdiction. Unsold Units that are leased by Tenants subsequent to the date on which the Plan is declared effective are not entitled to renewal leases and ARE NOT PROTECTED from eviction for any other reason applicable to the expiration of their tenancy or from unconscionable rent increases. The occupancy status of each of the Residential Units offered herein is set forth in Schedule A.

Although Sponsor entity and Building were never formally converted to a cooperative the Building has functioned as a *de facto* cooperative since 1985, when it was converted to residential occupancy pursuant to the New York City Building Code. Sponsor makes no representation as to whether Sponsor met the requirements of Section 216 of the Internal Revenue Code for the period of its operations.

In November 2015, Legiardi and Dolinsky commenced an action seeking the dissolution of Sponsor and to compel the sale of the Property. Such action was subsequently settled pursuant to a Stipulated Settlement Order and Judgment dated February 9, 2018 pursuant to which the parties, who are each principals of Sponsor, agreed that the Building will be converted to a Condominium (the "Stipulation"). This Offering Plan is being filed pursuant to the Stipulation.

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts and terms relating to the offering by Sponsor of the Units in the Condominium. The Plan sets forth all of the material terms of the offering. Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners. All filed amendments will be served on (i) Purchasers who have executed and delivered Purchase Agreements to Sponsor, (ii) Unit Owners, (iii) persons who were Bona Fide Tenants in Occupancy on the Effective Date; and (iv) any other offeree who is required by law to receive such amendment. Service shall be by personal delivery, ordinary mail or registered or certified mail. Service by personal delivery is deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth (5th) day after the date of mailing.

The Property will be submitted to the provisions of the Condominium Act pursuant to a Declaration of Condominium executed by Sponsor and filed with the New York City Department of Finance, Tax Map Unit and recorded in the Office of the City Register, New York County. From and after the recording of the Declaration, Sponsor will be the owner of each Unit, until such time when a Unit is conveyed to a Purchaser. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York. The Declaration and By-Laws are set forth in Part II of the Plan.

The Condominium will contain seven (7) Residential Units located on Floors 1 through 5 of the Building and one (1) Commercial Unit located on the cellar level. This offering is for seven (7) of the Residential Units. The Commercial Unit is not presently being offered for sale pursuant to this Plan. If Sponsor decides to offer the Commercial Unit for sale, it will do so pursuant to an amendment to this Plan.

This is a "non-eviction plan" and is presented in compliance with GBL Section 352-eeee which grants the right to continued occupancy by Non-Purchasing Tenants. "Non-Purchasing Tenant" is defined in Section 352-eeee(e) of the New York Business Law as "a person who has not purchased under the Plan and who is a tenant entitled to possession at the time the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant." Notwithstanding the foregoing, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

Non-Purchasing Tenants (those who are entitled to remain in occupancy in accordance with the terms of their respective lease on the date the Plan is declared effective) may not be evicted except in the event of a default under the terms of their lease and will be entitled to renewal leases for their Residential Units, subsequent to the conversion of the Building to a condominium, at rents subject to increases that are not unconscionable. An "Unconscionable rent increase" is defined by Law as increases that are "beyond ordinary rentals for comparable

apartments during the period of their occupancy." Tenants whose leases have expired prior to the date on which the Plan is declared effective and against whom holdover proceedings are commenced before the Plan is declared effective, retain only the minimal protections available to a common law "tenant at sufferance". Such tenants ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to the expiration of their tenancy, or from unconscionable rent increases, absent a determination made by a court of competent jurisdiction. Unsold Units that are leased by Tenants subsequent to the date on which the Plan is declared effective are not entitled to renewal leases and ARE NOT PROTECTED from eviction for any other reason applicable to the expiration of their tenancy or from unconscionable rent increases. ***See the Section of the Plan entitled "Rights of Existing Tenants" for details.***

The Plan is presented in two (2) parts, which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effect the provisions of the Plan. Also included in Part II is a Description of Property and Condition Report, an Asbestos Report, and certifications of Sponsor and certain experts. In addition, Sponsor has submitted to the Department of Law Exhibits to the Plan relevant to the offer presented herein by Sponsor. Copies of the Plan, including all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection by prospective purchasers and their attorneys without charge and for copying at a reasonable charge at the office of Sponsor. Prospective Purchasers and their attorneys may also inspect the Plan at the offices of the Department of Law at no charge. The Plan and the Exhibits will also be available for inspection and for copying at a reasonable fee at the offices of the Department of Law, Real Estate Financing Bureau, 28 Liberty Street, 21st Floor, New York, NY 10005. All of these documents are important and should be carefully read by prospective purchasers. Prospective purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase a Unit. Copies of the Plan will be served on Existing Tenants. The Plan may be borrowed by prospective Purchasers who are not Existing Tenants upon payment to Sponsor of a $350.00 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, ordinary wear and tear excepted, or (ii) the execution by the prospective purchaser of a Purchase Agreement subsequently accepted by Sponsor. Copies of amendments to the Plan will be served on Existing Tenants and Purchasers who execute Purchase Agreements. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Definitions," unless otherwise indicated.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to his or her Unit and is entitled to the exclusive possession thereof. 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.

Primary responsibility for operating the Condominium rests with the Condominium Board who are elected by the Unit Owners. ***See the Section entitled, "Rights and Obligations of Condominium Board/Summary of By-laws."*** Each Unit Owner, however, will be solely

responsible for the cost of maintenance and interior repairs of his or her Unit, and for maintaining casualty insurance with respect to the personal property and improvements within his or her Unit and liability insurance with respect to occurrences in or about his or her Unit. The Unit Owners will also be responsible to pay the cost of utilities used in their individual Unit. An estimate of such charges appears in Schedule B-1 herein.

The cost of operating the Building will be borne entirely by the Unit Owners in proportion to their respective Common Interests. 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. Typically, Common Charges will increase as cash requirements rise due to inflation and other factors. Such Common Charges will be assessed against Unit Owners in proportion to their respective Common Interests in accordance with Sections 339-i and 339-m of the Condominium Act. The estimated Common Charges for each Unit offered hereunder for the first year of condominium operation are set forth in Schedule A.

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. After the Closing to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, improvements, equipment and personal property situated within his or her Unit, as well as liability insurance with respect to occurrences in or about the Unit. ***See the Section entitled "Rights and Obligations of Condominium Board/Summary of By-Laws" for a more complete discussion of the foregoing. A summary of the By-Laws which shall govern the operation of the Condominium will be found in the Section entitled "Rights and Obligations of Condominium Board/Summary of By-Laws."*** A complete set of the By-Laws are in Part II of this Plan.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit with any lender and in such amount as he or she chooses. However, Sponsor makes no representations about a purchaser's ability to obtain financing for any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Units. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way he or she desires, subject to compliance with the By-Laws, the Rules and Regulations and applicable laws, including, without limitation, the requirements of the Landmarks Preservation Commission. A Unit Owner will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and a Unit Owner will not be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, real estate taxes assessed against other Units. In the opinion of counsel to Sponsor, which opinion is included in Part I of the Plan, a Unit Owner who itemizes deductions may be eligible, under present law, to deduct from his or her income

for income tax purposes, his or her real estate taxes and the interest paid on his or her mortgage, subject to certain exceptions and limitations discussed in the "Counsel's Income Tax Opinion Letter." ***See also the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium".***

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board, as set forth in Section 8.1.1 of the By-Laws to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and its successors may sell or lease any Unsold Unit, and the Commercial Unit Owner may sell or lease the Commercial Unit, without any restriction or limitation. ***For a more complete discussion of the foregoing, see the Sections entitled "Rights and Obligations of Unit Owners" and "Commercial Unit".***

In addition, each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) months' Common Charges in effect at the time of closing for each Unit purchased. ***See the Section entitled "Working Capital Fund and Apportionments".***

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain. Also, each Unit Owner will pay for the electricity and the natural gas which he or she utilizes within his or her own Unit for lighting, air-conditioning and appliances, the charges for which will be billed directly to the Unit Owner by Con Edison.

Except for those persons who execute purchase agreements for Residential Units that are "counted" for the purpose of declaring the Plan effective, there are no limitations on who may purchase Residential Units, including those persons who may purchase for investment rather than for personal occupancy. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity that is permitted to take title to real property pursuant to New York law. There is no limit on the number of Unit Owners who may purchase Units in the Building for investment rather than personal occupancy; consequently, there always may be a substantial percentage of Unit Owners who are non-residents.

Sponsor represents that it will decline to rent Residential Units (other than to tenants who were in occupancy on the date the Plan was accepted for filing) or to Purchasers pursuant to interim use and occupancy agreements until such time when it has sold at least 30 percent of the Residential Units to purchasers who represent that they are purchasing for personal occupancy. Notwithstanding the foregoing representation by Sponsor, Sponsor hereby reserves the right to rent rather than sell Residential Units if, in the reasonable opinion of Sponsor, the real estate market has declined such that Sponsor's rate of return on rentals materially exceeds the sales price available for the Unsold Unit in the marketplace.

Subject to the foregoing restrictions set forth above, Sponsor also reserves the unconditional right to lease rather than sell Residential Units as the same become vacant, exercisable in Sponsor's sole discretion. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Moreover, a significant number of Residential Unit Owners may not be residents of the Building and a significant number of tenants may not be Residential Unit Owners. Sponsor is not limiting the conditions under which it will lease rather than sell Residential Units; accordingly, there is no commitment to sell more than fifteen percent (15%) of the Residential Units necessary to declare the Plan effective (*i.e.*, two (2) Residential Units). Purchasers are advised that, as a result, owner-occupants may never gain control and management of the Condominium. The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, *i.e.*, purchasing as a home as opposed to as an investment. ***See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details***

Prospective Purchasers should be aware that, depending upon market conditions, occupants who are not Unit Owners may reside in many of the Residential Units for an indefinite period. In Sponsor's sole discretion, occupants who are not Unit Owners (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, such occupants who are not Unit Owners have no investment in the Residential Units in which they reside and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities. As of the date hereof, Sponsor does not contemplate that there will be any amenities that will be available to Residential Unit Owners that will not also be available to occupants who are not Unit Owners.

In the event that Sponsor elects to withhold certain Residential Units from sale, Sponsor will amend the Offering Plan to disclose the same. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute (a) a Purchase Agreement for any Unit, and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise from the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required deposit thereunder. Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or who is incompetent pursuant to applicable law. ***See the Section entitled "Procedure to Purchase" for additional information.***

Sponsor reserves the right to offer the Units in such order of priority as it may determine, and to withhold one or more Units in Sponsor's sole and absolute discretion. In addition, Sponsor has the right to limit the number of Units sold to any Purchaser and to make bulk sales of Units. In the event that Sponsor decides to make a bulk sale of Units, Purchaser will be liable for the obligations of Sponsor pursuant to this Plan.

The Property is not encumbered by a mortgage. Accordingly, Sponsor is not required to satisfy any mortgage or to obtain a release of any Unit from the lien of a mortgage in connection with a Unit Closing.

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

DEFINITIONS

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

"ACM" means asbestos containing materials.

"Adverse Effects", or "adverse effects", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners, (ii) materially interfere with such Unit Owner's access to his or her Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit, or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of his or her Unit.

"Balcony" shall mean, individually, a "Balcony" and collectively, the "Balconies" that are adjacent to and appurtenant to Unit 2E, Unit 2W, Unit 3W and Unit 4W.

"Balcony Unit Owner" shall mean, individually, those persons who own Residential Units to which a Balcony is appurtenant.

"Bona Fide Non-Tenant Purchaser" shall mean a Purchaser who represents that such Purchaser intends to occupy the Residential Unit for which a Purchase Agreement is executed at closing or at such time when the Unit becomes vacant.

"Bona Fide Tenant Purchaser" shall mean Purchasers who are tenants in occupancy on the Filing Date.

"Building" shall mean the building and improvements including above and below grade segments, known as 295-297 East 8th Street, New York, New York situated on the Land in which the Units of the Condominium are located.

"By-Laws" shall mean the By-Laws governing the operation of the Condominium, which are set forth as an exhibit to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.

"Certificate of Occupancy" means the Certificate of Occupancy for the Building dated April 26, 1985.

"City Transfer Tax" shall mean the New York City Transfer Tax.

"Commercial Unit" shall mean the Unit located in the cellar of the Building that may be used for any purpose permitted under applicable law, subject to the limitations set forth in the Declaration.

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

"Closing" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the balance of the Purchase Price for the Unit.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, *pro rata*, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements and the Limited Common Elements.

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100 percent. The Common Interest attributable to each Unit is set forth in Exhibit B annexed to the Declaration.

"Condominium" shall mean the "Calvert-Vaux Condominium" which will be established pursuant to the terms of the Declaration and which will be governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean 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" shall mean the board of managers of the Condominium which will manage the affairs of the Condominium.

"Condominium Budget Expert" shall mean Camelot Realty Management Services Corp.

"Contract Deposit" shall mean all deposits, down-payments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Custom Work Deposit" shall mean any deposit tendered by a Purchaser for any custom work that Sponsor agrees to perform in the Unit, if applicable.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"DOB" shall mean the Department of Buildings of The City of New York or any successor agency.

"DOL" means the New York State Department of Law.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of the General Business Law.

"Exclusive Purchase Period" shall mean the period of ninety (90) days from the Presentation Date of this Plan, as such term may be extended by an amendment hereto or by applicable law.

"Executive Order" means Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, and relating to Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism.

"Existing Tenant", for purposes of this Plan shall include: (i) each *bona fide* residential tenant in occupancy of a dwelling unit in the Building on the Filing Date of the Plan; (ii) each *bona fide* residential tenant with the right on such date to renew a lease for a dwelling unit in the building; (iii) each *bona fide* residential tenant who has the right on such date to continued occupancy of a dwelling unit in the building, and (iv) a *bona fide* sublessee in occupancy of a dwelling unit in the building on the Filing Date of the Plan who (a) sublets from a non-*bona fide* tenant; or (b) has obtained written permission to purchase his or her dwelling unit from the *bona fide* tenant of record. The following persons (among others) are not Existing Tenants and do not have the rights of Existing Tenants set forth herein: (1) a deceased tenant's estate or beneficiaries or the executor(s) of the estate; (2) an occupant whose tenancy and right to occupy have been terminated (unless it is ultimately determined, as a result of such termination being contested, that such termination was not effective); and (3) an unauthorized occupant or subtenant (*i.e.*, an occupant or subtenant who would not be entitled to a lease if the tenant of record vacates).

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety or the Property.

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"FinCEN means the Financial Crimes Enforcement Network, a bureau of the United States Department of the Treasury.

"First Unit Closing" shall mean the Closing with respect to the first Residential Unit conveyed to a Purchaser pursuant to the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation." First Year's Budget is sometimes referred to herein as "Schedule B."

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration.

"GTO" Amended Geographic Targeting Order ("GTO"), dated October 22, 2023, published by the Financial Crimes Enforcement Network (FinCEN), a bureau of the United States Department of the Treasury.

"Initial Control Period" shall mean the period ending on the earlier of: (i) the Closing with purchasers under the Plan to Units having at least 75 percent of the aggregate Common Interest appertaining to all Units, or (ii) five (5) years after the First Unit Closing.

"Interim Occupancy Agreement" shall mean an agreement between Sponsor and a Purchaser, who is not Tenant Purchaser, to enter into possession of the Residential Unit that is subject of the Purchase Agreement prior to Closing.

"Land" shall mean the land located in Section 4 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 391, Lot 01 and more particularly described on Schedule A to the Declaration.

"LPC" shall mean the New York City Landmark Preservation Commission.

"Limited Common Elements" shall mean those portions of the Property (other than the Units) existing for the use and enjoyment of Unit Owners of one or more specified Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration.

"Local Law 38" refers to Local Law 38 passed in 1999 which requires that in the event that a property owners in New York City has notice that a child under six (6) years of age resides in a Residential Unit, the Owner must conduct annual inspections to determine whether lead-based paint is present.

"Non-Purchasing Tenant" is defined in Section 352-eeee(e) of the New York Business Law as "a person who has not purchased under the Plan and who is a tenant entitled to possession at the time the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant." Notwithstanding the anything to the contrary implied in this definition, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an

offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

"OFAC" means The Office of Foreign Assets Control of the United States Treasury.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Presentation Date" or "Amendment Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

"Purchase Agreement" shall mean an agreement between Sponsor and a purchaser to purchase a Unit pursuant to the Plan.

"Purchaser" shall mean a purchaser of a Unit under a Purchase Agreement.

"Register's Offices" shall mean the New York County Office of the Register of The City of New York.

"Residential Units" shall mean those Units that may be legally used as residences.

"Rules and Regulations" shall mean the rules and regulations made in accordance with the By-Laws.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A - Offering Prices and Related Information."

"Schedule B" shall mean the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation." Schedule B is sometimes referred to herein as the "First Year's Budget."

"Section 352-eeee" shall mean Section 352-eeee of the New York General Business Law.

"Sponsor" shall mean Calvert Vaux, Ltd., the present fee owner of the Property, and any of its successors, assigns or affiliates.

"State Transfer Tax" shall mean the New York State Transfer Tax.

"Tenant's Unit" shall mean the Unit in which an Existing Tenant resides on the Presentation Date of this Plan.

"Unit Owner" shall mean any owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners."

"Unit" shall mean any space designated as a Unit in the Declaration together with its Common Interest. All such Units are collectively referred to as the "Units."

"Unsold Unit" shall mean those Units not sold to a Purchaser pursuant to this Plan, including any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee at the time in question, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more principals of Sponsor is a member.

OFFERING UNITS FOR SALE

Sponsor hereby offers seven (7) Residential Units in the Building for sale pursuant to this Plan. The Purchase Prices for each of the Residential Units and the estimated Common Charges and estimated real estate taxes for each of the Residential Units are listed in the Section of this Plan entitled "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 OTHER GOVERNMENTAL AGENCY.**

Sponsor has reserved the right to rent or lease any vacant Residential Unit to any other party. Therefore, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from either Sponsor or other Unit Owners. Individuals leasing Residential Units from Sponsor will not, except as otherwise expressly provided in their respective leases, have any special rights to purchase such Residential Units. Individuals who rent vacant Unsold Units from Sponsor are not Existing Tenants under the Plan and shall have no rights to purchase thereunder.

Seven (7) Residential Units are being offered for sale pursuant to this Plan. The Residential Units that are occupied on the Presentation Date of this Plan will be sold in the "as is" condition thereof, with only the fixtures and equipment that is then located therein. In the event that Sponsor elects to perform renovation work to any of the Units, such work will be disclosed in an amendment to this Plan.

Each vacant Residential Unit offered for sale by Sponsor herein will contain a refrigerator-freezer and range. In the event that Sponsor elects to renovate the vacant Residential Units prior to offering the same for sale, Sponsor will file an amendment to this Plan disclosing such renovation work.

Although seven (7) Residential Units are being offered pursuant to this Offering Plan, Sponsor is hereby reserving the right to withhold certain vacant Residential Units from sale and, subsequent to the expiration of the Exclusive Purchase Period, any of the occupied Units. If this occurs, an amendment to the Plan will be filed setting forth the Residential Units being withheld from this Plan. If Sponsor leases certain Residential Units to tenants and such Residential Units subsequently are offered, Sponsor shall then amend the Plan accordingly. ***Please refer to Section entitled "Introduction.***

Sponsor is hereby reserving the right to withhold certain Residential Units from sale, subject however, to the rights of Existing Tenants, as set forth herein and in the applicable regulations. If this occurs, an amendment to the Plan will be filed setting forth the Residential Units being withheld. If Sponsor leases certain Residential Units to tenants and such Residential Units subsequently are offered, Sponsor shall then amend the Plan accordingly.

The Offer to Bona Fide Tenants to Purchase Units Occupied by Tenants on the Filing Date of the Plan

Bona Fide Tenants (as such term is defined in General Business Law Section 352-eeee and as set forth in the "Definitions" Section of the Plan) have the exclusive right to purchase the respective Residential Units in which they reside (each such Residential Unit referred to as a "Tenant's Unit") on or before the 90th day following the Presentation Date of the Plan ("Exclusive Purchase Period") at the Purchase Price set forth in Schedule A. See Section entitled "Rights of Existing Tenants."

There will be no increase in Purchase Prices for Tenant-Purchasers during any Exclusive Purchase Period and Sponsor will not accept Purchase Agreements from Non-Tenant Purchasers for occupied Residential Units during any Exclusive Purchase Period, unless the Tenant of such Residential Unit has waived its right to purchase the same.

In order to qualify for the foregoing benefits during the Exclusive Purchase Period, a Bona Fide Tenant must submit to Selling Agent during the Exclusive Purchase Period: (i) four (4) fully completed, executed and unaltered original counterpart Purchase Agreements, (ii) a completed and executed original form W-9 or form W-8 as applicable; (iii) and an unendorsed check for the Contract Deposit in an amount equal to ten percent (10%) of the Purchase Price for such Residential Unit ("Contract Deposit").

If prior to the First Unit Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Bona Fide Tenants, a Tenant-Purchaser who executed and submitted a Purchase Agreement and Contract Deposit for the Residential Unit which the Tenant-Purchaser occupied on the Filing Date, before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions that are subsequently offered by Sponsor.

Sponsor shall not be obligated to pay any brokerage or sales commissions to any broker, except pursuant to a written brokerage agreement with respect to the sale of any Unit to a Bona Fide Tenant. ***See the Section of the Plan entitled "Procedure to Purchase" for further details.***

"Non-Purchasing Tenant" is defined in Section 352-eeee(e) of the New York Business Law as "a person who has not purchased under the Plan and who is a tenant entitled to possession at the time the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant." Notwithstanding the foregoing, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika,* 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

Non-purchasing Tenants who are in occupancy on the date this Plan is declared effective, who are not in default of their lease obligations and have a continued right to occupancy, may not be evicted in the event that they do not purchase their Residential Unit

except if they are in default under their lease. Non-Purchasing Tenants (those who are entitled to remain in occupancy in accordance with the terms of their respective lease on the date the Plan is declared effective) will be entitled to renewal leases for their Units, subsequent to the conversion of the Building to a condominium, at rents subject to increases that are not unconscionable. "Unconscionable rent increase" is defined by Law as increases that are "beyond ordinary rentals for comparable apartments during the period of their occupancy."

Unit Owners of Units occupied by Non-Purchasing Tenants must also comply with the requirements of the Housing Stability and Tenant Protection Act of 2019. In the event that the Unit Owner intends to require an increase in the rent for a renewal lease of more than five (5%) percent, a Non-Purchasing tenant who has been in occupancy for: (i) less than one (1) year shall be given no less than 30 days advance notice of such rent increase; (ii) more than one (1) year, but less than two years, shall be given no less than sixty (60) days advance notice of any such increase, and (iii) for more than two (2) years, shall be given no less than 90 days advanced notice.

Tenants whose leases have expired prior to the date on which the Plan is declared effective and against whom holdover proceedings are commenced before the Plan is declared effective, retain only the minimal protections available to a common law "tenant at sufferance". Such tenants ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to the expiration of their tenancy, or from unconscionable rent increases, absent a determination made by a court of competent jurisdiction. Unsold Units that are leased by Tenants subsequent to the date on which the Plan is declared effective are not entitled to renewal leases and ARE NOT PROTECTED from eviction for any other reason applicable to the expiration of their tenancy or from unconscionable rent increases. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. ***Please see Section of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for further details.***

The Offer to Non-Tenant-Purchasers

"Non-Purchasing Tenant" is defined in Section 352-eeee(e) of the New York Business Law as "a person who has not purchased under the Plan and who is a tenant entitled to possession at the time the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a Non-Purchasing Tenant." Notwithstanding the foregoing, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

Sponsor hereby offers for sale the Residential Units set forth in Schedule A to Non-Tenant-Purchasers (defined as Purchasers other than Tenant-Purchasers) on the following

terms: They shall have opportunity to purchase a Vacant Unit at the prevailing "Purchase Price" set forth on Schedule A, as amended from time to time.

In addition, Non-Tenant Purchasers shall have the opportunity to purchase an occupied Residential Unit either following the Exclusive Purchase Period afforded Bona Fide Tenants or upon receipt of a written waiver by the Bona Fide Tenant of the right to purchase the Residential Unit which such Bona Fide Tenant occupies during the Exclusive Purchase Period, at the Purchase Price as set forth on Schedule A, as amended from time to time.

In order to qualify for the foregoing benefits, a Non-Tenant Purchaser must submit to Sponsor (i) two (2) fully completed, executed and unaltered original counterpart Purchase Agreements, (ii) a completed and executed form W-9 or form W-8 as applicable, (iii) an official bank check for the Contract Deposit in an amount equal to ten (10%) percent of the Purchase Price for the Residential Unit to be purchased, and (iv) in the event Sponsor permits the Non-Tenant Purchaser to occupy a Vacant Unit prior to the Closing to such Vacant Unit, an Interim Occupancy Agreement which shall entitle the Non-Tenant Purchaser to occupy the Vacant Unit, subject to the terms of the Interim Occupancy Agreement until the Closing to the Vacant Unit. The monthly use and occupancy fee for such Vacant Unit will be determined by Sponsor in its sole discretion. ***See the Section of the Plan entitled "Procedure to Purchase" for further details.***

General

For further details concerning the Closing to the Residential 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", "Unit Closing Costs and Adjustments", and "Terms of Sale".

This Offering is made to individuals the age of eighteen (18) years or over, corporations, limited liability companies, partnerships, trusts, estates and other business entities that may hold title to real estate pursuant to New York law.

The Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the General Business Law (the "GBL"), which sets forth the procedure for converting dwelling units to condominium ownership. Under the GBL, Sponsor may declare this Plan to be effective when Purchase Agreements have been executed for at least fifteen percent (15%) of the Residential Units in the Building (*i.e.*, two (2) Residential Units) by *bona fide* tenants in occupancy on the Filing Date or *bona fide* purchasers who represent that they or one or more specified members of their immediate family will occupy the Residential Unit when it becomes vacant.

A Non-Purchasing Tenant of a Residential Unit will not be evicted by reason of conversion of the Property to a condominium. Non-Purchasing Tenants (those who are entitled to remain in occupancy in accordance with the terms of their respective lease on the date the Plan is declared effective) may not be evicted except by reason of a default under their lease and will be entitled to renewal leases for their Units, subsequent to the conversion of the

Building to a condominium, at rents that are not subject to an unconscionable rent increase. "Unconscionable rent increase" is defined by Law as increases that are "beyond ordinary rentals for comparable apartments during the period of their occupancy."

Unit Owners of Units occupied by Non-Purchasing Tenants must also comply with the requirements of the Housing Stability and Tenant Protection Act of 2019. In the event that the Unit Owner intends to require an increase in the rent for a renewal lease of more than five (5%) percent, a Non-Purchasing tenant who has been in occupancy for: (i) less than one (1) year shall be given no less than 30 days advance notice of such rent increase; (ii) more than one (1) year, but less than two years, shall be given no less than sixty (60) days advance notice of any such increase, and (iii) for more than two (2) years, shall be given no less than 90 days advanced notice.

Tenants whose leases have expired prior to the date on which the Plan is declared effective and against whom holdover proceedings are commenced before the Plan is declared effective, retain only the minimal protections available to a common law "tenant at sufferance". Such tenants ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to the expiration of their tenancy, or from unconscionable rent increases, absent a determination made by a court of competent jurisdiction. Unsold Units that are leased by Tenants subsequent to the date on which the Plan is declared effective are not entitled to renewal leases and ARE NOT PROTECTED from eviction for any other reason applicable to the expiration of their tenancy or from unconscionable rent increases. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. ***Please see Section of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for further details.***

Except as otherwise specifically provided herein, the Residential Units and the Common Elements appurtenant thereto are being sold "AS IS" in the condition in which the same exist on the Filing Date of this Plan, subject to Sponsor's obligations to make repairs, improvements or decorations as may be otherwise set forth in this Plan and to ordinary wear and tear, and Sponsor's obligation to maintain the Building until the First Unit Closing.

The heating and hot water systems for the Building are being converted so that the same may be operated using natural gas instead of oil. Such work has been completed; however, the public utility, Con Edison, has not yet initiated the gas service required to complete such conversion. Sponsor has been informed that it will not be possible for the conversion to be completed until the scaffolding has been removed. Sponsor will be liable for all costs incurred to complete the conversion.

As stated above, the Units are being offered for sale in the existing condition of the same as of the date of this Plan, provided however, the work listed below will be performed in Units 2E and 3W by Sponsor or a Sponsor principal, which work will be completed prior to the closing of the sale of the applicable Unit:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem: Model # XE40m065ST 45 U1 or equivalent'
- Electric range will be provided;
- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.
- Fireplace will be infilled since the chimneys have been sealed and are no longer operable.

Please refer to the Section entitled "Property Description and Condition Report" in Part II of the Plan for further details.

The estimated Common Charges for each Unit for the first year of operation of the Building as a Condominium are also set forth in Schedule A.

Additionally, each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) month's Common Charges in effect at the time of closing for each Unit purchased. ***See the Section entitled "Working Capital Fund and Apportionments***.

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes, which will be separately assessed against such Unit Owner's Unit, interest and amortization payments on the mortgage, if any, which such Unit Owner may obtain, at such Unit Owner's option, and charges for electricity and natural gas used for cooking and other appliances in such Unit Owner's Unit.

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

The charges for electricity consumed by each Unit Owner individually (including to operate air-conditioning equipment located within a Unit) are separately metered and billed directly to the Unit Owners by Con Edison. Water charges and sewer rents, assessed by The City of New York, will be paid for by the Condominium and will constitute a portion of the Common Charges. The costs and expense of heating and hot water for the Units will not be included in Common Charges. ***Please refer to Schedules B and B-1 for the projected budget for the first year of condominium operation.***

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location

The Property is located at 295 East 8th Street at the corner of Avenue B, in the Borough of Manhattan, City and State of New York. It is located on property designated as Block 391, Lot 1 on the Tax Map of the City of New York.

Calvert Vaux designed the Building. Calvert Vaux is best known as the co-designer, together with his protégé and junior partner, Frederick Law Olmstead, of what would become Central Park. The Building was designed in or about 1887 for the Charles Loring Brace's Children's Aid Society. It was used by the Children's Aid Society as the "Tompkins Square Lodging House for Boys and Industrial School". It was subsequently sold to The East Side Hebrew Institute – Zitomer Talmud Torah Darchei Noam, Inc.

Due to the fact that it was designed by Calvert Vaux, it is deemed to be historically significant and therefore, it was designated as a landmark by the New York City Landmark's Preservation commission by designation dated June 6, 2001.

Property and Improvements General Description

Sponsor acquired the Building in 1978. The Building was converted to residential use by Sponsor as evidenced by Certificate of Occupancy No. 87099 issued on April 26, 1985, which remains in force and effect. A copy of the Certificate of Occupancy appears in Part II of the Plan as an exhibit to the Description of Property. It is located in a district zoned as R-7A in which medium sized residential buildings are permitted. The Certificate of Occupancy lists the ground floor and basement space as "commercial." Although the zoning for the Building permits only residential use, commercial use is "grandfathered" and commercial use of such space is permissible. Such commercial use would currently be limited to administrative and executive offices, and professional offices, *e.g.*, consultants, attorneys, accountants, psychologists, social workers etc.).

The Building consists of five (5) stories plus a cellar. There are no recreational facilities, parking or amenities appurtenant to the Property. The Building is more fully described in the "Property Description and Condition Report" included in Part II of the Plan, which sets forth a description of the physical condition of the Building.

Except as indicated below, the Property and the Units are being offered and sold in the "as is" condition in which the same exist on the Closing Date, but subject to Sponsor's obligation to deliver the Units as described in the Description of Property set forth in Part II of the Plan.

The principals of Sponsor who control Units 2E and 3W will have the following work performed in such Units, prior to the conveyance thereof:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem: Model # XE40m065ST 45 U1 or equivalent'
- Electric Cooking equipment will be provided;
- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.
- Fireplace will be infilled since the chimneys have been sealed and are no longer operable.

Except as expressly provided above and in the Section of the Plan entitled "Sponsor's Statement of Building Condition." ***See the Section of the Plan entitled "Special Risks."***

As of the date of this Plan, there are three (3) violations, all dated July 11, 2022 and related to lead-based paint located in Unit 1W having Department of Building ID Nos. 15262651,15262649 and 15262647 (collectively, the "Lead Paint Violations"). Copies of such violations are annexed to the Description of Property contained in Part II of the Plan. Sponsor has retained a contractor licensed to remediate lead-based paid and undertaken all work advised to remediate the lead based paint condition in Unit 1W (the "Lead Remediation Work"). Subsequent to the completion of the Lead Remediation Work, Sponsor is having the relevant portions of Unit 1W tested to confirm the completion of the Lead Remediation Work and upon the receipt of the report confirming such completion, Sponsor shall cause the violations to be "closed out" and removed of record. To Sponsor's knowledge, as of the date hereof, other than the Lead Paint Violations, there are no conditions at the Building that would constitute violations of the New York City Building Code and there are no Health Department Violations other than the Lead Paint Violations. In the event that Sponsor receives notice of such violations, the Plan will be amended to disclose the same.

Presently, Sponsor has no plans to renovate the Residential Units as the same become vacant. At such time when Sponsor has plans for renovations that it intends to perform in the Units, Sponsor will amend the Plan to disclose such plans. Sponsor shall be required to cure any violations of the Building Code within a Residential Unit prior to the conveyance of such Residential Unit to a Purchaser pursuant to this Plan.

Included in Part II of this Plan is a detailed, comprehensive description of the Property set forth in a report prepared by Peter Barnes, Registered Architect of IPB Associates. Such report more fully and specifically describes the Building and its construction and Facilities. Purchasers are strongly advised to read the report in Part II of the Plan.

The Building presently contains seven (7) Residential Units located on Floors 1 through 5 and one (1) Commercial Unit located in the cellar (partially below street level). Each Residential Unit offered for sale by Sponsor herein will contain a refrigerator-freezer and range. In the event that Sponsor elects to renovate the vacant Residential Units prior to offering the same for sale, Sponsor will file an amendment to this Plan disclosing such renovation work and the appliances to be installed therein.

Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration) and all parts of the Building other than the Units themselves, including, generally, the foundations, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The windows of the Building are common elements of the Condominium and will be maintained by the Condominium Board, provided however, any maintenance or replacements required due to the negligence of the Unit Owners will be the responsibility of such Unit Owners. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all of the Units or Unit Owners; and (ii) the Limited Common Elements, which are, generally, those Common Elements which serve or benefit exclusively certain Units or Unit Owners. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it is appurtenant. ***For a detailed description of the Common Elements, see Exhibit D in Part II of the Plan and Article 6 of the Declaration (Exhibit H in Part II of the Plan).***

General Common Elements

The General Common Elements consist of all Common Elements other than the Limited Common Elements, and include, among other things, the following: (i) the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration); (ii) all foundations, foundation walls, roofs, footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings; (iii) all passages and corridors, mechanical and other utility rooms, all fire staircases, fires escapes, landings and stairs, areas and spaces located in the Building, which are not Limited Common Elements or included in any Unit; (iv) any ventilation supply system consisting of motors, ductwork, fans and controls and return piping, serving or benefiting any combination of the Units; (v) all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting any combination of the Units; (vi) all electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panel boards, conduits, wires, meters, transformers and panel boards serving or benefiting any combination of the Units, excluding, however, all such items located within a Unit and serving only that Unit; (vii) all storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit; (viii) all electric service rooms, gas and water meter rooms, garbage and boiler rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting any combination of the Units; (ix) all other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of any combination of the Units; (x) all security monitors and equipment and other security facilities serving or benefiting any combination of the Units; and (xi) all other parts of

the Property either existing for the common use of any combination of the Units, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. ***For a detailed description of the Common Elements, see Article 6 of the Declaration (Exhibit H in Part II of the Plan).***

The Common Elements shall include the following: (i) the lobby and entrance area located on the ground floor and entered from East 8th Street; (ii) all passages, corridors, storage rooms, housekeeping areas, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building; (iii) telephone system and cable television system, to the extent that the same exist; (iv) all Building storage rooms, telephone rooms and other service, mechanical and utility rooms; (v) all security monitors and equipment and other security facilities to the extent that the same exist on the date hereof; (vi) all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines); (vii) the condenser water system and related support structure including the cooling tower; (viii) hot water and condensed water systems; and (ix) all plumbing fixtures, equipment for distribution of cold water and equipment for distribution of hot water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Unit and serving only that Unit.

Limited Common Elements

The Unit Owners that own Units 2E, 2W, 3W and 4W will have the exclusive use of the Balcony appurtenant to their respective Unit, as a Limited Common Element (each a "Balcony" and collectively, the "Balconies"), subject to the rights of the Condominium Board to regulate the use thereof. Such Balcony Unit Owners shall be responsible for the maintenance of such Balcony, as set forth in the By-laws and the Rules and Regulations annexed thereto. The square footage of such Balconies is set forth on Schedule A in the column denoting exterior square footage.

The Balcony Unit Owners shall be responsible for all normal maintenance, repairs and replacements to the Balconies adjacent to their respective Units. The cost and expense of any structural repairs or repairs or replacements caused by the need for such structural repairs to the Balconies shall be charged to the Unit Owners as a Common Expense.

The Condominium Board shall have the right to require the Balcony Unit Owners to remove plantings and other installations which have been placed on the Balconies appurtenant to their respective Units, if the Condominium Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the Balconies or any other portion of the Building or is otherwise unsafe. In addition, the Condominium Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Balcony. In no event shall the Balcony Unit Owners be permitted to enclose or erect any structure on such Balcony. 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 of the occupants.

No construction of any kind may be undertaken or performed on a Balcony, without the prior consent of the Condominium Board, which consent may be granted or withheld in the absolute discretion of such Condominium Board. Any such construction as may be approved by the Board shall be subject to compliance by the Unit Owner undertaking the same with all Legal Requirements, including, but not limited to, required permits from the New York City Department of Buildings and required approvals from the New York City Landmark's Preservation Commission and the obtaining of variances, if any, that may be required in order for such construction to be performed. Purchasers of the Units are advised that in the event that the Board should oppose an application for a variance, then such application may be denied. If a Unit Owner is allowed by the Board to perform any type of construction on a Balcony, then the authorizing Board(s) shall have the authority to regulate or impose conditions with regard to any one or more of the following aspects of such approved construction: (a) time periods during which construction work may occur; (b) the manner in which construction debris shall be handled and removed from the Balcony where construction is occurring; (c) measures which must be taken to prevent any compromising of the security of the Units and the Building during construction; (d) measures which must be taken to prevent or minimize any interruption of Building services and/or amenities during construction; and (e) liability and other insurance that will be required of the Unit Owner and each of such Unit Owner's contractors in connection with any approved construction in, on or affecting a Balcony.

The Condominium Board, and its employees and agents, shall have an easement and unlimited access to the Balconies for the purpose of making inspections and repairs, though such inspections and repairs shall be scheduled at reasonable times and upon reasonable notice, unless the inspection or repair is required due to an emergency.

The Balconies that are Limited Common Elements appurtenant to Units may be used solely for passive recreational purposes. Applicable law and regulations currently prohibit barbecuing on the Balconies.

Services and Facilities

The Building shall contain the following services and facilities:

(a) Building Staff

The Building has one part-time non-resident superintendent.

(b) Mail

There are individual mailboxes for the Units located in the entrance lobby on the first floor. All incoming mail will be delivered to the Unit Owners by the United States Postal Service and deposited by its personnel in the lobby.

(c) Refuse Disposal

The Condominium Board shall collect and dispose of all waste that is deposited in the refuse storage room located in the cellar, for scheduled pickup by the New York City Department of Sanitation. It is the responsibility of all Unit Owners to deposit non-recyclable and recyclable refuse in the appropriate bins therefor, which will be provided by the Condominium Board.

(d) Smoke Detectors and Carbon Monoxide Detectors

Individual Smoke detectors and carbon monoxide detectors are provided in each Unit in compliance with applicable laws and codes. It shall be the responsibility of the Unit Owners to maintain such smoke detectors and carbon monoxide detectors subsequent to Closing.

Except as set forth above, the Building contains no other common space or Facilities.

LOCATION AND AREA INFORMATION

Location

The Property is situated at 295 East 8th Street, in the Borough of Manhattan, City of New York, which is located on the northeast corner of East 8th Street and Avenue B. The zoning for the Building is R-7A, which permits only residential use; however, since the Certificate of Occupancy dated 1985, which lists the ground floor/basement area as commercial space, commercial use of such space is "grandfathered" and commercial use of such space is therefore permissible. Such commercial uses would be currently limited to office uses, *i.e.*, general and administrative and executive offices, and professional offices (*e.g.*, consultants, attorneys, accountants, psychologists, social workers etc.). The Plan provides that commercial space may be used for any use then permitted by law.

Any changes in the Zoning Code that occur while sales are continuing will be disclosed in an amendment filed with the DOL within 30 days after such information becomes known by Sponsor. Sponsor has no other development projects in the immediate vicinity of the Condominium that would impact the views from the Units in the Condominium.

Surrounding Area; Shopping, Commercial and Recreational Facilities

The Condominium is located in East Village. To the west are NoHo and Greenwich Village, home to New York University, and some of New York's most desirable residential enclaves and several parks. Immediately south is the Lower East Side, a historic, fabled neighborhood comprised mainly of walk-up apartment houses from the 19th century. The Condominium is located across the street from Tompkins Square Park, between East 7th and East 10th Streets between Avenues A and B.

Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises including pharmacies, groceries, banks, restaurants and other stores.

The Angelika Film Center is located at 18 West Houston Street, The Village East Cinema is located at 181-189 Second Avenue and AMC Village 8 is located at 66 Third Avenue. Various off-Broadway theaters and cinemas are also common in the neighborhood. Cultural amenities abound throughout the vicinity of the Building. The Storefront for Art and Architecture, the Lower East Side Tenement Museum, the Anthology Film Archives and the Children's Museum of Arts are all within walking distance of the Condominium. The new Museum of Contemporary Art is also located within walking distance of the Condominium.

Schools

Numerous private schools, public schools and parochial schools are accessible from the Premises. The public schools in the area include P.S. 130 (Hester and Baxter Streets), The DeSoto School at 143 Baxter Street, P.S. 124, Yong Wing School at 40 Division Street, I.S.

131 (Hester and Forsythe Streets), Tompkins Square Middle School, Dr. Sun Yet Sen Intermediate School at 100 Hester Street, Lower East Side I.S. and Seward Park High School at 350 Grand Street, New York, NY. Certain public school programs require that parents apply for admission for their children. Sponsor makes no representation as to which public school the children who live in the Building will attend. The private schools in the area include St. Patrick School at 233 Mott Street and Transfiguration School at 29 Mott Street.

Transportation

New York City is served by three major airports – LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and throughout New York City is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available. The Building is within walking distance of the Astor Place Station, at East 8th Street and Astor Place, on the "4" and "6" train, on the "N" and "R" trains, the Second Avenue Station on the "F" train located at East Broadway and Canal Streets, the Bowery Station on the "F", "J", "M" and "Z" trains, located at Bowery and Delancey Streets, and the First Avenue Station on the "L" train located at the intersection of 14th Street and First Avenue. Bus service is also convenient to the Building. The M14, the 14th Street Cross Town bus, is located within walking distance of the Building, and M21, M15, M9 and M1 bus lines all pass within several blocks of the Building.

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

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The Premises are located in the Ninth Police Precinct with the station located at 19 Elizabeth Street. Fire protection is provided from Fire Station No. 20 is located at 253 Lafayette Street, approximately 0.3 miles from the Building. Water is provided by the City of New York and charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium.

Medical and Religious Facilities

The area is served by numerous hospitals and medical facilities located proximate to Premises, including New York-Presbyterian Lower Manhattan Hospital at 170 William Street, New York Eye and Ear Infirmary, 310 East 14th Street, Hospital for Joint Diseases, 301 East 17th Street; Mount Sinai Beth Israel, First Avenue at 16th Street, NYU Langone Health at 550 First Avenue and Bellevue Hospital at 462 First Avenue. There are houses of worship of most major denominations in the vicinity of the Building.

Parking.

There is no parking available at the Property. There is parking in the vicinity at the Delancey and Essex Municipal Parking Garage located at 107 Essex Street, the Cycle Garage located at 330 East 8th Street, and the garage operating by Central Park System located at 310 East 11th

Street. Sponsor does not own any interest in the parking facilities set forth above and makes no representation as to the availability of parking in such facilities or the price thereof.

Other Developments

Sponsor is not involved in any other developments in the vicinity of the Premises. Sponsor has no information regarding any construction projects on the properties adjacent to the Premises. If Sponsor learns of a new construction project located adjacent to the Property, Sponsor will amend this Plan to disclose the same within 30 days of learning of the same.

SPONSOR MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE CONTINUED EXISTENCE OR LOCATION OF ANY NEIGHBORHOOD SERVICES OR AMENITIES.

SCHEDULE A

CALVERT-VAUX CONDOMINIUM
295 East 8th Street
New York, NY 10009

SCHEDULE OF OFFERING PRICES AND OTHER RELATED INFORMATION
(Projected Financial Information for the First Year of Condominium Operation April 1, 2024 - March 31, 2025)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(10)	(11)	(11)	(12)
Unit	**Occupancy Status**	**Unit Layout; Bdrms/Bath**	**Total Approximate Unit Sq. Ft.**	**Approx. Sq. Ft. Non-Habitable Space**	**Approximate Exterior Sq Ft (balcony)**	**Common Interest**	**Residential Common Interest**	**Tenant-Purchasers Offering Price During Exclusive Purchase Period**	**Offering Price for Non-Tenant Purchasers**	**Projected Monthly Common Charges**	**Annual Common Charges**	**Projected Monthly Real Estate Tax**	**Projected Annual Real Estate Tax**	**Projected Total Monthly Carrying Charges**
	Note 1	**Note 2**	**Note 3**	**Note 4**	**Note 5**	**Note 6**	**Note 7**	**Note 8**	**Note 9**	**Note 10**	**Note 10**	**Note 11**	**Note 11**	**Note 12**
Cellar	COMM		3,826			20.85%	0.00%	Not Offered	Not Offered	$681.92	$8,183.00	$462.02	$5,544.26	$6,226.18
1W	FM	2/1	2,302			12.55%	15.86%	$ 3,800,000.00	$ 3,800,000.00	$1,192.07	$14,304.78	$278.10	$3,337.19	$4,529.26
1E	FM	1/1	979			5.34%	6.75%	$ 1,187,500.00	$ 1,250,000.00	$507.22	$6,086.66	$118.33	$1,419.97	$1,927.19
2E-3E	V	4/2	2,101		40.00	11.45%	14.47%	$ 3,325,000.00	$ 3,500,000.00	$1,087.58	$13,050.97	$253.72	$3,044.69	$4,132.27
2W*	FM	2/1	2,282	224*	40.00	13.66%	17.26%	$ 2,185,000.00	$ 2,300,000.00	$1,297.50	$15,569.98	$302.70	$3,632.36	$4,929.85
3W	V	1/1	2,332		40.00	12.71%	16.06%	$ 3,795,250.00	$ 3,995,000.00	$1,207.26	$14,487.15	$281.64	$3,379.74	$4,587.00
4E	FM	3/1`	1,788			9.75%	12.32%	$ 2,137,500.00	$ 2,250,000.00	$926.11	$11,113.28	$216.05	$2,592.64	$3,518.75
4W	FM	1/1	2,512		40.00	13.69%	17.30%	$ 2,185,000.00	$ 2,300,000.00	$1,300.35	$15,604.18	$303.36	$3,640.33	$4,940.68
TOTALS:			**18,122**			**100.00%**	**100.00%**	**$ 18,615,250.00**	**$ 19,395,000.00**	**$8,200.00**	**$98,400.00**	**$2,215.93**	**$26,591.18**	**$34,791.18**

*The Mezzanine Level in this Unit is not "habitable space" pursuant to the New York City Building Code. The same may be used as "accessory use only" - Not to be used for sleeping, cooking or living purposes and will not be rented independently.

NOTES TO SCHEDULE A

1. Occupancy Status. This column indicates whether a Residential Unit is presently vacant (V) or is occupied by a tenant with a market rate lease (FM).

2. Unit Layout/Bedrooms/Bathrooms. This column denotes the number of bedrooms and bathrooms in the Unit. Each Unit should be inspected to determine its present layout prior to the execution of a Purchase Agreement. Any variation between the Floor Plans which appear in Part II of the Plan and the actual layout of a Unit shall not give rise to a right of rescission on the part of any Purchaser. Prospective Purchasers should refer to the Floor Plans included in Part II of the Plan for the dimensions and layouts of Units. Any floor plan or sketch shown to a prospective purchaser including those set forth in the Plan, is an approximation, within reasonable tolerances, of the dimensions and layout of each Unit. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to executing a Purchase Agreement.

3. Unit Square Footage. The square footage set forth herein, includes the area measured horizontally from the exterior faces of exterior walls and from the center lines of walls separating one unit from another unit and to the outside faces of walls separating the Units from the Common Elements as indicated in the Floor Plans and from lot line at party walls separating one building from another, and measured vertically from the top of the sub-floor to the underside of the floor construction above. No deductions have been made for pipe chases, structural columns or other common elements contained within the Units. The square footage set forth in Schedule A significantly *exceeds* the usable floor area of each Unit because the Units are measured as set forth above. Purchasers are advised to inspect the Unit prior to entering into a Purchase Agreement. Sponsor has not done any work to modify the configuration of the Units which would affect the square footage thereof subsequent to the date of the Plan. In any case, the Units are to be sold in the "AS IS" condition as of the date of the Plan subject only to performance of work agreed to in writing upon the execution of a Purchase Agreement or as otherwise specifically disclosed in the Plan. As of the date hereof, Sponsor does not contemplate performing work in any of the Residential Units. Prior to submitting the Declaration of Condominium to the NY DOF, Tax Map Unit for recording, Sponsor will revise the square footage of the Units so that it conforms with the square footage noted on the revised Schedule B to the Condominium Declaration. The square foot area and dimensions of the Units listed in Schedule A or on the Floor Plans or in the Declaration are approximate within reasonable tolerances. Accordingly, no immaterial variation between the Floor Plans set forth herein and the actual layout of a Unit will affect a Purchaser's obligations under the Purchase Agreement or the Plan.

4. Non-Habitable Space. The footage indicated is for mezzanine level of Unit 2W, which constitutes "accessory space" and is not "habitable space" within the meaning of the New York City Building Code, because the same will not conform to the applicable requirements regarding legal "light and air". is comprised of spaces designated for storage and as a walk-in closet. The mezzanine level is currently designated for storage and includes a "walk-in" closet.

The same is not to be used for sleeping, cooking or living purposes and will not to be rented independently. Accordingly, such space may not be used as sleeping space or a living space.

5. Limited Common Elements; Exterior Space. The footage indicated is for exterior spaces that are Limited Common Elements appurtenant to the Units. Each Unit Owner has exclusive use of the Limited Common Elements appurtenant to their respective Unit.

6. Common Interest. The respective Common Interest of each Unit in the Common Elements, has been determined in accordance with the provisions of Section 339-i(1)(iv) of the New York Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such changes involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements space that was previously incorporated in the Units, the Common Interest of all of the Units may change slightly. Any such change in the Common Interest allocated to a Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any Purchaser.

7. Residential Common Interest. Each Residential Unit is also assigned an interest in the Residential Common Elements, which is based upon the approximate proportion that the floor area of each Residential Unit at the date of the Declaration bears to the then aggregate floor area of all of the Residential Units, but such proportion also reflects the substantially exclusive advantages enjoyed by one or more but not all of the Residential Units in that portion of the Building containing the Residential Units, including the facilities appurtenant thereto. The same also indicates the percentage of the Residential Common Expenses that will be the responsibility of each Residential Unit Owner. Pursuant to Section 339-m of the RPL, the portion of Common Charges paid by the Commercial Unit Owner is less than the Common Interest attributable to the Commercial Unit.

8. Tenant-Purchasers. Each Bona Fide tenant in occupancy on the Presentation Date of the Plan has the exclusive right to purchase the Unit in which they reside for a 90-day period following the Presentation Date of this Plan. During any Exclusive Purchase Period, Sponsor may not negotiate the prices or terms offered to any individual tenant in occupancy. Terms offered to any tenant in occupancy, must be offered to all tenants-in-occupancy.

9. Non-Tenant Purchasers. Notwithstanding the foregoing, the Purchase Prices and other terms of sale of Units may be negotiated by Sponsor for Units being purchased by Non-Tenant Purchasers and therefore may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section entitled "Unit Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and

expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of the Closing. THE PRICES SET FORTH HEREIN HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

10. Common Charges. The Common Charges to be billed to the Unit Owners will be based upon the services to be provided to the Unit Owners by the Condominium as permitted by Section 339-m of the Real Property Law. The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert based upon the assumption that the first year of Condominium operation will be the year from April 1, 2024 through March 31, 2025, and are based on such Condominium Budget Experts estimate of the receipts and expenses of the Building for the projected year. The actual first year of Condominium operation may commence before or after April 1, 2024. In accordance with Section 23.4(e) of the Regulations, Sponsor's Condominium Budget Expert has certified the adequacy of the Common Charges payable by the Commercial Unit Owner. Such certification appears in Part II of the Plan.

Sponsor or those persons who own the Unsold Units will be liable to pay Common Charges and other amounts assessed by the Condominium Board regardless of the rents payable by the tenants who occupy the Unsold Units. As of the date hereof, the aggregate rents received by Sponsor for the apartments is $15,607.

In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his or her Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of his or her Unit, the cost of electricity and natural gas supplied to his or her Unit, the cost of any insurance which he or she may obtain for his or her Unit, as is required pursuant to the By-Laws and the cost of interior repairs and decorations to his or her Unit.

11. Real Estate Taxes. The value of the Property for real estate tax purposes is determined annually by the Department of Finance of the City of New York. Under current New York State law, increases in the assessed valuation of the Property due to changes in its market value are to be phased in over five (5) years in equal annual increments of twenty percent (20%); increases in value that result from physical alterations and improvements rather than general market conditions are not phased in. Any further increase in the assessed value during such five-year period resulting from a still higher market value is to be similarly phased in over an additional five-year period. The full increased assessed value targeted to be paid at the end of five (5) years is called the "actual assessed valuation." The "transitional assessed valuations" represents the aggregate of all increments being phased in for a given tax year, plus any "physical" increases. Real Estate Taxes for a given tax year are based upon the lower of either the actual or transitional assessed valuation. That lower figure is referred to as the "taxable assessed valuation."

The real estate taxes for 2023-2024 are $25,041.43, which reflect a final taxable value of $201,583 (based upon an estimated market value of $7,379,000) and a tax rate of 12.267 percent. Estimating an Based upon the tentative assessment published by New York City Department of Finance in January 2023, the market value of the Property is $7,379,000

and as Class 2C Property, it is subject to a 30 percent exemption so the real estate taxes for the 2024-2025 fiscal year are projected to be based upon a market value of $7,969,320 and upon a taxable assessed valuation of $217,710. For purposes of estimating the real estate taxes for the First Year of Condominium Operation, assuming the tax rate will be equal to 12.5 percent, the real estate taxes for 2024-2025 are projected to be $27,213.00. For purposes of Schedule A, the real estate taxes are based upon a total tax of $26,591.18, reflecting the fact that the First Year of Operation is contemplated to occur in two (2) fiscal years. No representation is made or warranty given as to whether or not there will be (i) a further or greater increase in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate.

In estimating the real estate taxes for each Unit, in the first year of condominium operation the total taxable assessed valuation has been allocated among Units in the same ratio as the Unit's Common Interest. There is no assurance that the New York City tax authorities will allocate taxes among the Units in proportion to their respective Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes among the Units in proportion to the Purchase Price for the Units rather than its Common Interest, and, if so, Units having the same Common Interest may pay different real estate taxes. However, in the event that at the time of Closing, the Units have not been separately assessed, the Condominium will be authorized to make payment of all real estate taxes on the Property and will assess and collect the amount thereof from all Unit Owners in proportion to each Unit's Common Interest.

There can be no assurance that the tax rate for the Units will not exceed $12.50 per $100 of assessed value. Assessed valuations and property tax rates are subject to review and change by the taxing authorities.

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

See the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I and the "Counsel's Income Tax Opinion Letter" in Part II for a discussion concerning the deductibility of real estate taxes paid with respect to a Unit. Inasmuch as the taxes for the Units will vary in future years, the amount of the tax deduction available to the Unit Owners on account of real estate taxes will likewise vary.

Once the Units are separately assessed by the New York City tax authorities, real estate taxes will be payable directly to the taxing authority on the following basis:

Annual Assessment Due Dates

July 1, October 1, January 1 and April 1

($40,000 or less quarterly)

More than $40,000 Semiannually (July 1 and January 1)

12. Total Carrying Charges. These figures represent the aggregate estimated carrying charges which include estimated Common Charges and estimated real estate taxes. The total carrying costs do not include costs for individual Unit Owner expenses such as maintenance and repairs of the interior of the Unit, insurance, electricity, natural gas and debt service on any financing arranged to purchase the Unit.

SCHEDULE B

BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION
April 1, 2024 to March 31, 2025

Projected Common Charges	
Residential Common Charges - Note 1	$90,217
Commercial Common Charges - Note 1	8,183
TOTAL INCOME	**$98,400**

	Residential Units	Commercial Units	Total
Projected Expenses			
Labor - Note 2	$13,000	-	$13,000
Electric - Note 3	3,350	-	3,350
Gas Heat - Note 4	20,400	-	20,400
Water and Sewer - Note 5	7,050	1,000	8,050
Cleaning, Maintenance, and General Repairs - Note 6	9,900	1,650	11,550
Insurance - Note 7	23,350	4,800	28,150
Management Fees - Note 8	8,000	-	8,000
Legal and Accounting - Note 9	3,667	733	4,400
Contingency - Note 10	1,500	-	1,500
Total Projected Expenses	**90,217**	**8,183**	**98,400**

FOOTNOTES TO SCHEDULE B

1. (a) Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from April 1, 2024 to March 31, 2025. The actual First Year of Condominium Operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by twenty-five percent (25%) or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has bene declared effective) the right to rescind their Purchase Agreements within not less that fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Contract Deposits returned, together with interest earned thereon, provided however, a Purchaser who is entitled to rescission will not be entitled to the refund of any portion of any Custom Work Deposit tendered by Purchaser for the performance of custom work in the Unit the extent that the same was expended by Sponsor for custom work completed prior to the date that such Purchaser exercised any right of rescission; however, Sponsor will be obligated to return to Purchaser the then unexpended portion of such Custom Work Deposit.

These amounts represent the total Common Charges to be levied against and collected from the Unit Owners during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board to pay the operating expenses of the Condominium. Common Expenses are allocated among the Units on the basis of percentage of Common Interest, except for certain special allocations to the Commercial Unit as described in (b) below.

(b) The Commercial Unit operates as independent Unit with a direct entrance from the street with a minimum of Common Expenses or operations shared with Residential Units. Common Expenses are allocated to Residential Units and the Commercial Unit on the basis of either percentage of General Common Interest or special allocations based on anticipated consumption and use of such services. Where the allocation of Common Expenses is not based on percentage of Common Interest, such circumstances are described in the following notes.

(i) Except as noted herein, the contribution of the Commercial Unit Owner to Common Expenses will be based on the interest of the Commercial Unit in the Common Elements. The Commercial Contribution of the Commercial Unit Owner to Common Expenses will be based on the percentage of Common Interest of the Commercial Unit Owner other than with respect to the following expenses: natural gas for heat, hot water and cooking gas, management fees; reserve for contingencies and cleaning and maintenance to the General Common Elements. Electricity and water and sewer charges are separated metered to the Commercial Unit. Such allocations are authorized in Section 20.1 of the Declaration of Condominium and Section 6.1 of the Condominium By-Laws.

(ii) In addition to their obligations under part (i), the Commercial Unit Owner will also be obligated to pay for its share of the expenses incurred by the Condominium in operating, maintaining and repairing the General Common Elements.

(iii) The Commercial Unit Owner will be obligated to pay its allocated share of the expenses that are incurred by the Board for operating, maintaining and repairing those portions of the Condominium that are utilized by the Commercial Unit Owner. After operation of the Condominium has commenced, it is anticipated that the allocations of the Common Expenses to be paid by the Commercial Unit Owner will be periodically adjusted, as provided by in the By-laws, but not more frequently than once per year, to reflect the differing, proportions fairly attributable to the actual usage of such category by the Commercial Section 20.1 of the Condominium Declaration and Section 6.1 of the Condominium By-Laws permit the allocation of expenses to the Commercial Unit based upon the projected use of such expenses by the Commercial Unit Owner. Any adjustment shall be in conformity with Section 339-m of the New York State Real Property Law. If any category of Unit Owner contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in the Declaration. In the event that the use of a Commercial Unit is changed from its then existing use, the Board of Managers may allocate expenses of specific expense items and apportion Common Charges allocated to the Commercial Unit resulting solely from such changes in use. Any dispute relating to the allocation of expenses shall be resolved by arbitration under the rules of the American Arbitration Association in accordance with the Declaration.

No warranty is made with respect to the amount of any budget item. The projected budget has been reviewed by Sponsor's budget expert, Camelot Realty Management Services Corp. Based upon the consumption and related building maintenance information that Sponsor has provided regarding the past operations of the Building, the budget is believed to be reasonable.

2. Labor - $13,000. Sponsor anticipates the Building staff will consist of one part-time live-out superintendent working approximately fifteen (15) hours per week an hourly rate of $17.50 per hour. The budgeted amount includes the employer portion of all payroll taxes and does not include benefits.

The superintendent's duties will include the following: cleaning and maintaining the sidewalks in front of the Building, the lobbies, halls and cellar spaces, which are General Common Elements, and bag and place refuse on curb side for pickup by the Department of Sanitation in accordance with the schedule published therefor.

All labor costs meet State and Federal minimum wage laws. Such level of staffing complies with all applicable housing labor laws, subject to the proviso noted below. No warranty is given that the actual wages and/or related taxes during the First Year of Condominium Operation will not exceed the budgeted amounts. However, the projected expenses for wages are based on current wage rates, adjusted for reasonably anticipated increases.

3. Electricity - $3,350. The amount set forth is the estimate for the electricity consumed only by the Common Elements. The projected electricity usage is 9,627 kilowatt hours (Kwh), based on the average Kwh consumed over a thirty-six-month period from 2020-2022. The projected cost is $0.35 per kilowatt hours, based on the average cost per kilowatt hour for 2022. An additional 10% of the costs, as an allowance for inflation, was also included in the budgeted amount. The electricity for each of the Residential Units and Commercial Unit will be individually metered by Consolidated Edison of New York. Allocation of the electricity consumed with respect to the General Common Elements is based on a house meter installed by Consolidated Edison expressly to measure the electric usage in the Common Elements.

The cost and consumption of electricity for the prior three years consumption indicated are as follows:

	Electricity	
Year Ended	Kwh	Cost
2020	8,471	$ 2,451
2021	11,913	$ 3,937
2022	8,496	$ 2,675

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

4. Gas for Heat, Cooking, and Hot Water – $20,400. There are two gas meters. One meter for heat and one meter for cooking gas and hot water. The projected gas usage is 9,358 Therms, based on the average Therms consumed over a thirty-six-month period from 2020-2022. The projected cost is $2.17 per Therm, based on the average cost per Therm during 2021. An added factor of 10% was also applied to the Gas budget. The expense is allocated entirely to the Residential Units which utilize the gas.

The cost and consumption of natural gas for the prior three years consumption indicated are as follows:

Year Ended	Therms	Cost
2020	9,035	$ 13,786
2021	9,497	$ 16,892
2022	9,358	$ 18,914

It is impossible to predict whether the budgeted figure will reflect the actual cost of gas during the First Year of Condominium Operation. This cost will vary with both the level of consumption and the rate charged by the utility company. The level of consumption of gas will be impacted by the severity of the weather and any conservation measures adopted by the Board.

5. Water and Sewer Rents – $8,050. The projected water usage is 408 Hcf, based on the average Hcf consumed over the preceding three-year period. The projected cost per Hcf is $19.46 based on the average cost per Hcf for 2022. An added factor of 10% was included in the amount budgeted for water and sewer budget. The budgeted amount should be sufficient to cover any reasonable increase in the cost of water and sewer charges during the First Year of Condominium Operation. The allocation of cost for water between the commercial and residential units is based on a reasonable estimate as determined by Sponsor's budget expert. However, no budget item is warranted as to its accuracy, sufficiency or otherwise. The water charges and sewer rents billed for the last three years are as follows:

	Water	
Period	HCf	Cost
07/01/19-06/30/20	323	$ 7,366
07/01/20-06/30/21	397	$ 7,569
07/01/21-06/30/22	323	$ 7,938

6. Cleaning, Maintenance, and General Repairs – $11,550. This budgeted amount represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting of the common areas at such intervals as the Board of Managers determines to be appropriate, and supplies, such as cleaning supplies, lubricants, light bulbs, fixtures, hardware, garbage bags, etc. used in connection with the operation of the General Common Elements. The allocation of cost between the commercial and residential units is based on a reasonable estimate as determined by Sponsor's budget expert.

7. Insurance – $28,150. The insurance premiums are based on annual premium for Property/All Risk, which includes an "Agreed Amount" replacement cost endorsement and the commercial general liability coverage and an umbrella policy.

Building Coverage	$ 7,379,000
Loss of Maintenance	$ 325,000
Each Occurrence	$ 1,000,000
General Aggregate Liability	$ 2,000,000
Umbrella Excess Liability	$ 10,000,000
Directors & Officers	$ 1,000,000
Backup of Sewers & Drains	$ 1,000,000
Flood	$ 1,000,000
Earthquake	$ 1,000,000
Boiler & Machinery	Insured to Value
PREMIUM	$ 25,500

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

The foregoing coverage was provided by Program Brokerage Corp., 200 Crossing Blvd., Warwick, RI 02886. They have provided their opinion that the coverage includes a

"Agreed Amount Replacement Cost" confirming that the insurance proceeds will sufficient to the Building in the event of a total loss during the First Year of Condominium Operation

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

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

Individual Unit Owners are required to procure additional insurance at their own expense to cover such risks as fire and casualty losses to Unit contents, replacements, additional, fixtures and improvements, and liability coverage for occurrences within the Unit or (where applicable) the Limited Common Elements.

Insurance expenses for the Condominium have been allocated among residential Units and Commercial Unit. The allocation is based on a reasonable estimate as determined by Sponsor's budget expert.

8. Management Fee – $8,000. The management fee is projected based on six percent of common charges. This amount is a projected amount and will be determined by a management contract between a management Company and Condominium. This expense is allocated one hundred percent to Residential Units since Commercial Units require relatively little oversight by building staff, are separately served by utilities, and are largely responsible for their own repairs and maintenance.

9. Legal and Accounting Fees - $4,400. Based upon the estimate provided by Baharestani & Ritt, having an address at 148 Madison Avenue, 11th FL, New York, NY 10016, $3,667 has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and its Federal, New York State and New York City income tax returns. The financial statements will be certified by the accountants(s) for the Condominium every year as long as Sponsor is in control of the Board of Managers. The balance of the budgeted amount ($733) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building, such as attendance at Board meetings, permits and fees, preparation of Board minutes and negotiation of minor agreements.

10. Contingency – $1,500. The contingency fund is intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses.

The special allocations set forth in this Schedule B are reflected in Article 20 of the Declaration and Section 6.1 of the By-laws.

In the opinion of Camelot Realty Management Services Corp. the projected receipts are adequate to meet the estimated expenses for the Condominium's First Year of Operation, assuming such first year is the fiscal year commencing on April 1, 2024. The foregoing schedules, however, are not intended and should not be taken as a guaranty by anyone that the Common Charges, other income or expenses for the first or any subsequent year of operation of the Condominium will be as set forth in said schedules, and it is likely that the actual income and expenses will vary from the amounts set forth in the budget. In the event that the amounts budgeted for the operating expenses projected to be incurred during the First Year of Condominium Operation, exceed the actual expenses incurred by the Condominium thereby resulting in an operating surplus, it is intended that such monies will be retained by the Condominium as working capital reserves to be applied to future expenses.

While Sponsor has attempted to make accurate estimates, such realities as inflation, changes in the economy and unforeseen factors are likely to cause differences in actual expenditures from the projections set forth herein.

The foregoing budget, however, is not intended, and should not be taken as a guarantee by anyone that the Annual Common Charges or Common Expenses for the first, or subsequent, year of operation of the Property by the Condominium Board.

It is possible that the actual Income and Expenses for the First Year of Condominium Operation will vary from the amounts shown in the budget. Sponsor reserves the right to enter into services, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium Board upon commencement of Condominium Operation. However, Sponsor may not enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Condominium Board for a period of more than two (2) years from the commencement of Condominium Operation, unless disclosed in the Plan.

SPONSOR MAY NOT DECLARE THE PLAN EFFECTIVE IN THE EVENT OF ANY MATERIAL CHANGES IN THE BUDGET, WHICH MAY GIVE RISE TO A RIGHT TO RESCIND, UNTIL SUCH CHANGES TO THE BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION ARE DISCLOSED IN AN AMENDMENT TO THE PLAN.

SPONSOR EXPECTS THE FIRST UNIT CLOSING TO OCCUR ON OR ABOUT APRIL 1, 2024. IF THE COMMENCEMENT OF CONDOMINIUM OPERATION IS DELAYED SIX (6) MONTHS OR MORE FROM SUCH DATE, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET CONTAINING CURRENT PROJECTIONS. IF SUCH PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY TWENTY-FIVE (25%) PERCENT OR MORE, ALL PURCHASERS MUST BE OFFERED THE RIGHT OF RESCISSION. IN THE EVENT THAT A RIGHT OF RESCISSION IS OFFERED, THE SAME MUST BE EXERCISED THE SAME AS SET FORTH IN SUCH AMENDMENT, WHICH, IN NO EVENT, WILL BE LESS THAN WITHIN FIFTEEN (15) DAYS OF THE PRESENTATION

DATE OF SUCH AMENDMENT. IN THE EVENT THAT ANY PURCHASER EXERCISES A RIGHT TO RESCIND, SPONSOR MUST CAUSE ESCROW AGENT TO PROMPTLY RETURN ANY DEPOSIT TO PURCHASERS WHO RESCIND WITHIN THE PERIOD SET FORTH IN THE AMENDMENT.

FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2022

295 EAST 8TH STREET
NEW YORK, NY

STATEMENT OF INCOME

FOR THE YEARS END
DECEMBER, 31, 2022 AND 2021

295 EAST 8TH STREET
NEW YORK, NY

STATEMENTS OF OPERATIONS (Income Tax Basis)

FOR THE YEARS END
DECEMBER, 31ST 2022 AND 2021

295 EAST 8TH STREET
NEW YORK, NY

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To the Owner
295 East 8th Street, New York, NY

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying Statements of Operations (Income tax basis) for 295 East 8th Street, New York, NY as of December 31st 2022 and 2021.

In our opinion, the accompanying financial statement presents fairly, in all material respects, as of December 31, 2022 and 2021 in accordance with the basis of accounting the Owner uses for income tax purposes described in Note A

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Owner and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The Statement of Operations (Income Tax Basis) are prepared on the basis of accounting the Owner uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management

Owner is responsible for the preparation and fair presentation of these statements of income in accordance with the basis of accounting the Owner uses for income tax purposes and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statement of Operations (Income Tax Basis), whether due to fraud or error.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the Statement of Operations (Income Tax Basis) as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of certain internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts and disclosures in the financial statements
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Owner's internal control. Accordingly, no such opinion is expressed
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Owner's ability to continue as a going concern for a reasonable period of time

We are required to communicate with those charged with the governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit

Baharestani & Ritt LLP

New York, New York
May 22, 2023

295 EAST 8TH STREET New York, NY
Statements of Operations (Income Tax Basis)
For the years ended December 31,

	2022	2021
Rental Income	$ 183,000	$ 207,000
Operating Expenses		
Auto and Travel	-	280
Business Meetings	-	1,359
Lead Remediation	17,600	-
Legal and Accounting Fees	12,300	3,599
Management Fees	82,261	73,967
Miscellaneous Expenses	-	140
Office Expenses	779	3,495
Repairs and Maintenance	15,608	9,353
Total Operating Expenses	128,548	92,193
Net Income from Operations	**54,452**	**114,807**
Other Expenses		
Depreciation	9,530	12,078
Total Other Expenses	9,530	12,078
Net Income	**$ 44,922**	**$ 102,729**

The accompanying notes to Statements of Operations (Income Tax Basis) are an integral part hereof.

295 EAST 8TH STREET, NEW YORK NY
Notes to Statement of Operations (Income Tax Basis)
For the years ended December 31, 2022 and 2021

NOTE A NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

295 East 8th Street, New York, NY is a multiple dwelling rental property located in New York, NY.

B. Basis of Accounting

The accompanying Statement of Operations (Income Tax Basis) have been prepared using the cash method of accounting used by the Company for federal income tax purposes, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). That basis differs from U.S. GAAP primarily because receipts of customer payments in advance are recognized immediately instead of being deferred and because expenses generally are recognized when paid instead of when the underlying obligation is incurred.

C. Use of Estimates

In preparing Statement of Operations in conformity with income tax basis, Owner makes estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. Related Party Transactions

Real estate tax, insurance, utilities and other miscellaneous operating expenses are paid by a related entity. The Management Fees represent the reimbursement of such expenses.

E. Tax Filing Status

The owner reports the income and expenses of 295 East 8th Street on their individual tax return (Form 1040 Schedule E)

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295 EAST 8TH STREET
NEW YORK, NY

STATEMENTS OF OPERATIONS (Income Tax Basis)

FOR THE YEARS END
DECEMBER, 31ST 2021 AND 2020

295 EAST 8TH STREET
NEW YORK, NY

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INDEPENDENT AUDITOR'S REPORT

To the Owner
295 East 8th Street, New York, NY

Opinion

We have audited the accompanying Statements of Operations (Income tax basis) for 295 East 8th Street, New York, NY as of December 31st 2021 and 2020.

In our opinion, the accompanying financial statement presents fairly, in all material respects, as of December 31, 2021 and 2020 in accordance with the basis of accounting the Owner uses for income tax purposes described in Note A

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Owner and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The Statement of Income (Income Ta basis) are prepared on the basis of accounting the Owner uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management

Owner is responsible for the preparation and fair presentation of these statements of income in accordance with the basis of accounting the Owner uses for income tax purposes and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statement of Income (tax basis), whether due to fraud or error.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the Statement of Income (tax basis) as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of certain internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts and disclosures in the financial statements
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Owner's internal control. Accordingly, no such opinion is expressed
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Owner's ability to continue as a going concern for a reasonable period of time

We are required to communicate with those charged with the governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit

Baharestani & Ritt LLP

New York, New York
February 13, 2023

295 EAST 8TH STREET New York, NY
Statements of Operations (Income Tax Basis)
For the years ended December 31,

	2021	2020
Rental Income	$ 207,000	$ 196,108
Operating Expenses		
Auto and Travel	280	110
Business Meetings	1,359	-
Legal and Accounting Fees	3,599	38,599
Management Fees	73,967	67,408
Miscellaneous Expenses	140	-
Office Expenses	3,495	2,771
Repairs and Maintenance	9,353	18,876
Total Operating Expenses:	92,193	127,764
Net Income from Operations	**114,807**	**68,344**
Other Expense		
Depreciation	12,078	9,255
Total Other Expenses	12,078	9,255
Net Income	**$ 102,729**	**$ 59,089**

The accompanying notes to Statements of Operations (Income Tax Basis) are an integral part hereof.

295 EAST 8TH STREET, NEW YORK NY
Notes to Statement of Operations (Income Tax Basis)
For the years ended December 31, 2021 and 2020

NOTE A NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

295 East 8th Street, New York, NY is a multiple dwelling rental property located in New York, NY.

B. Basis of Accounting

The accompanying Statement of Operations (Income Tax Basis) have been prepared using the cash method of accounting used by the Company for federal income tax purposes, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). That basis differs from U.S. GAAP primarily because receipts of customer payments in advance are recognized immediately instead of being deferred and because expenses generally are recognized when paid instead of when the underlying obligation is incurred.

C. Use of Estimates

In preparing Statement of Operations in conformity with income tax basis, Owner makes estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. Related Party Transactions

Real estate tax, insurance, utilities and other miscellaneous operating expenses are paid by a related entity. The Management Fees represent the reimbursement of such expenses.

E. Tax Filing Status

The owner reports the income and expenses of 295 East 8th Street on their individual tax return (Form 1040 Schedule E)

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SECTION 339I OPINIONS

ABC REALTY

152 WEST 57TH STREET
12TH FLOOR
NEW YORK, NY 10019

(212) 307-0500 FAX
(212) 586-2489

May 1, 2018

Real Estate Financing Bureau
New York State Department of Law
120 Broadway
New York, New York

Re: 295 East 8th Street Condominium
295-297 East 8th Street, New York, New York

Ladies and Gentlemen:

We have reviewed the allocation of Common Interest among the Condominium Units at the referenced property.

The allocation of Common is based upon floor space, subject to the relative value to other space in the Condominium, the uniqueness of the unit, the availability of the common elements for exclusive or shared use, and the overall dimension of the particular unit pursuant to Section 339-i(1)(iv) of the New York Real Property Law. In our opinion, the allocation of Common Interest among the Condominium Units is in compliance with the subsection set forth in the immediately preceding sentence.

This undersigned principal of this firm is a licensed real estate broker in the State of New York. We have prepared projected budgets for proposed and existing condominium and cooperative properties in New York City for more than twenty-eight years. We have acted as consultant, selling agent and/or managing agent for more than 200 buildings.

We have no financial interest in the Sponsor, the condominium or any other party interested in this transaction or in the land building covered by the Plan. All capitalized terms contained in this letter will have the same meaning as set forth in the Plan. You have advised us of your intent to reproduce this letter in the Plan and we hereby consent to such use.

Very truly yours,

Ralph Davis

Assistant Vice President

PHILLIPS NIZER LLP

485 Lexington Avenue New
York, NY 10017-2643
212.977.9700

November 7, 2018

Board of Managers of the Condominium
295 East 8th Street
New York, New York 10009

Re: Calvert-Vaux Condominium
295 East 8th Street, New York, New York 10009

Ladies and Gentlemen:

We have acted as special counsel for Calvert-Vaux, LTD, a New York corporation ("Sponsor"), in connection with the preparation of the condominium offering plan, declaration of condominium and the by-laws for the referenced condominium. We have been asked to opine as to whether the allocation of the percentages of common interest allocated to the respective Units as set forth in Schedule A of the condominium plan is in conformance with the provisions of the Real Property Law, Article 9-B, Section 339-i(1)(iv). In such capacity, we have reviewed the provisions of Section 339-i(1)(iv) and the opinion of ABC Realty.

Sponsor has used method (iv) set forth in Section 339-i(1), that is upon the floor space of the units, subject to the relative value to the other space in the Condominium, the availability of the common elements for exclusive or shared use, and the overall dimensions of the Units.

Solely in reliance upon the opinion letter prepared by ABC Realty, it is our opinion that the allocation of the percentages of common interest allocated to each of the respective Units as set forth in Schedule A of the Plan is in compliance with the requirements of Section 3394(1)(iv).

We assume no obligation to supplement this opinion if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions expressed herein after the date hereof. We do not express any opinion on any subject not expressly addressed herein. A copy of this letter may be included in the condominium offering plan.

Very truly yours,

PHILLIPS NIZER LLP

Phillips Nizer

1354338.18

CHANGES IN PRICES AND UNITS

Except for the Purchase Prices of Units offered to Tenant-Purchasers, which will not be increased during an Exclusive Purchase Period, Purchase Prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or 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 will be made other than pursuant to a duly filed amendment to the Plan in advance of any such change, when the change in 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. No such change with respect to any Unit for which a Purchase Agreement is then in effect, may be made without the consent of Purchaser. Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price, but is rather the result of an individually negotiated transaction, provided however, no such decrease shall constitute a discriminatory inducement to a Tenant-Purchaser. No change will be made in the size or number of Units and/or their respective percentages of common interest and no material adverse change will be made in the size or the quality of the Common Elements, except by an amendment to the Plan, and, if applicable, to the Declaration. If any such change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers pursuant to the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change.

Except to the extent that any negotiation would result in a discriminatory inducement to a Tenant-Purchaser, Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions, among others, of the Purchase Agreement: Purchase Price; the amount of the Contract Deposit; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, work to be done in the Units, 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 Use and Occupancy Agreements and the amount of interim rent thereunder; and the application of interim 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. 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 right 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, any 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, and (c) if appropriate, reapportion among the Unsold Units affected by any such change, the aggregate Common Interests appurtenant to such Unsold Units. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. In no event shall Sponsor combine any Unit that is occupied by a Tenant-in-Occupancy on the Filing Date of the Plan until such Tenant vacates the subject Unit. No such change, including any change in the Common Interest or material change in the size 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 unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, dimension, floor space or layout of such Unsold Unit. However, no change will be made in the size nor will any material adverse change be made in the Common Elements unless Purchasers receive a right to rescind such Purchase Agreements of no less than fifteen (15) days after the Presentation Date to exercise their right. Sponsor will promptly return any Contract Deposit 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 are amended by an amendment to the Declaration. The reasonable consent of each Unit Owner whose Unit is directly affected by such change is required, except as may be set forth herein and in the Declaration. Notwithstanding the foregoing, Sponsor will have the right to amend the Declaration to reflect any such change to Units owned by Sponsor and to file such amendment and any necessary plans and specifications in connection therewith.

It should be noted that as long as the dimensions of a Unit conform to the Floor Plans, subject to construction tolerances, a Purchaser will not be excused from purchasing his or her Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change from the dimensions set forth herein. The Units are being sold in existing "AS IS" condition on the date hereof. Immaterial variations between the layouts set forth in the floor plans set forth in Part II hereof and the actual layout of a Unit shall not be the basis for rescission of a Purchase Agreement. Each prospective Purchaser should inspect his or her Unit prior to executing a Purchase Agreement.

Notwithstanding anything to the contrary written above in this Section, the terms for any Unit offered under this Plan that are governed by the regulations of the New York State Attorney General's Office will be previously disclosed in an amendment to the Plan.

COMMERCIAL UNIT

There will be one (1) Commercial Unit in the Condominium. The Commercial Unit is located in the cellar, partially below street level. The Commercial Unit includes all equipment, apparatus and facilities located in such area or elsewhere in the Building which service, enclose or benefit only the Commercial Unit. All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owner. The Commercial Unit is not presently offered for sale pursuant to this Plan. At such time as the Commercial Unit is offered for sale, it will be offered pursuant to an amendment to the Plan or an application for a no action letter. Pursuant to Sponsor's current operating structure, Sponsor leases the Commercial Unit to Maximilian Olivas. As of the date hereof, the space that will constitute the Commercial Unit is subject to that certain Lease between Maximilian Olivas, as landlord and Amy Botello., as tenant who is using the space for storage. There are no other leases in effect for the Commercial Unit at this time.

As stated previously in the Plan, the Building is located on R-7A zone in which zone only residences are permitted. Notwithstanding such limitations of the applicable zoning laws, the use of the Commercial Unit for Commercial Uses is grandfathered. Accordingly, the use of the Commercial Unit is currently limited to administrative, executive and professional officers, *e.g.*, attorneys, accountants, psychologists, social workers, consultants, etc. However, the Condominium Declaration provides that the Commercial Unit may be used for any purpose permitted pursuant to applicable law.

The Condominium Board and the Residential Unit Owners will not have the right to disapprove either any change in the use of the Commercial Unit (or any part thereof), or any amendment to the Building's Certificate of Occupancy to authorize another use for the Commercial Unit (or any part thereof).

No representation is made with respect to: (a) the uses to which the Commercial Unit or any part thereof may be put at any time, or (b) who, as tenant(s), will operate or occupy the Commercial Unit or any part thereof at any time, or (c) Sponsor's continued ownership of the Commercial Unit. The Commercial Unit may be used for any lawful purpose under the applicable building codes and zoning ordinances, including (without limitation), as model Units, or a sales office, or an office for the leasing, rental or management of one or more such Units, without any charge or fee by the Condominium Board, at such rents, and upon such terms and conditions, as Sponsor or the Unit Owner and any tenant(s) may agree. Pursuant to the Zoning Resolution presently in effect, retail use is not permitted. However, the Commercial Unit may not be used for any illegal, noxious or immoral purpose. In addition, Sponsor reserves the right to convert the Commercial Unit to a residence or residences.

The Declaration prohibits certain uses of the Commercial Unit, including a drug or alcohol treatment center, an AIDS treatment center, or a facility housing or treating criminal or mentally disturbed persons. The use of the Commercial Unit may generate noise or other disturbances over which the Residential Unit Owners will have no control. The Commercial Unit may operate 24 hours per day, 365 days per year. No income derived from any use of the

Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

The percentage interest of the Commercial Unit in the Common Elements is based upon floor area, location, uniqueness, overall dimensions and similar factors of relative value to other space in the condominium, pursuant to Section 339-i(1)(iv) of the Condominium Act. Pursuant to Section 339-m, the Commercial Unit Owner is not required to pay for management services; however, it must pay its respective share of the Common Expenses based on the percentage interest in the Common Elements for the other expenses. As certified by Sponsor's Condominium Budget Expert, the Common Expenses payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to each such unit. ***Please see Schedule A for additional information.***

The Commercial Unit Owner will also be responsible for the removal of all refuse generated by the occupants of its Unit including, without limitation, any medical waste in accordance with applicable laws. In the event that the Commercial Unit is to be occupied by a tenant or owner that will require excessive use of water for other purposes, *i.e.* a supplier of medical services, the Condominium Board may require, and it will be the responsibility of the Commercial Unit Owner or its tenant to cause, a separate meter to be installed and to pay for the cost of such additional water usage.

The Commercial Unit Owner may make alterations in the Commercial Unit without the consent of the Condominium Board or the other Unit Owners. The Commercial Unit Owner has the right to freely sell or lease the Commercial Unit or any part thereof without the Condominium Board having any right of first refusal to purchase or lease, or to procure a third party to purchase or lease, the same. ***See Section 8.1.10 of the By-Laws; see also "Rights and Obligations of the Unit Owners" and "Rights and Obligations of the Condominium Board/Summary of By-laws" for further discussion.***

RIGHTS OF EXISTING TENANTS

Exclusive Purchase Period

Each existing Residential Tenant who has a continued right to occupancy will have the exclusive right to purchase the Residential Unit that such Tenant occupies for a period of 90 days (the "Exclusive Purchase Period") from the Presentation Date of the Plan at the Purchase Price set forth in Schedule A. The term "Existing Tenants" as used in this Plan and defined in the "Definitions" subsection of the "Introduction" of this Plan shall include (i) each *bona fide* "tenant in occupancy" of an apartment in the Building on the Filing Date of the Plan, which shall mean the tenant of record with an unexpired lease, (ii) each *bona fide* tenant with the right on such date to renew a lease for an apartment in the Building, and (iii) each *bona fide* tenant who has the right on such date to continued occupancy of an apartment in the Building. For purposes of determining who has the right to purchase a Residential Unit during the Exclusive Period, a *bona fide* tenant of record with an unexpired lease shall be presumed to be a "tenant in occupancy" even though he has sublet his or her Residential Unit in the Building or the Residential Unit in the Building is not his or her primary residence. A *bona fide* sublessee in occupancy of a Residential Unit in the Building on the Filing Date who sublets from a non-*bona fide* tenant or has obtained written permission to purchase the Residential Unit in the Building from a *bona fide* tenant of record shall also have the right to purchase that Residential Unit in the Building at the "Offering Price" set forth on Schedule A during the Exclusive Period (unauthorized sublessees having no such rights). Purchase Agreements executed by "tenants in occupancy" during the Exclusive Period, as the same may be extended pursuant to applicable law or an amendment to the Plan, shall have priority over any Purchase Agreements received from Purchasers who do not occupy the Unit that is the subject of a Purchase Agreement. Nothing contained herein shall be construed to deprive Sponsor of any legal remedy for illegal occupancy.

No Existing Tenant will have any exclusive or preferential right to purchase any vacant Residential Unit or any Residential Unit occupied or leased by another. Any exclusive right granted to Existing Tenants hereunder shall apply only to purchases by Existing Tenants of the Residential Units (apartments) occupied or leased by them. However, Existing Tenants as of the Filing Date may, if they wish, enter into Purchase Agreements for vacant Units or Units occupied by another, as if they were non-occupants of the Building. Sponsor is under no obligation to accept Purchase Agreements from Existing Tenants for vacant Units or Units occupied or leased by others.

The offer made in this Plan to Existing Tenants on the Filing Date of the Plan shall be personal to such tenants and shall not extend to any tenant's testamentary beneficiaries or to any tenants' estate or the executor(s) thereof.

Existing Tenants may not assign or transfer their Purchase Agreements unless they obtain the prior consent of Sponsor, which consent shall be given only in accordance with the terms set forth in the Section entitled "Assignment of Purchase Agreement by Existing Tenant."

The By-Laws of the Condominium provide that Non-Purchasing Tenants will be notified in writing of changes in ownership of the Units they occupy, within 30 days after any such change in ownership, by registered or certified mail, return receipt requested.

If prior to the effective date of the Plan or the expiration of an Exclusive Period which began prior to effectiveness, whichever is later, Sponsor amends the terms or conditions of this offering so as to be more favorable to Tenant-Purchasers, an Existing Tenant who executed and submitted a Purchase Agreement before Sponsor amended the Plan will be entitled to benefit from the more favorable terms and conditions.

The Plan will not be declared effective and will be abandoned unless, within fifteen (15) months from the Filing Date, written Purchase Agreements have been executed and delivered to Sponsor for at least fifteen percent (15%) of all Residential Units in the Building by Bona Fide Tenant Purchasers or Bona Fide Non-Tenant Purchasers (*i.e.* those who represent that they intend that they or one or more members of their immediate families occupy the Residential Unit when it becomes vacant). As to Existing Tenants who were in occupancy on the Filing Date of the Plan, the Purchase Agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements. Existing Tenants who are relatives, business associates or affiliates of Sponsor will not be included in the computation unless they are pre-existing bona fide tenants in occupancy on the Presentation Date.

If the Plan is substantially amended after the Presentation Date but prior to the First Unit Closing, the time periods set forth above shall be extended, if applicable, from the date on which the amendment is presented to the Existing Tenants ("Amendment Presentation Date"), as follows:

> If the Amendment Presentation Date occurs during the 90 day Exclusive Period, such Exclusive Period shall terminate not less than 30 days after the Amendment Presentation Date; and
>
> If the Amendment Presentation Date occurs at any time after the 90 day Exclusive Period has expired but prior to the First Unit Closing, then for 30 days after such Amendment Presentation Date, an Existing Tenant shall have the exclusive right to purchase on the amended terms.

A substantial amendment is defined as an amendment which contains terms which are materially beneficial to any tenant-purchasers, such as: decrease in the offering price to tenants; significant increase in the working capital or reserve fund; agreement by Sponsor to make additional repairs or improvements, or to repurchase apartments; or the offer of new or better terms to tenants for financing the Purchase Price of an apartment.

In the event of a material amendment to this Plan prior to the First Unit Closing which adversely affects purchasers, each Purchaser will have the right to rescind his or her Purchase Agreement within fifteen (15) days from the Amendment Presentation Date upon written notice

to Sponsor. In the event of any such cancellation, any payments made by that person pursuant to his Purchase Agreement will be returned to that person without interest, unless the monies are held in an interest-bearing account in which event the monies shall be returned with the interest accrued, and that person will have no further rights or obligations thereunder. It is currently contemplated that such payments will be held in interest-bearing accounts.

Sponsor will not show a Residential Unit to prospective non-tenant purchasers during the Exclusive Period if the Residential Unit is occupied by the person who was the tenant thereof on the Presentation Date. However, if the Existing Tenant waives his or her right to purchase such Residential Unit in writing, Sponsor may exercise whatever right that it may have under the existing lease or then applicable law to show that Residential Unit to prospective purchasers and also to accept a Purchase Agreement from any prospective purchaser, subject to any rights afforded to the Existing Tenant by Section 352-eeee, other applicable laws and regulations or subsequent amendments to this Plan.

Any Purchase Agreement relating to an occupied Residential Unit will be subject to cancellation in the event the Existing Tenant of the subject Residential Unit purchases during any period in which he has the exclusive right to purchase.

On the 30th, 60th, 88th and 90th days after the Presentation Date, at least once every 30 days thereafter until the Plan is declared effective or is abandoned, and on the tenth day and second day preceding the expiration of any exclusive purchase period, Sponsor will file a written statement under affirmation with the Attorney General's Office setting forth the percentage of the Residential Units subscribed for by Existing Tenants or *bona fide* purchasers who represent that they or one or more members of their immediate families intend to occupy the Residential Unit when it becomes vacant. Sponsor will also arrange to have a copy of the statement posted in a prominent place in the Building accessible to all Existing Tenants before noon on the day such statement is filed.

If the Plan is not declared effective within fifteen (15) months of the Filing Date, it will be declared abandoned. If this Plan is abandoned, no new plan may be presented for twelve (12) months after the date of such abandonment. **The Plan may not be amended at any time to provide that it shall be an "Eviction" Plan.**

Rights of Non-Purchasing Tenants

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law ("Section 352-eeee"), a copy of which is set forth in Part II of the Plan.

The term "Non-Purchasing Tenant" is defined in Section 352-eeee as "a person who has not purchased under the Plan and who is a tenant entitled to possession at the time the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the Effective Date. A person who sublets a dwelling unit from a Purchaser under the Plan shall not be deemed a Non-Purchasing Tenant." Notwithstanding the foregoing, the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold

apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000).

No eviction proceeding will be commenced at any time against Non-Purchasing Tenants in Residential Units for failure to purchase, provided however, such proceedings may be commenced for any breach of the lease of a Non-Purchasing Tenant, including non-payment of rent, illegal use or occupancy of the apartment of such Non-Purchasing Tenant, refusal of reasonable access to the owner, maintaining hazardous, illegal or nuisance conditions in the Residential Unit or a similar breach by the Non-Purchasing Tenant of his or her obligations to the owner of the Residential Unit, or if a tenancy expires.

Non-Purchasing Existing Tenants who reside in Residential Units subject to governmental regulation as to rentals and continued occupancy prior to the conversion of the Property to condominium ownership shall continue to be subject thereto. However, once such Residential Units are vacated by the Non-Purchasing Tenant who resided therein on the Filing Date of this Plan, such Residential Units will no longer be subject to any form of rent regulation.

Tenants Not Entitled to Renewal Leases

All tenants in the Building *are exempt* from the Rent Laws. Those tenants who occupy Residential Units pursuant to leases that expire before the Plan is declared effective and against whom holdover proceedings are commenced prior to the declaration of effectiveness retain only the minimal protections available to a common-law "tenant at sufferance," and ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases absent some special circumstances, as found by a court of competent jurisdiction.

Non-Purchasing Tenants (those residential tenants who are entitled to remain in occupancy in accordance with the terms of their respective lease on the date the Plan is declared effective) and are not otherwise in default under their lease may not be evicted except by reason of a default under their lease and will be entitled to renewal leases for their Residential Units, subsequent to the conversion of the Building to a condominium, at rents that are not subject to unconscionable rent increases. "Unconscionable rent increase" is defined by Law as increases that are "beyond ordinary rentals for comparable apartments during the period of their occupancy." Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005.

This Building is located in the First Department, notwithstanding the statutory definition of "Non-Purchasing Tenants", the Appellate Term, First Department (Bronx and New York Counties) has held that unregulated tenants who rent unsold apartments or units after an offering plan is declared effective are not protected from eviction or from "unconscionable" rent increases. *Park West Village Assocs. v. Nishoika*, 187 Misc. 2d 243, 245 (App. Term 1st Dep't 2000). Accordingly, those Unsold Units that are leased by Tenants subsequent to the date on which the Plan is declared effective are not entitled to renewal leases and ARE NOT

PROTECTED from eviction for any other reason applicable to the expiration of their tenancy or from unconscionable rent increases.

The rights granted under the Plan to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL.

Building-wide services shall be managed on behalf of all Residential Units (including those occupied by Non-Purchasing Tenants) by the same Managing Agent who manages all other Residential Units in the Building. Such Managing Agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis.

Any provision of a lease or other rental agreement which purports to waive a Non-Purchasing Tenant's rights under Section 352-eeee or any law promulgated pursuant to the GBL shall be void as contrary to public policy.

As of the Presentation Date hereof, ***none*** of the Residential Units are subject to the New York City Rent Stabilization Law and Code and the rent regulatory scheme, codes, rules and regulations (collectively, "Rent Stabilization") or the rent control laws. However, all of the Residential Units that are presently occupied by Tenants are subject to Section 352-eeee of the General Business Law,

Sponsor has elected to present this Plan as a "non-eviction plan" pursuant to Section 352-eeee of the General Business Law. Accordingly, a Non-Purchasing Tenant who is in occupancy of a dwelling unit in the Building on the date this Plan declared effective has the right to remain in occupancy of such dwelling unit and is not otherwise in default under their lease may not be evicted except by reason of a default under their lease and will be entitled to renew their lease subsequent to the conversion of the Building to a Condominium at a rent that is not subject to an unconscionable rent increase. This protection continues even if such Residential Unit is sold to any other person, as long as the tenant in occupancy is not in default of his obligations under his or her lease or tenancy and is otherwise entitled to remain in possession. Under present law, tenants in occupancy of dwelling units are under no obligation to purchase their dwelling units in order to retain rights of continued occupancy, subject however, to the right of Sponsor not to renew the lease of any tenant whose lease expires prior to the Date on which the Plan is declared effective. The Management Agreement and Purchase Agreements submitted by purchasers of apartments occupied by Non-Purchasing Tenants will contain provisions to the effect that Non-Purchasing Tenants will be provided with all services and facilities required by law on a non-discriminatory basis.

It shall be unlawful for any person to engage in any course of conduct (including but not limited to interruption or discontinuance of essential services) which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in the use or occupancy of such tenant's apartment or the facilities related thereto. A tenant may apply to the Attorney General for a determination that such conduct does exist or has taken place. The Attorney General may also apply to a court of competent jurisdiction for an order restraining such conduct, and if he deems it appropriate, an order restraining the owner from selling the apartment or from proceeding with the Plan.

All Residential Units occupied by Non-Purchasing Tenants shall be managed by the same managing agent who manages all other Residential Units in the Building. Existing Tenants shall have access to and the right to use the Common Elements of the Condominium and all services and facilities required by law on a non-discriminatory basis. Sponsor shall guarantee the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board.

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

Section 352-eeee also provides for the following:

> An offering plan may not be accepted for filing if an excessive number of long-term vacancies exist on the date the offering plan is first submitted for review to the Department of Law. Long term vacancies are apartments not leased or occupied by *bona fide* tenants for more than five months prior to the date of such submission. Excessive means a vacancy rate in excess of the greater of (x) ten percent or (y) a percentage that is double the normal average vacancy rate for the building or group of Building or development for two years prior to the January preceding the date of the submission.

If there is any inconsistency between the terms of this Plan, on the one hand, and GBL § 352-eeee, on the other hand, the terms and provisions of GBL § 352-eeee shall prevail to the extent of such inconsistency as if those statutes and regulations were set forth above in the Plan verbatim, so that all requirements of GBL § 352-eeee applicable to the Plan are met hereby.

OBLIGATIONS OF OWNERS OF RESIDENTIAL UNITS OCCUPIED BY NON-PURCHASING TENANTS

The occupied Residential Units in the Building are occupied pursuant to leases that are for "fair market" rents and therefore are not subject to the Rent Laws. The apartments are not subject to the Rent Laws because the Building was previously operated as a religious institution and a school and was converted to residential occupancy as evidenced by the Certificate of Occupancy, issued on April 26, 1985. The leases of non-purchasing Existing Tenants will not be affected by the conversion of the building to condominium ownership.

Consequently, a purchaser of an occupied Residential Unit will acquire title to the Residential Unit subject to: (a) the lease for the Residential Unit; (b) all of the rights of any Existing Tenant of any Residential Unit (who has not purchased his or her Residential Unit) afforded by GBL § 352-eeee, including the right (among others) to continue to reside in their Residential Units without having any eviction proceedings or lease termination proceedings commenced against them at any time other than for nonpayment of rent, illegal use or occupancy of the premises, refusal of access to the owner or similar breach of their obligation to the owner of their Residential Unit, and the right to renew any such lease at a rent that is not unconscionable, and (c) any applicable federal laws, regulations and rules limiting or controlling rent and occupancy terms and the landlord's rights to evict tenants or other occupants now existing or hereinafter enacted. Once such Residential Units are vacated by the Existing Tenant who was in occupancy on the date this Plan was accepted for filing, such Residential Units will no longer be subject to the protections afforded Existing Tenants pursuant to GBL § 352-eeee.

If a Residential Unit is purchased by someone other than the tenant or occupant thereof, the tenant or occupant thereof will become the Residential Unit Purchaser's tenant on the Unit Closing Date and the Unit Purchaser will become such tenant's landlord.

A Purchaser who acquires an occupied Residential Unit will be required to pay the amount due as Common Charges, special assessments and real estate taxes for that Residential Unit, whether those expenses are greater or less than the rent payable or received by the Purchaser from the Existing Tenant, and shall also bear all litigation costs, fees and any dues related to the tenancy. By reason of GBL § 352-eeee, a Purchaser of a Residential Unit will also be responsible for the due performance of all of the obligations of the landlord under the lease of the Existing Tenant, and will also have the obligation to provide to the Existing Tenant all services required by law to the extent applicable, including the obligation to make all repairs to the Residential Unit that are not the responsibility of the Condominium Board. Those services may include, but are not limited to, painting, repairs to interior plumbing and wiring and replacement (when needed) of fixtures, appliances, doors, hardware and windows. While Sponsor is in control of the Condominium Board, Sponsor will guarantee that said services will be provided if required by applicable law.

In order to assure the fulfillment of a Unit Purchaser's obligations to the Existing Tenant of an occupied Residential Unit under GBL § 352-eeee, the Residential Unit Owner shall

execute an agreement at the closing of such occupied Residential Unit irrevocably appointing the managing agent for the Condominium as his or her agent to perform for the account and at the expense of the Purchaser of such Residential Unit all services required to be furnished or performed by a landlord under the non-purchasing Existing Tenant's lease and the laws and regulations specified above that are not to be provided by the Condominium (including, but not limited to, interior repairs and apartment painting). In addition, a Residential Unit Owner (but not Sponsor, Sponsor-affiliate or a Holder of Unsold Units) shall be required to deposit with the Managing Agent at such Residential Unit closing an amount equal to the greater of: (i) two (2) months' Common Charges, or (ii) two (2) months' rent for the Residential Unit to be used as working capital to furnish the services required under the non-purchasing Existing Tenant's lease and the laws and regulations specified above. The fund shall be replenished by the Residential Unit Owner within 30 days after receipt of notice from the Managing Agent that the amount on deposit has been reduced by more than one month's Common Charges, and the failure of the Residential Unit Owner to replenish the fund timely shall result in a lien being filed against the Unit by the Condominium Board, on behalf of all Unit Owners.

Any person interested in purchasing a Residential Unit in which he does not reside is urged to examine any lease pertaining to the Residential Unit, verifying not only the expiration date of the lease (or any renewal thereof) and the obligations of the landlord thereunder, but also the rent currently payable for the Residential Unit. Such rent may be more or less than the Common Charges that will be payable by the Residential Unit Owner to the Condominium for the Unit after such Closing Date. Litigation costs, fees, and dues related to the tenancy of the non-purchasing tenant are the sole responsibility of the Residential Unit Owner. In the event that a Purchaser of one or more occupied Units wishes to review the existing Leases, Sponsor shall make such leases available for review at the offices of Sponsor's attorneys.

IT IS ALSO RECOMMENDED THAT EVERY PURCHASER OF AN OCCUPIED UNIT CONSULT AN ATTORNEY IN ORDER TO BECOME FULLY APPRISED OF THE EFFECT OF GBL-352-eeee ON HIS OR HER RIGHTS AS A PURCHASER AND HIS OR HER OBLIGATIONS TO ANY EXISTING TENANT OR OCCUPANT.

A purchaser of a Residential Unit subject to a lease will be entitled to receive from Sponsor the unapplied portion of any security deposit held under the terms of the lease. Said purchaser will be required to execute an agreement, in form approved by counsel to Sponsor, indemnifying Sponsor from any liability therefor. Such security must be held by the Residential Unit Owner in a special bank account in accordance with Section 7-103 of the New York General Obligations Law.

In the opinion of counsel to Sponsor, the Plan complies with GBL § 352-eeee, as such law is in effect on the Presentation Date. No representation or warranty is made that the Attorney General, The New York City Department of Housing Preservation and Development, or any other governmental authority, or any court will so hold, and in no event will Sponsor, counsel to Sponsor, the Managing Agent, or anyone else be liable if, for any reason, it shall be

determined that the Plan does not so comply or at any future time ceases to so comply with, or does not meet the requirements of any portion thereof.

No warranty is made that the GBL § 352-eeee will (or will not) continue to apply to the Property or to the Plan, or that there will or will not be any further amendments to GBL § 352-eeee or other applicable law, regulation or code, the Plan may be amended to reflect the amended law, regulation or code, as the case may be. Neither counsel to Sponsor nor Sponsor makes any representation or statement of any kind as to the requirements of GBL § 352-eeee or any other law, regulation or code, except as specifically set forth herein with respect to the Plan. Under current law, when the tenant who was in occupancy on the Presentation Date of the Plan vacates his or her Residential Unit, the protections afforded to Tenants pursuant to GBL § 352-eeee will no longer apply.

Real Property Law Section 339-kk

Real Property Law Section 339-kk was enacted into law on July 22, 1998 and is applicable to all condominiums in the State of New York. The Section is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant unit owner fails to make monthly payments for Common Charges, assessments and other amount owed in connection with such owner's unit(s).

Section 339-kk provides in pertinent part, as follows:

(a) If a unit owner who does not occupy the unit rents any dwelling unit and then fails to make payments due for Common Charges, assessments or late fees for such unit within 60 days of the expiration of any grace period following the earliest date payment is due, then, upon notice from the Condominium Board as described below, all rental payments due from the tenant shall be payable directly to the condominium.

(b) If Common Charges, assessments or late fees due for any unit have not been paid in full within 60 days after the expiration of any grace period following the earliest date when the same were due, the Condominium Board shall provide written notice to the tenant and to the non-occupying owner providing that commencing immediately, and continuing until such time as all payments for Common Charges, assessments and/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. Where a majority of the Condominium Board has been elected by and from among the unit owners who are in occupancy of their units, the Board may elect not to require that rental payments be made payable to the condominium.

(c) At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given by the Condominium Board within three (3) business days to the rental tenant and non-occupying owner. Thereafter, all rental payments for the unit shall be made payable to the non-occupying owner or to said non-occupying owner's designated agent.

(d) A non-occupying owner who disputes the Condominium Board's claim to a rental payment pursuant to this law shall be entitled to present facts supporting such owner's

position at the next scheduled meeting of the Condominium Board, which must be held within 30 days of the date that the Condominium Board receives notice that the owner seeks to dispute such claim.

(e) Payment by a rental tenant to the condominium made in connection with said section shall relieve the 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.

(f) Nothing in the statute shall limit any rights of unit owners or the Condominium Board existing under any other law or agreement.

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

Section 339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) the effect of the section on the lien priority of a loan make to a non-occupant unit owner and secured by the unit, (ii) the effect on an assignment of leases and rents given by a non-occupant owner to a mortgagee in connection with a mortgage granted with respect to a unit, (iii) the Condominium's remedies if a tenant fails or refuses to make payments of rent to the Condominium Board after receipt of notice from the Condominium Board (in accordance with RPL Section 339-kk), or (iv) the consequence of the Condominium Board's failure to give notice to a tenant and whether or not such failure will be deemed a waiver of the Condominium Board's rights. Finally, no representation is made about the tax consequences of the exercise of Section 339-kk.

INTERIM USE AND OCCUPANCY AGREEMENTS

Sponsor reserves the right, to enter into a use and occupancy agreement with respect to any Unit that is vacant on the filing date or becomes vacant subsequent thereto, for such rent and term and on such other conditions as may be agreed upon by Sponsor and any Purchaser who has paid the Contract Deposit under a Purchase Agreement (in each case, an "Interim Occupancy Agreement"). However, once a Purchase Agreement for a vacant Unit has been executed, and for so long as such Purchase Agreement is in effect, Sponsor shall only lease the Unit to the Purchaser thereof. Prior to the First Unit Closing, the entire building will be insured by Sponsor. A person in possession, who is not an owner, cannot insure the Unit since he or she has no ownership interest in the Unit 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 to the extent that any such losses would be the responsibility of a Unit Owner pursuant to the Condominium Declaration and By-Laws.

The term of such Interim Occupancy Agreements will expire one year from the possession date or on the Closing Date, whichever is earlier. In addition, Sponsor may require Purchasers who execute Interim Occupancy Agreements to take physical possession of the Unit within a reasonable time after an Interim Occupancy Agreement is executed. If the Plan is abandoned, the tenant under an Interim Occupancy Agreement may either (i) remain in possession of the Unit in accordance with his or her lease, or (ii) terminate such lease and vacate the Unit as of the last day of any month on not less than 30 days' prior written notice to Sponsor.

In connection with the execution of an Interim Occupancy Agreement, Sponsor may require Purchaser to authorize a credit report. The Interim Occupancy Agreement also requires a Purchaser to tender a security deposit equal to the "use and occupancy" charge for one month to be held in accordance with the New York General Obligations Law. As security for an Interim Occupancy Agreement, Sponsor reserves the right to increase the Contract Deposit (as defined in the Section entitled "Procedure to Purchase") to twenty percent (20%) of the Purchase Price.

All such Interim Occupancy Agreements executed by a Unit Purchaser will provide, among other things, that (i) an uncured default under the Purchase Agreement for the Unit will constitute a substantial and material default under the Interim Occupancy Agreement, entitling the landlord (Sponsor), at its sole option, to immediately terminate such Interim Occupancy Agreement, and (ii) an uncured default under the Interim Occupancy Agreement will constitute a substantial and material default under the Purchase Agreement. However, before Sponsor may utilize any such default under the Interim Occupancy Agreement to declare a default under the Purchase Agreement, either: (i) Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim lessee or (ii) the interim lessee must have vacated the Unit.

In the event an Interim Occupancy Agreement is terminated by Sponsor upon a default under such lease or a Purchase Agreement, the interim lessee shall have 30 days in which to vacate the Unit.

Sponsor does not presently offer the right of rescission of a Purchase Agreement. However, should such right be offered in the future, and be accepted by Purchaser, then the Purchaser will be required to surrender possession of the apartment and leave the same vacant and broom clean within 30 days thereafter. If Purchaser fails to timely vacate, Purchaser will be liable for all expenses including legal fees and court costs incurred in any proceeding to remove the Purchaser from the apartment. Purchaser must also pay any use and occupancy fees due pursuant to his or her Interim Use and Occupancy Agreement. Nothing contained herein shall relieve any Purchaser of liability for damage caused to the apartment or any liability under the Purchase Agreement.

The rent payable for any such Unit and other terms under an Interim Occupancy Agreement will be negotiated by Sponsor and Purchaser, but will in no event exceed the maximum rent that may be legally collectible, if any.

It should be noted that until the Purchaser acquires title to the Unit, Purchasers of Units will not be able to claim the income tax deductions described in the Plan. Such deductions may become available only when and if (a) the Plan is declared effective and there is a sale to Purchasers hereunder, and (b) the conditions set forth in the Attorney's Income Tax Opinion have been met, and then only for the period subsequent to the Closing Date of such Unit. **NO PART OF THE RENT PAID PURSUANT TO AN INTERIM USE AND OCCUPANCY AGREEMENT WILL BE APPLIED TOWARD THE PURCHASE PRICE OF ANY UNIT.**

Purchasers or any other persons entering into an Interim Occupancy Agreement for a Unit shall be required to pay the sum of $500 (subject to increase) to Sponsor's attorney for legal fees in connection therewith upon execution of the Interim Occupancy Agreement. All other charges or other fees due under an Interim 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 Interim Occupancy Agreement.

Sponsor or its successor further reserves the right to use or occupy itself or to rent or lease to a tenant who is not a Purchaser (for such rent and term and on such other conditions as may be agreed to between such parties) any vacant Unit not conveyed or with respect to which a Purchase Agreement is not then outstanding. Sponsor and/or its agents shall not discriminate against any person on any basis prohibited by civil rights law.

PROCEDURE TO PURCHASE

A prospective Purchaser desiring to purchase a Unit will be required to execute a Purchase Agreement in quadruplicate (four (4) original counterparts), which will be in the form set forth in Part II of the Plan as Exhibit A. In the event of any conflict between the terms of the Purchase Agreement and the Plan, the terms of the Plan shall control.

Prospective Purchasers shall be given not less than three (3) full business days to review the Plan and all amendments thereto prior to executing a Purchase Agreement. If a Purchaser has not received and read the Plan at least three (3) full business days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within seven days from the date of the Purchase Agreement. 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 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, unless otherwise agreed to by Sponsor.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Purchase Agreement and the Contract Deposit required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law.

If a Purchase Agreement is not accepted by Sponsor within the aforesaid 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Contract Deposit shall be returned to Purchaser within 30 days thereafter. 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.

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 Contract Deposit in an amount equal to ten percent (10%) of the Purchase Price. All Contract Deposits must be made payable to the direct order of "Phillips Nizer LLP, Escrow Agent." All checks delivered in payment of the Contract Deposit 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 cancelled and of no further force or effect.

All Contract Deposits made pursuant to a Purchase Agreement are subject to the requirements of Sections 352-e(2)(b)-352(h) of the General Business Law of the State of New York. Pursuant to this law, Sponsor will cause all Contract Deposits received by it directly or by its agents or employees to be promptly deposited and held in escrow in accordance with the procedures set forth in the Section of the Plan entitled "Escrow and Trust Fund Requirements."

After the amendment declaring the Plan effective has been accepted for filing, Sponsor will set dates for Closing for all Units for which purchase agreements have been executed by serving notice on all purchasers and tenants stating the date of the First Unit Closing and setting each closing date. Such notice shall be served no less than 30 days prior to such designated closing date. Purchasers, at their sole option, may elect to waive the aforesaid 30-day notice provision.

The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit by 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 deed will be substantially in the form set forth in Part II of the Plan as Exhibit C. Interest, if any, on Purchaser's Contract Deposit will be credited or paid to Purchaser at Closing. At Closing, Purchaser will be required to deliver a Power of Attorney in favor of the Condominium Board substantially in the form included herein as Exhibit B. Such Power of Attorney shall be returned to the Condominium Board within 30 days of the Closing. Failure to return the Unit Owner's Power of Attorney within 30 days shall subject Unit Owner to an obligation to reimburse the Condominium Board for any attorneys' fees it incurs in connection with securing the Power of Attorney in addition to the sum of $1,000 payable to the Condominium Board as liquidated damages.

TIME IS OF THE ESSENCE TO PURCHASER 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.

In the event of any default by Purchaser under his or her Purchase Agreement, and if Purchaser does not cure such default within 30 days after Sponsor gives written notice to the Purchaser of default, Sponsor may, at its option, either (a) cancel such Purchase Agreement and retain the Contract Deposit 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. A Purchaser will receive at least fifteen (15) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a 30-day period after written notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth above.

If a Purchaser fails for any reason to close title to his or her Unit, other than a reason caused by Sponsor or one acting on behalf of Sponsor, on the originally scheduled Closing Date: (a) the closing apportionments described in the Section entitled "Unit 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) a Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased 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 the Plan, an amount equal to 0.04 percent of the Purchase Price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Prior to the Closing of a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent which consent may be withheld in Sponsor's sole and absolute discretion.

If the Plan is withdrawn or abandoned, the Contract Deposit previously paid to and actually collected by Sponsor, shall be returned to Purchaser in accordance with the provisions herein set forth.

From the date after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his or her Unit, whether or not he has taken possession of his or her Unit, and whether or not all work required to be performed by anyone in or to his or her Unit has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor provided however, in the event that a Purchaser takes possession of such Unit pursuant to an Interim Occupancy Agreement, such risk shall be assumed by Purchaser to the extent that Purchaser would be liable to insure for such risks pursuant to the Declaration and the By-Laws, 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 a 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 credit against, or abatement in, the Purchase Price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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, or the Declaration, specifically the Section entitled "Rights and Obligations of the Condominium Board/Summary

of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return Purchaser's Contract Deposit to Purchaser, 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.

In the event of damage to a Unit due to fire or other casualty, prior to the Closing, but subsequent to the signing of a Purchase Agreement (i) Sponsor will notify the applicable Purchaser whether or not it will repair the damage within 120 days following the day that the casualty occurred; and (ii) if Sponsor elects to repair the damage, it will do so as promptly as practicable and restore: (a) the Unit to the same condition immediately prior to the casualty, (b) the Unit's essential services (such as utilities and heat), as well as (c) the reasonable means of ingress and egress from the Unit to the street.

Insurance for the Condominium covers the Unit and it is the purchaser's responsibility to obtain insurance for the property not covered by condominium insurance and liability insurance. If Purchaser takes possession of the Unit pursuant to an Interim Occupancy Agreement before the transfer of title, such Purchaser assumes the risk of loss for the damaged property to the extent that the same would be the responsibility of Purchaser following the conveyance of title to the Unit. If financing has been obtained, a lender will not likely close the sale of a damaged Unit. The foregoing provision does not apply to Purchasers who are tenants in occupancy and is not intended to relieve or modify the obligations of Sponsor as landlord pursuant to the leases, which govern the tenancy of such tenants.

Except as otherwise specifically provided herein, the Units are being sold in the "as is" condition in which the same exist at the time a Purchaser signs a Purchase Agreement, subject to ordinary wear and tear. Each Purchaser should inspect the Unit that is the subject of a Purchase Agreement prior to Closing. Notwithstanding the foregoing, the principals of Sponsor who control Units 2E and 3W will have the following work performed in such Units, prior to the conveyance thereof:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem: Model # XE40m065ST 45 U1 or equivalent'
- Electric Cooking equipment will be provided;
- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.
- Fireplace will be infilled since the chimneys have been sealed and are no longer operable.

Except as set forth above, Sponsor has no present plans to renovate the Residential Units as the same became vacant. If Sponsor elects to renovate any of the Unsold Units, the Plans and Specifications for such renovations shall be disclosed in an amendment to the Plan.

Sponsor represents that Sponsor does not know of any material defects or need for major repairs or existing condition in the Building except as set forth in the report and that to the best of Sponsor's knowledge the following description set forth in such report accurately states the condition of the building and its equipment.

At Closing, Units occupied by tenants in occupancy will contain only those appliances, counter-tops, cabinets, sinks, vanities, heating, hardware and other fixtures, equipment and appliances as presently existing in the Unit as of the Presentation Date. Vacant Units will contain appliance fixtures and equipment that are in the Unit on the date the Purchase Agreement is executed. Each Unit will contain a refrigerator/freezer and a range with an oven. All fixtures, equipment and appliances will be in working order at Closing unless otherwise agreed in writing. In the event that Sponsor elects to renovate the vacant Residential Units, Sponsor shall amend the Plan to disclose the work to be performed by Sponsor. to be installed therein as set forth in this Plan. Each Unit is being sold unfurnished.

Lead Paint:

All prospective purchasers are hereby advised that, pursuant to regulations promulgated by the U.S. Department of Housing and Urban Development (24 CFR Part 35) and the Environmental Protection Agency (40 CFR Part 745) in accordance with Section 1018 of the Residential Lead Paint Hazard Reduction act of 1992, each purchaser has the right to make his or her obligations under his or her Purchase Agreement contingent on a ten-day period to perform a risk assessment or inspection in the Residential Unit and the Premises for lead-based paint and/or lead-based paint hazards ("Risk Assessment").

Pursuant to the aforementioned laws and regulations, each purchaser will be required to acknowledge having been advised that: (i) exposure to lead from lead-based paint may place young children at risk of developing lead poisoning; (ii) lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory; and (iii) lead poisoning also poses a particular risk to pregnant women.

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

As of the date of this Plan, there are three (3) violations, all dated July 11, 2022 and related to lead based paint located in Unit 1W having Department of Building ID Nos. 15262651,15262649 and 15262647 (collectively, the "Lead Paint Violations"). Copies of such violations are annexed to the Description of Property contained in Part II of the Plan. Sponsor has retained a contractor licensed to remediate lead-based paid and undertaken all work advised to remediate the lead based paint condition in Unit 1W (the "Lead Remediation Work"). subsequent to the completion of the Lead Remediation Work, Sponsor is having the relevant portions of Unit 1W tested to confirm the completion of the Lead Remediation Work and upon the receipt of the report confirming such completion, Sponsor shall cause the violations to be "closed out" and removed of record.

Except for the lead-based paint identified in the Lead Paint Violations, Sponsor does not have any actual knowledge of any lead-based paint or lead-based paint hazards in any Unit or in the Premises, and does not have any actual knowledge of any records or reports regarding any lead-based paint (or absence thereof) in the Unit or in the Premises. Sponsor has not undertaken and will not undertake any separate investigation or risk assessment as to the presence of lead-based paint and/or lead-based paint hazards elsewhere in the Premises and/or in any other Unit.

Each Purchaser of a Residential Unit will be required to represent that he has either (a) performed a Risk Assessment or inspection prior to the execution of his or her Purchase Agreement, or (b) waived his or her right to do so and any attendant rights he otherwise may have had to cancel his or her Purchase Agreement for reasons related to the presence, if any, of lead-based paint and/or lead-based paint hazards. By virtue of such waiver, each such purchaser will assume all risks, if any, arising from or relating to lead-based paint and/or lead-based paint hazards in any Residential Unit or in the Premises.

A copy of the pamphlet entitled "Protect Your Family From Lead in Your Home" appears in Part II of this Plan as Exhibit L. Each purchaser will be required to acknowledge receipt of a copy of that pamphlet.

A copy of the Disclosure Form with respect to lead-based paint and/or lead-based paint hazards appears as Exhibit M in Part II of this Plan at the end of the form of Purchase Agreement. Each purchaser will be required to complete, execute, and submit that form at the same time he tenders an executed purchase agreement.

ESCROW AND TRUST FUND REQUIREMENTS

The Escrow Agent

PHILLIPS NIZER LLP, 485 Lexington Avenue, New York, NY 10017 ("Escrow Agent") shall serve as escrow agent for Sponsor and purchasers. Escrow Agent has designated the following attorneys to serve as signatories: Marc A. Landis, Michael Galligan, Martin B. Wasser, Neil Kleinhandler, Alan Behr, Brian R. Brodrick, Jared Clark and Regina E. Faul. 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 principals of Sponsor or have any beneficial interest therein.

The Escrow Account

For the purpose of holding Contract Deposits or payments made by purchasers, the Escrow Agent has established an escrow account at Webster Bank at its branch located at Two Blue Hill Plaza, 2nd Floor, Pearl River, NY 10965 ("Bank"), a bank authorized to do business in the State of New York. The escrow account (the "Escrow Account") is entitled Phillips Nizer LLP Attorney Trust Account.

All Contract Deposits will be placed initially in a non-interest bearing checking portion of the Escrow Account. Each purchaser is required to deliver to the Escrow Agent a completed and signed IRS Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status). If a Contract Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Contract Deposit will thereafter be promptly transferred to an individual interest-bearing sub-account in the name of Purchaser. If a purchaser does not deliver a Form W-9 or a Form W-8, the Contract Deposit will remain in the non-interest bearing checking portion of the Escrow Account, which is an IOLA account.

The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual. If an individual makes a Contract Deposit in excess of $250,000 for the purchase of a unit, (i) such Contract Deposit will not be federally insured in excess of $250,000; and (ii) while the Contract Deposit is in the non-interest bearing checking account it may not be federally insured even if the Contract Deposit does not exceed $250,000, although under present law, there are no limits on the FDIC insurance on the aggregate balance of IOLA accounts, provided, however, the limit on the insurance awarded to any individual remains subject to the $250,000 limit. For the purpose of determining the maximum insurance proceeds payable to a Purchaser by the FDIC, other accounts that a Purchaser may have on deposit at the Bank will be aggregated with the Contract Deposit for the purpose of the maximum insurance limit.

All Contract Deposits received from a Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments and shall be made payable to or endorsed by the Purchaser to the order of Escrow Agent.

Any Custom Work Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The interest rate for all Contract Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently approximately 0.1%. Interest shall begin to accrue upon placing the Contract Deposit into the interest-bearing subaccount. All interest earned thereon shall be paid or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

Notification to Purchasers

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

The Escrow Agent is obligated to send notice to the Purchaser once the Contract 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 Contract Deposit, he or she may cancel the Purchase Agreement within 90 days after tender of the Purchase Agreement and Contract Deposit to Escrow Agent. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the initial Contract 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 sent to Purchaser.

Release of Funds

All Contract Deposits, except for advances made for upgrades, extras, or custom work, to be paid from a Custom Work Deposit received when the Purchase Agreement was executed are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

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

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

(a) pursuant to the terms and conditions set forth in the Purchase Agreement upon Closing; or

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

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

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

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

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

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

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

All Contract Deposits will be held in escrow in conformity with the disclosure contained in this Section of the Plan.

The Contract Deposit may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service or by wire transfer of immediately available funds. The Contract Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent, or Sponsor's attorneys.

Acceptance of the Contract Deposit by Sponsor or Selling Agent and the deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to

Purchaser a Unit unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders a Contract Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Contract Deposit and return it to Purchaser: (i) within five (5) business days after tender, if the Contract Deposit has not been deposited into escrow, and (ii) at any time, if the Contract Deposit has been deposited into escrow.

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

Sponsor's attorneys, Phillips Nizer LLP, will represent Sponsor in connection with the sale and closing of the Units, and also act as Escrow Agent. This is not a conflict of interest and will not affect Sponsor's attorneys ability to act in either capacity.

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. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Contract Deposit nor deducted from the Contract Deposit by any financial institution under any circumstance, except if an instrument tendered by a Purchaser is returned for failure of collection, in which event the Bank's standard fee therefor may be deducted from a subsequent deposit.

Escrow Agent will maintain all records concerning the Master Escrow Account for seven (7) years after the release of funds.

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

Set forth in Part II of the Plan is a copy of the form of Purchase Agreement which incorporates the escrow terms described herein.

ASSIGNMENT OF PURCHASE AGREEMENT BY EXISTING TENANTS

The rights of a Purchaser under his/her Purchase Agreement are not assignable to any party unless and until the express prior written consent of Sponsor is obtained. In the event Sponsor consents to or authorizes the assignment by a tenant purchaser (a purchaser who is an Existing Tenant) of his/her Purchase Agreement, that Purchase Agreement will be counted toward effectiveness only if: (i) such assignment is to a member of the immediate family of the Existing Tenant or to a trust for their benefit; (ii) an amendment to this Plan states conditions for such consent or authorization which are specific and reasonable and applied on an objective and non-discriminatory basis (*i.e.*, a uniform policy); and (iii) Sponsor receives a purchase agreement signed by the Existing Tenant together with the full Contract Deposit and an affidavit stating that the assignee was not procured by Sponsor, the Selling Agent, or the Managing Agent, and that the assignee intends that he or she or a specified member of his or her immediate family will personally occupy the dwelling unit (the form of which will be attached to said amendment).

A Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor. Any purported assignment by a Purchaser in violation of the Purchase Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase 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 the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay Sponsor's attorneys a fee of $1,000, in advance, for preparation of an assignment agreement.

EFFECTIVE DATE

The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Unit Closing shall not occur until the Plan has been declared effective. The Plan may not be declared effective until written Purchase Agreements have been executed and delivered for at least fifteen (15%) percent, *i.e.,* two (2) of the Residential Units in the Condominium by *bona fide* tenants-in-occupancy or *bona fide* purchasers, who represent that they or a specified member of their immediate family intends to occupy the Residential Unit. As to tenants-in-occupancy on the date the Plan was accepted for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without fraud or discriminatory repurchase agreements or other discriminatory inducements. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80 percent of the Residential Units offered under the Plan. . By reason of the fact that a proposed offering plan for the Building, commonly referred to as a "Red Herring", was submitted to the Department of Law and served on the Tenants-in-Occupancy on or about September 30, 2018, the consummation of the offering described in this Plan, to convert the Building to a condominium, does not have to comply with the increased threshold of sales and related matters that are required to declare an offering for an occupied building effective pursuant to the Housing Stability and Tenant Protection Act of 2019.

The Building was converted to residential use and received a certificate of occupancy for residential use in April, 1985. By reason of the fact that the Building was converted to "Residential Use" and the Certificate of Occupancy for the Building for residential use was initially in 1985, none of the apartments in the Building are subject to the Rent Laws.

The Plan may not be declared effective until, among other requirements, Purchase Agreements have been executed and delivered for at least fifteen percent (15%) of all Residential Units in the Building by Bona Fide Tenant Purchasers or Non-Tenant Purchasers who represent that they or one (1) or more specified members of their immediate family will occupy the Residential Unit after the Closing or when the Residential Unit becomes vacant (a "Bona Fide Non-Tenant Purchaser"). All Non-Tenant Purchasers, when executing a Purchase Agreement, must also execute a Bona Fide Purchaser Statement of Purchase, the form of which is annexed to the Purchase Agreement in Exhibit A.

For purposes of effectiveness, the purchase of the contiguous units (*i.e.* unit combinations) shall be treated as one unit. Notwithstanding the foregoing, the purchase of non-contiguous units by one (1) purchaser for more than one (1) bona fide purchaser (*e.g.* one (1) unit for parents and one (1) for adult child) shall be treated as individual units for effectiveness purposes.

The New York State Department of Law ("DOL") requires an affirmative representation from a Bona Fide purchaser as a part of an investigative process. A Purchaser who is Bona Fide, as defined above, will be required to execute an affidavit entitled "Affidavit of Bona Fide Tenant/Non-Tenant Purchaser for Purposes of Declaring Offering Plan

Effective." ***Copies of the affidavits are attached to the Purchase Agreement as Schedules D-1 and D-2 in Part II of the Plan.***

Purchasers are advised to seek the advice of an attorney before executing the affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the purchaser to both civil and criminal liability.

Disclaimer:

The Department of Law reserves the right to request additional information from Sponsor and any and all purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both the Sponsor and the purchaser to both civil and criminal liability.

A Bona Fide Non-Tenant Purchaser may also be required to submit to the DOL additional information regarding the intended occupancy of the Residential Unit that is the subject of their Purchase Agreement and otherwise cooperate with any inquiry by the DOL into the intended occupancy of the Residential Unit. A Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant Purchaser who fails to (i) complete and return to the DOL any documentation that the DOL may require, as and when requested; (ii) deliver any and all additional information the DOL may require; and (iii) otherwise cooperate in any inquiry the DOL may initiate, will be deemed to be in default pursuant to the Purchase Agreement. Bona Fide Tenant-Purchasers and Bona Fide Non-Tenant Purchasers are advised that the failure of a Purchaser to comply with these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Contract Deposit and any interest earned thereon, as set forth below, or, in the alternative, the right to commence an action to obtain a declaratory judgment for specific performance, in which case the Bona Fide Tenant-Purchaser or Bona Fide Non-Tenant Purchaser may be compelled by a court of law to fulfill all obligations concerning the Tenant Affidavit or the Non-Tenant Affidavit, as applicable. Samples of the DOL's current form of Tenant Affidavit and Non-Tenant Affidavit are included in Part II of the Plan as Schedules D-1 and D-2, respectively, of the Purchase Agreement. The Plan may be declared effective by (a) a duly filed amendment and a copy of such amendment will, thereafter, be sent to all Purchasers or (b) by personal service of notice on every Purchaser or by service by regular mail, certified mail or registered mail stating that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days thereafter confirming that the Plan was declared effective on a specified date. The First Unit Closing will not occur until after the Plan is declared effective. Sponsor will submit to the Department of Law, if requested to do so, copies of all Purchase Agreements (and any amendments or modifications thereto) within five (5) business days after such request is made.

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) signed by Purchasers who have not been afforded at least three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or at least seven (7) days to rescind; or (iii) signed by any Purchaser who is Sponsor, the Managing Agent or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either (except that such a Purchaser other than Sponsor or a principal thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is *bona fide*).

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective, in which event Purchasers will be notified by Sponsor in writing, by registered or certified mail.

The Plan will be deemed abandoned, void and of no effect if it does not become effective within fifteen (15) months from the date of issuance of the letter by the Department of Law indicating that the Plan has been accepted for filing, In the event of such abandonment, no new plan for conversion of the Building may be submitted to the Department of Law for at least twelve (12) months after the date of such abandonment.

Once the Plan has been declared effective, it may not thereafter be abandoned or withdrawn, except that, prior to the First Unit Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (l) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with prior to the date set for the First Unit Closing, without litigation; a substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Unit Closing for less than 0.5 percent of the total offering amount; or (2) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects or determinations of any authority or regulatory association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record. The Plan may not be abandoned because of any judgments or liens against the Property which are known to Sponsor or its principals on the date the Plan was declared effective, or resulting from any acts of Sponsor or its principals.

In the event the Plan is withdrawn or abandoned, all Contract Deposits will be returned to Purchasers within five (5) business days after the acceptance of the amendment withdrawing or abandoning the Plan. Upon the return or retention of the Contract Deposits, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Purchase Agreements. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and shall file a notice of abandonment on Form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all Contract Deposits received.

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, Sponsor must re-declare the Plan effective in order to conclude

the conversion to a Condominium pursuant to the Plan in accordance with 13 N.Y.C.R.R. § 23.1(c)(5). If all Purchase Agreements are either rescinded or terminated prior to the date of First Unit Closing, regardless of whether the Declaration has been recorded, Sponsor must re-declare the Plan effective.

TERMS OF SALE

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the Plan and the proposed unit deed which appears in Part II of the Plan. Title to each Unit and its appurtenant interest in the Common Elements shall be conveyed subject to the following:

1. Taxes and assessments, not yet due and payable;

2. Terms, Covenants, Restrictions, Reservation of Easements and Conditions set forth in the Declaration and By-Laws to be recorded;

3. State of facts shown in a current and any subsequent accurate survey of the Premises, provided such additional state of facts in a subsequent survey does not render title unmarketable;

4. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted; and

5. Requirements of the New York City Landmark Preservation Commission by reason of Designation dated June 6, 2001 recorded in Liber 3304, Page 2273.

All personal property owned by Sponsor, located within the Unit on the date the Purchase Agreement is signed, or, in the case of Units being renovated, described in the Description of Property, or located within the Common Elements on the date the Declaration is filed is included in the conveyance, unless otherwise specifically provided herein.

The Closing of each Unit shall be held at the offices of Sponsor's attorneys, or at such other place as Sponsor may designate. The Closing of each Unit shall take place only after or concurrently with the following events:

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

(b) the recording or filing of the Declaration, By-Laws, Floor Plans and engineers and tax authority certifications 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) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any;

(d) the delivery to Purchaser of written notice of the time and place of the Closing to his or her Unit no less than 30 days prior to the Closing Date specified therein, including a reasonable opportunity for Purchasers who are not Tenants-in-Occupancy to examine his or her Unit, 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) the execution and delivery by Purchaser of the Unit Owner Power of Attorney designating the Condominium Board as attorney-in-fact for the Unit Owner which power of attorney must be returned to the Managing Agent within fifteen (15) days following the execution of such power of attorney, the form of which is set forth in Part II of the Plan;

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

(h) the execution by and the delivery to Purchaser of the bargain and sale deed with covenants against grantor's acts as set forth in item (e) above, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to Sponsor of the balance of the Purchase Price and such other checks and documents required pursuant to the Plan and the Purchase Agreement.

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 be responsible for the cost of recording or filing such instruments.

Any existing mortgages will not be satisfied at or prior to the Closing of the first unit, provided however, Lender will deliver an agreement subordinating its lien of its mortgage to the Declaration. At each Unit Closing, Lender will deliver a partial release of mortgage releasing its lien on the Unit being conveyed, as well as all other agreements required, including, without limitation, a partial termination of the Assignment of Leases and Rents, UCC-3 releases to the extent same are required to deliver marketable title to the Unit.

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

UNIT CLOSING COSTS AND ADJUSTMENTS

Closing Costs

The estimated closing costs and expenses to be borne by each Purchaser are set forth below. Recording charges, fees, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice.

(a) A contribution to the Working Capital Fund of the Condominium in an amount equal to two (2) month's Common Charges then applicable to each Unit being purchased.

(b) If Purchaser elects to obtain fee or mortgage title insurance, Purchaser will pay a premium which will vary depending upon the amount of insurance requested.

Fee Title Insurance

$402.00 for the first $35,000.00 of coverage; plus from $7.00 to $4.59 for each $1,000.00 of additional fee insurance or fraction thereof depending on the amount of insurance.

Mortgage Title Insurance

$344.00 for the first $35,000.00 of coverage; plus from $6.00 to $3.82 for each $1,000.00 of additional mortgage title insurance or fraction thereof depending on the amount of insurance.

(a) If a Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance licensed to do business in New York, the premium for the mortgage title insurance will be at a simultaneous rate.

The premium for fee title insurance issued simultaneously is computed as described in subparagraph (b) above. To the extent there are any savings of title premiums for fee or mortgage insurance by virtue of a title company using a reissue or similar rate rather than the full rate for the purchase of such insurance (as a result of title premiums previously paid by or on behalf of Sponsor) the Purchaser shall be required to pay the amount of such savings directly to Sponsor as reimbursement for premiums previously paid by Sponsor in connection with Sponsor's acquisition of the Property. ***Purchasers are free to obtain title insurance from the title insurance company of their choice without incurring additional charges.***

(b) A fee for recording the Deed and Power of Attorney, being $17.00 for each instrument plus $5.00 per page and a service charge to the title company of approximately $10.00 per instrument, together with a fee of $25.00 for filing the New York City Real Property Transfer Tax return.

Pursuant to applicable statutes, a seller is obligated to pay the New York City Real Property Transfer Tax ("City Transfer Tax") and New York State Real Property Transfer Tax (Deed Stamps) ("State Transfer Tax"), provided however, the statute imposes the primary

liability for a Special Additional Tax, commonly referred to as the "Mansion Tax" on a Purchaser. However, pursuant to the Purchase Agreements to be executed pursuant to this Plan, this obligation is being transferred to Purchasers, and Purchasers are thus obligated to pay the City Transfer Tax and the State Transfer Tax.

The New York State Real Estate Transfer Tax (the "State Transfer Tax") is payable at the rate of 0.4 percent of the Purchase Price in instances in which the Purchase Price is $3,000,000 or less. If the Purchase Price is more than $3,000,000, the State Transfer Tax is payable at the rate of 0.65 percent. If applicable, a special additional tax of one percent where the Purchase Price equals $l million or more will be computed as follows: For sales of Residential Units with Purchase Prices between: (i) $1,000,000 and $1,999,999 the tax is equal to one percent (1%) of the Purchase Price: (ii) $2,000,000 and $2,999,999 the tax is equal to one and one-quarter percent (1.25%) of the Purchase Price; and (iii) $3,000,000 and $4,999,999 the tax is equal to one and one-half percent (1.50%) of the Purchase Price. The tax rate escalates further for sales in excess of $5,000,000; however, it is not presently anticipated that any Residential Units will sell for more than $5,000,000. The City Transfer Tax is currently equal to one percent of the Purchase Price where the Purchase Price is $500,000 or less and 1.425 percent of the Purchase Price where the Purchase Price is more than $500,000.

The City of New York, Department of Finance has taken the position that where the purchaser of property assumes the obligation for the State Transfer Tax and the City Transfer Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes will be treated as additional consideration for the transaction subject to tax. Effective as of July 1, 2021, New York State has taken the position that the consideration for the purpose of computing the consideration on which the State Transfer Tax and the Mansion Tax, if applicable, will be payable is to include the portion of the RPT Tax paid by purchasers pursuant to the Purchase Agreement, but such consideration shall not include the State Transfer Tax.

Consequently, the amount of the Transfer Taxes are computed as follows:

(i) Multiply the Purchase Price by the City Transfer Tax rate to compute the City Transfer Tax on the amount of the Purchase Price;

(ii) Multiply the Purchase Price by the State Transfer Tax rate to compute the State Transfer Tax due on the on the amount of the Purchase Price;

(iii) Add the amounts obtained by the computations in steps (i) and (ii) to the Purchase Price (the number is hereinafter referred to as the "Grossed-Up Purchase Price").

(iv) Multiply the result of (iii) by the City Transfer Tax rate to determine the City Transfer Tax payable;

(v) Multiply the result of (iii) by State Transfer Tax rate to determine the State Transfer Tax payable.

Example:

Purchase Price		=		$ 3,500,000.00
(1)	$3,500,000 x 1.425 percent	=	$49,875	
(2)	$3,500,000 x 0.65 percent	=	$22,750	$ 72,625.00
(3)	Grossed-up Purchase Price is $3,500,000 + 49,875 + $22,750	=		$ 3,572,625.00
(4)	RPT Tax: 3,572,625 x 1.425 percent	=		$ 50,910.00
(5)	RETT Consideration is $3,500,000 +$49875=$3,549,875	=		$ 50,910.00
(6)	$3,549,875 x 0.65 percent :			$ 23,075.00
(7)	Special Additional Tax: $3,549,875 x 1.5 percent =			$ 53,249.00
	TOTAL TRANSFER TAXES			$ 127,233.90

In addition, where a purchaser purchases two or more Units, the City Transfer Tax rate, where the consideration if $500,000 or less will be 1.425 percent, while the tax rate where the consideration is in excess of $500,000 will be 2.625 percent.

Thus, the effective City Transfer Tax rate is approximately 1.014 percent of the Purchase Price where the Purchase Price is $500,000 or less and 1.455 percent where the Purchase Price is $500,000 or more.

(c) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of the mortgage recording tax, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2.05 percent of the face amount of the mortgage and 2.175 percent of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the lender pays an amount equal to 0.25 percent of the face amount of the mortgage, so the Purchaser is responsible for 1.925% of the amount of the mortgage. In addition, there is a $30 exemption for residential real property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As indicated above, a discounted rate may apply where fee and mortgage title insurance policies are issued simultaneously.

In addition to the above specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender an amount equal to the aggregate of such one month's real estate taxes, tax assessments and

insurance premiums, if applicable, in order that sufficient funds will be available for the lender to pay the same when due.

(d) Fees payable to Sponsor's attorney in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(i) $3,500 for the preparation of closing documents, calculation of adjustments, attendance at closing at the place designated by Sponsor in the closing notice and supervision of execution of documents. Purchaser is also responsible to pay the fee for ACRIS preparation to Purchaser's title company. This fee is between $150-$350 and is set by the title companies.

(ii) If the Purchaser requires that the Closing occur other than at the offices of Sponsor's attorney or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an additional attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan.

(iii) 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, a fee of $450, payable in advance, for preparation of an assignment agreement.

(iv) If the Closing is adjourned by Purchaser or Purchaser's Lender, on less than two (2) business days' notice, an adjournment fee of $450;

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

Purchaser may pay more than one fee pursuant to subparagraph (e) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee in the amount set forth above if they attend a scheduled Closing, but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

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

Financial Crimes Enforcement Network

Pursuant to an Amended Geographic Targeting Order ("GTO"), dated October 22, 2023, the Financial Crimes Enforcement Network (FinCEN), a bureau of the United States Department of the Treasury, will require title insurance companies to identify the beneficial owners, *i.e.,* the natural persons who own the shares or interest in corporations and limited

liability companies, respectively, which purchase luxury residential real properties located in the Borough of Manhattan, having a purchase price of more than $300,000 in an "all-cash transaction", *i.e.* transactions that do not include a bank loan or similar form of external financing by a financial institution that has both an obligation to maintain an anti-money laundering program and an obligation to report suspicious transactions under FinCen regulations appearing in Chapter X of Title 31 of the Code of Federal Regulations (each a "covered transaction"). Any "covered transaction" includes transactions in which the consideration paid at closing, at least in part using currency, a cashier's check, certified check, traveler's check, a personal check, a business check, a money order in any form, a funds transfer or wire transfer of immediately available funds or virtual currency. In the event that a Purchaser acquires title to a Unit purchased pursuant to this Plan in a covered transaction and obtains title insurance in connection therewith, the title insurance company must report said transaction to FinCEN within 30 days of the closing. The title insurance company must identify (1) the purchaser; (2) the purchaser's representative, if any; and (3) the beneficial owner, which is defined as each natural person who, directly or indirectly, owns 25 percent or more of the equity interests of the purchaser. The title insurance company must obtain and copy the driver's license, passport or other similar identification for each beneficial owner. The title insurance company must retain all records relating to the GTO for at least five (5) years and make such records available to FinCEN or any other law enforcement or regulatory agency upon request. In the event that a Purchaser elects to acquire title in a Unit offered for sale pursuant to this Plan in the name of a corporation or a limited liability company, such transaction may be a covered transaction pursuant to the GTO.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes, and (c) accrued rent and any other charges pursuant to a lease between Sponsor and Purchaser including, without limitation, an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, Sponsor shall place in a special escrow account with Sponsor's attorney an amount equal to the unpaid real estate taxes which will be payable with respect to the Property for the six-month period following the First Unit Closing or until the Units are separately assessed, whichever is shorter, or Sponsor will pay the real estate taxes with respect to the Property from the special escrow account as and when such taxes become due and payable, and Sponsor will be reimbursed for such payments by the Condominium Board. Until the Units are separately assessed and billed, each Unit Owner will pay his or her *pro rata* share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board. The Condominium Board will pay such taxes either to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his or her *pro rata* share as set forth above, the Condominium Board will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. ***See the Section entitled "Rights and Obligations of Unit***

Owners ¬ Common Charges: Collection and Lien for Non Payment" for further discussion. At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above 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 the Plan, an amount equal to 0.04 percent of the Purchase Price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Closing Costs for a Unit with a Purchase Price of $3,500,000 assuming purchaser obtains a purchase money mortgage loan of $2,750,000:

1.	New York City Real Property Transfer Tax	$50,910.00
2.	New York State Real Estate Transfer Tax	$23,075.00
3.	Additional Tax (a/k/a Mansion Tax	$53,249.00
4.	Mortgage Recording Tax	$52,912.50
5.	Fee and Mortgage Insurance	$15,526.00*
6.	Recording Fees	$ 900.00
7.	Working Capital Fund	$ 2,950.00
8.	Legal Fee for Sponsor's Attorney	$ 3,500.00
9	Real Estate Tax Adjustment (Estimated)	$ 3,000.00
10.	Common Charge Adjusted (Estimated)	$ 1,400.00
	Total Estimated Closing Costs	$191,896.50

* The discounted combined premium rate indicated herein is available only for the initial conveyance from Sponsor.

Although a mortgage loan is contemplated and the above estimate assumes mortgage recording tax and mortgage title insurance, the foregoing estimates do not include origination fees, appraisal costs and credit reports with respect to purchaser's loan and legal fees paid to Lender's counsel because such amounts vary widely by institution. The foregoing also does not include the legal fees due to Purchaser's attorney.

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

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

Subject to the terms and conditions of the Plan, Sponsor shall have the following obligations and all Purchasers upon execution of their respective Purchase Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

(a) Each Unit and the fixtures and personal property contained therein, are being sold and delivered "AS IS", as described in the Plan, at the time the Purchase Agreement for such Unit is executed, unless Sponsor and Purchaser otherwise agree in writing. At present, Sponsor does not intend to perform work in the Units. In the event that Sponsor does elect to perform work in the Units, Sponsor will amend the Plan to disclose the work to be performed therein. Each Unit will contain a refrigerator/freezer and a range with an oven and the fixtures presently contained therein. Each Unit is being sold unfurnished. Sponsor will maintain each Unit and the fixtures and personalty contained therein, up to the time of the transfer of title to the subject Unit in question. At such time when the occupied Units become vacant, if Sponsor intends to perform work therein, Sponsor will amend the Plan. A Purchaser of a Unit may inspect such Unit prior to the Closing Date.

(b) Notwithstanding Paragraph (a) above, the principals of Sponsor who control Units 2E and 3W will have the following work performed in such Units, prior to the conveyance thereof:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem: Model # XE40m065ST 45 U1 or equivalent'
- Electric Cooking equipment will be provided;
- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.
- Fireplace will be infilled since the chimneys have been sealed and are no longer operable.

Except as set forth above, Sponsor represents that Sponsor does not know of any material defects or need for major repairs or existing condition in the building except as set forth in the report and that to the best of Sponsor's knowledge the following description set forth in such report accurately states the condition of the building and its equipment.

Any official inspection reports reflecting on the condition of the Premises, such as notice of Building Code Violation and any reports required by C26-1053 of the Administrative Code are reproduced in Part II of the Plan.

(c) Except as set for in (b) above, the Units are being sold "as is" in the condition in which the same exist at the time a Purchaser signs a Purchase Agreement subject to ordinary wear and tear, except as otherwise set forth herein. Sponsor will maintain and operate the Building until the First Unit Closing in substantially the same manner and condition as on the Filing Date of the Plan (subject to ordinary wear and tear) except to the extent Sponsor is precluded from so doing by Acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Unit Closing that it was obligated to make prior to the First Unit Closing.

(d) At present, there are no open violations against the Property filed at the DOB or at the New York City Department of Health. At such time when any Unsold Residential Unit becomes vacant, it shall be the obligation of Sponsor to cure any violations of record prior to the closing of a sale of any such Unit.

(e) At this time, the Sponsor has no plans to renovate the Unsold Units when the same become vacant. In the event Sponsor elects to renovate any Unsold Unit prior to the sale thereof, Sponsor will amend the Plan to disclose such renovation.

(f) Prior to the Closing for each Unit, Sponsor will cause such Unit and its appurtenant Common Interest, benefits, rights and easements as described in the Declaration and By-Laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any such agreements obtained by the Purchaser).

(g) Sponsor will bear all costs and expenses incurred by it in connection with the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor.

(h) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in any renovation or construction at the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during any such construction and will cause any and all mechanic's liens arising out of such construction, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

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

(j) Sponsor will deliver a set of "as built plans" to the Condominium Board.

(k) In accordance with Section 339(p) of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the

Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the Building.

(l) Sponsor will pay all Common Charges, real estate taxes and special assessments allocated to any Unsold Units in accordance with the provisions of the By-Laws. Sponsor represents and warrants that it has the financial resources to meet such obligations as the same become due. Sponsor intends to use revenues derived from rents, sales proceeds and income from other sources to pay their monthly Common Charges, real estate taxes and other obligations with respect to the Unsold Units. No bond or other security will be posted by Sponsor with respect to this obligation.

(m) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws, the cost of which insurance has been reflected in the First Year's Budget. ***See the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws".***

(n) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(o) Sponsor is obligated to deliver to the Condominium Board all books and records pertaining to the Building's operation that are in Sponsor's possession as of the date of the First Unit Closing.

(p) Sponsor may dissolve or liquidate at any time after the conveyance of 20 percent or more of the total number of units of the Condominium. In the event of a dissolution or termination of Sponsor, the principals of Sponsor will provide financially responsible entities or individuals to assume Sponsor's obligations for the Unsold Units pursuant to the Offering Plan, applicable laws and regulations.

(q) For so long as Sponsor shall control the Condominium Board, Sponsor shall cause the Condominium Board to maintain the Building in substantially the same condition and manner as on the date of the presentation of the Plan.

(r) Sponsor has no obligation to repair or improve Units or the fixtures or personal property attached to or used in connection with the operation of Units, except as otherwise expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any

Unit, or the materials or workmanship of the Common Elements. At present, Sponsor does not intend to perform work in the Units. In the event that Sponsor elects to perform work, at a future date, such work will be disclosed in an amendment to the Plan. In such event, Sponsor, however, shall assign to each Purchaser all warranties, if any, in Sponsor's possession at the Closing for any Unit. All warranties, if any, in Sponsor's possession as of the First Unit Closing which relate to General Common Elements will be assigned to the Condominium Board at the First Unit Closing.

(s) 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, or the Declaration, specifically the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return Purchaser's Contract Deposit to Purchaser, 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.

(t) All representations contained in the Plan and all of Sponsor's obligations under the General Business Law of the State of New York Section 352-eeee, which are to be performed subsequent to the Closing, shall survive the delivery of the deed.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. In the event that Sponsor or its agents cause damage to any of the Units, Sponsor or its agents will be responsible for the repair of such damage, provided however, Unit Owners are responsible to secure or remove their personal property to accommodate the work in the event that they are requested to do so.

Sponsor does not represent that it will endeavor to sell, rather than rent, the Units in excess of the fifteen percent (15%) required to declare the Plan effective. The Units reserved by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Units as it chooses.

Sponsor hereby reserves the right to rent rather than sell Units which become available subsequent to the conversion of the Building to a Condominium.

The foregoing sets forth all of the obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements. The Units and the Common Elements are

being sold in their "AS IS" condition as of the date hereof and Sponsor makes no representation or warranty as to the condition of the Units, the materials, appliances, equipment or fixtures other than as set forth in the Plan. Prospective Purchasers should inspect the Units prior to executing a Purchase Agreement.

The obligations of Sponsor hereunder with respect to the Building shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within 90 days following the giving of notice of such claim by any Unit Owner to the Condominium Board, or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 90 day period.

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan.

All representations under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan which are to be performed subsequent to the First Unit Closing will survive delivery of a deed to a Purchaser of a Unit.

Use of Unsold Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Unit as sales and rental offices and/or as a model apartment. In the event Sponsor thereafter elects to sell any such Unsold Units, Sponsor 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 imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of such Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Unit.

CONTROL BY SPONSOR

The sale of Residential Units by Sponsor does not require the approval of or a right of first refusal in favor of the Condominium Board, and no transfer fee may be charged to Sponsor or to successor owners of the Unsold Residential Units by the Condominium Board.

The Condominium Board shall initially consist of three (3) persons designated by Sponsor: Maximilian Olivas, Nana Olivas and Alan Dolinsky, who are the initial members of the Condominium Board. Maximilian Olivas and Alan Dolinsky are each principals of Sponsor. Nana Olivas is the daughter of Maximilian Olivas. The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board within 30 days of the first anniversary of the First Unit Closing or no more than 30 days prior to such anniversary.

Commencing with the first annual meeting, the Condominium Board shall consist of three (3) persons elected by the Residential Unit Owners. In the event that the Commercial Unit Owner elects to appoint a manager to serve on the Condominium Board, the Condominium Board shall automatically be reconstituted to consist of five (5) members, four (4) elected by the Residential Unit Owners and one (1) appointed by the Commercial Unit Owner. All such persons shall be elected by the Unit Owners (including Sponsor). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its successors-in-interest with respect to Unsold Units) shall be entitled to cast one vote for each 0.0001 percent of interest in the Common Elements attributable to his or her Unit or Units.

Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Units when voting for members of the Condominium Board. Sponsor may not control the Condominium Board after (i) the Closing with purchasers under the Plan to Residential Units having more than 50 percent of the aggregate Common Interests pertaining to the Residential Units, or (ii) five (5) years after the First Unit Closing, whichever is first to occur. Prior to the occurrence of either (i) or (ii) above, Sponsor may control the Condominium Board (the "Initial Control Period").

After the Initial Control Period, Sponsor as owner of Unsold Units, shall not designate and cast its votes for more than two (2) members of the Condominium Board to be elected by the Residential Unit Owners; provided, however, that after the Initial Control Period, Sponsor shall have the right to designate one member, for so long as Sponsor owns at least one Unsold Residential Unit. The Condominium By-Laws do not include a provision that requires that a majority of the members of the Board be owner-occupants of the Condominium or members of an owner-occupant's household unrelated to Sponsor and its principals. Furthermore, Sponsor is permitted to designate the Board Member to be elected by the Commercial Unit Owner,

subsequent to the Initial Control Period. Accordingly, Purchasers for their own occupancy may never obtain control of the Condominium Board.

Within approximately 30 days after the Initial Control Period, the applicable number of members of the Condominium Board representing the Residential Unit Owners which were designated by Sponsor shall resign and their replacement shall be filled by a majority vote 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.

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

The Condominium Board may not, for as long as Sponsor has title to Residential Units having more than 25 percent of the aggregate Common Interests pertaining to the Residential Units, but in no event later than five (5) years after the First Unit Closing, whichever shall first occur, 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 unless the same are required to comply with applicable laws or regulations, and except for any repair or replacement necessary for the preservation or safety of the building or the safety of its occupants, (b) assess any Common Charges or Special Assessments for the creation of, addition to or replacement of or addition to all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees from that described in the First Year's Budget, (d) enter into any service or maintenance contract for work or otherwise contract for work or services not included in the First Year's Budget, except as is required to reflect normal annual increases in the cost of 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 applicable laws or regulations or to remedy any notice of violation or to remedy any work order of the Condominium's insurer. Notwithstanding the foregoing, Sponsor may not exercise veto power over the expenses described in Schedule B, or over expenses required to: (i) comply with applicable laws or regulations; or (ii) remedy any notice of violation; or (ii) remedy any work order by an insurer.

During the time that Sponsor or its successors have the right to control the Condominium Board or to control the expenditures of the Condominium as provided above, Sponsor or its designees will effectively control the budget of the Condominium, the selection of a management company, the maintenance charges imposed upon Unit Owners or similar matters which will ultimately be the responsibility of resident members of the Condominium Board.

All members of the Condominium Board and officers shall serve without compensation from the Condominium, and Sponsor has agreed that the By-Laws will not be amended to provide otherwise while Sponsor is in control of the Condominium Board.

The term of office of the members of the Condominium Board and Condominium Board shall be for one year or until their successors are elected. 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.

A member of the Condominium Board 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. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, such member shall cease to be a Unit Owner or an interested party as described in Section 2.7 of the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

Any provisions contained in the By-Laws that purport to give Sponsor control over the enforcement of Sponsor's obligations are unlawful and unenforceable. If there are members of the Board who are not appointed by Sponsor, and there is a vote whether to take legal action against the Sponsor, members of the Board appointed by Sponsor are precluded from participating in such vote. *See Park River Owners Corp. v. Bangser Klein Rocca & Blum*, 269 A.D.2d 313, 703 N.Y.S.2d 465 (1st Dept. 2000); McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, pocket part, page 193; and BCL § 713 (a)(1). Also of interest *is Board of Managers of Fairways at North Hills v. Fairways at North Hills*, 193 A.D.2d 322, 603 N.Y.S.2d 867 (2d Dept. 1993), discussed in McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, page 160.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Residential Units

Each Residential Unit Owner may sell or lease his or her Residential Unit provided the Residential Unit Owner selling or leasing his or her Residential Unit (the "Transferor") first gives the Condominium Board, on behalf of all Unit Owners, notice of his or her intention to sell or lease such Residential Unit and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee as set forth in a signed contract or lease, as the case may be, as more specifically provided in Article 7 of the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within 30 days after receipt of the offering Residential Unit Owner's notice, the Transferor will have an additional 60 days to either convey the Residential Unit to the prospective purchaser or deliver possession of the Residential Unit to the lessee, as the case may be, on the terms set forth in said notice. In the event such sale or lease is not consummated within said 60-day period, the Transferor will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, such 60-day period. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. In any vote of all of the Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Condominium Board for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase or lease the Transferor's Residential Unit. Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by applicable law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

Any purported sale or lease of a Residential Unit in violation of this Section shall be voidable at the election of the Condominium Board.

A Residential Unit Owner may lease, sell or convey the Residential Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, may convey his or Residential Unit by gift, may devise his or her Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Residential Unit shall be subject to, the preceding

restrictions. In addition, any Residential Unit Owner may lease, sell or convey the Residential Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

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

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

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 a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

Use of Residential Units

Residential Units may be used only as a residence (except as described below), and not more than one family may occupy a Unit at one time, subject to applicable laws and regulations. A Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity may only be occupied by said individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, the fiduciary or beneficiary of said fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing.

Notwithstanding the foregoing, Sponsor or its successors who own the Unsold Units, may, without the permission of the Condominium Board (a) use or grant permission for the use of an Unsold Unit as a professional office, provided that such use is permitted by applicable law and regulations, and (b) retain ownership of one or more Units for use as models, sales rental and/or promotional offices.

The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of Units.

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

No "For Sale", "For Rent", "For Lease" signs, 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 or other similar device shall be erected on the roof or exterior walls of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto.

Each Unit Owner shall keep his or her 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 his or her 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 provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by Sponsor). Further restrictions on the use and leasing of Units are set forth in the By-Laws and the Rules and Regulations.

For all buildings erected prior to 1960, Local Law 38 of 1999 of the City of New York requires an annual lead paint inspection to be performed in each Residential Unit where a child under the age of six (6) is known to reside, and further requires a lead paint inspection to be performed in a Residential Unit upon its vacancy. If a lead paint hazard (*i.e.*, chipping or peeling lead paint or deteriorating sub-surfaces) is discovered upon any such inspection, then the hazard must be removed in compliance with law (*i.e.*, proper removal of paint chips and peeled paint, and painting over any exposed area) which work, in the case of a vacancy, must be performed prior to any new occupancy of the Residential Unit. Records of all such inspections and remedial actions must also be kept.

Following the Closing, pursuant to the Declaration and the By-Laws, the obligation to comply with the requirements of Local Law 38 inside the Units is the responsibility of the Residential Unit Owners (not the Condominium Board).

Pursuant to the By-Laws of the Condominium, the Residential Unit Owners (*e.g.* Purchaser) are responsible for compliance with laws and regulations regarding lead paint hazards pursuant to Local Law 38 or any successor statute.

Smoking Policy.

The City of New York has enacted Local Law 147 of 2017 requiring all buildings to adopt and distribute a smoking policy to residents on an annual basis. This Condominium By-Laws set forth the following as the initial Smoking Policy of the Condominium:

> No smoking is permitted inside the Residential Units or in hallways, stairways or other Common Elements. Section 6.26 of the Condominium By-Laws provides as follows:
>
> (a) No smoking is permitted in any Residential Unit in the Condominium.
>
> (b) Smoking is not permitted on any Balconies or terraces adjacent or appurtenant to the Residential Units.
>
> (c) No smoking is permitted (a) within twenty-five feet of the Residential entrance to the Building facing East 8th Street, or (b) in any of the Common Elements of the Building, including, without limitation, its lobby, hallways, elevators, stairwells, basement, storage areas, balconies or the rooftop.
>
> (d) The word "smoking" for the purpose of this policy means inhaling, exhaling, burning or carrying any lighted cigar, conventional cigarette or pipe, operating electronic cigarette, or other form of lighted object or operating device which contains tobacco or any other material intended to produce either smoke or a non-therapeutic aerosol for inhalation.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, provided that such Unit Owner first complies with the conditions with respect thereto set forth in the By-Laws. 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, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his or her Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents", in certain instances the consent of the Mortgage Representatives are necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three (3) 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 a successor owner of the Unsold Units, (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 only by Unit Owners and are included in their Common Charges, are allocated among Residential Unit Owners in proportion to the Common Interests appurtenant to their respective Units. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, and 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.

At least annually, the Condominium Board will prepare and approve a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses. For so long as Sponsor owns at least one (1) Unsold Unit, a member of the Condominium Board appointed by Sponsor shall be entitled to vote on the budget. Notwithstanding anything to the contrary contained herein, so long as Sponsor shall continue to own units with an aggregate common interest of more than 25 percent of the Common Elements, but in no event later than five (5) years from the First Unit Closing, the Condominium Board may not 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 unless the same are required to comply with applicable laws or regulations or the requirements of the Condominium's insurance carrier; (b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a reserve, contingency, or surplus fund; (c) increase or decrease the number or change the type of employees from that described in the First Year's Budget; (d) enter into any service or

maintenance contract for work or otherwise provide services in excess of those set forth in the First Year's Budget, 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. Notwithstanding the foregoing, Sponsor may not exercise veto power over the expenses described in Schedule B set forth herein and Sponsor's written consent is not necessary to perform any function or take any action or approve any expense described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary (and no alternatives are available) to enable the Condominium Board to: (i) comply with applicable laws or regulations; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

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 Condominium Board, Common Charges will be payable monthly in advance on the first day of each month.

Common Charges: Collection and Lien or Non-Payment

Pursuant to the provisions of the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests of the Units. 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 Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall 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.

No Unit Owner may exempt himself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, 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 his or her Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his or her Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless: (i) the aggregate Common Interests appurtenant to the Unsold Units constitutes fifteen percent (15%) or less of the total Common Interests then appurtenant to all Units; (ii) at least five (5)

years have elapsed from the date of the First Unit Closing; and (ii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by 24. The foregoing also does not prohibit Sponsor from selling a Unit to the Condominium Board.

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 his or her 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 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 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.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements), including the heating/cooling systems (to the extent that the same are the responsibility of the Unit Owners) 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 (b) in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense.

Notwithstanding the above, all normal maintenance, repairs and replacement of the Balconies shall be made by the Unit Owners that own the Units to which the Balconies are appurtenant, at such Unit Owner's sole cost and expense, but any structural or extraordinary repairs or replacements to such Balconies (including any leaks or damage that are not caused by the negligence of such Unit Owners) will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners, as a Common Expense. The Unit Owners of such Units shall keep the Balconies free of snow, ice and accumulation of water. In accordance with the By-laws, the type, size and quantity of plantings and other installations to be placed on the Balcony by a Unit Owner and the rights of any Unit Owner to paint and decorate the Balcony appurtenant to their respective Unit shall be subject to the prior written approval of the Condominium Board.

The interior 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. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner).

The By-Laws provide that each Unit and all portions of the Limited Common Elements which are used exclusively by certain Unit Owners 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) by the Unit Owner. In the event any Unit Owner fails to keep his Unit or such Unit Owner's designated Limited Common Element in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and/or the Limited Common Element and perform such acts as are necessary to cure such default. ***See the Section entitled "Rights of Access".***

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 the Condominium Board.

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit or the Limited Common Element without the prior written approval of the Condominium Board, as more fully set forth in the By-Laws. Except as otherwise permitted in the By-Laws, no Residential Unit Owner may make any alteration, addition, improvement or repair in or to the Limited Common Elements without the prior written approval of the Condominium Board. The Condominium Board may not unreasonably withhold or delay its consent to any such proposed alterations, additions, improvements or repairs in or to the Residential Units. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with review or supervision of such Unit Owner's work. Notwithstanding the foregoing, (a) Sponsor and its successors who own the Unsold Residential Units may make structural alterations, additions, improvements or repairs in or to their Units or the Limited Common Elements appurtenant thereto without the consent or permission of the Condominium Board and (b) the Commercial Unit Owner may make alterations, additions, improvements and repairs to the Commercial Unit without the consent of the Condominium Board.

No construction may be performed on any Balcony without having approved plans and a building permit from the Department of Buildings and the approval of the Condominium Board. Sponsor represents that it believes that as of the date hereof, no additional structures may be constructed on the roof or the Balcony. Any prospective purchaser who is interested in constructing improvements on a Balcony should consult with its own advisors, but should also

be aware that any such improvements will be subject to securing the approval of the Condominium Board.

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 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.

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 Residential Unit, unless approved and executed, if necessary, 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 other 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 man, 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 an Unsold Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. 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 all Unit Owners as a Common Expense.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." As set forth below, the Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in a Unit. Consequently, individual Unit Owners are strongly urged to consider obtaining casualty insurance with respect to the improvements, and the fixtures, furniture, furnishings and other personal property located within their respective Units and liability insurance with respect to occurrences in or about their respective Units. Purchasers should refer to Schedule B for a schedule of the insurance coverage to be maintained by the Condominium Board.

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property, furniture or furnishings in any Unit or with respect to the following items in, on or affixed to the Unit, whether existing in the Unit as of the Closing Date

or installed therein after the Closing Date, including, but not limited to, interior doors and hardware, the interior walls, partitions, wood or other floors (including all underlayment above the concrete slab) and floor coverings and ceilings affixed, attached or appurtenant to such Unit, smoke and carbon monoxide detectors, window treatments and associated hardware, plumbing, gas and heating fixtures, equipment and appliances such as refrigerators, ranges, microwaves, dishwashers, washers and dryers, heating, ventilating and air-conditioning units, electrical panel boxes, lighting and electrical fixtures and switches and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the electrical panel box (including electrical branch wiring, but excluding electrical service risers) and serving or benefiting only that Unit, sinks, bathtubs, water closets, medicine cabinets and vanities, built-in cabinetry of any type, kitchen cabinets, countertops in kitchens and bathrooms, wall accessories, trim and moldings and all other facilities as may be affixed, attached or appurtenant to such Unit or appurtenant to such Unit and serving such Unit exclusively plumbing, gas and heating fixtures and equipment as used in this paragraph shall include fireplace (if any), fireboxes and dampers, 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 the same are attached, and any special pipes or equipment that a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, flues or ductwork within the walls, ceilings or floors.

The By-Laws provide that each Unit Owner shall, at such Unit Owner's own cost and expense, obtain and keep in full force and effect (i) comprehensive personal liability insurance against any and all claims for bodily injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Residential Unit or any part thereof, with minimum insurance for liability with a combined single limit of $300,000 arising out of any one occurrence, (ii) umbrella liability insurance with minimum combined single limit of $1,000,000 and (iii) "special causes of loss" property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to, appropriate coverage for additions, alterations, improvements and betterments), provided however, that the Commercial Unit Owner shall maintain liability insurance with a minimum combined single limit of $1,000,000 and an umbrella policy of no less than $2,000,000. The limits of liability set forth above may be increased by the Condominium Board from time to time, provided that for so long as Sponsor owns at least one (1) Unsold Unit, any change or elimination of the requirements set forth above may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the Purchaser at the Closing of each Unit and thereafter, whenever requested by the Condominium Board or Managing Agent.

For so long as Sponsor owns at least one (1) Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types of insurance and coverage amounts set forth in the First Year's Budget. ***See Section entitled "Rights and Obligations of the Condominium Board/ Summary of the By-Laws."***

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agent, manager 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.

In accordance with the provisions of the multiple dwelling laws, each Unit Owner must deliver a complete set of keys for his or her Unit to the Condominium Board of the Condominium to facilitate any necessary entry. 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.

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

Each Unit Owner must strictly comply with the provisions of the Condominium Documents. 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 Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted twice during any calendar year, 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.

Self-Help

In the event that any Unit Owner fails to maintain or repair his or her Unit or any Limited Common Elements appurtenant to such Unit, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

Units Held by Non-Occupying Residential Unit Owners

If a Non-Occupying Owner of a Residential Unit rents any dwelling unit to a tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after the same are due, all rental payments from the tenant shall be directly payable to the Condominium. A "Non-

Occupying Owner" shall mean a Residential Unit Owner who does use his or her dwelling unit for occupancy by themselves or a member of their immediate family.

If the Common Charges, assessments or late fees due for any Residential Unit have not been paid in full within 60 days after the expiration of any grace period of the earliest due date, the board of directors shall provide written notice to the rental tenant and the Non-Occupying Owner providing that, commencing immediately and until such time as all payments for maintenance, 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 at the address listed on the notice. Where a majority of the Condominium Board has been elected by and from among the owners who are in occupancy, the Condominium Board may elect not to require that rental payments be made payable to the Condominium. At such time as payments for maintenance, assessments and late fees from the Non-Occupying Owner are once again current, notice of such fact shall be given within three business days to the rental tenant and Non-Occupying Owner. Thereafter, all rental payments for such unit shall be made payable to the Non-Occupying Owner or to a designated agent. A Non-Occupying Owner who disputes the Condominium's claim to rental payments pursuant to this Section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within thirty (30) days.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/SUMMARY OF BY-LAWS

Condominium Board

The affairs of the Residential Units and the residential portion of the Building shall be governed by a board elected by the Residential Unit Owners (the "Residential Board") and the affairs of the condominium shall be governed by a Condominium Board, also referred to as the Condominium Board. Initially, both the Residential Board and the Condominium Board shall be comprised of three (3) members designated by Sponsor. The Residential Board shall have the authority to take any actions with respect to matters that solely affect the Residential Units. Any members of the Condominium Board may be removed for cause. If the Member of the Condominium Board removed for "cause" was appointed by Sponsor, Sponsor shall have the right to appoint a new member of the Condominium Board.

The initial members of both the Residential Board and the Condominium Board shall be Maximilian Olivas, Nana Olivas and Alan Dolinsky. Messrs. Olivas and Dolinsky are each principals of Sponsor. Nana Olivas is the daughter of Maximilian Olivas. Within 30 days of the first anniversary of the First Unit Closing, the Condominium Board will call for the first annual meeting of Unit Owners. At such first annual meeting, the incumbent Residential Board and Condominium Board shall resign and, subject to Sponsor's right to designate members of the Residential Board and the Condominium Board, the Unit Owners shall elect a new Board to consist of two (2) members elected by the Residential Unit Owners. For so long as Sponsor owns at least one (1) Residential Unit, Sponsor shall be entitled to appoint one (1) member to the Residential Board. Sponsor shall be permitted to cast its votes for all members of the Residential Board.

At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its successors-in-interest with respect to Unsold Units) shall be entitled to cast one vote for each 0.0001 percent of interest in the Common Elements attributable to his or her Unit or Units.

In the event the Commercial Unit Owner exercises its option to designate a board member, the Condominium Board shall consist of five (5) members: four (4) elected by members of the Residential Unit Owners and one (1) designated by the Commercial Unit Owner. The Condominium Board shall be responsible for matters which pertain to all Units in the Building. For so long as Sponsor owns one (1) Residential Unit, Sponsor shall be permitted to designate at least one of the members of the Residential Board to serve on the members of the Condominium Board. The Residential Board members who will serve on the Condominium Board will be elected at the first meeting of the Residential Board held after the election. ***See the "Meetings and Votes of Unit Owners" below and "Control by Sponsor".*** Thereafter, at each annual meeting, members of the Residential Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Except for the Condominium Board members designated by Sponsor, all members of the Condominium Board must be either Unit Owners or certain interested parties as described in the By-Laws. However, the By-Laws do not require that Board members elected by the Residential Unit Owners reside in the Building. Accordingly, Purchasers for their own occupancy may never gain control of the Condominium Board under the terms of this Plan. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation from the Condominium.

Powers and Duties of and Determinations by the Condominium Board

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

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 is present.

Section 3.11 of the By-Laws provides that Unit Owners that own Units representing fifty percent (50%) of the aggregate Common Interest shall constitute a quorum.

Notwithstanding anything to the contrary contained herein, so long as Sponsor shall continue to own units with an aggregate common interest of more than 25 percent of the Common Elements, but in no event later than five (5) years from the First Unit Closing, the Condominium Board may not 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 unless the same are required to comply with applicable laws or regulations or the requirements of the Condominium's insurance carrier; (b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a reserve, contingency, or surplus fund; (c) increase or decrease the number or change the type of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those set forth in the First Year's Budget, 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. Notwithstanding the foregoing, Sponsor's written consent is not necessary to perform any function or take any action or approve any expense described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary (and no alternatives are available) to enable the Condominium Board to: (i) comply with applicable laws or regulations; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the three (3) member Condominium Board, subject to any rights of Sponsor to designate Condominium Board members, and there shall also be transacted such other business as may properly come before such meetings. In the event that the Commercial Unit Owner has exercised its right to appoint a member to the Condominium Board, at any annual meeting the Residential Unit Owners shall elect four members to the Condominium Board. 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 to all Unit Owners of record. The notice, which will be given not less than ten (10) nor more than thirty (30) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 50 percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each 0.1 percent of interest in the Common Elements attributable to his or her Unit or Units.

Officers

The principal officers of the Condominium shall be a President, a Vice-President and a Secretary-Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the first annual meeting. Thereafter, the President, the Vice-President and Secretary-Treasurer must be members of the Condominium Board. No officer shall receive any compensation for acting in such capacity, provided however, this shall not prevent the Condominium Board from appointing employees of the Managing Agent from acting as an officer. The By-Laws provide that all instruments of the Condominium are to be executed by any two (2) officers 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. Officers of the Condominium may be removed by the Condominium Board for cause. In such instances, the Condominium Board will designate another individual to replace the officer so removed.

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 (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely 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 his share of such funds such amounts as may be necessary to reduce unpaid liens on his 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.

If 75 percent or more of the Building is destroyed or substantially damaged and if 75 percent or more in Common Interest 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 lien or, 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 has been paid out of his share of such funds such amounts as may be necessary to discharge all unpaid liens on his 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) "Special Form" including 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, 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) rent

insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) plate glass insurance to the extent, if any, determined by the Condominium Board; (e) water damage insurance to the extent, if any, determined by the Condominium Board; (f) directors and officers liability coverage; and (g) such other insurance as the Condominium Board may determine.

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 the First Year's Budget as 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 cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least ten (10) days prior to the expiration of the then current policies.

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 or agents thereof, each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Common Elements, if any, exclusive to his 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 Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation, if available, and further provided that the liability of the carriers issuing insurance obtained by the Condominium Board

shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Liability of the Condominium Board 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 the Condominium 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 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. To the extent permitted by law, the Condominium Board members shall have no liability to Unit Owners except that a Condominium Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and the Common Interests appurtenant thereto, 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 Condominium Board member, any Unit Owner, Sponsor, or any affiliate of any of them provided however, members of the Board have a fiduciary duty to the Unit Owners and accordingly, shall not contract with any party for amounts which are in excess of the fair market value of any goods or services required by the Condominium. Provided that no contract is in excess of the fair market value of any goods or services, members of the Condominium Board may enter into contracts with affiliates of members of the Condominium Board 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 (4) months after the end of each tax year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor, and Unsold Units, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3rds percent in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations (other than those required by law) shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

Action for Partition 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 100 percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

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 his 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 designee 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 on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or operating accounts of the Condominium Board. If the funds in such account is insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his 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.

In no event may the Condominium Board exercise its right of first refusal if, by doing so, the Condominium Board is discriminating against any Purchaser on the basis of race, creed, color, national origin, sex, age, disability, marital status or other basis prohibited by law.

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 the Units.

Borrowing by Condominium Board

Section 339-jj of the Real Property Law authorizes the Condominium Board to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Unit Closing and (b) is approved by Unit Owners owning Units appurtenant to a majority of the Common Elements. 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 the majority of the Unit Owners.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of a Unit as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Phillips Nizer LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

PHILLIPS NIZER LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

Each Unit Owner will own his Unit and its appurtenant interest in the Common Elements in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own his Unit in fee simple, the Unit Owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Phillips Nizer LLP that a Unit Owner who uses his Unit as a personal residence will, under present law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. The Tax Cuts and Jobs Act of 2017 (the "2017 Tax Act") limits the deduction for real estate taxes together with income taxes payable to State and local tax authorities to a maximum amount of $10,000 per taxpayer, or $5,000 for married individuals filing separately. Pursuant to the 2017 Tax Act, mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence, in the aggregate (or which constitutes a refinancing of such debt) of up to a total indebtedness of $750,000 or up to $375,000 each for married couples filing separately, plus (2) other debt (not in excess of $100,000 in the aggregate) secured by a principal or second residence. Interest on mortgage debt secured by a condominium unit in excess of these limitations would not be deductible. In addition, Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Prospective Unit Owners are encouraged to consult with their own tax advisor regarding the tax consequences of their purchase of a Condominium Unit.

Each Unit Owner's proportionate share of the income received by the Condominium Board, including, but not limited to, income, if any, from the sale or leasing of Units owned by the Condominium Board or its designee on behalf of all Unit Owners (or from similar sources), will either be includable by the Unit Owner as taxable income for Federal and New York State income tax purposes, or taxed on the Condominium itself if the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charges. In such event the additional Common Charges may also be subject to tax.

Tax Status of the Condominium

Under Section 528 of the Internal Revenue Code, in certain instances, condominiums may be eligible to be treated as a "homeowners association" within the meaning of the Internal Revenue Code exempt from taxation on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income in connection with the provision of laundry facilities, interest earned on any reserve funds, and possibly income from assessments from the Commercial Unit Owner (in each case, less expenses directly connected with the production of such income).

To qualify as a condominium management association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60 percent of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90 percent or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings may inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees or assessments), (5) the Condominium must annually elect to be treated as a condominium management association, and (6) at least 85 percent of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless, qualify in one or more future years. Assuming that the foregoing criteria are met, the Condominium Board may elect to have the Condominium treated as a condominium management association under Section 528. However, even if the Condominium Board were eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessment or other such payment from Unit Owners, thus, if the Condominium Board realized interest income from funds on deposit, such interest may be taxable to it.

In this instance, due to the fact that substantially all of the Building will be used as Residential Units, based upon the regulations presently in effect, Sponsor has been advised that the Condominium will likely qualify as a homeowners association, but Sponsor makes no representations with respect thereto. In the event that the Condominium does not qualify as a homeowners association, or, if the Condominium does not make such election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the tax opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the non-membership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. In any event, Schedule B, Budget for the First Year of Condominium Operation,

does not contemplate the receipt of substantial income in excess of expenses which might be taxable and, accordingly, does not specifically budget any amounts for taxes for non-membership or membership income. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. Finally, the qualification of an organization as a homeowners association is determined annually at the close of the taxable year and it is therefore possible that if the condominium does not qualify or does not elect in one year, it may, nonetheless, qualify for such treatment in one or more future years.

In no event will Sponsor, Sponsor's counsel, the Condominium Board, or any other person be liable if the Residential Unit Owners cease to meet the requirements of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing its opinion, or if there are changes in the applicable statutes or regulations.

The opinion of Sponsor's Counsel is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel based this opinion will not change. In no event will Sponsor, Sponsor's counsel, the Condominium Board, or any other person be liable if the Unit Owners cease to meet the requirements of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing its opinion, or if there are changes in the applicable statutes or regulations.

COUNSEL'S INCOME TAX OPINION LETTER

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COUNSEL'S INCOME TAX OPINION LETTER

November 20, 2019

Board of Managers of
Calvert Vaux Condominium
295-297 East 8th Street
New York, NY 10009

Re: Condominium Offering Plan (the "Plan") for the
Calvert Vaux Condominium, located at
Premises known as 295 East 8th Street, New York, NY

Gentlemen/Mesdames:

You have requested our opinion concerning: (i) the deductibility, for Federal, New York State and New York City income tax purposes of mortgage interest and real property taxes paid by individual residents of New York City who purchase "Residential Units" (defined below) pursuant to the Plan (each such individual, as related to such Residential Unit, a "Residential Unit Owner" and, collectively, "Residential Unit Owners"), and (ii) the proper treatment by the Condominium Board of the Common Charges (defined below) paid or borne by all Unit Owners (as defined below) for such income tax purposes. This opinion does not address in any respect any tax implications with regard to ownership of the Commercial Unit (as defined below) or Residential Units acquired for investment purposes or the use of a Residential Unit in connection with the operation of any business that is permissible pursuant to the applicable zoning laws, including whether any tax deductions are available to the owner of any such Residential Unit. The Commercial Unit (as defined herein below), except where otherwise indicated herein, the capitalized terms in this opinion have the same meanings as in the Plan.

The "Calvert Vaux Condominium" (the "Condominium") will be organized pursuant to Article 9B of the Real Property Law of the State of New York for the purpose of providing for the

management, maintenance and care of the ten-story mixed-use building located at 295-297 East 8th Street, New York, New York (the "Building"). We are advised that the Building will contain (A) seven (13) Units that will be designated as residences on the certificate of occupancy for the Building (each a "Residential Unit" and, collectively, the "Residential Units"); and (B) one (1) commercial unit (the "Commercial Unit" and together with the Residential Units, the "Units"). The Residential Unit Owners together with the owner of the Commercial Unit are referred to collectively as the "Unit Owners." The By-Laws of the Condominium provide that, in addition to the status conferred upon the Condominium Board pursuant to the provisions of the New York Condominium Act, to the extent permitted by applicable law, the Condominium Board is deemed to constitute an unincorporated association for all purposes pursuant to the provisions of the General Association Law of the State of New York.

In connection with the preparation of this letter, we have reviewed the Plan, relevant sections of the Internal Revenue Code, as amended by the Tax Cuts and Jobs Act adopted on December 22, 2017, which amends the 1986 Internal Revenue Code (the "2017 Tax Act", and together, as amended, the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder, provided however, the Internal Revenue Service has not yet promulgated regulations subsequent to the passage of the 2017 Tax Act and such other materials as we deemed relevant, and we have assumed that the first closing of a Residential Unit pursuant to the Plan will occur on or about March 1, 2020, and that the Plan will not be amended in any material respect that is relevant to opinions expressed herein.

I. Deductions for Mortgage Interest and Real Property Taxes Available to a Unit Owner

A Residential Unit Owner will own his or her Residential Unit and its appurtenant interest in the "Common Elements", as such term is defined in the Declaration of Condominium (the "Declaration") in fee simple absolute. Accordingly, each Residential Unit will be taxed as a separate tax lot for real estate tax purposes and each Residential Unit Owner will be individually liable for the payment of such real estate taxes due and owing with respect to his or her respective Residential Unit. A Residential Unit Owner, pursuant to the terms of the Declaration of Condominium and By-Laws, may also obtain a loan, which may be secured by a mortgage lien on his or her Residential Unit. If a Residential Unit Owner borrows money and such loan is secured by a mortgage lien on his or her Residential Unit, such Residential Unit Owner will be individually liable for the repayment of such loan, including the principal balance, the interest thereon and any charges to be paid pursuant to the terms of said loan. Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the state and local real property taxes assessed and paid on his or her interest in the property (see Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300).

Based on the foregoing, and subject to the limitations expressed herein, in our opinion, a Residential Unit Owner who is a natural person and itemizes his or her deductions will be entitled to a deduction in computing his or her taxable income for Federal Income tax purposes for *bona fide* mortgage interest paid by such Residential Unit Owner with respect to his or her Residential Unit in the year paid **provided that** (a) the indebtedness is incurred in acquiring, constructing or improving the Residential Unit, (b) the indebtedness is secured by such Residential Unit, (c) the indebtedness *does not exceed* $750,000 ($375,000 for married couples filing separately), when aggregated with indebtedness from a second "qualified residence,", and (d) the Residential Unit is a "qualified residence." Unit Owners will also be permitted to deduct interest paid on outstanding indebtedness evidenced by so called "home equity loans", subject to the limitations described above, provided that the proceeds of such "home equity" loans were used to either acquire or substantially improve the Unit acquired by such Unit Owner.

A Residential Unit will be a "qualified residence" if it is either (i) the Residential Unit Owner's "principal residence" within the meaning of Code Section 121 or (ii) a residence as defined by Code Section 280A(d)(1) that the Residential Unit Owner selects as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return is limited to two (2) qualified residences. In the case of a married couple filing separate returns, each taxpayer may take a deduction for mortgage interest paid with respect to a single "qualified residence", unless by written agreement both parties consent to one of them taking the deduction for both residences. Section 461(g) of the Code provides that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than, in certain instances, loan origination fees, commonly referred to as "origination fees" or "points" paid).

In addition, a Residential Unit Owner who is a natural person and itemizes his or her deductions and whose Residential Unit is used by such Residential Unit Owner as a "qualified residence," as described above, will be, for Federal income tax purposes, entitled to a deduction for real property taxes incurred with respect to his or her Residential Unit in the year paid or accrued pursuant to Section 164 of the Code, provided however, pursuant to the 2017 Tax Act, the right to deduct the real property taxes paid with respect to a Residential Unit will be subject to a limitation, which limits the deduction for State and Local Taxes, inclusive of income taxes paid to local tax authorities *e.g.* New York State and New York City and real property taxes to $10,000 per individual or married couple, or $5,000 for married individuals who file separately, in each case in the aggregate.

It is also our opinion that each Residential Unit Owner who is a natural person and itemizes his or her deductions and whose Unit is used by such Unit Owner as a "qualified residence," as described above, will generally be entitled to the same deduction for the mortgage interest and real property taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as

mortgage interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels.

Furthermore, it should be noted, that the amount of a Residential Unit Owner's tax benefit from deductions for interest and real property taxes payable in connection with the ownership of a Residential Unit may be reduced if the Residential Unit Owner is subject to the Federal alternative minimum tax pursuant to Section 55 of the Code. In addition, purchasers should note that state and local taxes, including real property taxes, are not deductible for purposes of calculating an individual's Federal alternative minimum taxable income.

The use of the Residential Units, other than as residences, is subject to the provisions of the Declaration, applicable zoning laws and the regulations promulgated thereunder. Other rules are applicable to a Residential Unit Owner if the Residential Unit Owner is not a natural person, or if the Residential Unit is used in a trade or business, or is to be held for rental. Except as explicitly provided herein, this opinion does not address the tax consequences to a Residential Unit Owner who is not an individual resident of New York City for income tax purposes who is purchasing a Residential Unit for any purpose other than solely as a residence including corporations and other entities, and foreign individuals or foreign entities.

Since the rules and limitations regarding the deductibility of home mortgage interest and real property taxes are complex, purchasers are advised to consult their own financial advisors regarding the applicability of the rules and limitations to their own individual circumstances. In addition, Residential Unit Owners should consult their own tax advisors the relevant provisions of the 2017 Tax Act and any New York State and New York City income tax limitations on the allowance of itemized deductions in their individual tax returns.

II. Income Tax Treatment of Common Charges

Amounts required to pay the common expenses of the Condominium (the "Common Charges", as such term is defined in the Declaration) will be borne by the Unit Owners and assessed and collected by the Board of Managers of the Condominium as provided in the By-Laws. Under Section 528 of the Code, some Condominium Boards may be eligible to be exempt from tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met.

The qualification of an organization pursuant to the provisions of Section 528 is determined annually at the close of each tax year. It is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless, qualify in one or more future years.

Under present law, to qualify pursuant to Section 528 of the Code as a "condominium management association", the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60 percent of its gross income for each tax year must

consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90 percent or more of its expenditures for each tax year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings may inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees or assessments), and (5) the Condominium must annually elect to be treated as a condominium management association. The regulations also require that "substantially all" of the units be used by individuals as residences. Units or areas of the Condominium which are used for purposes auxiliary to residential use, such as the laundry room, storage rooms and areas used by maintenance personnel shall be considered as being used for residential purposes. Treasury Regulation 1.528-4(b) states that substantially all of the units of a condominium management association will be considered as used by individuals as residences if at least 85 percent of the total square footage of all units in the project is used for residential purposes.

Based on the information contained in Schedule A of the Plan, more than 85 percent of the floor area of the Building will be used as residences, or accessory space. Therefore, assuming that the Condominium commences operation on October 1, 2019 and there are no changes in the facts and/or the relevant provisions of current law and regulations, the Condominium will be eligible to elect to be treated as a "homeowners association" pursuant to Section 528 of the Code for its first tax year.

Absent the application of Code Section 528, the status of the Condominium for Federal, New York State and New York City income tax purposes is unclear. An entity classification regime was adopted in 1996 by the United States Treasury Department. However there is no authority as to whether such classification regime applies to Condominiums. The By-Laws of the Condominium provide that the Board will act as the agent of the Unit Owners. Accordingly, the Condominium Board may take the position that the Condominium is not a separate entity and therefore is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges paid by owners of Residential Units should not be considered income earned by the Condominium.

If, however, the Condominium is considered a separate entity, it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. The By-Laws provide that, to the extent permitted, the Condominium shall be deemed to constitute an "unincorporated association". If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income (which may potentially include Common Charges, among other things) and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income (which may potentially include the

Common Charges, among other things) and deductions of the partnership would generally be "passed through" to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

In this connection, it should be noted that if the Condominium Board is determined to be a separate taxable entity for Federal income tax purposes, it is possible that the limitations of Section 277 may be found to apply. If this were the case, the Condominium Board's income from sources other than Unit Owners, if any, could be offset by the Condominium Board's expenses incurred in the provision of services to Unit Owners. It is unclear how interest or other income earned on the investment of a required reserve fund would be treated for this purpose; if such income were treated as not derived from the Unit Owners in consideration of services rendered to them by the Condominium Board, then such income may not be reduced by the Condominium Board's operating expenses with respect to the property and may result in a liability for taxes.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. In the event the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, since it is not eligible for and may not elect treatment under Code Section 528 as a homeowners association.

In any event, the Condominium will be subject to tax on any income not received as assessments or other such payment from Unit Owners. Accordingly, if the Condominium Board realizes interest income from funds on deposit, such interest income will be taxable.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners, through the Condominium Board, constitute an association taxable as a corporation. In such event, such association may be deemed subject to the Federal corporate income tax (and also to New York State and New York City corporate income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board that are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and

which are maintained in a separate bank account should not constitute gross income to the Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from which the assessments were collected (see Rev. Rul. 75-370, 1975-2 Cum. Bull. 25) or because the Common Charges are deemed to be nontaxable contributions to the capital of the association (see Rev. Rul. 75-371, 1975-2 Cum. Bull. 52 Cf. Concord Village, Inc., 65 T.C. 142 (1975)). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributions of associations, a distribution is first treated as taxable ordinary income to the extent of the distributor's proportionate share of the association's earnings and profits, then as a tax-free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

In the event that the Condominium Board is required to pay any Federal, New York State or New York City income tax, and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax. *See,* Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Rev. Rul. 74-75. 1974-1 Cum. Bull. 19; Rul. 86-14 I.R.B. 1986-5, 33.

We express no opinion as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or as to any tax status or tax consequences of the Plan including ownership of a Unit under the laws of any state other than New York, local jurisdiction other than New York City, or foreign jurisdiction.

Accordingly, without limitation, this opinion does not address (i) the tax consequences that may result from ownership of a Residential Unit in connection with the Residential Unit Owner's profession, trade or business, (ii) the tax consequences of the ownership of a Unit by taxpayers who are not individual residents of New York City for income tax purposes, including corporations and other entities, and foreign individuals or foreign entities, (iii) the ownership of a Residential Unit for purposes of investment or the production of income, (iv) the tax treatment which may result to a foreign Residential Unit Owner by reason of his or her foreign status or (v) the estate tax consequences of ownership of any Units. This opinion also does not address the tax consequences that may arise if Residential Units or the Commercial Unit are acquired and/or leased by the Condominium Board.

This opinion does not address the specific tax treatment of any purchaser and, therefore, each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

In our opinion, Residential Unit Owners will be entitled to income tax deductions subject to the limitations referred to above. This opinion, however, is neither a warranty nor does it constitute

legal advice to any of the purchasers under the Plan. It is based solely upon existing rules of law applied to the generalized facts and documents referred to above. No assurances are given that the tax laws upon which this firm bases this opinion will not change. We shall have no obligation to revise or reissue this opinion with respect to any change in law or any event, fact, circumstance or transaction which occurs after the date hereof that may affect, in whole or in part, the opinions stated above. However, we have advised the Sponsor that it may be obligated to do so if such changes are material and the Sponsor is then continuing to sell Units in the Condominium.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. The opinions set forth herein are not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance. Each prospective Unit Owner, the Sponsor and the Condominium should obtain advice from its own independent tax advisor based upon its particular circumstances. No assurances may be given that the tax laws upon which we base this opinion will not change, possibly with retroactive effect. In no event will we, the Sponsor, the Board of Managers of the Condominium or any other person connected with the Plan be liable if there are changes in the facts on which we relied in issuing this opinion or if there are changes in the applicable statutes, regulations, rulings and decisions on which we relied which cause the Residential Unit Owners not to be entitled to the income tax deductions described above.

Terms not otherwise defined herein shall have the same meaning as set forth in the Plan.

We hereby authorize the use of this opinion, or a reproduction hereof, in the Plan.

Very truly yours,

Phillips Nizer LLP



REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay such Unit Owner's *pro rata* share (in the proportion that such Unit Owner's Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

The real estate taxes for 2023-2024 are $24,728,20, which reflect a final taxable value of $201,583 (based upon a market value of $7,379,000) and a tax rate of 12.267 percent. The market value of the Property was assessed at $7,379,000 and as Class 2C Property, it is subject to a 30 percent exemption. The market value is projected to be approximately $7,969,320 for the 2024-2025 fiscal year and the real estate taxes are to be based upon a taxable assessed valuation of $217,710. For purposes of estimating the real estate taxes for the First Year of Condominium Operation, assuming the tax rate will be equal to 12.5 percent, the real estate taxes for 2024-2025 are projected to be $27,213.00. For purposes of Schedule A, the real estate taxes are based upon a total tax of $26,591.18, reflecting the fact that the First Year of Operation is contemplated to occur in two fiscal years. No representation is made or warranty given as to whether or not there will be (i) a further or greater increase in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate.

The value of the Property for real estate tax purposes is determined annually by the Real Property Assessment Bureau of the City of New York. Under current New York State law, increases or decreases in a property's assessed valuation due to changes in its market value are to be phased in over five (5) years in equal annual increments of twenty percent (20%). Any further increase or decrease in the assessed value during such five-year period resulting from a still higher or lower market value is to be similarly phased in over an additional five-year period from the date of such increase. The full increased or decreased assessed value targeted to be paid at the end of five (5) years is called the "actual assessed valuation". The amount of assessed value reflecting the phase-in increases or decreases is called the "transitional assessed valuation". Real Estate Taxes are computed and paid on the lower of the "transitional assessed valuation" or the "actual assessed valuation".

No representation is made or warranty given as to: (a) whether or not there will be (i) a further increase or decrease in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate or (iii) an increase or decrease in the assessed valuation of the Property by reason of the conversion of the Property to condominium ownership, or (b) the method of determining the assessed valuation, (c) the amount of any increase or decrease in the assessed valuation of the Property, or (d) the allocation of assessed valuation between the Units.

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

The estimated real estate taxes for each Unit for the first year of condominium operation assumes that the amount of real estate taxes payable with respect to each Unit will be levied in the proportion that its Purchase Price bears to the Purchase Prices of all Units as set forth on Schedule A. There is no assurance that the New York City taxing authority will allocate taxes among Units in proportion to their respective Purchase Prices. Accordingly, owners of Units having the same or similar Purchase Prices may pay different amounts of real estate taxes. Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY OR THE TAX RATE WILL NOT BE GREATER THAN 12.50 percent.

The By-Laws provide that the Condominium is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

WORKING CAPITAL FUND AND APPORTIONMENTS

Working Capital Fund

At the Closing to each Unit, the Condominium will collect two (2) months' Common Charges from each Purchaser for its working capital (the "Working Capital Fund"). No portion of the Working Capital Fund is being contributed by Sponsor. This Working Capital Fund is to be used initially to pay any of the Condominium's closing adjustment expenses incurred as of the date of the First Unit Closing.

As of the date of the First Unit Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Unit Closing:

(i) employees' wages and all other payments or obligations relative to the employees of the Building;

(ii) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(iii) charges for electricity and other utilities for the Common Elements;

(iv) charges and receipts in connection with service, maintenance and concession contracts;

(v) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed;

(vi) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(vii) premiums for transferable insurance policies, if any;

(viii) management fees, if any; and

(ix) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Unit Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Unit Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

If the result of the closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of the closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary

of the First Unit Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Unit Closing. Such promissory note may be prepaid, in whole or in part, by the Condominium at any time, without penalty.

The Working Capital Fund will be held and used for working capital, a reserve for repairs 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, the Working Capital Fund will not be used to reduce Common Charges. ***See the Section entitled, "Control by Sponsor".*** At the Closing to each Unit, Sponsor will collect two months' Common Charges from each Purchaser for the Condominium's Working Capital Fund. Thereafter, Sponsor will be reimbursed in the same amount by a Unit Purchaser when each Unit is sold. This fund is to be used initially to pay any of the Condominium's closing adjustment expenses incurred at the First Unit Closing.

RESERVE FUND

The New York City Council has enacted Local Law No. 70, which amends Chapter 51 of the Administrative Code of the City of New York (hereinafter the "Reserve Fund Law"), which is set forth in Part II of this Plan. The Reserve Fund Law requires Sponsor of an offering plan for the conversion of a building from rental to condominium status to establish a reserve fund (the "Reserve Fund") to be used exclusively for making certain capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. Pursuant to Local Law 70, the Reserve Fund may be used solely for "Capital Replacement Work", as set forth below:

> "Capital replacement" - a building-wide replacement of a major component of any of the following Systems: (i) elevator; (ii) heating, ventilation and air conditioning; (iii) plumbing; (iv) wiring; and (v) windows; or, a major structural replacement to the building, provided, however, that replacements made to cure code violations of record shall not be included

The Reserve Fund shall be in addition to the Working Capital Fund.

While Sponsor is in control of the Condominium Board neither the Reserve Fund nor the Working Capital Fund may be used to reduce the Common Charges projected in Schedule A of this Plan.

Sponsor shall, within 30 days after the First Unit Closing, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(a) three percent (3%) of the sum of the cost of all Units offered for sale pursuant to this Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of this Plan regardless of the number of sales made (the "Total Price"), or

(b) the aggregate of: (i) three percent (3%) of the actual sales prices of all Units offered for sale pursuant to this Plan which are sold by Sponsor at the Effective Date of this Plan, provided, however, that if such amount is less than one percent (1%) of the Total Price, then the Reserve Fund shall be established as a minimum of one percent (1%) of the Total Price; plus (ii) supplemental contributions to be made by Sponsor at a rate of three percent (3%) of the actual sales price of Units for each Unit offered for sale under this Plan held by Sponsor and sold to *bona fide* purchasers subsequent to the Effective Date of this Plan and within five (5) years of the First Unit Closing notwithstanding that the total amount contributed may exceed three percent (3%) of the Total Price, and provided further, that if five (5) years from 30 days after the First Unit Closing, the total contributions by Sponsor to the Reserve Fund are less than three percent (3%) of the Total Price, Sponsor shall pay the difference between the amount contributed and three percent (3%) of the Total Price. The supplemental contributions made under this subparagraph (ii) shall be made within 30 days after each sale of a Unit under this Plan. In the event that Sponsor elects to fund the Reserve Fund pursuant to alternative (ii) above, the payments may be more than alternative (i) above, and, in some cases, substantially

more, than it would have been had Sponsor funded using alternative (i) above because prices can be increased over time, under such circumstances Sponsor will receive no refund or allowance at the conclusion of the five (5) year period.

The Reserve Fund payments may be more if Sponsor elects to fund the Reserve Fund pursuant to subsection (b) above, because prices may increase over time. However, Sponsor makes no representation that that will occur. If this were to be the case, the law does not permit Sponsor to a refund of the amounts contributed in excess of three percent (3%) of the sum of the cost of all Units offered for sale to Tenants in Occupancy.

The Reserve Fund may not be reduced by closing adjustments. However, Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after this Plan is submitted for filing to the Department of Law and before this Plan is declared effective as described in the Special Risk Section of this Plan. Such credit may not exceed the lesser of the actual cost of the capital replacements or one percent (1%) of the Total Price. Under no circumstances will the Reserve Fund be less than two percent (2%) of the Total Price.

As of the date hereof, Sponsor does not intend to undertake any work for which Sponsor would receive a credit against the required contribution to the Reserve Fund. If, on a date prior to the Plan being declared effective, Sponsor elects to undertake capital work that may be credited against Sponsor's contribution to the Reserve Fund, Sponsor reserves the right to apply for credit against the required contribution to the Local Law 70 Reserve Fund as may be permitted to Sponsor by the New York City Department of Housing Preservation and Development. In the event that any work undertaken with the use of monies from the Reserve Fund, Sponsor shall not apply for any rent increases based upon "Major Capital Improvements", to the extent that such increases would apply to apartments having "fair market rents".

The exact amount of the Reserve Fund pursuant to the Reserve Fund Law cannot be determined until the First Unit Closing since it depends on: (i) the last price offered to Tenant-Purchaser and (ii) which alternative sponsor elects to use to fund under the Reserve Fund Law. No Purchaser will be entitled to rescind his Purchase Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

The Reserve Fund Law also requires Sponsor, not later than the 30th day following the Filing Date of this Plan and until the First Unit Closing, to post and maintain in a prominent place accessible to all tenants in the Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours of their issuance. Sponsor hereby designates the management office at the Building where such listing will be made available for inspection by the tenants.

In the event that at any time prior to the First Unit Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all Purchasers will be given fifteen (15) days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Purchase

Agreements and be refunded all monies paid thereunder. In the event that on or after the First Unit Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in this Plan notwithstanding such repeal.

The means and options available to the Condominium to finance needed capital expenditures (such as renewal or replacement of building components or systems or to remedy major building defects) include (i) special assessments to the Unit Owners, or (ii) the Condominium Board borrowing money in the name of the Condominium from a lending institution, which may be in the form of a line of credit, which may be unsecured or may be secured by, among other things, an assignment to the lending institution of Common Charges payable by the Unit Owners.

If additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a special assessment against the Unit Owners. The Reserve Fund may not be used to reduce Common Charges. No representation may be made, however, that after Sponsor relinquishes control, the Condominium Board may not decide to use the Reserve Fund for a purpose other than for which it has been established.

EXCEPT AS SET FORTH ABOVE, THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS" WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

As long as Sponsor retains control of the Condominium Board, the Reserve Fund shall not be used to reduce estimated Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND.

MANAGEMENT AND OTHER CONTRACTUAL AGREEMENTS

Management

The Condominium will be self-managed by the Condominium Board. Sponsor, acting as the managing agent will work in the best interest of the Condominium and all Unit Owners and will not engage in "self-dealing". In the event that the Condominium Board elects to retain a third-party managing agent, the estimated cost thereof, as of the date of this Plan, is projected to be approximately $8,000.00 per annum, which is the amount of such fee budgeted in Schedule A. The fee is commensurate with the fee charged for similar properties that require a similar scope of services, provided however, Sponsor makes no representation that a managing agent will be available at such rate on the date the Board elects to engage a managing agent.

The Condominium, at its own expense, will retain a certified public accountant to maintain the Condominium's books and records, and to prepare annual financial reports and tax statements for the Condominium, said statements to be furnished to Unit Owners of the Condominium.

The Condominium will be obligated to reimburse the Agent for expenses incurred or to indemnify the Agent against liability for acts properly performed by it pursuant to the Agreement.

Subsection 3 of Section GBL 352-eeee requires that all Units occupied by Non-Purchasing Tenants shall be managed by the same managing agent who manages all other Units in the Condominium. Such managing agent is required by law to provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. Sponsor guarantees the obligation of the managing agent to provide all such services and facilities until such time as Sponsor surrenders control to the Condominium Board, at which time the Condominium shall assume responsibility of all services and facilities required by law on a non-discriminatory basis.

Other Contractual Agreements

Upon commencement of operation of the Condominium, the Property will be subject to the maintenance, service and concession agreements described in Schedule B. Until the Declaration of Condominium is recorded, Sponsor reserves the right to extend any or all of such service or concession contracts, or to renew or replace any such contracts which may expire prior to such date. No such contract will be for a term expiring later than one year after Sponsor loses control of the Condominium Board, unless the contract is subject to cancellation by the Condominium Board following expiration of said one year period upon not more than 90 days written notice. Sponsor will endeavor to obtain all such renewal and replacement contracts on terms competitive with those generally prevailing in the area of the Property.

IDENTITY OF PARTIES

Sponsor

Sponsor is Calvert-Vaux Ltd., a New York corporation with an office at c/o Maximilian Olivas, 295 East 8th Street, New York, New York 10018. The principals of Sponsor are Maximilian Olivas and Alan Dolinsky, individually and in his capacity as executor of the estate of Roland Legiardi-Laura.

Sponsor has not participated in an offering of condominium units or cooperative apartments in the past ten (10) years. Neither Mr. Olivas, nor Mr. Dolinsky, nor Mr. Legiardi-Laura has previously participated in an offering plan for cooperative or condominium interests.

Mr. Olivas is an entrepreneur and real estate investor. At such time when the building was purchased, Mr. Olivas converted the Building to residential occupancy. The Building is Mr. Olivas' sole real estate investment. He has no prior experience in the offering of condominium units or cooperative interests.

Alan Dolinsky is a certified public accountant. He has no prior experience in the offering of condominium units or cooperative apartments.

Neither Mr. Olivas nor Mr. Dolinsky has ever been convicted of a felony and neither has ever been the subject of a bankruptcy or other insolvency proceeding. Neither Sponsor, Mr. Olivas nor Mr. Dolinsky are subject to any injunctions and/or judgments against them that would be material to this Plan.

Selling Agent.

Sponsor has elected not to retain a third party Selling Agent and will be offering Units directly. In the event that Sponsor elects to retain a Selling Agent, Sponsor will amend the Plan.

Attorneys for Sponsor

Sponsor has retained Phillips Nizer LLP, having an office at 485 Lexington Avenue, 14th Floor, New York, NY 10017, to represent it in connection with the Plan. Lisa R. Radetsky, Esq. of Phillips Nizer LLP prepared the Plan, the Declaration, the By-Laws and the forms of Purchase Agreement, Unit Deed and Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to Purchasers of Units. Phillips Nizer LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Closings of Units. Representing Sponsor as a seller of the Units and acting as an Escrow Agent pursuant to the Plan is a common practice and is not deemed a conflict of interest and it is permitted by the Code of Professional Responsibility.

Architect

The Description of Property and Building Construction was prepared by Peter Barnes, AIA, of IPB Associates Design & Planning, 63 Flushing Avenue, Brooklyn, NY 11205. Mr. Barnes prepared the drawings of the Building to be recorded with the Declaration and the Floor Plans included in Part II hereof. Mr. Barnes has no financial interest in Sponsor.

Condominium Budget Expert

David Goldoff of Camelot Realty Management Services Corp. ("Camelot"), having an address at 343 Canal Street, 2nd Floor, New York, NY 10013 (the "Condominium Budget Expert"), reviewed and certified all amounts of income and expenses in "Schedule B First Year's Budget" in consultation with Sponsor. The Condominium Budget Expert has rendered a Certification as to the adequacy of the First Year's Budget and a Certification regarding the adequacy of Commercial Common Charges which may be found in Part II of the Plan.

There are no instances of prior felony convictions of Camelot or its principals or judgments against Camelot or its principals. Mr. Goldoff has acted as a consultant and/or managing agent for approximately thirty-three (33) years in connection with twelve (12) cooperative buildings and fifteen (15) condominiums. Mr. Goldoff has no financial interest in Sponsor and has no interest in this plan other than its fee for services rendered.

Title Company

City Line Abstract Company, having an office at 9726 Third Avenue, Brooklyn, NY 11209, has reviewed the Plan and the Condominium Documents and has delivered an opinion that the same conform to the requirements of the Condominium Act.

Related Parties

Sponsor and its principals have no affiliation with the Condominium Budget Expert, the Architect or any person or firm who will provide services to the Condominium. Neither the Condominium Budget Expert nor the architect have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

REPORTS TO UNIT OWNERS

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

(a) a financial statement of the Condominium prepared by a certified public accountant within four (4) months after the end of each fiscal year for the Condominium (such statement shall be certified while Sponsor is in control of the Condominium Board);

(b) no more than thirty (30) days', but no less than ten (10) days' prior notice of the annual Unit Owner's meeting; and

(c) a copy of the proposed annual budget of the Condominium within ten (10) days prior to the date set for adoption thereof by the Condominium Board (while Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with the Attorney General Regulations).

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of First Unit Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set, together with a copy of the recorded Declaration, if available, will be furnished to the Condominium Board at the time of the closing of the first Unit.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Unit Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor makes the following representations concerning the description and condition of the building and its improvements (including size of the parcel of land on which it stands and other information relating thereto). With reference to Sponsor's preparation of such material, Sponsor consulted with Peter Barnes and commissioned a report from such firm. Sponsor adopts the Description of Property and Building Condition contained in Part II of such Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building Condition.

The principals of Sponsor who controls Units 2E and 3W will have the following work performed in such Units, prior to the conveyance thereof:

- One (1) 40-gallon electric Hot Water heater will be installed: Rheem: Model # XE40m065ST 45 U1 or equivalent'
- Electric Cooking equipment will be provided;
- Existing fire gates at egress doors at fire escape, which do not comply with the requirements of the LPC, will be removed.
- Existing fire gates at windows, which do not comply with the requirements of the LPC will be removed.
- Protective rails at windowsill will be installed.
- Fireplace will be infilled since the chimneys have been sealed and are no longer operable.

As of the date of this Plan, there are three (3) violations, all dated July 11, 2022 and related to lead based paint located in Unit 1W having Department of Building ID Nos. 15262651,15262649 and 15262647 (collectively, the "Lead Paint Violations"). Copies of such violations are annexed to the Description of Property contained in Part II of the Plan. Sponsor has retained a contractor licensed to remediate lead-based paid and undertaken all work advised to remediate the lead based paint condition in Unit 1W (the "Lead Remediation Work"). Subsequent to the completion of the Lead Remediation Work, Sponsor is having the relevant portions of Unit 1W tested to confirm the completion of the Lead Remediation Work and upon the receipt of the report confirming such completion, Sponsor shall cause the violations to be "closed out" and removed of record.

To Sponsor's knowledge, as of the date hereof, other than the Lead Paint Violations, there are no conditions at the Building that would constitute violations of the New York City Building Code and there are no Health Department Violations other than the Lead Paint Violations. In the event that Sponsor receives notice of such violations, the Plan will be amended to disclose the same.

Except as set forth above, Sponsor represents that Sponsor does not know of any material defects or need for major repairs or existing condition in the building except as set forth in the report and that to the best of Sponsor's knowledge the following description set forth in such report accurately states the condition of the building and its equipment.

Any official inspection reports reflecting on the condition of the Premises, such as notice of Building Code Violation and any reports required by C26-1053 of the Administrative Code are reproduced in Part II of the Plan.

Each Unit are being sold "as is" in the condition in which the same exist at the time a Purchaser signs a Purchase Agreement subject to ordinary wear and tear, except as otherwise set forth herein. Sponsor will maintain and operate the Building until the First Unit Closing in substantially the same manner and condition as on the Filing Date of the Plan (subject to ordinary wear and tear) except to the extent Sponsor is precluded from so doing by Acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Unit Closing that it was obligated to make prior to the First Unit Closing.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or here from, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Unit Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within fifteen (15) days from the Presentation Date of said amendment. Sponsor shall promptly return any Contract Deposit to Purchasers who timely exercise such right to rescind, except that (i) Sponsor shall retain the Contract Deposit (and any interest thereon) of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period and (ii) in the event that Sponsor agreed to perform custom work in the Unit, a Purchaser who is entitled to rescission will not be entitled to the refund of any portion of any Custom Work Deposit tendered by Purchaser for the performance of custom work in the Unit the extent that the same was expended by Sponsor for custom work completed prior to the date that such Purchaser exercised any right of rescission; however, Sponsor will be obligated to return to Purchaser the unexpended portion of such amounts. .

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, sexual orientation, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property and the Building have not been the subject of a prior public offering made by Sponsor within the three-year period preceding the submission of this Plan to the Department of Law.

PART II

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EXHIBIT A

PURCHASE AGREEMENT
(to be executed in duplicate)

CALVERT-VAUX CONDOMINIUM
295 EAST 8TH STREET
NEW YORK, NEW YORK

Date of Purchase Agreement: _____

Purchaser(s) Name:_____

Address:_____

Telephone: Bus.: _____Home: _____

Social Security No(s).:_____

Unit No.:_____

Unit Purchase Price.....$_____

Contract Deposit .....$_____

Balance due at Closing .....$_____

Name(s) and manner in which title will be taken:_____

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CALVERT-VAUX CONDOMINIUM
295 East 8th Street
NEW YORK, NEW YORK

PURCHASE AGREEMENT dated as of _____ ____, 20__, by and between CALVERT-VAUX, LTD., a New York limited liability company, having an address at 295-7 East 8th Street, New York, New York 10009 (herein referred to as "Sponsor"), and the party named on the cover page hereto ("Purchaser").

W I T N E S S E T H :

1. The Plan. Purchaser acknowledges having received and read a copy of the Condominium Offering Plan for the Calvert-Vaux Condominium located at premises known as 295 East 8th Street, New York, New York, and all amendments thereto filed with the Department of Law of the State of New York (hereinafter collectively referred to as the "Plan" or the "Offering Plan") at least 72 hours prior to the execution of this Purchase Agreement (hereinafter referred to as the "Agreement" or the "Purchase Agreement") by Purchaser. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

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. Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") designated on the cover page hereto, together with the applicable percentage of undivided interest in the Common Elements appurtenant thereto, upon and subject to the terms and conditions set forth herein.

4. Purchase Price.

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

The Purchase Price is payable as follows:

(a) $_____ (the "Contract Deposit"), 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 be drawn on a New York bank or trust company which is a Member of the New York Clearinghouse System. All checks in payment of the Contract Deposit stated on the cover page of this Purchase Agreement shall be made payable to the direct order of "Phillips Nizer LLP, Escrow Agent for "Calvert-Vaux Condominium" and all checks in payment

of the Balance Due at Closing stated on the cover page of this Purchase Agreement shall be made payable to the direct order of "Calvert-Vaux, Ltd." or as Sponsor may direct on notice given no less than two (2) business days prior to Closing. If any check is returned for insufficient funds or any other reason, Sponsor, at its option, may declare this Agreement void *ab initio* and may bring an action against Purchaser for the collection of the Contract Deposit as liquidated damages or may declare a default by Purchaser under this Agreement.

5. Closing of Title.

5.1 The closing of title shall take place on the date and at the time and place Sponsor shall designate to Purchaser on no less than thirty (30) days' prior written notice to Purchaser. This notice period may be waived by Purchaser. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Sponsor shall agree on an earlier Closing Date). Sponsor shall have the right, from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for the closing of title and shall give Purchaser not less than five (5) days' written notice of the new scheduled Closing Date. Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days, on five (5) days' written notice by Purchaser to Sponsor. In the event this Agreement is executed after the first unit closing (the "First Unit Closing"), the closing of title shall occur thirty (30) days after the date of this Agreement.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Sponsor's Conveyance of Title to Units" in Part I of the Plan.

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

6. Delivery of the Deed and Power of Attorney to the Condominium Board.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor substantially in the form set forth as Exhibit C in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording.

6.2 Simultaneously with the delivery of the deed, Purchaser (i) shall cause the proceeds of any mortgage loan to be transferred to Sponsor on account of the total Purchase Price (as set forth on the cover page of this Agreement), (ii) shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Sponsor, (iii) shall deliver the Balance Due at Closing (as set forth on the cover page of this Agreement), and (iv) shall pay into the Working Capital Fund an amount equal to two (2) month's Common Charges attributable to the Unit.

6.3 At the closing of title, Purchaser shall pay all New York State and New York City real property transfer taxes, including the filing fee for the filing of the New York City Real

Property Transfer Tax Return and the New York State "Mansion Tax", if applicable. Sponsor and Purchaser shall duly execute and swear to a New York City Real Property Transfer Tax Return (including the required Smoke Detector Affidavit) and a New York State Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate prepared by Sponsor.

6.4 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board substantially in the form set forth as Exhibit B in Part II of the Plan.

6.5 The deed and said power of attorney to the Condominium Board 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 New York County office of the Register of the City of New York (the "City Register's Office"). Purchaser shall pay all recording fees for the deed and the power of attorney.

7. Marketable Title. At the closing of title, Sponsor shall convey to Purchaser good and marketable title in fee simple to the Unit, free and clear of all encumbrances other than those set forth in Schedule A annexed hereto and made a part hereof and mortgages, if any, covering the Unit, which Purchaser assumes. Any encumbrance to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered to the proper party together with the recording or filing fees, or (b) Purchaser's title insurance company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. Closing Adjustments.

8.1 The following adjustment shall be made as of the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any, (including water charges and sewer rates if separately assessed), from midnight preceding the date of the closing through the end of the tax period within which the Closing Date occurs, which shall be either a quarter of a year or one-half of a year provided, however, that Sponsor shall be reimbursed at closing by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise pay but for an unauthorized delay in closing of title by Purchaser;

(b) Common Charges for the month in which title closes from midnight preceding the date of the closing provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor would not otherwise pay but for an unauthorized delay in closing of title by Purchaser;

(c) accrued rent and any other charges pursuant to a lease, including the security deposit, if any, covering the Unit; and

(d) such other items as are customarily included in closing adjustments in the City of New York.

8.2 If the Unit has been assessed separately but the closing of title occurs before the real estate tax rate ("Tax Rate") is fixed, adjustment of taxes shall be based upon the latest Tax Rate applied to the most recent 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 the Unit has not been assessed separately as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements. 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.

8.3 Real estate taxes, assessments, if any, Common Charges, rent and security deposits, if applicable, shall be adjusted between Sponsor and Purchaser as of midnight preceding the Closing Date, provided, however, if the closing of title is delayed by Purchaser, adjustments shall be as of midnight preceding the date originally scheduled as the closing date, as such date may be adjourned by or with the consent of Sponsor.

8.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 9.1 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, an amount equal to 0.04 percent of the Purchase Price (which is equal to a rate per annum of 14.6%) for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

8.5 Any errors or omissions with respect to apportionments at closing shall be corrected and the appropriate payment shall be made promptly after discovery. The provisions of this subsection shall survive the Closing Date.

9. Closing Costs. Purchaser shall pay the following costs and expenses at the time of closing of title:

(a) if Purchaser elects to obtain fee title insurance, Purchaser will pay a premium therefor at rates to be determined by its title company;

(b) the fee to City Register for recording the Condominium Unit Deed to City Register;

(c) the fee to City Register for recording the power of attorney for the Condominium Board;

(d) New York State Real Estate Transfer Tax (including the "Mansion Tax", if applicable) and New York City Real Property Transfer Tax;

(e) the fee for filing the New York City Real Property Transfer Tax Return;

(f) the contribution to the Working Capital Fund in the amount of two months' Common Charges per Unit payable to the Condominium Board;

(g) the fees of Sponsor's attorneys as set forth in the Section of the Plan entitled "Closing Costs and Adjustments"; and

(h) if Purchaser obtains a mortgage loan, Purchaser will pay: (i) Sponsor a sum equal to the partial mortgage tax credit available pursuant to Section 339-ee(2) of the New York Real Property Law with respect to the mortgages encumbering the Unit and its appurtenant interest in the Common Elements, if available; (ii) mortgage recording tax on an amount equal to the difference between Section 339-ee(2) credit and the mortgage recording tax payable with respect to the mortgage; (iii) mortgage title insurance policy costs, and (iv) recording fee of approximately $250 for recording the mortgage.[1]

In addition, if Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all closing costs and expenses in connection therewith in the amounts determined by such lender. These costs customarily include, among others: (i) commitment fee, (ii) origination fee, (iii) application fee, (iv) credit fee, (v) lender's attorney's and appraisal fees, and (vi) other closing costs and expenses, if any, charged by the lending institution.

10. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing.

10.1 The Contract Deposit will be retained in escrow as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement, (ii) Purchaser rescinds or defaults in performance, thereby excusing performance by Sponsor, (iii) release or discharge of Sponsor's liability to refund such Contract Deposit, (iv) transfer of title to the Unit to Purchaser, or (v) withdrawal by mutual consent of Sponsor and Purchaser.

10.2 Anything contained in this Purchase Agreement to the contrary notwithstanding, in the event of an uncured default by Purchaser in his obligations under the Purchase Agreement, no more than ten (10%) percent of the Purchase Price plus any interest earned thereon together with any monies advanced by Purchaser for "extras" pursuant to the Plan, may be retained by Sponsor as liquidated damages.

10.3 The balance of the Purchase Price will not be payable until closing of title to the Unit.

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[1] Recording charges, fees and taxes are based on the rates in effect on the date of the Plan and are subject to change without notice, provided however, Sponsor shall amend the Plan in the event that there are any material changes in such fees and taxes.

10.4 PHILLIPS NIZER LLP, 485 Lexington Avenue, 14th Floor, 10017 ("Escrow Agent") shall serve as escrow agent for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Marc A. Landis, Michael Galligan, Martin B. Wasser, Alan Behr, Brian R. Brodrick, Neil Kleinhandler, Jared C. Clark and Regina F. Faul. 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 principals of Sponsor or have any beneficial interest in any of the foregoing.

10.5 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

10.6 For the purpose of holding deposits or payments made by purchasers, the Escrow Agent has established an escrow account at Sterling National Bank at its branch located at 489 Fifth Avenue, New York, New York 10017 ("Bank"), a bank authorized to do business in the State of New York. The escrow account (the "Escrow Account") is entitled Phillips Nizer LLP Attorney Trust Account.

10.7 All Deposits will be placed initially in a non-interest bearing checking portion of the Escrow Account. Each Purchaser is required to deliver to the Escrow Agent a completed and signed IRS Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status). If a deposit is accompanied by a completed and signed Form W-9 or Form W-8, the deposit will thereafter be promptly transferred to an individual interest-bearing sub-account in the name of Purchaser. If a Purchaser does not deliver a Form W-9 or a Form W-8, the deposit will remain in the non-interest bearing checking portion of the Escrow Account, which is an IOLA account.

10.8 The Bank is covered by federal bank deposit insurance to a maximum of $250,000 per individual. If an individual makes a deposit in excess of $250,000 for the purchase of a unit, such deposit will not be federally insured in excess of $250,000; and while the deposit is in the non-interest bearing checking account it may not be federally insured even if the deposit does not exceed $250,000. Under present law, notwithstanding the aggregate balance of an IOLA account, the FDIC insurance coverage for IOLA accounts is $250,000 per depositor. Pursuant to current regulations, FDIC insurance is limited to $250,000 per depositor per institution, meaning in the event that a Purchaser has other funds on deposit at the Bank, the aggregate FDIC insurance proceeds payable to such Purchaser will be $250,000 on all accounts maintained at the Bank. The foregoing limitation will apply whether the Contract Deposit is in the non-interest bearing IOLA account or an interest-bearing sub-account.

10.9 All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments and shall be made payable to or endorsed by the Purchaser to the order of Escrow Agent.

10.10 The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently approximately 0.2 %. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to Purchaser at closing. No fees of any kind may be deducted from the

Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

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

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

10.13 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.

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

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

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

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

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

10.16 If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written

notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such deposit.

10.17 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.

10.18 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.

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

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

10.21 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).

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

10.23 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

10.24 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.

10.25 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

10.26 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.

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

10.28 Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days' prior written notice of the Closing Date for his Unit. The notice to Purchaser shall also specify when Common Charges will be due and payable.

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

12. Mortgage to be Released or Subordinated. 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 mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of his other obligations hereunder or be the basis for any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration or the Unit is released from the lien of such mortgage.

13. Default by Purchaser. The following shall constitute a default hereunder:

(a) Purchaser's failure to pay any portion of the Purchase Price or the contribution to the Working Capital Fund when due; or

(b) Purchaser's failure to close title on the date, hour and place specified by Sponsor pursuant to Section 5 hereof; or

(c) 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

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

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

(f) 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

(g) Purchaser's failure to perform any of Purchaser's other obligations hereunder (including, without limitation, the obligation to furnish the Selling Agent and/or any lender promptly with such information as the Selling Agent and/or such lender may require, and the obligation to accept a commitment letter on the terms set forth in this Agreement)

Any such failure shall constitute a default by Purchaser. Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days after Sponsor gives written notice to the Purchaser to cure such default.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT ON OR BEFORE THE 30TH DAY OF SUCH 30 DAY PERIOD.

If such default is not cured within thirty (30) days of such written notice, Sponsor has no obligation to extend the time to cure and may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event, the amounts specified in subsection 10.2 of this Agreement shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event that Sponsor shall elect to cancel this Agreement, Sponsor shall certify to its attorneys, Phillips Nizer LLP, that title has not closed because of Purchaser's default, that a notice to cure the default was delivered to Purchaser and Purchaser has failed to cure the default within thirty (30) days after Sponsor gives written notice to the Purchaser and that Sponsor has elected to cancel this Purchase Agreement by reason thereof, and shall thereupon notify the holder of sums paid by Purchaser hereunder, as set forth in Section 10 hereof, to pay over to Sponsor as liquidated damages the Contract Deposit, and any interest earned thereon, and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Purchase Agreement shall be cancelled by Sponsor pursuant to the provisions of this Section 13, Sponsor may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Phillips Nizer LLP may rely upon the truth and accuracy of the facts

contained in Sponsor's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

14. Agreement Subject to Plan Being Effective; Sponsor's Right to Cancel.

14.1 This Purchase Agreement is contingent upon Sponsor declaring the Plan effective pursuant to the terms and requirements of the Plan and shall be abandoned and deemed abandoned if it has not been declared effective in accordance with the terms set forth in the Plan. The Plan may be abandoned or withdrawn by Sponsor at any time prior to its being declared effective and before eighty (80%) percent of the Units have been purchased. Once the Plan has been declared effective, Sponsor may not abandon the Plan for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than 0.5 percent of the aggregate purchase price of all Units offered under the Plan, (ii) substantial damage or destruction of the Building or any portion thereof by fire or other casualty which occurs prior to the First Unit Closing, or (iii) the taking of any material portion of the Property by condemnation or eminent domain. Sponsor shall have no obligation to engage in litigation to cure title defects.

14.2 If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed cancelled. In the event the Plan is abandoned, Sponsor shall submit an amendment to the Department of Law together with Form RS-3 disclosing that the Plan is being abandoned by Sponsor. Sponsor shall cause the Contract Deposits paid hereunder to be returned to Purchaser within five (5) days following acceptance by the Department of Law of the amendment abandoning the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in Section 5 hereof, or in the Plan, for any reason other than Purchaser's default, then Purchaser shall have the option to cancel the Purchase Agreement and to have the Contract Deposit refunded pursuant to Section 10 hereof. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

14.3 Sponsor may cancel this Purchase Agreement by forwarding its check in the full amount paid by Purchaser, together with a notice in writing, addressed to Purchaser at his address herein above set forth in the event of the occurrence of any of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions shall prevent Sponsor from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (b) that Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God or if the installation of public utilities is restricted or curtailed.

15. Equipment and Furnishings. Sponsor will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the Purchase Price of the Unit or, at the option of Sponsor, with suitable substitutions of equal quality. Furnishings, equipment, appliances and decorations in any model unit or sales office that are not referred to in the Plan are excluded from this sale.

16. Acceptance of Condition of Unit; Risk of Loss.

16.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed herein, shall be in accordance with the Plan and the Description of Property and Specifications, subject to the right of Sponsor to amend the Plan and the Description of Property 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, if required, is first obtained. The issuance of a temporary or permanent Certificate of Occupancy for the Unit or the Building shall be deemed presumptive evidence that the Unit or the Building, as the case may be, shall have been fully completed in accordance with the Plan and the Plans and Specifications and all services required for the legal occupancy of the Building in accordance with applicable laws and regulations are available. Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit, or the Building, or (b) other Units, or (c) portions of the Common Elements have not been completed. Purchaser will examine his Unit, if applicable, with a representative of Sponsor during normal business hours prior to the Closing Date. The failure of Sponsor to complete any "punch list" type work shall not be a basis for Purchaser delaying the Closing Date provided that Sponsor agrees to complete such work promptly after Closing.

16.2 Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor or the Selling Agent. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title but shall be obligated to make an inspection appointment with Sponsor or the Selling Agent. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

16.3 While Sponsor has legal title and is in possession of the Unit, Sponsor assumes all risk of loss or damage ("Loss") to the Unit and Property from fire or other cause not due to the fault of Purchaser or Purchaser's contractors, agents or servants. In the event of a Loss, Sponsor shall have the option (but not the obligation) to restore the Unit and Property to as near as reasonably possible to the condition immediately prior to the Loss.

16.4 Within ten (10) calendar days after the Loss occurs, Sponsor shall give Notice to Purchaser of the Loss and whether or not Sponsor elects to restore ("Election Notice").

16.5 If Sponsor elects to restore, Sponsor must do so within sixty (60) calendar days after sending the Election Notice or by the Closing, whichever is later ("Restoration Period").

16.6 If the Closing is before such sixty (60) calendar day period expires, then the Closing shall be adjourned to a date and time fixed by Sponsor on not less than ten (10) calendar days' prior Notice to Purchaser, but in no event shall the Closing be adjourned for more than seventy (70) calendar days after giving of the Election Notice.

16.7 If Sponsor elects not to restore or fails, in a timely manner, to send the Election Notice or, having sent the Notice, Sponsor fails to complete the restoration within the Restoration Period, then Purchaser's sole remedy is either to:

16.7.1 cancel this Purchase Agreement and recover all sums theretofore paid on account of the Purchase Price; or

16.7.2 complete the purchase in accordance with this Purchase Agreement, without reduction in the Purchase Price or claim against Sponsor, but with the right to receive any "Net Insurance Proceeds" as defined in Section 16.8 together with an assignment to Purchaser, without recourse to Sponsor, of any uncollected proceeds, which assignment shall be delivered by Sponsor at Closing.

16.8 "Net Insurance Proceeds" are proceeds of Sponsor's insurance covering the Loss which is attributable to the Unit and Property after deducting legal and other collection expenses incurred by Sponsor and any sums paid or incurred by Sponsor for restoration.

16.9 If Purchaser fails to exercise one of Purchaser's options pursuant to Section 16.7 by Notice to the Sponsor within ten (10) Business Days after the Sponsor gives the Election Notice or within ten (10) Business Days after the Restoration Period expires (in the event Sponsor fails to complete the restoration within the Restoration Period), then Purchaser will be deemed to have conclusively elected the option to complete the purchase pursuant to Section 16.7.2.

16.10 If Purchaser is given possession of Unit prior to Closing:

(a) Purchaser assumes all risk of Loss to the Unit and Property prior to Closing from fire or other cause not the fault of Sponsor or Sponsor's contractors, agents, employees or servants; and

(b) Purchaser shall be obligated to complete the purchase in accordance with this Purchase Agreement, without reduction in the Purchase Price or claim against Sponsor and without delay.

16.11 Notwithstanding anything to the contrary in Section 16.7, Purchaser shall have the right to cancel this Purchase Agreement in accordance with Section 16.7 if, prior to Closing and while Sponsor is in possession, through no fault of Purchaser or Purchaser's contractor, agents, employees and servants, either:

(a) a Loss occurs to the Unit which would cost more than ten percent (10%) of the Purchase Price to restore; or

(b) more than two of the units in the Building are damaged and rendered uninhabitable by fire or other cause, regardless of whether the Unit is damaged.

16.12 Purchaser shall be deemed to have waived Purchaser's right to cancel under Section 16.7.1 if Purchaser fails to elect to cancel by Notice to Sponsor given within seven (7) business days after Sponsor gives Notice to Purchaser of the event which gives rise to Purchaser's right to cancel. In the event Purchaser waives or is deemed to have waived this right to cancel, the provisions of Section 16.7.2 shall apply.

17. Inspection of Unit. At least ten (10) business days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) business day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement and deliver the same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) business days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. Nothing contained herein shall relieve Sponsor of its obligations contained in the section of the Plan entitled "Rights and Obligations of Sponsor".

18. Possession of Unit Prior to Closing. It is expressly understood and agreed that Purchaser shall in no event take possession of the Unit, prior to the time of delivery of the deed and full compliance by Purchaser with the terms of this Agreement, and should Purchaser violate this provision, Purchaser consents that Sponsor shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon Purchaser's unauthorized possession, Purchaser shall be deemed in default hereunder at the option of Sponsor, and if Sponsor so elects, Sponsor may cancel this Agreement and the amount deposited hereunder shall belong to Sponsor as liquidated damages deemed earned hereunder. It is further understood and agreed that Sponsor will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the Property before, on or after the closing of title herein.

19. No Representations. Purchaser acknowledges that he 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, Building, or the size or 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, or any other data, except as specifically represented herein and/or in the Plan, Purchaser having relied on his own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor except as specifically set forth herein or in the Plan. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claims against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform to such Floor Plan; and (b) that Purchaser shall not be relieved of any of his obligations hereunder by reason of any immaterial inaccuracy or error. The Units are being sold in the "As Is" condition in which the same exist on the date hereof. The provisions of this Section 19 shall survive the closing of title.

20. Broker. Purchaser represents to Sponsor that [_____] is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction and Sponsor agrees to pay the commission earned by said broker, if any, pursuant to 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 free and harmless Sponsor from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Section 20 shall survive the delivery of the deed.

21. Agreement May Not Be Assigned. Purchaser shall not have the right to assign this Agreement without the prior written consent of Sponsor which may be withheld in Sponsor's sole and absolute discretion.

22. Binding Effect. This Agreement shall not be binding on Purchaser or Sponsor until a fully executed copy hereof has been furnished to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by furnishing to Purchaser a fully executed copy, this Agreement shall be deemed to have been rejected and cancelled and the deposit paid on the execution hereof, with interest accrued thereon, if any, shall be returned promptly to Purchaser.

23. Notices. Any notice, request or other communication hereunder or under the Plan shall be in writing and sent, postage prepaid, by registered or certified mail, or by hand delivery or overnight courier, to Purchaser at the address given at the beginning of this Agreement, with a copy to _____, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Phillips Nizer LLP, 485 Lexington Avenue, New York, New York 10017, Attention: Lisa R. Radetsky, Esq., or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, all such notices and communications shall be deemed to have been received either on the date of personal delivery, on the next business day for overnight courier or on the fifth (5th) day after mailing.

24. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

25. Liability of Sponsor. Sponsor shall not have any liability to Purchaser with respect to any of Sponsor's obligations under this Agreement or the Plan or otherwise in excess of the net proceeds paid to Sponsor either as a Contract Deposit by Purchaser hereunder if the transaction does not close or paid to Sponsor on the sale of the Unit to Purchaser after payment of, or reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan, subject, however, to the provisions of the New York State General Obligations Law, the General Business Law and 13 NYCRR-Part 20.

26. Right of Rescission. Purchasers who have not had an opportunity to review the Plan and any filed amendments for at least three (3) days prior to their executing a Purchase Agreement shall be given seven (7) days, after delivering an executed Purchase Agreement, together with the required Contract Deposit, to rescind the Purchase Agreement and have the full Contract Deposit refunded promptly. Such rescission must be in writing, addressed and sent to Sponsor in care of and at the address of the Selling Agent, and be postmarked or hand delivered by midnight of the seventh day subsequent to Purchaser's executing and delivering such Purchase Agreement. Purchasers who execute a Purchase Agreement after having had an opportunity to review the Plan and any filed amendments for not less than three (3) days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

27. Smoking Policy. The City of New York has enacted Local Law 147 of 2017 requiring all buildings to adopt and distribute a smoking policy to residents on an annual basis. Purchaser acknowledges that Sponsor has informed Purchaser that the Condominium By-Laws set forth the following as the initial Smoking Policy of the Condominium:

No smoking is permitted inside the Residential Units or in hallways, stairways or other Common Elements. Section 6.26 of the Condominium By-Laws provides as follows:

(a) No smoking is permitted in any Residential Unit in the Condominium.

(b) Smoking is not permitted on any Balconies or terraces adjacent or appurtenant to the Residential Units.

(c) No smoking is permitted (a) within twenty-five feet of the Residential entrance to the Building facing East 8th Street, or (b) in any of the Common Elements of the Building, including, without limitation, its lobby, hallways, elevators, stairwells, basement, storage areas, balconies or the rooftop.

(d) The word "smoking" for the purpose of this policy means inhaling, exhaling, burning or carrying any lighted cigar, conventional cigarette or pipe, operating electronic cigarette, or other form of lighted object or operating device which contains tobacco or any other material intended to produce either smoke or a non-therapeutic aerosol for inhalation. ***See the Section entitled "Description of Property" and the By-Laws of the Condominium in Part II of the Plan.***

28. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request, in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. Prohibition Against Advertising. Prior to the closing of title to the Unit, Purchaser shall not list the Unit for resale or rental with any broker or to advertise or offer, promote, or publicize the availability of the Unit for sale or lease, without Sponsor's prior express written consent.

30. 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.

31. 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.

32. Governing Law. The provisions of this Agreement shall be governed by the laws of the State of New York.

33. 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, this Agreement, or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

34. Entire Agreement. This Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them.

35. 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 otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

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

37. Successors and Assigns. Subject to the provisions of Section 21 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

38. No Oral Changes. This Agreement cannot be changed or terminated orally.

39. Waiver of Diplomatic or Sovereign Immunity.

39.1 The provisions of this Section shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

39.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

39.3 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. Section 4305, Purchaser shall notify the United States Department of

State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

40. Purchaser's Representations.

40.1 Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") 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, be a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

40.2 Purchaser has taken, and until the Closing of Title shall continue to take, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law, and 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 at Closing will be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107¬56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. Section 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957, as amended from time to time.

40.3 The provisions of this Section shall survive the Closing of Title to the Unit or the earlier termination of this Agreement.

41. Certification of Sponsor and Principal. Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See *Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al.* 106 A.D. 3d 542 (1st Dept. 2013).

ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SPONSOR

Calvert-Vaux, Ltd.

By: _____
Name:
Title:

WITH RESPECT TO ESCROW PROVISIONS ONLY:

Phillips Nizer LLP

By:_____
Name:_____
Title:_____

PURCHASER

_____

SCHEDULE A
Legal Description

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, known by the number 295 East 8th Street, bound an described as follows:

COMMENCING at the northeast corner of Avenue B and Eighth Street, running thence northerly along the easterly side of Avenue B forty seven (47) feet; thence easterly in a line parallel with Eighth Street, ninety-three (93) feet; thence southerly on a line parallel with Avenue B forty seven (47) feet to the northerly side of Eighth Street, thence westerly along the northerly side of Eighth Street ninety-three (93) feet more or less to the point or place of BEGINNING.

SCHEDULE B
Encumbrances

(a) Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

(b) State of facts shown in an updated and accurate survey of the land provided such survey does not render title unmarketable.

(c) The terms and conditions set forth in the Declaration of Condominium, the By-Laws and the Rules and Regulations promulgated pursuant thereto.

(d) The power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

(e) Any easement or right of use in favor of any utility company for construction, use, maintenance and repair of all utility lines, cable lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

(f) Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

(g) All easements created by the Declaration.

(h) Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities, and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any.

(i) Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

(j) Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements, or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent

domain proceedings, or by reason of any 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 Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units, the Limited Common Elements and the Common Elements.

(k) All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling purposes, nor prevent the existence of the promised structure.

(l) The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

(m) The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date.

(n) Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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 demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

(o) Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

(p) Any encumbrance as to which any reputable title insurance company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

(q) Any other encumbrance 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 dwelling purposes, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

(r) Landmark Designation dated June 6, 2001 and recorded in Reel 3304 Page 2273 on June 15, 2001 in the City Register's Office.

(s) The terms, provisions and conditions of the Plan.

EXHIBIT B

UNIT OWNER'S POWER OF ATTORNEY

TO

CALVERT-VAUX CONDOMINIUM

DATED: _____

Section:	
Block:	391
Lot:	[____]
County:	New York
Street Address:	295 East 8th Street Unit ___ New York, New York

Recorded at Request of
and Return by Mail to:

Phillips Nizer LLP
485 Lexington Avenue
New York, NY 10017
Attention: Lisa R. Radetsky

INTENTIONALLY LEFT BLANK

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by Calvert-Vaux, Ltd. ("Declarant"), establishing a plan for condominium ownership of the premises known as Calvert-Vaux Condominium and by the street number 295 East 8th Street, New York, New York, under Article 9-B of the Real Property Law of the State of New York, dated_____, 20__ and recorded in the New York County Office of the Register of The City of New York on _____, 20__ as CRFN No. 20_____, or (b) in the by-laws of Calvert-Vaux 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(s) of the Condominium Unit ("Unit") in Calvert-Vaux Condominium which is designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot ___, in Block 391 of the County of New York on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, does 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 Owners 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 become 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 deems 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, demolition, construction, alteration, repair or restoration of the Common Elements (b) any consent, covenant, restriction, easement or declaration, or any

amendment thereto, affecting the Common Elements which the Condominium Board deems necessary and appropriate.

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

The undersigned does 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 of 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 the 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 executed this Unit Owner's Power of Attorney as of the ____ day of_____, 20__.

UNIT OWNER:

_____

_____

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ___ day of _____in the year 20__ before me, the undersigned, personally appeared_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On the ___ day of _____in the year 20__ before me, the undersigned, personally appeared_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

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EXHIBIT C

RESIDENTIAL UNIT DEED

THIS INDENTURE, made the ____day of _____, 20__, between **Calvert-Vaux, Ltd.**, a New York corporation, having an address at 295 East 8th Street, New York, New York 10009 (the "Grantor") and _____, having an address at _____ (the "Grantee")

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto Grantee, the heirs or successors and assigns of the Grantee forever:

The Condominium Unit ___ (the "**Unit**") in the premises known as Calvert-Vaux Condominium and by the street number 295 East 8th Street, Borough of Manhattan, County, City and State of New York, said Unit being designated and described as Residential Unit No. ___ in the Declaration ("**Declaration**") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "**Condominium Act**"), dated _____, 201__ and recorded in the New York County Office of the Register of The City of New York (the "**City Register's Office**") on _____, 20__ as CRFN 201_____, and also designated as Tax Lot ____ in Block 391 of the County of New York on the Tax Map of the Tax Map Unit of The City of New York and on the Floor Plans of said building, certified by _____, Architect, on _____, and filed in the Tax Map Unit of the City of New York on _____, 20__ as Condominium Plan No. ____, also filed in the City Register's Office on _____, 201__ as CRFN 20_____. The land upon which the building containing the Unit is erected is described on Schedule A annexed hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Calvert-Vaux Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.")

Together with an undivided_____ % percentage interest in the Common Elements.

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights obligations, easements restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any or) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

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

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration of the By-Laws, the Residential Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

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

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

The word "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

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

Grantor: Calvert-Vaux, Ltd.

By: _____
Name:
Title:

Grantee:

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

METES AND BOUNDS DESCRIPTION

BLOCK 391, LOT 01
BOROUGH OF MANHATTAN,
COUNTY OF NEW YORK, CITY AND STATE OF NEW YORK

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, known by the number 295 East 8th Street, bound an described as follows:

COMMENCING at the northeast corner of Avenue B and Eighth Street, running thence northerly along the easterly side of Avenue B forty seven (47) feet; thence easterly in a line parallel with Eighth Street, ninety-three (93) feet; thence southerly on a line parallel with Avenue B forty seven (47) feet to the northerly side of Eighth Street, thence westerly along the northerly side of Eighth Street ninety-three (93) feet more or less to the point or place of BEGINNING

SCHEDULE B

Encumbrances

1. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

2. State of facts shown in an updated and accurate survey of the land provided such survey does not render title unmarketable.

3. The terms and conditions set forth in the Declaration of Condominium, the By-Laws (and the Rules and Regulations made thereunder), dated _____ and recorded _____ as CRFN _____.

4. The power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance and repair of all utility lines, cable lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

7. All easements created by the Declaration.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities, and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any.

9. Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

10. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements, or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or

after a taking in condemnation or eminent domain proceedings, or by reason of any 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 Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units, the Limited Common Elements and the Common Elements.

11. All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling purposes, nor prevent the existence of the promised structure.

12. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date.

14. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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 demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

16. Any encumbrance as to which any reputable title insurance company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

17. Any other encumbrance 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 dwelling purposes, or which does not render title unmarketable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

18. Landmark Designation dated June 6, 2001 and recorded in Reel 3304 Page 2273 on June 15, 2001 in the City Register's Office.

19. The terms, provisions and conditions of the Plan.

EXHIBIT C

CALVERT-VAUX CONDOMINIUM

UNIT DEED

CALVERT-VAUX, LTD.

TO

Section:
Block: 391
Lot:
New York County

Record and Return to:

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8/24/2022

Ipb Associates Design & Planning

Brooklyn Navy Yard Building 275 Rm 405
63 Flushing Avenue
Brooklyn, New York, 11205

Email: ipbassociates@aol.com (718) 522 2266

Architect and Engineer Report 8/24/2022

Re: Condominium Offering Plan
295 East 8th Street, New York, Block 391 Lot 01 Occupied Condominium, 13 CCR-NY 23.7:

23.7 Description of Property and Building Condition

Sec.23.7(a) Location and Use of Property: state whether this property and proposed use will comply with all zoning and use requirements at closing. Include in discussion:

1) Address:

   295-297 East 8th Street, New York, New York 10009

2) Block and Lot Number

   Tax Lot 01 Block 391

3) Zoning:

   Zoning District R7A [New York City Zoning Resolution]
   Zoning Map, 12C [New York City Zoning Resolution]

4) Permissible Use:

   As of Right Use Group 2 and 4 [Residential and Community Facilities under use group 4 as permitted by the Current Building Certificate of Occupancy, number 87099, granted in 1985].

Sec.23.7(b) Status of construction. State:

1) Year Built:

   1886 (see attached LPC May 16, 2000 Designation list document)

2) Class of Construction:

   Class 3- Non Fireproof (New York City Buildings Code)

3) Certificate of Occupancy

Permanent Certificate of Occupancy/ Number 87099.

4) Alteration Permit numbers and description of work done

Building Alteration Permit number ALT. 1156/83
Work Scope: Building conversion to convert an existing Community facility into a Class "A" Multiple Dwelling, Floors 1 through 5, Cellar Community facility and Accessary Use.
(Alt.1156/83 was not filed pursuant to the Quality Housing Program. Work Completed 04/23/1985.)
Building Alteration Permit number 103796616-01-EW-OT (2004)
Work scope : ALTERATION TYPE 2 - GC
Roof and exterior renovation. No change of use, egress or occupancy under this application.

23.7(c) Site:

1) Size:

The site is 47'-00" x 93'-00", (4371 square feet located) on the Northeast corner at the intersection of East 8th Street and Avenue B.

2) Number of Buildings and use

One (1) 5-Floor building consisting of 7 class "A" dwelling units', floors 1 through 5, plus cellar Community Facility Accessary Use (storage and Boiler room).

3) Streets owned or maintained by the project

i) Paving (material and conditions)

The Condominium site fronts on two streets: Avenue B and East 8th Street. Both streets are fully improved and final mapped and the condominium has no ownership or maintenance responsibilities beyond standard NYC requirements

ii) Curbing (material and conditions)

Standard NYC concrete and/or bluestone curbs

iii) Catch basins, drainage (location and condition)

There are no catch basins. There are several small area drains underneath leaders

iv) Street lighting (material, type, location and condition)

There is a single standard NYC streetlight at the corner of 8th street and Avenue B

v) State whether these items are in conformity with local fire district town or municipal building codes

These items are all in conformity

4) Drives, sidewalks and ramps

vi) Curbing (material and conditions)

See above

vii) Catch basins, drainage (location and condition

See above

viii) Street lighting (material, type, location and condition)

See above

ix) State whether these items are in conformity with local fire district town or municipal building codes

See above

Sec. 23.7(d) Utilities:

Identify source or provider of each utility. Specifically identify which are public utilities or regulated companies and which are solely the obligation of the board of managers of the condominium. Indicate whether water sewer gas electric and telephone are metered individually collectively or by any other method of billing

Electric:

Electric Service provided by Con Edison, metered
Individually

Natural Gas:

Gas service provided by Con Edison, metered individually

Telephone/internet:

Telephone / internet service provided by either Verizon or another internet provider, per individual unit choice; each apartment has individual service

Water:

Water service provided by New York City Department of Environmental Protection, metered and billed by New York City Bureau of Water Register, to the Board of Managers of the Condominium

Sewer:

Sanitary and Storm Sewer Service provided by The City of New York Department of Environmental Protection and owned and maintained by them.
Charges assessed via New York City Real Property to the Board of Managers of the Condominium

Sec.23 7(e) Sub soil conditions

Describe (including water conditions):

(1) Whether uneven foundation movement or settling has occurred (cracking, mortar joint decay, etc.)

There is no evidence of uneven foundation movement or settling

(2) Whether there is any evidence of moisture or seepage or ground water infiltration and, if any, indicate whether corrective action is needed;

There is no evidence of moisture, seepage or groundwater

(3) Whether there is any danger from flooding, either due to water table in area or overflow from other bodies of water. Note potential for mudslides or erosion and what preventative action is appropriate.

Historically flooding/erosion etc has never been an issue (since 1886).
There was no flooding during Super Storm Sandy, the historic high water mark to date.

Sec.23 7(f) Landscaping and enclosures

(1) Grass cover (type, location)
(2) Plantings (type, location)
(3) Trees (location)

There are no plantings of any kind other than a single tree in the sidewalk at the southeast corner of the property

(4) Fencing (type, location)

There are four 'fences' related to the property:

- Two cast iron fences, one on the Ave B side, one on the 8th street side, acting as guardrails over two below-grade areas. These cast iron fences are probably original to the building (ie from 1887) and in poor aesthetic condition- but are structurally sound and functioning as guardrails. These fences are intact and condition is acceptable.
- A single cast iron fence at the top of the brick retaining wall at the southeast corner of the lot (mentioned below). Condition is acceptable
- A single cast iron fence at the top of a short wall on the 8th street side, above the alleyway service doors. This fence acts a security barrier to deter unauthorized persons from accessing the service alley. Condition is acceptable

(5) Gates (type, location)
(6) Garden walls (type, location)
(7) Retaining walls (type, location)

There are two areas with low concrete retaining walls (noted on drawings as 'areaway Ave B and stairway to cellar on East 8th street') as shown on Dwgs T-100, A-100 and A-200, each capped with cast iron fences described in item 4, above.
There is a brick retaining wall at the northeast corner of the alleyway separating 295 East 8th Street from the building to the east; this is also capped with a cast iron fence in acceptable condition.

(8) Display pools and fountains (location, materials)

There are no gates, garden walls, or display pools and fountains

Sec.23 7(g) Building size. Specify

(1) Total height (approximate total feet from ground level to highest part of roof)

55'-0"

(2) Crawl spaces and Attics (floor to ceiling, height)

Per Drawing A500, sole access to the attic is through a ladder/hatch in Unit 4W.
Attic extent is shown on Drawing A600.
Attic framing consists of wood joists/rafters and sub members dating from the original building construction in the 1880's. Decking is wood and attic is partially insulated
Condition is acceptable

(3) Number of sub-cellars and cellars

There is one cellar
There are no sub-cellars

(4) Number of floors (actual including penthouses)

Five (5) floors

(5) Equipment rooms (location and use)-

There is one (1) Boiler room in the cellar containing mechanical equipment- boiler, hot water heaters, controls etc

(6) Parapet (height above roof)

There is no parapet as such; the roof has multiple inaccessible sloped areas, dormers etc

Sec.23.7(h) Structural Systems

(1) Exterior of buildings:

(i) Foundation

- A search of both DOB and LPC archival records has been made regarding the foundation construction; However no drawings or data were found that could shed light on the foundation construction or existing sub-surface conditions. [Please see attached letter attesting to same.]
- The following has been determined by visual inspection from the interior, with minimal probes
    - The portion of the Foundation wall that is visible is poured concrete: wall thickness is 15" to 20"
    - The interior finishes for the foundation walls are furred drywall, painted. Insulation or damp proofing cannot be accurately determined.
- Common to building types of the era such as the subject building, it is reasonable to assume that the portion of the foundation and footing construction that are not visible are a stack stone foundation type, wall thickness 18 to 30".

- Existing Floor Slab on grade approximately 4" to 6" and was mostly likely poured about 1983 [Alt.1156/83]at the time of the last major building interior renovation.
- Foundation depth is approximately 9'-0" below curb elevation.
- This building is fully detached.

(ii) Structure

Structural system consists of masonry bearing walls at exterior with post and beam interior framing.
From cellar to 4th floor posts are cast iron, approximately 6" diameter with flared decorative capitals supporting large (10 x 14") wood beams. Columns are spaced approximately on 15'0" centers.
At the 5th floor there are 8 x 8" wood columns, also spaced on 15'0" centers, supporting beams, girders, and roof framing
As per the Foundation notes above, this is a structural system built in the 1880's and it has remained robust to date, with no evidence of movement/cracking of adjacent walls etc.
All members are large scale and fully intact.
Condition is acceptable.

(iii) Walls:

Load bearing brick wall assembly is a minimum of 3 wythes, with many areas built up to greater thickness due to the geometry of inside/outside corners and the elaborate design of an 1887 Calvert Vaux designed structure.
All exterior brick was restored as part of the extensive LPC supervised renovation in the early 2000's and is in very good condition, with no evidence of spalling/cracking etc

For New York City buildings, if Local Law 10 applies, include the entire report of the results of the inspection. If Local Law 10 is inapplicable, so state. If such inspection is required, but not performed, specify as a violation. If insulated, describe material, type, size and insulating value where available.

Local Law 10 does not apply.

(iv) Windows: Specify type and materials in all part of the building including sills, screens, window guards, lintels, storm sash, hardware, single or double glazing and caulking. Indicate whether lot line windows exist and describe any potential future problems.

There are multiple window types installed by individual unit owners over the years. Windows are typically single glazed with either wood or aluminum frames, double hung, with balances or chain weight systems.
All are installed in masonry openings and caulked in place, per standard practice.
All windows are in acceptable condition and there is a window schedule on Drawing LPC200.00 providing greater detail.
There are stone or precast concrete lintels throughout in acceptable condition.
Any existing Window gates are New York City Fire Department compliant.
All operable windows will have "childproof stops" or approved NYC guards limiting the opening of the windows in place at the time of closing of the sale of any units.

All Lot Line windows in main interior stairway are metal frame/wire glass type and code compliant.

There are thirteen (13) Lot Line windows which are not code compliant due to their 'standard' construction, with neither fire rated ceramic glass, nor traditional wire glass as required.

There are five (5) in the cellar, two (2) in Unit 1W, three (3) in Unit 2W and three (3) in Unit 3W

We estimate each window would cost anywhere from $1500- $4000.00 to replace, depending upon requirements from LPC, if any, and the type of glass desired (ie clear ceramic frit vs wire glass)

(v) Landmark status: State whether building has landmark status and discuss consequences.

The building was designated a landmark on May 16th 2000 per the following:

"Accordingly, pursuant to the provisions of Chapter 74, Section 3020 of the Charter of The City of New York and Chapter 3 of Title 25 of the Administrative Code of the City of New York, the Landmarks Preservation Commission designates as a Landmark the Children's Aid Society,Tompkins Square Lodging House for Boys and Industrial School, 295 East 81h Street (aka 295-297 East 81h Street and 127-129 Avenue B), Borough of Manhattan, and designates Borough of Manhattan Tax Map Block 391 , Lot 1 as its Landmark Site."

All proposed work in the building must comply with LPC standards and be fully permitted and reviewed by appropriate LPC officials prior to commencement.

(2) Parapets and copings: State type of materials, how firmly secured in place and whether there is any indication of problems e.g., leakage, spalling, deterioration of mortar, cracking, etc.

There are various copings of natural stone and or concrete at the roof level and at windows; all are in good condition per the LPC approved roof replacement work done in the last decade- no evidence of spalling/cracking or other deterioration

(3) Chimneys and caps: Indicate number location and material of each chimney for boilers incinerators compactors and fireplaces If fireplaces are not usable for wood fires this fact must be conspicuously disclosed

There is one (1) operable brick chimney to the roof, used for the building boiler and water heater exhaust.

Chimneys used for wood burning fireplace or gas fire insert have been capped at the roof as well as sealed at the respective dwelling units on all floors thereby rendering them inoperable.

(4) Balconies and terraces. Describe:

There are Five (5) existing 'balconies' for the exclusive use of the individual occupants which can only be accessed from the respective dwelling units:

- Two (2) at Unit 2W
    - One (1) Fire escape balcony

        - Window access only
    - One (1) balcony
        - Window access only
- One (1) at Unit 2E- balcony
    - Wooden French doors with insulated lites, manufacturer unknown
- One (1) at Unit 3W- Fire escape balcony
    - Window access only
- One (1) at Unit 4W-Fire escape balcony
    - Wooden French doors with insulated lites, manufacturer unknown

(i) Deck finish (material)

Balcony supports are steel brackets anchored to the exterior brick walls
Decks are metal grating riveted to the channel sections

(ii) Balustrade (type, material)

Railing and balustrades are wrought iron or steel 3'-0" high

(iii) Railings (material)

Railing and balustrades are wrought iron or steel 3'-0" high

(iv) Copings (material)

Natural stone, concrete

(v) Soffits (material)

None

(vi) Doors to balconies and terraces (type, material)

See description above at (4)

(5) Exterior entrances. Describe:

(i) Exterior doors and frames (material, type, lock)

Main front door and frame is solid mahogany, frame and panel style approved by LPC, with cast bronze hardware, self-closing and self-locking with electric door intercom interface to all units

Secondary door on 8th street, below grade level to cellar, matching materials

(ii) Vestibule doors and frames (material, type, lock)

There are no separate vestibule doors

(iii) Exterior stairs (material, location)

There is one exterior cement stair from grade level to cellar level, leading to the secondary door described above

(iv) Railings (material, location)

Guardrail at above stair is wrought iron 3'-0" high

(v) Mail boxes (type, location)

Government approved recessed mailboxes for all units in the entry vestibule

(vi) Lighting (type, location)

Recessed compact fluorescent lighting at building entrance and vestibule mounted at walls interior and exterior.

(6) Service entrances. Describe:

(i) Doors and frames (material, type, lock)
(ii) Gates (material, type, lock)
(iii) Exterior stairs (material, location)
(iv) Railings (materials, location)

Located at east side of building on 8th Street,

- Hollow metal door and frame
- Push bar self- closing and self-locking.
- Steel railing at top of wall enclosing alleyway where doors are located

(7) Roof and roof structures. Describe:

(i) Type roofs for all areas:

Roof was framed in 1886 as part of the original building construction and restored in 2004 as part of the extensive LPC supervised restoration undertaken.
Per the drawings there are multiple slopes, dormers etc, primarily clad in slate, and all were restored as part of the roof replacement under permit #103796616

(a) Material

Sloping roof – Slate shingles with copper flashing
Flat roof- modified Bitumen membrane roof.
Roof materials are in good shape and expected life expectancy of the slate portions of the roof are 50+ years. Modified bitumen areas must be monitored more closely.

(b) Insulation (size, type and insulating value if available)

Insulation is Fiberglass/R-21

(c) Surface finish

Sloping roof – Slate shingles.
Flat roof- modified Bitumen membrane roof.

(d) Bond or guarantee

There is no roof warranty, bond or guarantee

(e) Flashing materials including counter flashing.

Flashing- Copper

(ii) Drains:

(a) Location, material and type;

There are multiple cast iron drain lines throughout the building all properly attached to storm sewer

(b) Gutters and leaders (type, material)

Formed Copper

(iii) Skylights (location, type, material)

There is an existing skylight at the roof, manufacturer Belco; size is 2'-6"x 4'-0" mounted on a roof curb. Model, glazing and fire rating, details cannot be accurately provided or determined

(iv) Bulkheads:

(a) Stairs (material)

There is no stair bulkhead

(b) Elevator (material)
(c) Other.

There is no elevator or other bulkheads

(v) Metal work at roof levels:

(a) Exterior, metal stairs {material)
(b) vertical ladders, including gooseneck (material)
(c) Railings (material)

There are no exterior stairs or ladders except for fire escapes (see below)
There are no railings at the roof level except for historical decorative elements

(d) Hatches to roof (type, material)

Roof Hatch 1- Scuttle and ladder to Belco hatch

(e) Other

(vi) Rooftop facilities (describe in detail)

There are no rooftop facilities

(8) Fire Escapes Describe at each floor and specify any unusual access situations:

(i) Location (describe how attached and supported);

There is a fire escape at the east side of the building serving all east apartments.
There is a second one at the north side serving all west apartments.
Structural support is angle iron with steel brackets anchored to the brick wall.

10

(ii) Floors covered;

Fire escape is used as the "secondary means of egress" accessible to all dwelling units from each floor.

(iii) Drop ladder
(iv) Type
(v) Materials.

The fire escape system is wrought iron, painted and unenclosed, with drop ladder to grade (side yard)
Main elements consist of a metal floor grating riveted to a channel section with a wrought iron railing balustrade
Condition is acceptable

9. Yard and courts. Describe each yard or court including interior areas, listing methods of access

(i) Paving (material)
(ii) Drainage (type and material)

There is a single service alleyway at the east side of the building which is accessed from a steel fire door in the cellar, one of the fire escapes, and a steel door on 8th street.
The alleyway is cement with area drains and there is a masonry retaining wall with a wrought iron railing on top of the wall at the southeast corner.

(iii) Railings (material)
(iv) Stairs (material)
(v) Fencing (type and material)
(vi) Walls (type and material)

All railings are wrought or cast iron as described in 23.7F
All stairs are concrete treads and risers
Retaining walls are either concrete or masonry as described in 23.7F
Condition of all elements is acceptable

10. Interior stairs. Describe:

There is a single unenclosed main stairway in the center of the building, from the cellar to the 4th floor. Items (i) through (vii) below describe it.

(i) Enclosure (construction and interior finishes)
Unenclosed
(ii) Stair construction (steel, concrete, wood)
Steel stringers and risers with concrete infill
(iii) Stringers (material)
Steel
(iv) Treads (material)
Concrete
(v) Risers {material
Concrete
(vi) Guard rails (material)
Wrought iron/steel
(vii) Balustrade (material).
Wrought iron/steel with wood handrail

There are interior convenience stairs in Units 2E, 2W and 4E respectively, which are all wood; Treads, risers, balustrade and handrail.
Condition of all is acceptable.

(11) Interior doors and frames. Describe material, type and location for each, and state whether fireproof or exceeds fire/safety standards:

(i) Unit entrance and interior doors and frames

(ii) Corridor doors and frames

(iii) Stair hall doors and frames

All doors opening into the public hallway are metal frame fire rated doors, with peephole, chain, self-closing with hardware and lockset.

Interior doors within the dwelling unit are wood frame hollow core doors with hardware and lockset.

(iv) Roof doors, basement doors and frames

There are no roof doors
Cellar doors are fire rated hollow metal door and frame, self-closing with hardware and lock set.

(12) Elevators.Describe:

(i) Number of passenger and service elevators;
(ii) Manufacturer, age of each and capacity (in pounds and number of passengers);
{iii) Type of operation for each elevator by elevator number or location in building (for large numbers of elevators describe by class-passenger/ freight);
(iv) Automatic (type of controls);
(v) Floors served;
(vi) Type (hydraulic; gearless);
(vii) Doors (sliding, swinging, manual, automatic); (viii)Location of machine rooms;
(ix) DC motor (manufacturer);
(x) AC motor-generator set (manufacturer);
(xi) Other.

(13) Elevator cabs. Describe:

(i) Kind (manufacturer);
(ii) Floor (material); (iii)Walls (material);
(iv) Ceiling (material);
(v) Lighting (describe);
(vi) Alarm, safety system.

There are no elevators of any kind in the building

23.7 (i) Auxiliary facilities:

(1) Laundry rooms. Describe:
(i) Location and number of rooms
(ii) Clothes washers, number and type (e.g., heavy duty, coin operated, electric
(iv) Clothes dryers (number and type)
(v) Room ventilation (metod and final exhaust)

12

(vi) Dryer Ventilation (methid and final exhaust)

There are no laundry rooms in the building

(2) Refuse disposal. Describe, including:
(i) Incinerator(s) (number, location, capacity, type, manufacturer)
(ii) Compactor(s) (number, manufacturer); location, capacity,type,
(iii) Approvals by authority having jurisdiction (date of each approval);

There are no incinerators or compactors in the building

(iv) Initial storage location location (ultimate storage location)
(v) Pick-up schedule, and whether public or private provider.

The individual condominium owner or occupant deposits (for disposal) all refuse at a designated location in the cellar, accessible to all individual occupants of the condominium, with refuse placed in their respective bins [Non-recyclables and recyclables]

The Board of Managers of the Condominium collects and disposes of all the waste deposited by the individual occupants for scheduled pick-up by The New York City Department of Sanitation.

23.7(j) Plumbing and Drainage

Pipe insulation where required is fiberglass sleeve type
Main water shut off is located in cellar
Condition is acceptable

(1) Water Supply Describe system, pumps, storage and location

Existing water main in cellar mechanical room is connected to individual/multiple meters. There are no circulating pumps

(2) Fire protection system. Describe:

(i) Standpipes (material, size, location);
(ii) Hose racks, hoses and nozzles (location);
(iii) Sprinkler heads (type system, location);
(iv) Siamese connection (type, location)

There is no fire protection system (sprinkler system) or standpipe in the building

(3) Water storage tank(s) and enclosures. Describe:

(i) Number, type, location of each;
(ii} Material (interior, exterior and roof of tank};
(v) Access to tank (e.g., vertical gooseneck ladder);
(iv) Capacity (total gallons);
(vi) Capacity (fire reserve).

There are no water storage tanks or enclosures

(4) Water pressure and how maintained.

Water pressure is produced via direct connection to NYC water system, maintained by the DEP

(5) Sanitary sewage system. Describe, including:
(i} Sewage piping (materials);

Sewage piping is cast iron

(ii) Sewage pumps (if any)

There are no sewage pumps

(iii) Sewage disposal (public/private; treatment; drainfield; sewer treatment

All waste piping is properly connected to the NYC sewer system as required by code. There is no drainfield or treatment facility

(6) Permit(s) required List and include date(s) obtained.

Not applicable

(7) Storm drainage system Describe system, adequacy, method of disposal and materials including:

(i) Catch basins (location);

(ii) Yard and roof drains (location)
Piping materials

All storm water run-off from the roof, balconies, and yards are collected and diverted to the City of New York Storm or combined Sewer System.

(ii) Eject or sump pumps (describe in detail and describe conditions requiring pumps)

There are no ejector or sump pumps

Sec.23.7(K) Heating

(1) Heating and distribution of domestic hot water and whether capable of providing peak required services Describe heating system's ability to maintain legally required conditions under anticipated weather conditions, specifying internal temperature and ambient temperature used in calculations.

Heat/Hot water for the condominium is provided by a central dual fuel boiler located at the cellar and two HW tanks.
Boiler has the capacity to maintain NYC Code required temperature; there are no calculations available but the system has been properly maintained and operated without incident for over 40 years

Water Heater Specifications:

Two 50 gallon units located in boiler room in cellar, installed in June 2021
Make: Bradford White
Model # RG250T6N

Expected useful life is 5-10 years
We do not have a copy of the warranty

(2) Number of boilers and description;

There is a single dual fuel (gas and oil) boiler
Thermostat located in cellar.
Riser Pipe: Insulated risers and return lines.

(3) Manufacturer and age of boiler(s) (model, capacity; alternatively, give type, approximate age and approximate remaining useful life);

Make: Smith [Installed in 2004 under permit# 103620841]
Expected useful life 10 Years, however boiler is working perfectly and no immediate need for repair/replacement is expected
Model: 19A Series, serial # FA2003-180
BTU Output: 797,000.

(4) Manufacturer and age of burners (model; alternatively, give type and approximate remaining useful life)

Burner: Power Flame Dual Burner CR-2-GO. [Permit # 110576243]
Anticipated useful life is 5 years
We do not have a copy of the warranty
Condition is acceptable

(5) Type of controls

Dual fuel controls - #2 oil/Natural gas

(6) Radiators, piping, insulation, valves, pumps

Radiators: - cast iron radiators with shut-off valves in individual units

(7) Fuel (for oil give type and grade)

#2 fuel and natural gas per Con Edison

(8) Location of oil tank, materials, enclosure

Located under sidewalk inside a masonry vault, separated from main boiler room by a steel 1 ½ hour rated fire door with self-closing hinge.
The entire enclosure is fireproof masonry construction and in acceptable condition.

(9) Capacity of oil tank

1080 gallons
Oil tank is inside a CMU enclosure and age/remaining useful life data is not available, except based on visual inspection

(10) For gas (details on type and supply system).

See Gas details below

Sec.23.7 (l) Gas Supply. (if not described above)

(1) Type

Natural Gas provided by Con Edison main service shut-off valve located at the cellar

(2) Meters

Individual gas meters are located in the cellar,

(3) Piping

Black Iron.

Sec.23.7(m) Air Conditioning Describe cooling systems' adequacy to maintain comfortable conditions under anticipated weather conditions, specifying internal temperature and base ambient temperatures used in calculations. Describe:

(1) Type of system;
(2) Central system (give manufacturer, model and capacity);
(3) Cooling towers, condensers, (roof top, self-contained units, including number, location and description);
(4) Individual units covered by the offer (window/sleeve - specify number, capacity, amperage and efficiency).

There is no building wide air conditioning system of any kind.
The offer does not include any individual window units that may or may not have been installed.

Sec.23.7(n) Ventilation: Describe system in kitchens fireplaces and all windowless areas such as corridors, garages , laundries, baths etc

There are no windowless areas in any of the building public spaces except the cellar where required fresh air intakes are in place- specifically in the boiler room.
All kitchens and bathrooms in all dwelling units either have windows or code required ventilation with proper cfm.

Sec.23.7(o) Electrical System: specify

[Note: please see attached memo from licensed electrician regarding electrical code compliance of the existing service, main switchgear, and wiring as well as other electrical components]

(1) Service from main service switchgear (amperes, voltage, phases, wire, protective equipment);

The building electric service is Three phase/400 amp
Main disconnect is located in cellar

(2) Service to individual units (risers, etc.);

Service is distributed to 10 individual services with meter pans and disconnects and risers to each individual unit
Power supply to each dwelling unit is minimum 60 Amps.
All wiring is copper

(3) Compartment switch gear (location and floor of sectional meter boards and transformers supplying power to the meter boards)

Not applicable

(4) Unit service (ratings of fuses and circuit breakers); adequacy of electrical system to handle modern usage and appliances such as air conditioners, dishwashers and dryers

Per licensed electrician's attached report, the system is adequate to handle modern usages described above

(5) Adequacy:

(i) Service - average number of circuits per apartment and capacity to handle modern appliances specifically air conditioners, dishwashers and electric dryers

Power supplied is sufficient to handle basic modern appliances, such as Air conditioners, Dishwashers, Refrigerators, Lighting fixtures, intercom door system. Convenience outlets for appliances, including air conditioning units, are provided.

(ii) Lighting and fixtures

(iii) Convenience outlets, appliance outlets.

Above items are all adequate

Sec. 23.7(p) Intercommunication and/or door signal systems, security closed circuit TV. Specify mode of operation and condition. Describe television reception facilities (master antennae, cable TV, antennae by tenants).

Building Entrance door is monitored by intercom, bell and buzzer system only.
Television reception facilities are as per each individual unit preference- there is no master antenna etc

Sec.23.7(q). (q)Public area lighting. Describe and state adequacy (entrances, halls and stairs, corridors, basements, courts and yards)

Public areas, stairs, hallway, building entrances, yards, and courtyard building exterior are adequately illuminated with various light fixtures controlled by motion and timer devices

Sec.23.7(r) Garages and parking areas. Describe:

(1) Location of garages (description of facility);
(2) Location of parking areas (number of spaces in each);
(3) Surfaces (materials used, lighting, fencing etc.);
(4) Parking (attended or not attended);
(5) Garage ventilation (method and equipment);
(6) Garage fire protection (method and equipment);
(7) Drainage.

There are no garages or parking areas

Sec.23.7(s) Swimming pool(s). Describe in detail:

(1) Type (concrete, material composition) and location on property
(2) Size, including length, width, depth, and approximate number of bathers permitted at any time;
(3) Enclosure {material including roof)
(4) Pumping and filter system(describe material)
(5) Water heating equipment or usage of building's hot water (feed or heat exchangers);
(6) If on building roof, specify structural support

There are no swimming pools

Sec.23.7(t) Tennis courts, playgrounds and recreational facilities.

{1) Tennis courts. Describe:
(i) Type (clay, macadam, turf};
(ii) Number and size;
(vi) Lighting {number and type);
(vii) Fencing or enclosure (including distance between fence or enclosure and all sides of court).

{2) Playgrounds. Describe location and size(s) of playground{s), fencing (if any), equipment types and sand bed or safety padding.

{3) Other recreation facilities. Describe any beach or lake front, boating facilities, golf course(s), handball, basketball or other game courts.

There are no tennis courts, playgrounds or recreational facilities

Sec.23.7(u) Permits and certificates.

List all applicable permits which must be obtained and inspections which are to be done. List type of inspection, authority inspecting and duration of approval once obtained. Include all compactors, incinerators, boilers, oil storage, tanks, elevators, etc. In New York City include Department of Air Resources, Elevator Safety, Boiler Safety, Fire Department and Buildings Department permits.

To the best of our knowledge the only ongoing inspection required is the annual boiler inspection performed by the Boiler Safety division.

Sec.23.7(v) Violations.

List all violations outstanding as of the date of this report and the agency imposing the violation, the condition involved, the date violation issued, and work required by violation notice to cure. If no violations are outstanding, so state,

New York City Department of Buildings
Violations on File: None
New York City Department of Housing and Preservation.
Violations on file: three (3)

Per the attached document from the NYC HPB website there are currently three overdue lead paint violations, all originally reported on 7/11/22: ID numbers 15262651,15262649 and 15262647

The work required to cure is professional remediation of lead paint conditions; the tenant moved out right after the violations were issued, professional remediation took place, and the tenants have moved back in- although the violations themselves must be closed out

Sec.23.7(w) Unit information.

Please see attached chart (9/24/21 Finish Schedule) showing materials/finishes in dwelling units and commercial space

The fireplace in Unit 4W and fireplaces in Unit 2E and 2W have been both rendered inoperable by sealing locally in each unit and capping at roof

Specify the number of units inspected. Specify the unit designations for each typical unit or line of units, including the number and type of rooms. Give criteria for calculations of the number of rooms. For lofts give useable residential space in square feet. Describe (include foyers, living rooms, dining areas, kitchen, bedrooms, bathrooms, etc.):

There are Seven (7) Dwelling units of different size and configuration

Unit - 1W: 2-Bedrooms: Living/Dining: 1- kitchen: 1-Bathroom.

Unit - 1E: 1-Bedroom: Living/Dining: 1-Kitchen: 1-Bathroom.

Unit - 2W: 2-Bedrooms: Living/Dining: 1-Kitchen: 1-Bathroom.
Storage loft /Closet: 1-Balcony. 1-Wood burning fireplace capped and closed off

Unit - 2E: 4-Bedrooms: Living/Dining: 1-Kitchen: 2-Bathroom.
1-Balcony [Duplex apartment]. 1-Wood burning fireplace capped and closed off

Unit - 3W: 1-Bedroom: living/Dining: 1-Kitchen: 1-Bathroom.
1-Balcony.

Unit - 4W: 1-Bedrooms: Living/Dining: 1- Kitchen: 1-Bathroom.
1-Balcony :1-Wood burning fireplace capped and closed off

Unit - 4E: 3-Bedrooms: Living/Dining: 1-Kitchen: 1-Bathroom.
[Duplex apartment].

(1) Type and grade of finish material used in each type of unit and the number of coverings given. Include paint, wall and floor coverings, as well as specifying the type of flooring, walls and ceiling used.

Please see attached chart (9/24/21 Finish Schedule) showing materials/finishes in dwelling units and commercial space

(2) Describe presence, type and condition of all bathroom fixtures.

(3) Describe presence, type and condition of kitchen and laundry equipment.

(i) If data is substantially the same for all units, a single narrative may be substituted for this schedule.

(ii) If any equipment or fixtures described are not included in the offering price, or the offering price is conditioned on the equipment and fixtures selected, such fact must be conspicuously noted in the body of the plan.

Each of the seven dwellings have been built out by various individuals since the 1970's when the current owners purchased the building.
Each space including kitchens and bathrooms have widely varying materials and configurations unique to each unit.
All bathrooms have a toilet, lavatory sink and either shower or bathtub
All kitchens have working stoves, refrigerators, sinks and counter areas.
Most have further items such as dishwashers etc

Sec.23.7(x) Finish schedule of spaces other than units. The following is a form of schedule to be given for each floor.

Room Floor Walls Ceiling Remarks
Include all common rooms and spaces including but not limited to: Sub-sub cellar, sub-cellar, basement, cellar, first floor, penthouse floor, public and service halls, corridors, lobbies.

Please see attached chart (9/24/21 Finish Schedule) showing materials/finishes at cellar (page 7)

Sec.23.7(y) Safety and warning devices. Describe any fire or smoke safety devices installed in units and common areas. State what devices are required by law and whether any required devices have not been installed

All code required smoke and CO 2 detectors are in place as required; we have not received written notice of missing safety devices.

Sec.23.7(z) Additional information required. Include the following in the Description of Property and Building Condition section of the plan:

(1) A site plan showing landscape features, roads, the outside dimensions of the building(s) and designated common areas, including recreation and refuse disposal areas, and all privately owned access roads. The site plan may be omitted if the building covers the entire lot.

Building covers the entire lot and attached plans show adjacent sidewalks, refuse areas etc

(2) An area map showing the location of the condominium with respect to its surroundings, if the condominium is not located in a highly urban area.
(3) Floor plan for each line or type of unit drawn to scale, indicating room dimensions, and showing unit boundaries.
(4) Floor to ceiling heights of units.
(5) Approximate total area of each unit.
(6) A master floor plan showing unit boundaries and the relationship of units to each other. The master floor plan may be omitted if the site plan clearly shows unit boundaries and appropriate unit designations.

Above items are all shown on the attached set of plans

23.7.(aa) In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, firestopping, etc. Test results must be reported in the offering plan or in an amendment thereto.

23.7.(ab) Further development. If the sponsor intends to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building, it must make disclosure about the new units to conform to 13 NYCRR Section 20.7. In addition:

(1) If the additional units are to be added, sponsor must submit plans and specifications approved by all necessary local governmental agencies before the offering plan may be accepted for filing.

(2) If the additional units will be on top of an existing structure, state:

(i) Whether the existing structure capacity to support the additional the additional load and if not what steps are being taken to support the increased load.

(iii) What the resulting building height will be.

(3) Describe the components which will be removed, relocated, or extended, e.g., parapet, bulkheads, roof, tanks, elevators, service rooms, landscaping, etc.

(4) Describe the effect the additional structure will have on existing systems and state the adequacy of all existing systems which will be affected by the addition, including heat and hot water, water pressure, sewage, elevators, electricity, air conditioning, parking and sprinklers.

(5) Include a list of facilities that will be shared by the existing and new structures, e.g., laundry room, intercom, garage, etc.

(7) State the effect that the renovation or construction will have on tenants in occupancy.

Specifically:

(i) State the manner in which construction debris will be handled and its effect on common areas used by tenants.

(ii) Give the schedule for renovation and construction work, e.g., Monday-Friday, 8:00 a.m. to 5:00 p.m., except holidays.

(iii) Describe any measures that will be taken to protect the security of the building during the construction or renovation process. Include a statement of the manner in which tenants and construction workers will gain access to the building.

(iv) State whether there will be any interruption of services during construction or renovation and, if so, provide details. This includes water, electricity, elevator service, and laundry rooms.

(v) State whether new piping will be added to existing piping and whether such work may cause breaks in existing piping. If so, state whether precautions will be taken to minimize damage and state who will be responsible for any such damage.

{vi) State whether the sponsor and/or contractors will have liability insurance in effect during construction

There are no additional units being added to the building.

Sec.23.7(ac) Asbestos. State whether Asbestos Containing Material (ACM) is present in insulating or fireproofing material anywhere in the building(s). Sponsor shall perform such tests as are necessary to make such determination. In the event that ACM is present, sponsor shall have a person who is qualified to render an opinion on asbestos prepare a report on the asbestos in the building(s) (the "asbestos report"). Such asbestos report shall contain at least the following information:

(1) The qualifications of the person preparing the report

(2) A detailed inventory of the asbestos in each apartment and in all other areas of the property, including the location, amount of ACM, type and concentration of asbestos in

ACM, and condition. At least ten (10) percent of all apartments must be inspected in an initial inspection. If ACM is found in any of these apartments, a second inspection, with notice to tenants and at least partially during non-business hours, must be performed in all remaining accessible apartments. List apartments inspected.

(3) Recommendations for handling each and every item of the asbestos inventory, i.e., removal, enclosure, encapsulation, or leaving undisturbed.

(4) How the recommendations should be implemented. Include, if applicable, whether apartments must be vacated or whether use of certain rooms will be limited and the projected duration thereof. State whether the work must be performed in compliance with New York City Local Law 76 of 1985 or any other applicable laws.

5) A recommended protocol (operations and maintenance program) for the future handling and maintenance of asbestos which will remain in the building, whether encapsulated, enclosed or left undisturbed.

As stated in the ACP#5 Asbestos Report, the presence of asbestos was found in the following building materials: specific floor tiles, caulking and mastic.

A recommended protocol "operations and maintenance program" for future handling and maintenance of asbestos will be provided, which will remain in the building whether encapsulated, enclosed or left undisturbed.

Further, the recommendations and implementation must comply with New York City Local Law 76 of 1985 as well as other applicable laws regarding the handling of asbestos and to be in place prior to the time of closing for sale.

§ 20.7 (dd) Lead-based paint.

Include records, reports, violations and any other information known or available to the sponsor or its agents concerning the presence of lead-based paint and/or lead-based paint hazards.

Due to age and construction of the building, it is possible that lead-based paint may be present in a variety of areas throughout the building. Local Law 38 of 1999 is applicable to units built before 1960 in NYC, where the Owner must conduct annual inspections for peeling paint and deteriorated surfaces when a child under (6) years of age resides.

Per the attached document from the NYC HPB website there are currently three overdue lead paint violations, all originally reported on 7/11/22: ID numbers 15262651,15262649 and 15262647

The work required to cure is professional remediation of lead paint conditions; the tenant moved out right after the violations were issued, professional remediation took place, and the tenants have moved back in- although the violations themselves must be closed out

Work to be performed in units 2E and 3W pursuant to the Condominium Offering Plan for 295 East 8th Street, New York New York.

The work listed below will be performed by the Sponsor or a Principal and will be completed prior to the closing of the sale of the applicable unit.

- The existing laundry equipment, gas water heater, gas dryer laundry sink at Unit 3W will be removed and related piping capped off.
- One (1) 40-gallon electric Hot Water heater will be installed in both dwelling units.
    a. Rheem: Model # XE40m065ST 45 U1 or equivalent.
- Stove will be provided in Unit 3W
- Existing fire gate at egress Door at fire escape in 3w to be code compliant.
- Existing non -approved fire gates at windows will be removed at both units.
- Protective rails at windowsill will be installed at both units
- Fireplaces at both dwelling units are infilled; chimneys have been sealed at the roof.

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NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS ASSESSMENT REPORT

RECEIVED
5/7/2018
DEP
ASBESTOS CONTROL
PROGRAM
FEE PAID

1. NYC DOB Job # (if applicable) _____ **Control Number: 1416858**

2. Premise No. 295 Street Name EAST 8 STREET Borough Manhattan Zip 10009

3. AKA _____ Type of Facility Residence BIN 1004733 Block 00391 Lot 0001

4. Building Owner CALVERT VAUX LTD Address 295 EAST 8 STREET

5. City NEW YORK State NY Zip 10009 Contact Person MAX OLIVAS

6. Tel. # (212) 420-0627 Fax # _____ Email _____

7. Description of the Entire Scope of Work
TO CONVERT EXISTING SEVEN FAMILY BUILDING TO A SEVEN UNIT CONDOMINIUM. NO WORK TO BE DONE.

8. I, MARTIN AMBROSE, have conducted an asbestos investigation on
Name of Certified Asbestos Investigator

11/28/2017 11:00AM-1:45PM in accordance
Date(s)

with Sections 1-16 and 1-28 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

☐ a. portion(s) of the premises affected by the work is free of asbestos containing material (ACM).

☒ b. premise (or portions thereof) affected by the work contains 10 square feet or less or 25 linear feet or less of ACM. Specify locations in section 9: Note: This material must be abated as a minor project in accordance with relevant provisions of the DEP Asbestos Rules.

☐ c. asbestos is present and will not be disturbed during construction activity. Specify the quantity and area where asbestos is present. Specify amount: _____ sq. ft _____ linear ft.
Specify locations (attach additional documents as necessary):

☐ d. entire building is free of asbestos containing material (ACM).

9. RESULTS OF ASBESTOS BUILDING SURVEY:

LOCATION	FLOOR NUMBER	DESCRIBE SECTION OF FLOOR	ALL MATERIALS ASSUMED TO CONTAIN ACM AND/OR SAMPLED	NUMBER OF SAMPLES ANALYZED	ASBESTOS PRESENT	ASSUMED ACM
Building Floors	1 to 5	APT 1E, 1W, 2E, 2W, 3W, 4E, 4W	BUILDING MATERIALS, FLOOR TILES, CAULKING, MASTIC	0	Yes	Yes

10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DOH CERTIFICATION)	DATE(S) SAMPLES ANALYZED

11. NYS DOL Asbestos Handling license # 29947 Company Name Velmartin Associates Inc.

I hereby declare the information provided herein is true and complete

MARTIN AMBROSE	5/7/2018	116635	12/3/2019
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (718) 342-7686 Fax # (718) 342-7685

Email velmartin@juno.com

CITY OF NEW YORK
MARTIN W AMBROSE
116635
CERTIFIED ASBESTOS INVESTIGATOR

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86, 40 CFR 763.80, 40 CFR 763.85.

Is it a Build-it-Back project? ☐ Yes, App ID # _____ ☒ No

5/7/2018 9:52:00 PM

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FLOOR PLANS OF CONDOMINIUM UNITS, SITE PLAN AND ELEVATION DRAWINGS

The floor plans of the units are annexed hereto. Prospective purchasers are advised that all dimensions are approximate and subject to normal construction tolerances. Dimensions are maximum overall as measured from the exterior faces of the building to the center line of any wall separating one unit form another unit and the exterior faces of any walls separate a unit from the Common Elements or Limited Common Elements. Purchasers are advised to inspect the Units that they wish to purchase.

Sponsor reserves the right to make changes to the layouts and dimensions of the Units, subject to the terms and conditions of the Offering Plan. Any such changes will be disclosed to Purchasers in a duly filed amendment to the Plan.

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295 EAST 8TH. STREET
NEW YORK N.Y. 10009

General Notes:

- Contractor to check and verify all measurements and dimensions and actual conditions at site and be held responsible for same. Contractor to obtain all permits and fees to start and complete alteration. Upon completion of job contractor is to supply owner with a certificate of occupancy.
- A statement shall be filed by the owner, that the system of ventilation will be kept in continuous operation at all times during the normal occupancy of the structure as provided in the application law as filed by the licensed professional engineer or other qualified person who conducted the test of the system and not until the statement of the owner is filed.
- All plumbing work shall be in accordance with requirements of chapter 26 article 18 and reference standard RS - 16 of the NYC building code.
- All water supplies shall be over the rim or shall be provided with approved vacuum breakers for water close flush valves, hose bibbos, etc.
- All notes, dimension, details and job conditions are to be checked and verified. Any discrepancy shall be brought to the attention of the architect / engineer prior to commencement of work.
- All required and necessary permits shall be secured from all municipal agencies having jurisdiction at the cost and expense of the contractor and prior to start of work and he shall obtain approval of all completed work as required by New York City administrative code and all required agencies.
- Each contractor will be held responsible for his work. The general contractor shall verify all dimensions and conditions at the building and will be responsible for the joining of work of all trades.
- All materials, assemblies and methods of construction not listed as controlled inspection by the person superintending the construction. Signed copies of all test and inspection reports shall be filed through the architect / engineer with the department.
- The contractor shall familiarize himself with the requirements of article 18 "safety of public and property during construction operations" and shall be held responsible for the safe maintenance as prescribed therein until completion of the work.
- Contractor shall provide all shoring, bracing, barricades, temporary fences, partitions and excavation etc. to accomplish all of the work in an approved manner, as per section C 26-1908.2.
- No drawings to be scaled, dimensions are to be used.
- The contractor or person who supervised or superintended the work is required to present at final inspection with Building Department C 26-1908.2
- All construction shall be in accordance with the rules and regulations of the New York City building code.
- All electrical work to comply with the N.Y.C. Building Code.
- The contractor shall upon completion of the work see that the job is broom swept.
- The architect / engineer has not been retained to supervise any construction or installation of any equipment.

Plumbing Notes:

- All plumbing work shall be in accordance with requirements of chapter 26 article 16 and reference standard RS - 16 of the NYC building code.
- All water supplies shall be over the rim or shall be provided with approved vacuum breakers for water close flush valves, hose bibbos, etc.
- provide clean outs at the base of all soil, vent and leader stacks. Provide clean outs with deck plates flush with finish floor for all drainage pipes running below floor at 50 foot spacing maximum.
- Relief vents shall be installed for vertical offset of drainage stack as per P109.9.
- All changes in the size of drainage piping shall be made with reducing pipe fittings.
- Provide shut-off valves on all branch water lines to each fixture including branches from mains, from risers and where otherwise required.
- Joints and connections in the plumbing system shall be made gas tight and water tight as per P103.1.
- Where branch water supplies are trapped, provide drain valves at all low points.
- All underground sewer lines shall be extra heavy cast iron bell and spigot piping. Soil waste, storm and vent piping above ground shall be hub less cast iron with joints made of neoprene sleeves and double stainless steel straps. All piping to be adequately supported both vertically and horizontally.

GENERAL NOTES:

1. WORK MUST CONFORM TO THE REQUIREMENTS OF THE NEW YORK CITY BUILDING CODE, FIRE DEPARTMENT REGULATIONS AND ALL APPLICABLE LAWS, UTILITY COMPANY REQUIREMENTS, AND THE BEST TRADE PRACTICES.

2. BEFORE COMMENCING WORK, THE CONTRACTOR SHALL FILE ALL REQUIRED CERTIFICATES OF INSURANCE WITH THE DEPARTMENT OF BUILDINGS, OBTAIN ALL REQUIRED PERMITS FROM ALL APPLICABLE AGENCIES, AND APPLY ALL FEES REQUIRED BY GOVERNING AGENCIES.

3. THE CONTRACTOR SHALL VERIFY ALL EXISTING CONDITIONS IN THE FIELD PRIOR TO COMMENCING WORK, AND SHALL REPORT ANY DISCREPANCIES BETWEEN DRAWINGS AND FIELD CONDITIONS TO THE PROFESSIONAL ENGINEER OR REGISTERED ARCHITECT.

4. MINOR DETAILS NOT USUALLY SHOWN OR SPECIFIED BUT NECESSARY FOR PROPER CONSTRUCTION OF ANY PART OF THE WORK SHALL BE INCLUDED AS IF THEY WERE INDICATED IN THE DRAWINGS, AND THE PROFESSIONAL ENGINEER OR REGISTERED ARCHITECT SHALL BE NOTIFIED IN WRITING PRIOR TO COMMENCING WORK.

5. THE CONTRACTOR SHALL COORDINATE ALL WORK PROCEDURES WITH REQUIREMENTS OF LOCAL AUTHORITIES, BUILDING MANAGEMENT, OR BOARD OF DIRECTORS.

6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL CONDITIONS AND MATERIALS WITHIN THE PROPOSED CONSTRUCTION AREA. THE CONTRACTOR SHALL DESIGN AND INSTALL ADEQUATE SHORING AND BRACING FOR ALL STRUCTURAL OR REMOVAL TASKS. THE CONTRACTOR SHALL HAVE SOLE RESPONSIBILITY FOR ANY DAMAGE OR INJURIES CAUSED BY OR DURING THE EXECUTION OF THE WORK.

7. THE CONTRACTOR SHALL LAY OUT HIS OWN WORK, AND SHALL PROVIDE ALL DIMENSIONS REQUIRED FOR OTHER TRADES: PLUMBING, ELECTRICAL, ETC.

8. PLUMBING AND ELECTRICAL WORK, IF ANY SHALL BE PERFORMED BY PERSONS LICENSED IN THEIR TRADES, WHO SHALL ARRANGE FOR AND OBTAIN INSPECTIONS AND REQUIRED SIGN-OFFS.

9. THE CONTRACTOR SHALL DO ALL CUTTING, PATCHING, REPAIRING AS REQUIRED TO PERFORM ALL OF THE WORK INDICATED ON THE DRAWINGS, AND ALL OTHER WORK THAT MAY BE REQUIRED TO COMPLETE THE JOB.

10. AT LEAST TWENTY FOUR HOURS WRITTEN NOTICE SHALL BE GIVEN TO THE DEPARTMENT OF BUILDINGS BEFORE THE COMMENCEMENT OF ANY WORK FOR WHICH A WORK PERMIT HAS BEEN OBTAINED. BEFORE ANY WORK IS COMMENCED ON AN ITEM OF CONSTRUCTION REQUIRING INSPECTION. ALL PERSONS RESPONSIBLE FOR SUCH INSPECTION SHALL BE NOTIFIED IN WRITING AT LEAT SEVENTY-TWO HOURS PRIOR TO SUCH COMMENCEMENT.

HOUSING MAINTENANCE CODE:

- ??? TO COMPLY THE FOLLOWING
- PAINTING PER SEC. 27-2013
- WINDOW GUARDS
- PEST AND RODENT CONTROL 27-2018
- COLLECTION OF WASTE MATTER 27-2021
- WATER SUPPLY TO BE MAINTAINED HOT AND COLD 27-2031.2
- SEWER AND DRAINAGE 27-2027
- LIGHTING AND VENTILATION 27-2063
- MAIL SERVICE AND POSTING OF HOUSE NUMBER 27-2047
- PROVIDING PEEPHOLE AT ENTRANCE DOOR 27-2047
- POSTING FLOOR SIGNS 27-2044

TENANT SAFETY NOTES:

- WORK SHALL BE CONFINED TO THE WORK HOURS OF 8AM TO 5 PM MONDAY TO FRIDAY.
- EXIT CORRIDORS AND / OR PASSAGEWAY SHALL NOT BE OBSTRUCTED AT ANY TIME.
- BUILDING SERVICES SUCH AS HEAT, HOT WATER AND ELECTRICAL SHALL NOT BE INTERRUPTED.
- DUST NOISE AND OR DEBRIS SHALL BE CONTROLLED

GENERAL CONSTRUCTION NOTES

- At least twenty four hours written notice shall be given to the commissioner before commencement of any work for which approved plans, applications and a work permits are required.
- The contractor shall obtain and pay all fee for the required work permit, further he/she shall post said work permit at the job site in a conspicuous location.
- No work shall commence until a work permit is obtained.
- The contractor shall verify all dimensions and conditions indicated on these drawings at the job, and shall be responsible for same, any discrepancies between the drawings and the job site conditions is to be reported to my office before proceeding with the work.
- Any addition information or dimensions required to properly estimate or execute this project such information shall be furnished by my office.
- All materials, assemblies form, and methods of construction and service equipment shall meet the following requirements:
  - o It shall have been acceptable prior to the effective date of the code.
  - o Shall have been accepted for use under prescribed code test method by the commissioner.
  - o Approved by the board of standards and appeals.
- Architect has not been retained to supervise any construction or installation of any equipment at building site.
- These notes are apart of the plans and are to be complied with. If more restrictive notes are mentioned elsewhere they are to take precedence over same.
- Prior to the start of construction each contractor and or subcontractors are required to visit the job site. Further they are to verify all existing condition and dimensions at the job site as well as to familiarize themselves with the existing conditions under which the work shall be performed.
- The general contractor shall reporter any and all discrepancies with the approved drawings as it relate to the work to be done, and such discrepancies to be reported to the architect/ engineer before the start of the work (note no plans shall be scaled) dimension shall be as noted.
- The contractor shall comply with all the rules and regulations with respect to city, State and or federal department and with other agencies having jurisdiction over this work.
- The contractor shall comply with all applicable laws ordinances, rules, regulation, directive having jurisdiction over this work to promote safety to person and property. further said contractor shall erect and maintain all reasonable safeguards for a safe worksite.
- The contractor shall institute and maintain proper safeguards for the temporary operation of any and all equipment at the work site during construction as per article 14.

- The contractor to maintain site safety and adjacent site safety for the duration of the work thereby compling with C27-1011AC.
- The contractor is responsible to the owner for acts and omissions of all his/her employees, sub-contractors agents and employees as well as other persons performing any work on or off the worksite.
- Contractor to use best work practice and to meet minimum industry standards.
- The general contractor shall purchase and maintain general liability insurance to afford protection (hold harmless) to the ownership, architect/engineer and other against any claims that may result from the performance of this work.
- G.C. TO PROVIDE A CONSTRUCTION FENCE AND MAINTAIN ALL EXISTING FIRE SAFETY DEVICE.
- DOMESTIC WATER, ELECTRICITY & HEAT TO BE MAINTAIN
- FIRE STOPING SHALL NOT BE COMPROMISED
- The contractor shall not endanger the existing building structural integrity during the construction.
- Housekeeping to comply with C27-1018
- Storage and removal of construction material to comply with C27-1019.
- Demolition operation to comply with Art 6 sub-chapter 19
- Required 5 day notice to adjacent property owner for start of construction, C27-165
- Adequate fencing at all excavation C27-1021 and guard rail per C27-1032.
- Excavation to be free of water during foundation work C27-1031.
- All foundation to be at least 4'-0" minimum below the grade.
- For excavation general contractor to verify all locations of all utility lines above and below ground, and safeguard same. 72 hours to be given to the utility company before the start of work.
- Excavation at 5'-0" or greater in depth require shoring C 27-1032. 4)Further shoring of sidewalk, adjacent property, underpinning foundation well as required by the site condition.

REFERENCE:

ALT: 1156/83

C. O. #: 87099

ZONING DATA:
BLOCK: 391
LOT: 01
ZONING DISTRICT: R7A
ZONING MAP: 12C

TOTAL GROSS BUILDING AREA:

CELLAR FLOOR: 3,826 + 361 VAULT: 4,187 SQ. FT.

FIRST FLOOR: 3,561 SQ. FT.

SECOND FLOOR: 3,561 SQ. FT.

MEZZANINE FLOOR: 1049 + 224 + 211 = 1,484 SQ. FT.

THIRD FLOOR: 3,449 SQ. FT.

FOURTH / FIFTH FLOOR: 3,449 SQ. FT.

TOTAL: 19, 679 SQ. FT.

LEGEND:

- EXISTING WALL
- EXISTING WALL TO BE REMOVED
- REINFORCED CONCRETE WAL
- 1HR. RATED PARTITION
- 2 HR. RATED PARTITION
- PARTITION TYPE
- DOOR NUMBER
- MECHANICAL VENTILATION / EXHAUST FAN
- SMOKE / CARBON MONOXIDE DETECTOR
- REVISION NUMBER
- ELEVATION
- DETAIL / SECTION

ABBREVIATIONS:

A
ALUM. - ALUMINUM
ALT. - ALTERNATE
ARCH. - ARCHITECT
& - AND
@ - AT
AD - AREA DRAIN

B
BLDG. - BUILDING
BLK. - BLOCK

C
CL - CENTER LINE
CR - CORNER REPAIR
CONT - CONTINUOUS
CONC. - CONCRETE

D
DEPT. - DEPARTMENT
DTL. - DETAIL
DIA. - DIAMETER
DWG. - DRAWING

E
ELEV. - ELEVATION
EXP - EXPANSION
EQ. - EQUAL
EXIST. - EXISTING

F
FIN. - FINISH
FL./FLR. - FLOOR
FLASHING - FLASHING

G
GA. - GAGE

H
NOT USED

I
NOT USED

J
JT. - JOINT

K
NOT USED

L
LT. - LIGHT

M
MTL. - METAL
MAX. - MAXIMUM
MIN. - MINIMUM

N
NO. - NUMBER
N.T.S. - NOT TO SCALE

O
O.C. - ON CENTER
OZ. - OUNCE

P

R
RAILG. - RAILING
REINF. - REINFORCING
RD - ROOF DRAIN

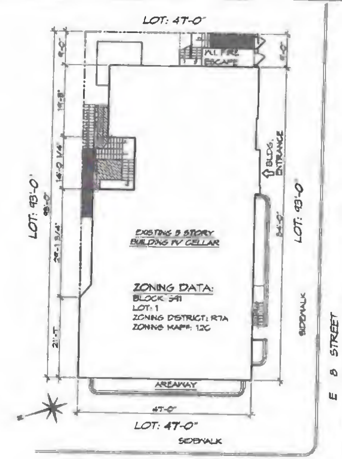
S
SECT. - SECTION
SHT. - SHEET
SH - SHELAR
SPEC. - SPECIFICATION
SQ.FT./S.F. - SQUARE FEET
ST. - STREET
STL. - STEEL
STRUCTL. - STRUCTURAL
SC - SCUPPER
SS - STAINLESS STEEL

T
TYP. - TYPICAL

U
U.O.N. - UNLESS OTHERWISE NOTED

V
V.P. - VENT PIPE
V.I.F. - VERIFY IN FIELD

W
W/ - WITH
W.I. - WROUGHT IRON



SITE PLAN
N.T.S.

295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
Brooklyn Navy Yard
Cumberland Street & Flushing Ave.
Building No.275 Suite No.405
Brooklyn, N.Y. 11205

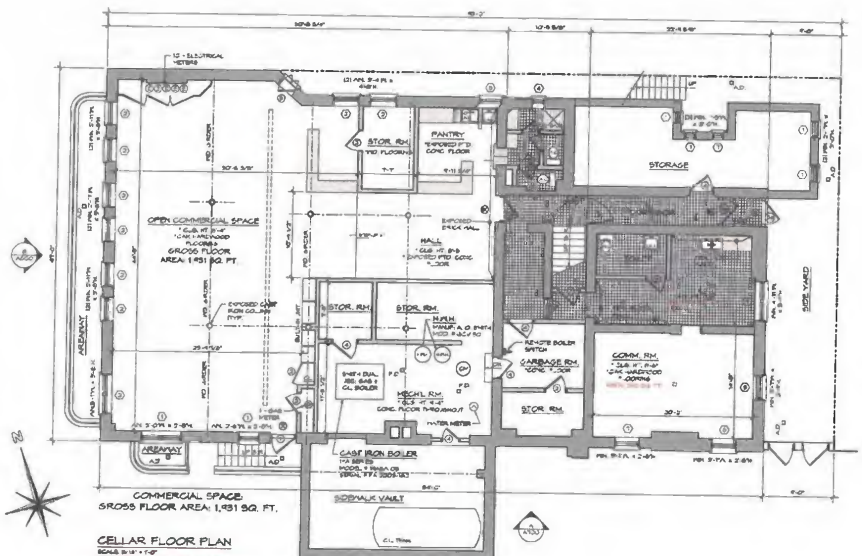
GENERAL NOTES, SITE PLAN, ZONING DATA & ENERGY COMPLIANCE, LEGEND & ABBREVIATIONS

100.00

1 of 6

8-24-22

STATE OF NEW YORK · EDISON PAUL · 083103-1 · LICENSED PROFESSIONAL ENGINEER



CELLAR FLOOR PLAN

SCALE: 3/16" = 1'-0"

* TOTAL GROSS CELLAR FLOOR AREA: 3,826 SQ. FT.
* SIDEWALK VAULT GROSS FL. AREA: 361 SQ. FT.

KEY TO PLAN:

- EXISTING WALL
- CERAMIC FLOOR TILES
- CAST IRON RADIATOR
- SMOKE / CARBON MONOXIDE DETECTOR
- CARBON MONOXIDE DETECTOR (HARD WIRED)
- DOOR & FRAME
- WINDOW & FRAME
- TASK LIGHTING FIXTURES
- EMERGENCY LIGHTING FIXTURE
- SWITCH / WATTS LIGHTING FIXTURE
- EMERGENCY EXIT SIGHT & SIGN
- WINDOW SECURITY GUARDS
- EXTERIOR BUILDING ELEVATION
- STEAM RISER PIPE
- FLOOR DRAIN AREA DRAIN

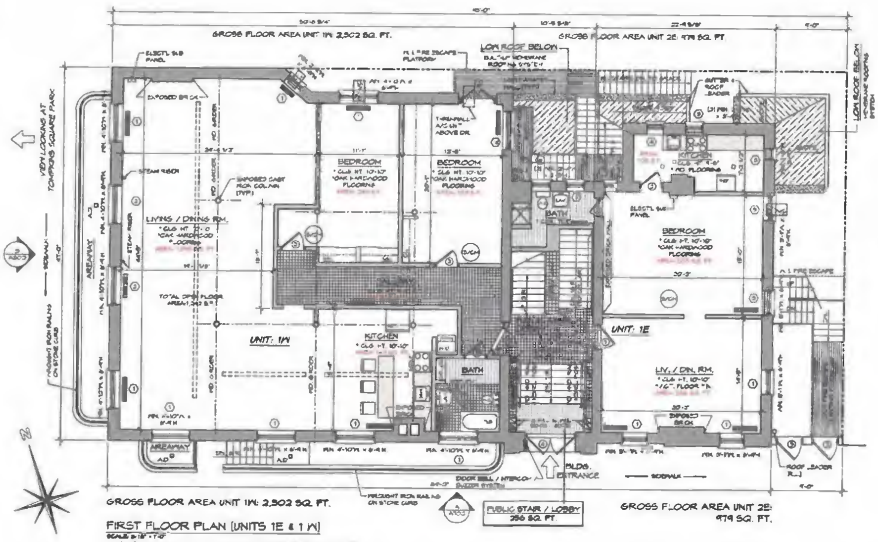
295 EAST 8TH. STREET
NEW YORK N.Y. 10009

RPS Associates Zoning and Planning

CELLAR FLOOR PLAN

STATE OF NEW YORK
EDSON PAUL
LICENSED PROFESSIONAL ENGINEER

8-24-22



FIRST FLOOR PLAN [UNITS 1E & 1W]

SCALE: 1/8" = 1'-0"

* TOTAL GROSS 1ST. FLOOR AREA: 3,501 SQ. FT.

KEY TO PLAN:

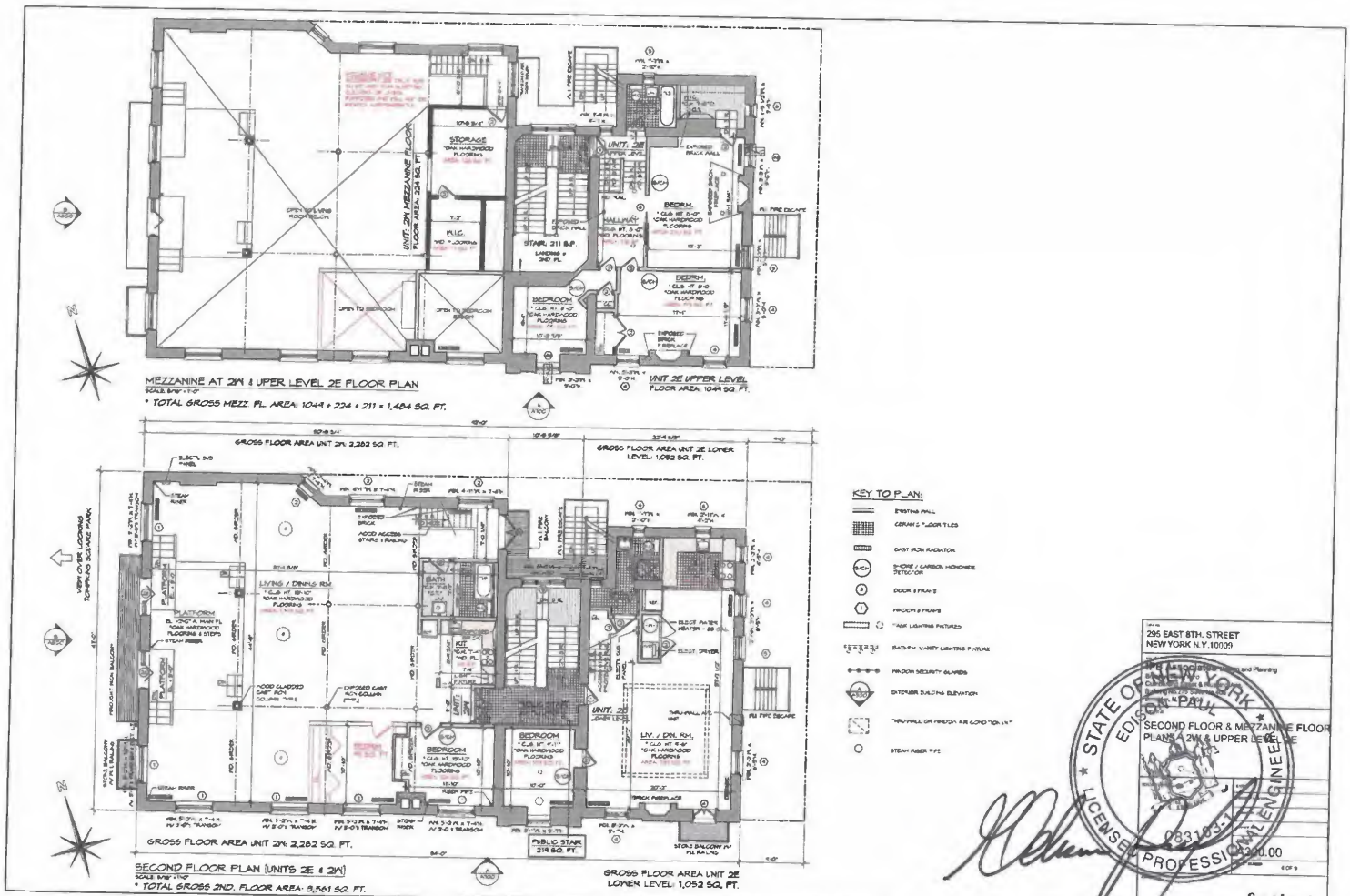
- EXISTING FLOOR TILES
- CAST IRON RADIATOR
- SMOKE / CARBON MONOXIDE DETECTOR
- DOOR # FRAME
- WINDOW # FRAME
- TASK LIGHTING FIXTURES
- EXTERIOR BUILDING ELEVATION
- TYPE-WALL OR FIREDOOR AS CONSTRUCTION UNIT
- STEAM RISER PIPE

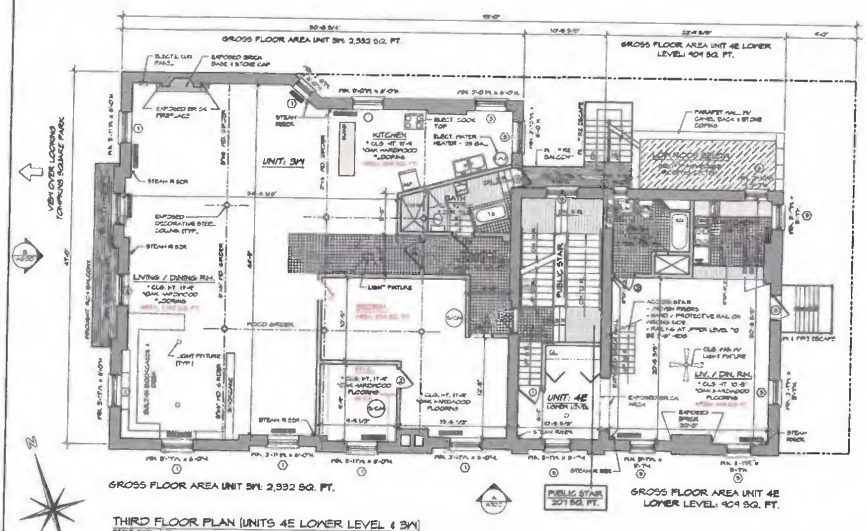
295 EAST 8TH. STREET
NEW YORK N.Y. 10009

FIRST FLOOR PLAN [UNITS 1E & 1W]

STATE OF NEW YORK
EDWARD J. [illegible]
LICENSED PROFESSIONAL ENGINEER
088105
$200.00

8-24-22


MEZZANINE AT 2W & UPER LEVEL 2E FLOOR PLAN
* TOTAL GROSS MEZZ. FL. AREA: 1049 + 224 + 211 = 1,484 SQ. FT.
UNIT: 2W MEZZANINE FLOOR
FLOOR AREA: 224 SQ. FT.
STORAGE
OPEN TO LIVING ROOM BELOW
OPEN TO BEDROOM
OPEN TO BEDROOM BELOW
W.I.C.
STAIR: 211 S.F.
LANDING # 2ND FL.
UNIT: 2E
BEDRM.
HALLWAY
BEDROOM
BEDROOM
EXPOSED BRICK FIREPLACE
UNIT 2E UPPER LEVEL
FLOOR AREA: 1049 SQ. FT.
GROSS FLOOR AREA UNIT 2W: 2,282 SQ. FT.
GROSS FLOOR AREA UNIT 2E LOWER LEVEL: 1,052 SQ. FT.
VIEW OF WILLIAMSBURG TOWNHOUSE SQUARE PARK
LIVING / DINING RM.
BATH
KIT.
PLATFORM
PLATFORM
WOOD CLADDED CAST IRON COLUMN
CLOSET
BEDROOM
UNIT: 2W
UNIT: 2E LOWER LEVEL
LIV. / DIN. RM.
BEDROOM
PUBLIC STAIR 214 SQ. FT.
GROSS FLOOR AREA UNIT 2W: 2,282 SQ. FT.
SECOND FLOOR PLAN (UNITS 2E & 2W)
* TOTAL GROSS 2ND. FLOOR AREA: 3,561 SQ. FT.
GROSS FLOOR AREA UNIT 2E LOWER LEVEL: 1,052 SQ. FT.
KEY TO PLAN:
EXISTING WALL
CERAMIC FLOOR TILES
CAST IRON RADIATOR
SMOKE / CARBON MONOXIDE DETECTOR
DOOR # FRAME
WINDOW # FRAME
NEW LIGHTING FIXTURES
BATHROOM VANITY LIGHTING FIXTURE
WINDOW SECURITY GUARDS
EXTERIOR BUILDING ELEVATION
NEW WALL OR WINDOW AIR CONDITIONER
STEAM RISER PIPE
295 EAST 8TH. STREET
NEW YORK N.Y. 10009
SECOND FLOOR & MEZZANINE FLOOR PLANS 2W & UPPER LEVEL 2E
STATE OF NEW YORK
EDISON P. PAUL
LICENSED PROFESSIONAL ENGINEER
083183
2-24-22



GROSS FLOOR AREA UNIT 3W: 2,332 SQ. FT.

PUBLIC STAIR 301 SQ. FT.

GROSS FLOOR AREA UNIT 4E LOWER LEVEL: 909 SQ. FT.

THIRD FLOOR PLAN (UNITS 4E LOWER LEVEL & 3W)

SCALE 1/4" = 1'-0"

* TOTAL GROSS 3RD. FLOOR AREA: 3,443 SQ. FT.

KEY TO PLAN:

- EXISTING WALL
- CERAMIC FLOOR TILES
- CAST IRON RADIATOR
- SMOKE / CARBON MONOXIDE DETECTOR
- DOOR # FRAME
- WINDOW # FRAME
- TASK LIGHTING FIXTURE
- CEILING FAN WITH TASK LIGHTING FIXTURE
- WINDOW SECURITY GUARDS
- EXTERIOR BUILDING ELEVATION
- STEAM RISER + PIPE

295 EAST 8TH. STREET
NEW YORK N.Y. 10009

IPB Associates Design and Planning
Brooklyn Navy Yard
Commodore Street & Flushing Ave.
Building No. 292, Suite No. 402
Brooklyn, NY 11205

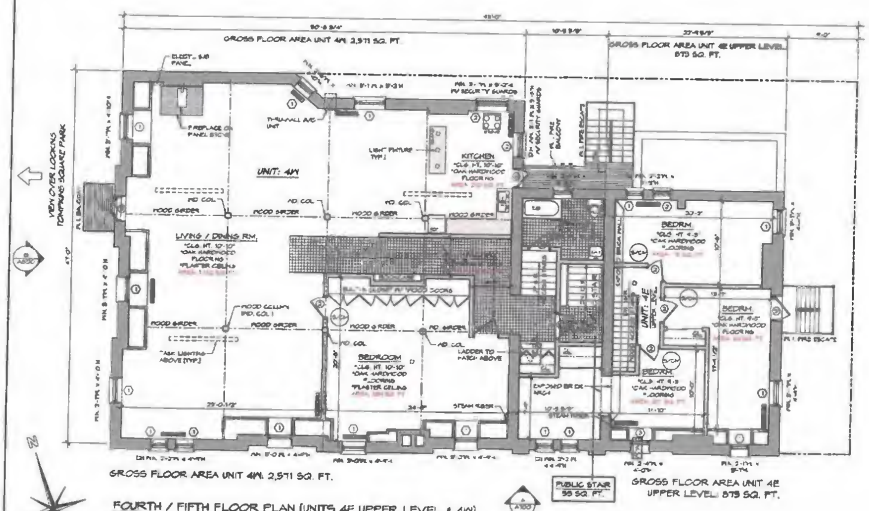
THIRD FLOOR PLAN - 3W & LOWER LEVEL 4L

A400.00

8 OF 9

2-24-22

STATE OF NEW YORK
EDISON L
LICENSED PROFESSIONAL ENGINEER



FOURTH / FIFTH FLOOR PLAN (UNITS 4E UPPER LEVEL & 4W)

SCALE: 3/16" = 1'-0"

* TOTAL GROSS 4TH. / 5TH. FLOOR AREA 3,448 SQ. FT.

KEY TO PLAN:

- SHEET NO. CALL
- CERAMIC FLOOR TILES
- CAST IRON RADIATOR
- SMOKE / CARBON MONOXIDE DETECTOR
- DOOR & FRAME
- WINDOW & FRAME
- TASK LIGHTING FIXTURES
- WINDOW SECURITY GUARDS
- ENTRANCE BUILDING ELEVATION
- WINDOW MOUNTED AIR CONDITIONING UNIT
- STEAM RISER PIPE

295 EAST 8TH. STREET
NEW YORK N.Y. 10009

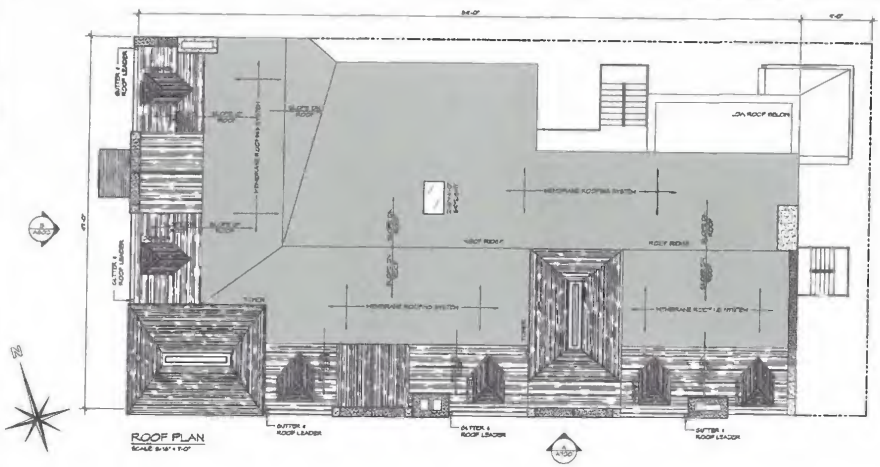
IPB Associates Design and Planning
Brooklyn Navy Yard
Cumberland Street & Flushing Ave.
Building No.275 Suite No.A03
Brooklyn, N.Y. 11205

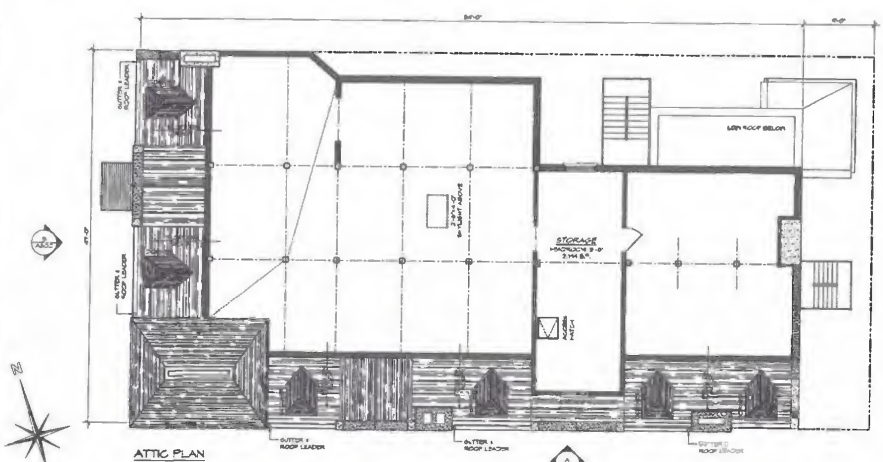
FOURTH / FIFTH FLOOR PLANS ~ 4W & UPPER LEVEL 4E

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8-24-22

STATE OF NEW YORK
EDISON PAUL
LICENSED PROFESSIONAL ENGINEER





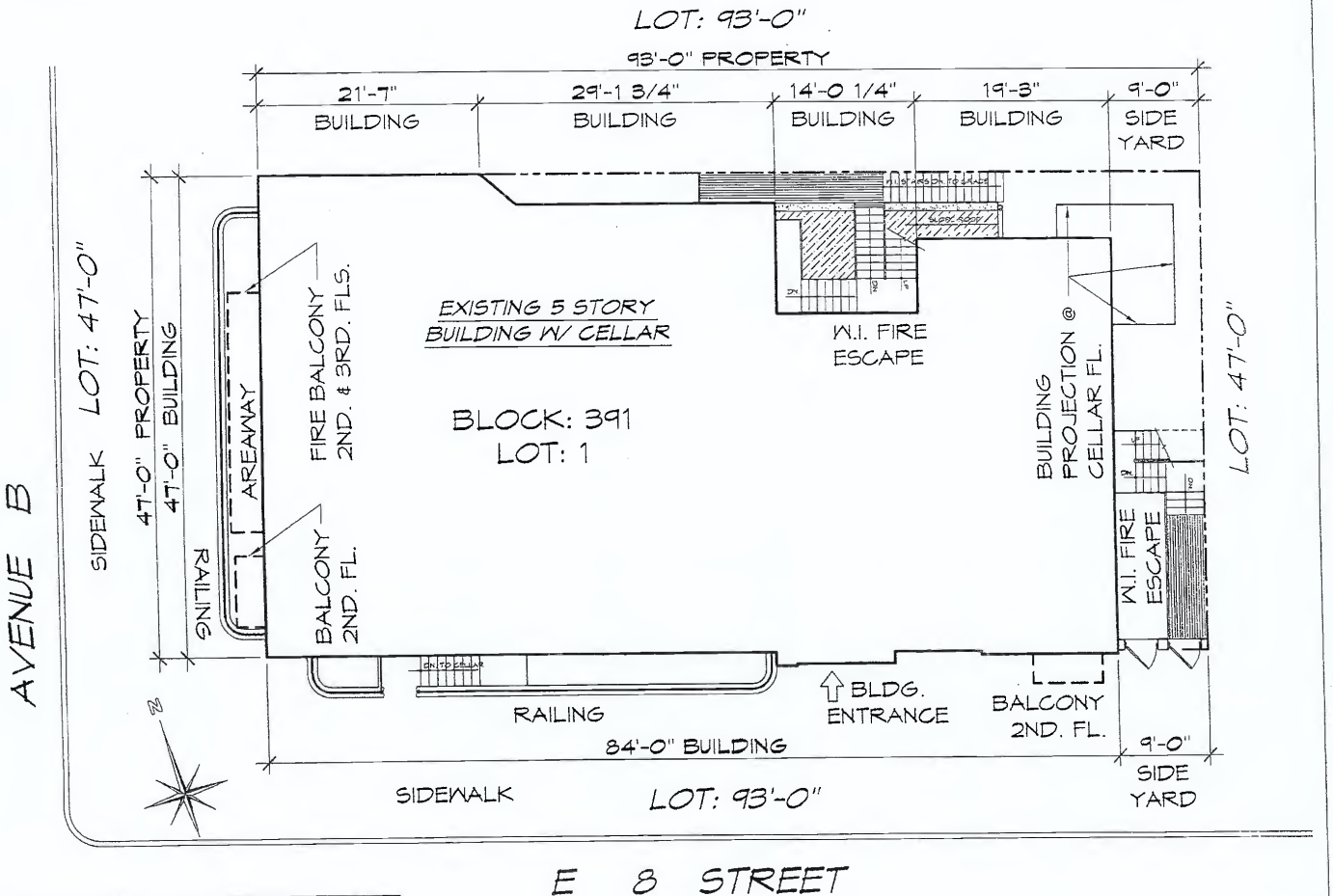
295 EAST 8TH. STREET
NEW YORK N.Y.10009

PS Associates Design and Planning

ATTIC & ROOF PLANS

STATE OF NEW YORK
EDISON PAUL
LICENSED PROFESSIONAL ENGINEER

8-24-22



295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
DATED: MAY 2018

SITE PLAN



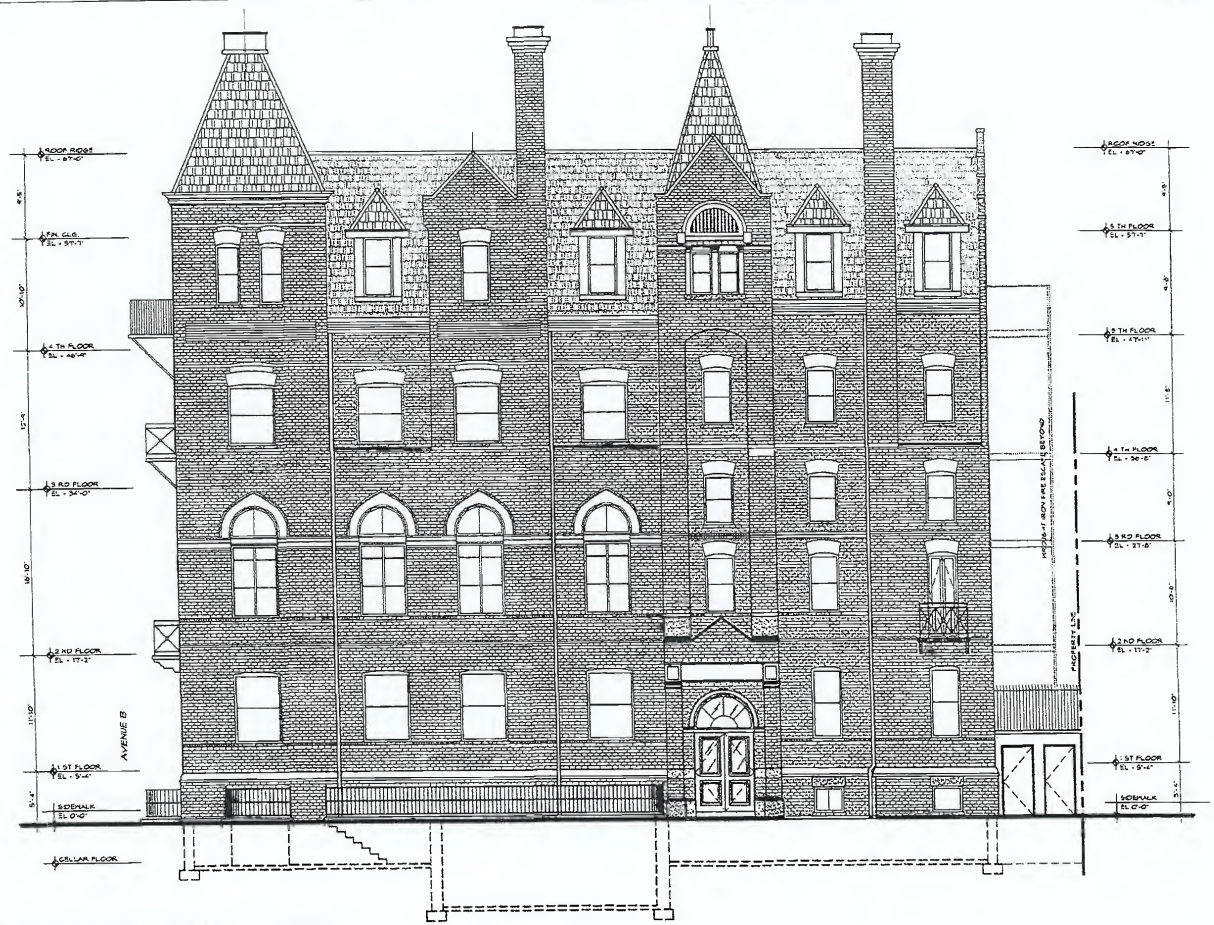
A BUILDING ELEVATION [N. 8Th. STREET]

295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
Brooklyn Navy Yard

BUILDING ELEVATION - EAST 8TH. STREET

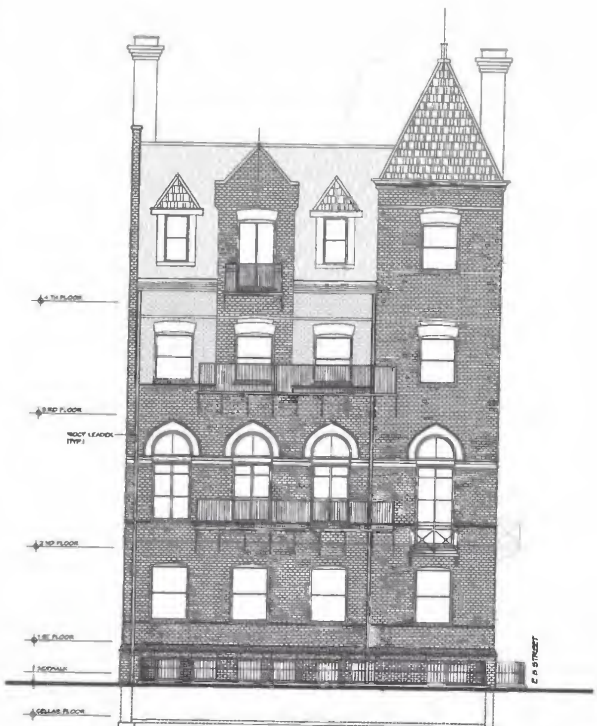
2-24-22



295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
DATED: MAY 2018

BUILDING ELEVATIONS
[E. 8 STREET]



B BUILDING ELEVATION (AVENUE B)
SCALE 3/16" = 1'0"

295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning

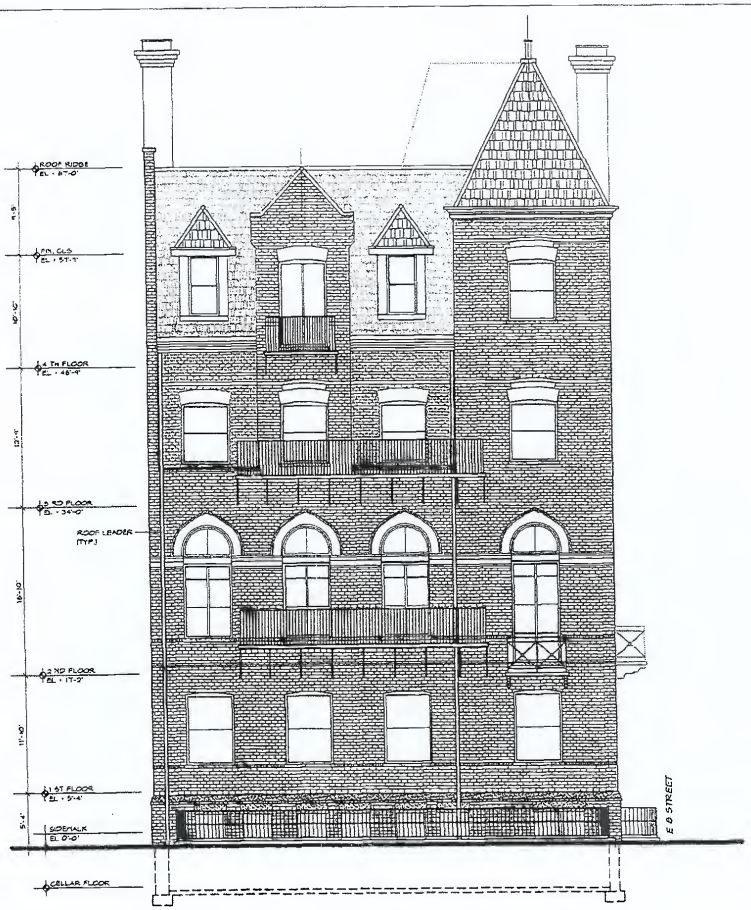
BUILDING ELEVATIONS - AVENUE B

STATE OF NEW YORK
EDISON P. PEL
LICENSED PROFESSIONAL ENGINEER

083103
A806.00

9 OF 9

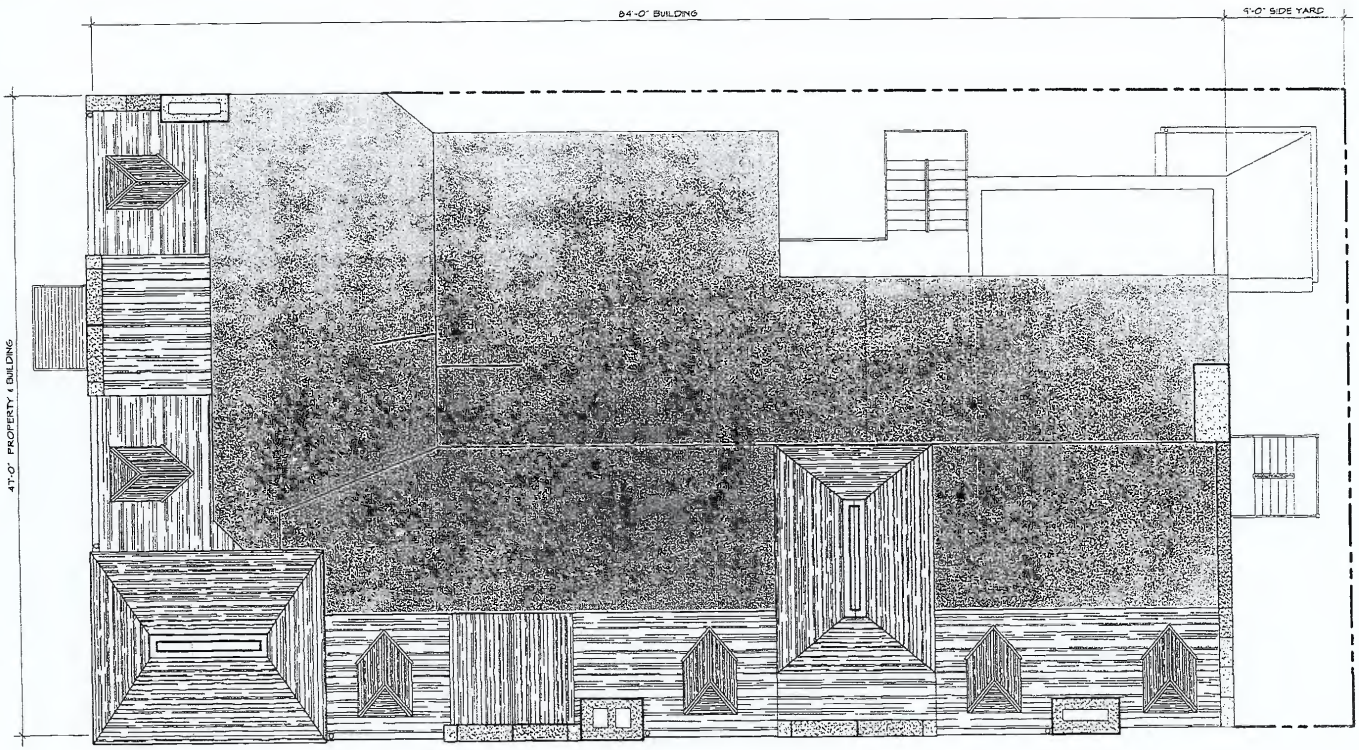
2-24-22



295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
DATED: MAY 2018

BUILDING ELEVATIONS
[AVENUE D]



295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
DATED: MAY 2018

ROOF PLAN

SCHEDULE A

295 EAST 8TH. STREET CONDOMINIUM

FLOOR	GROSS AREA	COMMOM AREA INTERIOR: STAIRS	UNITS	UNITS AREA	DUPLEX	LIVING / DINING ROOM	BEDROOMS	BATHROOMS	TOILET ROOMS	YARD / GARDEN	YARD / GARDED SQ. FT.	BALCONY	BALCONY SQ. FT.	BALCONY	BALCONY SQ. FT.	LIMITED COMMON AREA [LCA]	LIMITED COMMON AREA SQ. FT.
CELLAR	3, 826		COMMERCIAL [Not being offered for sale]	1, 931		-	0	0	1	YES	829	NO					
FIRST	3, 561	280	1W	2, 302		1	2	1	0	NO		NO					
			1E	979		1	1	1	0	NO		NO					
SECOND	3, 561	227	2W	2, 282		1	2	1	0	NO		YES	73	NO			
			2E	1, 052	LL	1	1	1	0	NO		YES	20				
MEZZ. / THIRD	1, 484	211	2W	224	MEZZ.	-	0	0	0	NO		NO					
			2E	1, 049	UL	-	3	1	0	NO		NO					
THIRD	3, 443	202	3W	2, 332		1	1	1	0	NO		YES	73	NO			
			4E	909	LL	1	0	1	0	NO		NO					
FOURTH /	3, 443	52	4W	2, 512		1	1	1	0	NO		YES	25	NO			
FIFTH			4E	873	UL	-	3	0	0	NO		NO					
ATTIC	2, 194		STORAGE [Not being offered for sale]														
TOTAL						7	12	8									

PREPARED BY: IPB Assocoates Design and Planning
DATE: 10 OCTOBER 2022
FORMULA: [UNIT AREA x 100] DIVIDED BY TOTAL OF UNITS AREA = PERCENTAGE OF COMMON INTEREST

295 EAST 8TH. STREET
NEW YORK N.Y.10009

IPB Associates Design and Planning
DATED: MAY 2018

SCHEDULE A 9-22-21



DECLARATION

Establishing a Plan for Condominium Ownership of the Premises 295-297 East 8th Street, New York, New York Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **CALVERT-VAUX CONDOMINIUM**

Declarant: **Calvert-Vaux, Ltd.**
295-297 East 8th Street
New York, New York 10009

Date of Declaration: **_____, 20___**

The land affected by the within instrument lies in Block 391, Lot 1, on the Tax Map of the Borough of Manhattan County of New York now known as lots _____ through _____.

Phillips Nizer LLP
Attorneys for Declarant
485 Lexington Avenue
New York, New York 10017
Attention: Lisa R. Radetsky, Esq.

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DECLARATION

OF

CALVERT-VAUX CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

RECITALS

THIS DECLARATION (this "Declaration") is made as of the ___th day of _____, 20___, by Calvert-Vaux, Ltd., a New York corporation ("Declarant"), having an office at 295-297 East 8th Street, New York, New York 10009.

ARTICLE 1

SUBMISSION OF THE PROPERTY

1.1 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 "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known as Calvert-Vaux Condominium (the "Condominium").

1.2 Attached to this Declaration ("Declaration") and made a part hereof are the By-Laws of Calvert-Vaux 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 Exhibit A attached hereto.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 of this Declaration is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the Borough of Manhattan, County of New York and City and State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof. The Land has an area of approximately 4,516.6 square feet.

ARTICLE 3

THE PROPERTY AND THE BUILDING

Included in the Property is a building (the "Building") having five (5) stories, with a cellar. The cellar is below grade level. The Building contains:

(a) Seven (7) residential units, located on the first through the fourth floors, (the "Residential Units" or a "Residential Unit", individually);

(b) One (1) Commercial Unit located in a portion of the cellar (the "Commercial Unit"); and the Common Elements, which include the General Common Elements other than the Land and the Limited Common Elements, as further described in Articles 6 and 14 below.

The owner of a Residential Unit is herein called a "Residential Unit Owner" The owner of the Commercial Unit is herein called a "Commercial Unit Owner". The Residential Units and the Commercial Unit are sometimes collectively referred to as the "Units" and individually as a "Unit". The Residential Unit Owners and the Commercial Unit Owner are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner".

ARTICLE 4

THE UNITS

4.1 Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; location; approximate square foot area; number of rooms; the portions of the Common Elements (as hereinafter defined), to which the Unit has immediate access; and the Common Interest, Common Charge Percentage, Residential Common Interest appurtenant to such Unit, as applicable. The location of each Unit is also shown on the Original Floor Plans, as the same are being amended as of the date hereof by amended floor plans certified by Architects, to be filed in the City Register's Office simultaneously herewith (the "Floor Plans"), which superseded Original Floor Plans in their entirety.

4.2 Each Residential Unit includes, and the Residential Unit Owners shall be responsible for, all plumbing, gas, heating fixtures, refrigerators, ranges, and other appliances, as may be affixed, attached or appurtenant to any Residential Unit, including, without limitation, the HVAC system installed in each Residential Unit, which solely serves such Residential Unit. Plumbing, gas, and heating fixtures as used in the preceding sentence shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment serving a Residential Unit within a wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes, conduits, wiring or duct work within the walls, ceiling or floors which service other portions of the Building. The Residential Units shall also include all lighting and electrical fixtures and appliances within each Residential Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to each Residential Unit to the extent located within each Residential Unit serving or benefitting only such Residential Unit.

4.3 The Commercial Unit Owner shall be responsible for all plumbing, gas, heating fixtures, air-conditioning equipment, heating equipment, professional equipment and other appliances, located in the Commercial Unit. Plumbing, gas, heating fixtures and air-conditioning

equipment as described in the preceding sentence shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures and equipment to which they are attached, and any special pipes or equipment that the Commercial Unit Owner may install within a wall or ceiling, a ventilation or pipe chase, or under the floor to service equipment installed by the Commercial Unit Owner, but shall not include gas, steam, water or other pipes, conduits, wiring or duct work within the walls, ceiling or floors which service other portions of the Building. The Commercial Unit shall also include all lighting and electrical fixtures within the Commercial Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to such Commercial Unit to the extent located within the same and serving or benefitting only the applicable Commercial Unit, to the extent that such fixtures do not belong to the tenants who have leased space within such Commercial Unit. The Condominium shall not be responsible to supply hot water or cooking gas to the Commercial Unit.

ARTICLE 5

DIMENSIONS OF UNITS

5.1 Each Unit is measured horizontally from the exterior sides of its windows or exterior walls to the exterior surface of the walls separating the Unit from the Common Elements to the centerline of the walls separating Units from one another, and vertically from the top of the concrete floor to the underside of the ceiling. Unit dimensions listed on Schedule B of the Declaration are approximate and include the hallways and entrances reserved for the exclusive use of the Unit Owners, their tenants and guests. Unit dimensions set forth on Schedule B of the Declaration do not include the area of any Terrace or Balcony (as such terms are defined in the Declaration) appurtenant to any Unit.

5.2 Portions of the Common Elements located within any Unit shall not be considered as part of that Unit.

ARTICLE 6

COMMON ELEMENTS

6.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon, other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities 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 Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all of the Units or Unit Owners; (ii) the Limited Common Elements, which are, generally, those Common Elements that exclusively serve or benefit one of the Units or Unit Owners; and (iii) the Residential Limited Common Elements, which are, generally, those Common Elements which exclusively serve or benefit more than one of the Residential Units or Residential Unit Owners. In the event of any inconsistency between the provisions of this Declaration and the Floor Plans, the Floor Plans shall control.

6.2 The General Common Elements consist of all Common Elements, excluding however, the Commercial Limited Common Elements, the Residential Limited Common Elements and the Limited Common Elements that are appurtenant to a single Unit, as indicated on the Floor Plans, and include, among other things, the following:

6.2.1 the Land (as more particularly described in Schedule A attached hereto), together with all easements, rights and privileges appurtenant thereto;

6.2.2 all foundations, columns, girders, beams, supports, pile caps, and their enclosures;

6.2.3 all exterior walls of the Building, not including the portions thereof on the Unit side of the brick work or masonry of such walls; all walls and partitions separating Units from corridors, fire-stairs and related landings and hallways, and mechanical equipment spaces servicing the Commercial Unit and one or more of the Residential Units;

6.2.4 the sidewalk areas, street-level setbacks and all street trees, shrubbery and other plantings located thereon including planters;

6.2.5 all central and appurtenant installations for services such as power, light, security system, telephone, television, cable, internet service, gas, cold water, heat and air-conditioning and including all pipes, ducts, chases, chutes, wires, cables, and conduits and the enclosures used in connection therewith, whether located in common areas or in the Units;

6.2.6 all tanks, pumps, motor fans, compressors, and control equipment;

6.2.7 hot water and condensed water systems servicing the Units;

6.2.8 all sewer pipes;

6.2.9 all areaways and any drains contained therein;

6.2.10 all fire stairs, corridors and landings connected therewith;

6.2.11 the "Garbage" room and the boiler room located in the basement of the Building, as well as those other spaces designated for the operation of the Property, as denoted on the Condominium Floor Plans together with access to such spaces;

6.2.12 the roofs, including any roof-top mechanical room or equipment which services the Building (but excluding those portions thereof which constitute Residential Limited Common Elements or Limited Common Elements);

6.2.13 all other parts of the Property and all apparatus, installations, systems, equipment, facilities, pipes, conduits, ducts, chutes, wires and cables and enclosures for the same

existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property;

6.2.14 the sprinkler system for the Building, including all piping, fittings, valves and sprinkler heads, excluding however, all such items located within a Unit and servicing only a single Unit, which shall be the responsibility of such Unit Owner to maintain;

6.2.15 all telephone rooms and other service, mechanical and utility rooms in the Building, excluding however, (a) all such facilities located within a Unit and servicing only a single Unit, which shall be the responsibility of such Unit Owner to maintain, (b) all such facilities which service more than one, but not all of the Units, which shall be the responsibility of the Unit Owners of the Units serviced by such facilities to maintain, and (d) all such rooms and facilities constituting Residential Limited Common Elements; and

6.2.16 all mechanical equipment and mechanical equipment space located in the Building serving or benefiting the Building or all of the Units;

6.3 The Residential Common Elements (the "Residential Common Elements") are the Common Elements shared by and limited in use to the Residential Unit Owners only, except as otherwise provided herein, and service more than one of the Residential Units. The Residential Limited Common Elements include, without limitation, the following:

6.3.1 the lobby and all entrances to and exits from the Building which provide access to the Residential Units and the mail boxes;

6.3.2 all plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water, including pumps, valves, pressure reducers, meters and water heaters which service the Residential Units, excluding, however, all such items located within a Residential Unit and servicing only one Residential Unit, which shall be the responsibility of such Unit Owner to maintain;

6.3.3 smoke detection alarm system (if any), telephone system, excluding, however, all such items located within a Residential Unit and servicing only one Residential Unit, which shall be the responsibility of such Unit Owner to maintain;

6.3.4 Telephone rooms and other service, mechanical and utility rooms serving or benefiting the Residential Units, excluding, however, all such facilities located within a Residential Unit or servicing only one Residential Unit, which shall be the responsibility of the respective Residential Unit Owner to maintain;

6.3.5 all mechanical equipment and mechanical equipment space located in the Building serving or benefiting more than one of the Residential Units;

6.3.6 all hallways, stair wells and passages located in the Building, which are not otherwise located within a Unit and which benefit more than one (1) of the Residential Units;

6.3.7 all security monitors and equipment and other security facilities serving or benefiting the Residential Units only; and

6.3.8 all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Units;

6.3.9 all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Units and servicing only the Residential Units.

6.4 The Limited Common Elements appurtenant to the Commercial Unit (the "Commercial Limited Common Elements") include the following:

6.4.1 The door providing egress from the Commercial Unit from and into the General Common Elements of the Building from the Cellar level;

6.5 The General Common Elements may be used by the Commercial Unit Owner as follows:

6.5.1 Subject to the provisions of subsection 6.5.3 hereof, the General Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which the same are reasonably suited.

6.5.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the Common Elements without the prior consent of the Board of Managers. The lobbies, vestibules, public halls, and stairways shall be used only for normal passage through them.

6.5.3 The Commercial Unit Owner shall not have any access to the stairwell above the lobby level, mezzanine level except as necessary for the existence, maintenance, operation or safety of the Commercial Unit or in the event of an emergency.

6.5.4 The provisions of subsection 6.5.1 hereof shall not apply to Declarant or its successor so long as there are any Unsold Units, provided, however, that no such party shall use such Common Elements in such a manner as will unreasonably interfere with the use of the other Units for the permitted purposes thereof.

ARTICLE 7

RESIDENTIAL UNITS

7.1 As more particularly set forth in the By-Laws, the Residential Units may be used only as residences and for permitted professional and ancillary business uses as permitted by law. No more than one (1) family may occupy a Residential Unit at any one time. Any use of a

Residential Unit must conform to the terms and conditions of the then existing certificate of occupancy for the Residential Units and applicable federal, state and local governmental and municipal regulations (including any zoning variance applicable to such Unit).

7.2 Unless otherwise consented to by the Condominium Board, occupants of a leased Residential Unit must be (i) an individual lessee (or members of his/her family or guests), (ii) an officer, director, stockholder or employee of a corporate lessee (or members of his/her family or guests), (iii) a partner or employee of a partnership lessee (or members of his family or guests), (iv) a member or employee of a limited liability company lessee (or members of his family or guest), (v) a fiduciary or beneficiary of a fiduciary lessee (or members of his family or guests), or (vi) a principal or employee of such other entity which is a lessee (or members of his/her family or guests). Notwithstanding anything contained in this Section 7.2, in no event shall transient occupancy agreements or arrangements be permitted. "Members of his/her family" or words of similar import whenever used herein shall be deemed to mean spouse, domestic partner, parents, parents-in-law, brothers, sisters, children and grandchildren and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such family members or guests. Notwithstanding the foregoing, the Condominium Board may consent to occupancy of a Residential Unit by persons other than those set forth above.

7.3 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, (a) grant permission for the use of any Unsold Unit (as such term is hereinafter defined) as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unsold Unit and the Residential Unit Owner or tenant of any such Unsold Unit, complies with all applicable governmental and municipal regulations; and (b) use any Unsold Units, as models and sales and/or promotion offices in connection with the sale or rental of any Unsold Unit, or for any other purpose, subject only to compliance with applicable governmental laws and regulations. "Unsold Unit" shall mean those Units not sold to a "Purchaser" pursuant to the Offering Plan of the Condominium (the "Offering Plan"), including any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or a successor owner of the Unsold Units or a transferee who has the written consent of the Declarant or a successor owner of Unsold Units (as applicable) at the time in question, or a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more principals of Declarant is a member or a permitted transferee pursuant to Article 26 below. Anything contained herein to the contrary notwithstanding, if any of such Units are used for commercial office use, to the extent permitted by applicable law and regulation, as herein above provided, the same shall nevertheless be deemed the Units hereunder and shall be entitled and subject to all of the rights and restrictions provided or imposed hereunder with respect to the Units.

7.4 The balconies adjacent to Residential Units 2E, 2W, 3W and 4W (each a "Balcony" and collectively, the "Balconies"), may be used by the respective Residential Unit Owner and the tenants and occupants of the Residential Units to which the Balconies are appurtenant. The Balconies (a) may be used for passive recreational use only (*e.g.* walking, reading and quiet personal enjoyment), (b) may not be used only as permitted by applicable law and, in any case,

not for any commercial purpose, and (c) must be used in accordance with the Rules and Regulations.

7.5 In order to provide for congenial occupancy of the Property, the use of the Property shall be restricted so that no portion of a Residential Unit shall be leased or subleased (other than an entire Residential Unit which may leased subject to this Article 7 of the By-laws and no transient occupant, other than a guest permitted pursuant to this Article 7, shall be accommodated within any Residential Unit without the prior consent of the Condominium Board, which consent may be withheld in accordance with the absolute discretion of the Condominium Board.

7.6 The Common Charges for the Commercial Unit will be Common Charges based upon its usage of certain services to be provided by the Building.

ARTICLE 8

CHANGES IN THE CONDOMINIUM

8.1 Except as prohibited by law, Declarant or its successor 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, whether structural or non-structural, interior or exterior; (b) change the layout of, or number of rooms in, any portion of the Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one (1) or more Unsold Units into two (2) or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one (1) or more Units, altering the boundary walls between any Unsold Units, or otherwise; and/or (d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clause, the (i) Common Interest, (ii) Common Charge Percentage, and/or (iii) Residential Common Interest appurtenant thereto; provided, however, that such percentages for any other Units (other than Unsold Units) shall not be changed by reason thereof unless the Unit Owners of such Units shall consent thereto and, provided further, that Declarant or its successor shall comply with all laws, ordinances and regulations 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.

8.2 Except for Declarant's right to make certain changes in Unsold Units, as set forth in subparagraphs (a) through (d) of Section 8.1, once this Declaration is filed and recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of a Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest, Common Charge Percentage, Residential Common Interest appurtenant to any Unit or the amount or quality of the Common Elements, be changed, unless the Declaration is amended with the consent of all affected Unit Owners. Declarant or its successor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction, including filing an amendment to the Declaration, as amended, and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.3 The provisions of this Article 8 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its successor. In addition to the restrictions set forth above in this Article 8, no reapportionment of the Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the Common Interest of the respective Units, 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 respective Units, the availability of Common Elements for exclusive or shared use and the overall dimensions of the respective Units. The certification referred to in the preceding sentence shall be delivered (a) in the case of any Unsold Unit, at Declarant's election, by Declarant or the managing agent of the Condominium, and (b) in the case of any Unit, by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board.

8.4 Any Unit Owner who shall make any changes to his Unit in accordance with this Article 8 shall be solely responsible for all costs and expenses, including professional fees and expenses, incurred by such Unit Owner and/or the Condominium Board in connection therewith.

ARTICLE 9

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated as agent of the Board of Managers upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process against it shall be: c/o 295 East 8th Street, New York, New York 10009. As required by law, the Board of Managers shall notify the Secretary of State of any change in the managing agent or person authorized to receive a copy of any process served against the Secretary of State.

ARTICLE 10

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The percentage interest of each Unit in the Common Elements (the "Common Interest") has been determined upon the floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit or, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit and the Balconies appurtenant to a Unit, if any. In addition, each of the Residential Units will be assigned an appurtenant interest in the Residential Common Elements (the "Residential Common Interest")[1] Notwithstanding the foregoing, the Unit Owners will be

[1] Based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit or, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, the Balconies and Terraces appurtenant to a Unit, if any.

responsible for the payment of Common Charges and Residential Common Charges in accordance with the provisions of Article 20 hereof.

ARTICLE 11

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 encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration or repair to the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board or made by Declarant or its successor in accordance with this Declaration or the By-Laws, or (iii) any repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element or 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 12

FACILITIES AND ALL OTHER COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all facilities and all other Common Elements, located in any of the other Units, except the Commercial Unit, or elsewhere on the Property, which serve its Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace the facilities and all other Common Elements located in such Unit or elsewhere on the Property which serve other Units, provided such right shall be exercised by the Condominium Board in connection with any easement right affecting the Commercial Unit or Commercial Unit Owner. The Condominium Board shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements (inclusive of the Residential Limited Common Elements and the Limited Common Elements) contained therein or elsewhere in the Property, provided such right of access shall be exercised in such a manner as (x) will not unreasonably interfere with the use of the Units for the permitted purposes thereof, and (y) with respect to the Commercial Unit, will not disrupt or materially interfere with the business of the Commercial Unit or its tenant(s) and, to the extent possible and permitted by applicable Law, be performed after the Commercial Unit Owner's or its tenant's business hours, except in an emergency. Such entry shall be permitted on not less than one (1) days' notice, provided however, no notice shall be required in the event of an "emergency" (meaning a condition requiring repairs or replacements immediately (a) necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or (b) required to avoid the suspension of any necessary service in the Building).

ARTICLE 13

EASEMENTS

13.1 Each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the Common Elements, except for those Limited Common Elements, and Residential Limited Common Elements that are designated for the exclusive use of certain Unit Owners or a combination of Unit Owners, or their tenants or occupants as set forth herein.

13.2 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement to install, 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, which easement may be exercised by the Condominium Board, as agent for the Unit Owners. In furtherance of such easement, access to any Unit, or the Common Elements, shall be exercised in a manner that will not unreasonably interfere with the use of the Units, or the Common Elements, for the permitted purposes thereof. Any such easement in, through, or to the Commercial Unit, may be exercised exclusively by the Condominium Board and shall, to the extent practicable, be exercised in such a manner so as not to materially disrupt or substantially interfere with the use and operation of the Commercial Unit (including, without limitation, the business of any tenant of the Commercial Unit). In any event, the exercise of such easement into any Unit may be exercised only if notice is given, in accordance with the terms hereof, on no less than one business days' notice in advance of any such entry, provided however, no notice shall be required in the event of an emergency.

13.3 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.

13.4 Declarant or its successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one (1) or more Signs on the Property for the purposes of advertising the availability for sale or lease of any Unsold Unit or the availability for lease of any Residential Unit. Notwithstanding the foregoing, Declarant shall not install any Signs on that portion of the façade of the Building reserved and designated herein for the exclusive use of the Commercial Unit Owner and/or the tenant of the Commercial Unit and provided further, no such Signs shall interfere with the visibility of the Commercial Unit or any Signs installed by the Commercial Unit Owner and/or the tenant of the Commercial Unit, as permitted in this Declaration.

13.5 Declarant or its successor and the Condominium Board, shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property, as Declarant, its successor, or the Condominium Board, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the respective 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 the permitted purposes thereof. 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 a manner as shall not unreasonably interfere with the use of the Units for the

permitted purposes thereof pursuant to applicable Law and regulations subject, however, to the terms and conditions contained in this Declaration and the By-Laws annexed hereto. Notwithstanding anything to the contrary contained herein, the location of additional utilities or the relocation of existing utilities within the Commercial Unit (except to the extent that the same may be relocated within any vent shafts or utility chases then existing), shall be subject to the consent of the Commercial Unit Owner, not to be unreasonably withheld, conditioned or delayed.

ARTICLE 14

LIMITED COMMON ELEMENTS

14.1 Certain portions of the Common Elements are limited and restricted in use to the single Unit to which those Common Elements are appurtenant and are thereby identified on the Floor Plans and referred to in this Declaration and the By-Laws, as "Limited Common Elements". The use of Limited Common Elements by any Unit Owner having exclusive use thereof is subject to access for the structural repairs or structural replacements to said Limited Common Element in accordance with Section 14.3 below and subject to the Rules and Regulations of the Condominium. In the event of any inconsistency between this Declaration and the Floor Plans, the Floor Plans shall control. With respect to the Residential Units, included among Limited Common Elements appurtenant to each of the Residential Units are the following:

14.1.1 all exterior surfaces of windows and window frames in the Residential Section of the Building;

14.1.2 the windows of the Residential Units and the interior portions of the window frames for such windows;

14.1.3 the balconies appurtenant to Residential Units ("Balconies"), to which the applicable Residential Unit Owner has exclusive use;

14.1.4 all plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water, including pumps, valves, pressure reducers, meters and water heaters located within a Residential Unit and servicing only one (1) Residential Unit;

14.1.5 smoke detection alarm system, telephone and internet systems located within a Residential Unit and servicing a single Residential Unit; and

14.1.6 all other systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of a Residential Unit and servicing only one Residential Unit.

14.2 Certain portions of the Common Elements are limited and restricted in use to more than one of the Residential Units and are thereby identified as Residential Limited Common

Elements. The use of Residential Limited Common Elements by any Residential Unit Owner having exclusive use thereof is subject to access for the structural repairs or structural replacements to said Residential Limited Common Elements in accordance with Section 14.3 below and subject to the Rules and Regulations of the Condominium. In the event of any discrepancy between the Floor Plans and this Declaration, the Floor Plans shall control.

14.3 The cost of normal maintenance and repair of Limited Common Elements or Residential Limited Common Elements (*i.e.*, keeping surface areas clean and absent of cracks, breaks, or similar damage and replacing such surface areas when appropriate) will be borne by the Unit Owner(s) having the use thereof. The cost of repairing and/or replacing Limited Common Elements or Residential Limited Common Elements shall be shared in accordance with the Common Interest or the Residential Unit Owners affected, as applicable unless the need for repair or replacement was occasioned by the negligence of one (1) or more of the Unit Owners or his or her guest(s) or agent(s), in which case the cost shall be borne by the negligent Unit Owner(s). Structural repairs of the Limited Common Elements or Residential Limited Common Elements (other than structural repairs necessitated by the negligence of one (1) or more of the Unit Owners or his or her guest(s) or agent(s), in which case the cost shall be borne by the negligent Unit Owner(s)), will be borne by the Unit Owners as a Common Expense or a Residential Common Expense, as may be applicable.

14.4 The Balconies, shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers, to the extent contained therein, installed as part of the original construction of the Building.

ARTICLE 15

COMMERCIAL UNIT

15.1 The Commercial Unit may be used for any lawful purpose permitted by the New York City Zoning Resolution in Zone R-7A, including, without limitation, medical and/or dental offices, ambulatory health care facilities, office, municipal, school annex, and utility purposes. Notwithstanding the foregoing, the following uses are prohibited: a funeral parlor, a drug or alcohol treatment center, a shelter for homeless persons, an AIDS treatment center, a house of worship, a nightclub or "cabaret", provided that the foregoing shall not prohibit a restaurant or other permitted use which provides live or recorded entertainment as part of its primary business", a facility housing criminal or mentally disturbed persons or the primary purpose of which is to treat or mentally disturbed persons, a massage parlor or sex club or for the sale or display of pornographic material. Notwithstanding the foregoing, the Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, including any except as otherwise set forth in the By-Laws and Declaration.

15.2 No income derived from any use of Commercial Unit will constitute income to the Condominium Board, or to any other Commercial Unit Owner.

15.3 The Commercial Unit Owner shall take all commercially reasonable measures, including, without limitation, the installation of sound-rated insulation, to ensure that no noise in excess of that which is permissible pursuant to applicable law emanates from any portion of the Commercial Unit.

15.4 The Commercial Unit Owner shall pay all costs, expenses, fines, penalties, or damages which may be imposed on the Condominium by any government authority or agency, by reason of the failure of the Commercial Unit Owner (or its tenant) to comply with the provisions of this Declaration or the By-Laws, and, at such Commercial Unit Owner's, sole cost and expense, such Commercial Unit Owner shall indemnify, defend, and hold the Board and the Condominium harmless (including legal fees and expenses) from and against any actions, claims, and suits arising from such Commercial Unit Owner's non-compliance, utilizing counsel reasonably satisfactory to the Board, if the Board so elects. The Commercial Unit Owner shall be liable to the Board for any costs, expenses, or disbursements, including reasonable attorneys' fees, of any action or proceeding by the Board against the Commercial Unit Owner, predicated upon the Commercial Unit Owner's breach of this Article 15.

15.5 All leases for the Commercial Unit shall make reference to the restrictions contained in this Article 15.

15.6 Except to the extent prohibited by law, the Commercial Unit Owner shall have the right, without the vote or consent of the Board, the Managing Agent or any other Unit Owner to: (a) mortgage or otherwise hypothecate its Unit: (b) decorate or make alterations, additions or improvements, in, to and upon its Commercial Unit, (provided, however, that such Commercial Unit Owner, if other than Declarant or its successor-in-interest, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld or delayed, to any alterations, additions or improvements to either Unit that would affect the structural, mechanical, electrical, plumbing or ventilation elements of the Building which service any of the other Units in the Building); (c) change the layout of, or number of rooms in the Commercial Unit, from time to time; (d) change the size of the Commercial Unit, by subdividing the same into any desired number of condominium units (or by combining any units resulting from each subdivision); (e) reapportion among the newly created condominium units resulting from any subdivisions (or combinations) the Common Interests and Common Charge Percentages appurtenant thereto, provided such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act and (f) sell or lease its Unit; provided, however, that (i) the Common Interest, Common Charge Percentage of any Unit owned by any other Commercial Unit Owner shall not be changed by reason thereof, unless the owner of such Unit shall consent thereto, and (ii) the Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall hold all other Unit Owners and the Condominium Board harmless from any liability arising from any such decoration, alteration, addition, improvement, change, designation or reapportionment. A Commercial Unit Owner by accepting a deed or otherwise succeeding to title to the Commercial Unit, shall be deemed to have irrevocably approved the terms of this Section 15.6.

15.7 The Commercial Unit Owner shall have the unilateral right with regard to the Commercial Unit, to amend the Declaration in order to reflect changes as set forth above in Section 15.6, or to cause the Board to do so and any Commercial Unit Owner by accepting a deed or otherwise succeeding to title to its respective Units, shall be deemed to have irrevocably consented to any such amendments. If the Commercial Unit is subdivided, the owner of each such Commercial Unit, resulting from a subdivision will generally have all of the rights (without the consent of the Board or other Commercial Unit Owner(s), if any) set forth above in Section 15.6, described as pertaining to the Commercial Unit Owner of such original Commercial Unit.

15.8 Unless otherwise agreed to in writing by the Commercial Unit Owner, the Common Charges payable by the Commercial Unit Owner shall be limited to the Common Charge Percentage of the General Common Expenses (as defined in Section 6.1.1 of the By-Laws) and the Common Charge Percentage of the Special Assessments payable with respect to the General Common Elements.

15.9 In no event shall the Commercial Unit Owner, its tenants, invitees or guests have access to any portion of Floors 2 through 5 of the Building.

ARTICLE 16

POWERS OF ATTORNEY TO THE CONDOMINIUM BOARD

The Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine), (a) to acquire or lease any Unit, together with its Appurtenant Interests (as hereinafter defined), 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, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (b) to convey, sell, lease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any such Unit so acquired or leased; (c) to execute, acknowledge and deliver and record in the City Register's Office and elsewhere, if required by law, regulation or administrative practice, such instruments and documents including, without limitation (i) any declaration or other instrument affecting the Condominium that 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, construction, alteration, repair or restoration of the Condominium or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, or the Common Elements, which the Condominium Board deems necessary or appropriate; and (d) to initiate, prosecute and settle matters related to real estate taxes on behalf of all Unit Owners.

ARTICLE 17

ACQUISITIONS OF UNITS BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders his Unit together with (i) Common Interest, Residential Common Interest appurtenant thereto, (ii) with respect to any Unit, the interest in any Limited

Common Element appurtenant thereto, (iii) the interest of such Unit Owner in any other Units, if applicable, 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 (iv) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i) through (iv) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; or (b) the Condominium Board acquires or leases a Unit, together with its Appurtenant Interests, or purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Condominium Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. 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 Common Interests.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed as an exhibit to the By-Laws and made a part hereof), including, without limitation, the provisions of this Article 18 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as each of the same 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 thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York 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 New York 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 New York 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 New York Condominium Act.

18.3 Subject to Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York 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 other applicable law to the extent permitted under such applicable law with the same force and effect as if immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS OF DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or any successor owner of any Unsold Units, except as hereinafter set forth, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3 percent in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting (a) Declarant or any successor owner of any Unsold Units, no amendment, modification, addition or deletion pursuant to the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any; (b) the Commercial Unit Owner, no amendment, modification, addition or deletion pursuant to the preceding sentence which has an adverse effect on the rights and benefits, or obligations or liabilities of the Commercial Unit Owner (other than to a *de minimus* extent) shall be effective without the written consent of the Commercial Unit Owner, and (c) the Residential Unit Owners, no amendment, modification, addition or deletion pursuant to the preceding sentence which has an adverse effect on the rights and benefits, or obligations or liabilities of the Residential Unit Owners (other than to a *de minimus* extent) shall be effective without the consent of no less than 66-2/3rd percent in number and in Residential Common Interest of the Residential Units. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or any successor owner of any Unsold Units or the Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for all of the Unit Owners, coupled with an interest, which the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney-in-fact.

Subject to the rights of Declarant or its successor pursuant to Article 7 of this Declaration, Article 7 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 100 percent in number and in Common Interest of all Unit Owner(s) affected thereby approve such amendment, modification, addition or deletion in the manner set forth above. Subject to the rights of the Commercial Unit Owner pursuant to Article 15 of this Declaration, Article 15 of this Declaration may not be amended, modified, added to or deleted unless the Commercial Unit Owner approves such amendment, modification, addition or deletion in the manner set forth above (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above), provided however, notwithstanding anything to the contrary set forth or otherwise implied herein, the Commercial Unit Owner may not unilaterally amend the use restrictions set forth in Article 15 of this Declaration.

19.2 If any changes are made by the Declarant to the Property, the Condominium, any Units, Balconies or the Common Elements in accordance with Article 8 hereof, then Declarant or its successor or the subsequent owner of the Unsold Unit affected thereby shall have the right to execute, or (on 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 successor deems appropriate to effectuate the same) reflecting such changes.

19.3 Notwithstanding anything contained in this Declaration to the contrary, no change in the Common Interest or the Common Charge Percentage of any Unit Owner set forth on Schedule B, shall be made or effective without the consent of the Unit Owners that own units as to which the Common Interest or Common Charge Percentage would be affected thereby.

19.4 The provisions of Sections 19.1 and 19.2 and Article 20 may not be modified, amended, added to or deleted, in whole or in part, without the consent of (i) Declarant or any successor owner of the Unsold Units, (ii) the Commercial Unit Owner, if the same relates to or materially adversely affects the Commercial Unit and/or the Commercial Unit Owner, or (iii) the Residential Board, if the same relates to or materially adversely affects the Residential Unit Owners.

ARTICLE 20

ALLOCATION OF COMMON CHARGES

20.1 In accordance with Section 339-m of the New York Real Property Law, the liability of (a) the Commercial Unit Owner shall be limited to the payment of General Common Expenses in a portion thereof equal to the Common Interest/Common Charge Percentage appurtenant to the Commercial Unit, which shall be 20.85 percent, and (b) the Residential Unit Owners for the payment of (x) General Common Expenses shall be based upon the Common Interest/Common Charges Percentages appurtenant to each of the Residential Units, which in the aggregate shall equal 79.150 percent, and (y) Residential Common Expenses in an amount equal to the Residential Common Interest appurtenant to each of the Residential Units. The Residential Common Interests shall be determined 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.

20.2 The General Common Expenses for the Condominium that will be payable by the Commercial Unit Owner shall be as follows: (a) fire/multi-peril insurance for the Building, (b) commercial general liability insurance, (c) certified accounting statements to be prepared on an annual basis and the filing of any required tax returns for the Condominium; (d) fire protection costs including the charges for any telephone lines required by New York City Fire Department or other agency of competent jurisdiction; (e) any management contract with a third party managing agent for the management of the entire Building (provided however, any portion of fees for management of the Residential Units or the Residential Common Elements shall not be a General Common Expense and shall not be shared by the Commercial Unit Owner); (f) licenses and permits in connection with (d) above; and (g) sidewalk maintenance and repairs. The Commercial Unit Owner shall not be responsible for any of the following expenses: Building Staff, electricity, natural gas and the contingency.

20.3 Notwithstanding anything to the contrary, Commercial Unit Owner and any Residential Unit Owner shall be responsible for any cost incurred by the Condominium arising from the negligence or willful acts of such Unit Owner. In no event shall the Commercial Unit Owner be liable for any amounts due with respect to the Residential Common Expenses (as such term is defined in the By-Laws). The Residential Unit Owners shall each be responsible for the payment of: (x) General Common Charges in accordance with the Common Interest appurtenant to each of the respective Residential Units; and (y) Residential Common Charges in accordance with the respective Residential Common Interest appurtenant to each of the Residential Units.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80 percent in number and in Common Interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, Declarant will not vote its Common Interests appurtenant to any Unsold Units for such withdrawal unless at least 80 percent in number and in Common Interest of all other Unit Owners so elect for such withdrawal, at which time Declarant may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. 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 Interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds all liens on his Unit 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 neither the scope of this Declaration nor the intent of any provision thereof.

ARTICLE 24

CERTAIN REFERENCES

24.1 A reference in this Declaration to any 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.

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 18.2 and 18.3, 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 enforceable 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, 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 to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, 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, is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

26.3 If any Unit Owner, the Condominium Board, or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Condominium Board, or Unit Owner or other party is required to execute, acknowledge and deliver or take pursuant to this Declaration at the request of Declarant, then Declarant, is hereby authorized as attorney-in-fact for the Condominium Board, or 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 the Condominium Board, or such Unit Owner or other party and such document or action shall be binding on the Condominium Board, or such Unit Owner or other party, as the case may be.

ARTICLE 27

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant who is the successor owner of the Unsold Units or, with written consent of Declarant or a successor owner of Unsold Units, any transferee who purchased one or more Unsold Units (as applicable) from Declarant or a successor owner of Unsold Units and (if included in said consent) such transferee's successors and assigns (each a "permitted transferee"). Subject to the foregoing, Declarant shall have the rights, at any time, in its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment or otherwise.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 20___.

CALVERT-VAUX, LTD.

By: _____
Name:
Title:

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the _____ day of _____ in the year 20___, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A

TO THE DECLARATION OF CALVERT-VAUX CONDOMINIUM

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, known by the number 295 East 8th Street, bound an described as follows:

COMMENCING at the northeast corner of Avenue B and Eighth Street, running thence northerly along the easterly side of Avenue B forty seven (47) feet; thence easterly in a line parallel with Eighth Street, ninety-three (93) feet; thence southerly on a line parallel with Avenue B forty seven (47) feet to the northerly side of Eighth Street, thence westerly along the northerly side of Eighth Street ninety-three (93) feet more or less to the point or place of BEGINNING.

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Property: 295 East 8th Street
Block: 391
Lot: 1

SCHEDULE B

TO THE DECLARATION OF
CALVERT VAUX CONDOMINIUM

DESCRIPTION OF THE UNITS

Unit Designation	Tax Lot Number	Floor Location	Unit Square Footage	Limited Common Elements Square Footage Exterior	Percentage of Interest in the General Common Elements (Common Interest)	Residential Common Interest Percentage	Shared Limited Common Elements to which Unit has Immediate Access	Common Elements to which Unit has Immediate Access
Commercial Unit		Cellar	3,826		20.85%	0.00%	Stairs, grade level lobby and entrance	Fire exit, cellar
Unit 1E		First Floor	2,902		12.55%	15.85%	Stairs, grade level lobby and entrance	Fire exit, cellar
Unit 1W		First Floor	979		5.34%	6.74%	Stairs, grade level lobby and entrance	Fire exit, cellar
Unit 2E		Second Floor	2,101	40.00	11.45%	14.47%	Stairs, grade level lobby and entrance	Fire exit, cellar

Unit Designation	Tax Lot Number	Floor Location	Unit Square Footage	Limited Common Elements Square Footage Exterior	Percentage of Interest in the General Common Elements (Common Interest)	Residential Common Interest Percentage	Shared Limited Common Elements to which Unit has Immediate Access	Common Elements to which Unit has Immediate Access
Unit 2W		Second Fl	2,506	40.00	11.55%	17.26%	Stairs, grade level lobby and entrance	Fire exit, cellar
Unit 3W		Third Floor	2,332	40.00	12.71%	16.06%	Stairs, grade level lobby and entrance	Fire exit, cellar
4E		Fourth Floor	1,778		9.75%	12.31%	Stairs, grade level lobby and entrance	Fire exit, cellar
4W		Fourth Floor	2,512	40.00	13.69%	13.69%	Stairs, grade level lobby and entrance	Fire exit, cellar

BY-LAWS OF
CALVERT-VAUX CONDOMINIUM

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BY-LAWS

OF

CALVERT-VAUX CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. Concurrent with the recording and the effectiveness of the Declaration (the "Declaration") of the Calvert-Vaux Condominium (the "Condominium") to which these By-Laws are annexed (these "By-Laws" or these "By-Laws"), the Declarant hereby adopts these By-Laws, which will govern the rights of the Unit Owners and the affairs of the Calvert-Vaux Condominium (the "Condominium"). All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

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 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 such term is 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 Manhattan, County of New York reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as such term is hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 The affairs of the Condominium shall be governed by a Board of Managers. The Board of Managers shall initially consist of three (3) persons designated by Declarant until their successors shall have been elected by the Unit Owners including Declarant or its designee, at the first meeting of Unit Owners held pursuant to Section 1 of Article III of these By-Laws, at which meeting the Residential Unit Owners shall elect three (3) members to serve on the Board of Managers (subject to the rights of Declarant to appoint one or members), who shall be installed in accordance with these By-Laws. In the event that the Commercial Unit Owner wishes to designated a member to serve on the Board, the Board shall be increased to five (5) members, one (1) designated by the Commercial Unit Owner and four (4) elected by the Residential Unit Owners. The Residential Unit Owners or Commercial Unit Owners, at

their option, may elect less than their respective number of allocated Members if they are unable to fill all of their respective allocated positions on the Board of Managers. The Member appointed by the Commercial Unit Owner shall be referred to as the "Commercial Member" and the Members elected by the Residential Unit Owners shall be referred to as the "Residential Members".

2.1.2 All Members of the Board of Managers shall be a Unit Owner, the spouse of a Unit Owner, a mortgagee of a Unit Owner (or a partner, member, stockholder, employee, officer or director of a mortgagee of a Unit Owner), a partner or an employee of a partnership Unit Owner, the officer or director of a corporate general partner of a Unit Owner, a stockholder, officer, director or employee of a corporate Unit Owner, a member or director, officer or employee of a member of a Unit Owner which is a limited liability company, fiduciaries or officers or employees of a fiduciary Unit Owner, a trustee of a Unit Owner which is owned by a trust, an officer, stockholder or employee of any affiliate of a Unit Owner, an attorney, accountant or other professional engaged by a Unit Owner or by an affiliate of a Unit Owner, a principal, partner, member, director, officer, stockholder or employee of the Managing Agent, or, in the case of the Declarant, shall be the designees of the Declarant. The same qualifications shall apply to the Members of the various Committees appointed by the Board of Managers.

2.1.3 No Unit Owner may be elected to serve on the Board of Managers if the Board of Managers has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election. No Unit Owner may serve on the Board of Managers so long as such lien remains unpaid.

2.1.4 The number of the members of the Board of Managers may not be changed without the consent of the Declarant or its designees for so long as the Declarant or its designees owns one Unit.

2.2 Powers and Duties.

2.2.1 The Board (as described in Section 2.19 below) 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 applicable law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). Notwithstanding anything to the contrary set forth herein, all determinations which affect: (a) only the Residential Units and the Limited Common Elements appurtenant thereto and do not adversely affect the Commercial Unit and/or the Limited Common Elements appurtenant thereto or the use of the Commercial Unit for the permitted purposes thereof, shall be made exclusively by the Residential Board member(s), if applicable; and (b) only the Commercial Unit and do not adversely affect the Residential Units and/or the Limited Common Elements appurtenant thereto or the use of the Residential Units for the permitted purposes thereof, shall be made exclusively by the Board member appointed by the Commercial Unit Owner. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Units and materially and adversely affects the Commercial Unit, or (ii) relate to the Commercial Unit and materially and

adversely affects the Residential Units or the Residential Common Elements, or (iii) relate to or affect the General Common Elements, shall be made by the all members of the Condominium Board. For purposes of this Section 2.2.1, a "material adverse effect" shall mean that the effectuation of such alteration or subdivision would cause a reduction of the physical space or a material reduction of services available or in the legal permitted use of the Common Elements otherwise available for use by the Commercial Unit Owner or the Residential Unit Owners, as the case may be. Notwithstanding anything to the contrary contained herein or in the Declaration, any determination which would have an adverse effect on the rights and benefits, or obligations or liabilities of the Commercial Unit Owner (other than to a *de minimus* extent) shall require the consent of the Commercial Unit Owner. Any dispute between the Residential Unit Owners and the Commercial Unit Owner with respect to whether the Condominium Board shall be entitled to make any determination shall be settled by Arbitration (as hereinafter defined); provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within ten (10) business days of receipt by it of notice of such determination. As used herein the term "Arbitration" means arbitration conducted in accordance with the provisions of Article 12.

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1 Operation, care, upkeep, maintenance, repair or replacement of the General Common Elements, except to the extent that certain Unit Owners are responsible for certain Limited Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.2 The amount of General Common Charges (as such term is hereinafter defined).

2.2.2.3 Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements.

2.2.2.4 Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

2.2.2.5 Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

2.2.2.6 Obtaining and reviewing insurance of the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.7 Making repairs, restorations, additions and improvements to, or alterations of, the General Common Elements, except to the extent that certain Unit Owners are responsible for certain Limited Common Elements designated for

their exclusive use, as set forth in the Declaration and in Section 6.9 hereof, including repairs and restorations required due to damage or destruction by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.8 Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), as set forth in Section 6.2.

2.2.2.9 Borrowing money on behalf of the Condominium when required for major and minor maintenance repairs of, additions to, improvements, and replacements of the General Common Elements, and for similar purposes; provided, however, that (i) the consent of at least 66-2/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 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 General Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.9 is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as its interest in the General Common Elements bears to the interest of all the Unit Owners in the General 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.

2.2.2.10 Collection of Common Charges from Unit Owners.

2.2.2.11 Organizing corporations, limited liability companies, or other entities, to act as designees of the Condominium Board with respect to such matters as such Board may determine.

2.2.2.12 Enforcing obligations of Unit Owners.

2.2.2.13 Assessing Unit Owners for fines and penalties imposed by government authorities for violations for which such Unit Owners are responsible because of such Unit Owner's act or omission (any such fines shall be deemed to constitute Common Charges).

2.2.2.14 Execution, acknowledgment and delivery of (a) any declaration or other instrument affecting the Property which the Board deems necessary or appropriate to comply with any applicable 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, construction, alteration, repair or restoration of the Building, or (b) any consent, covenant, restriction, easement or declaration affecting the Property which the Board deems necessary or appropriate.

2.2.2.15 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 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.

2.2.2.16 Accepting the surrender of any Unit in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.17 Commencement of summary eviction proceedings in the name of or on behalf of the Condominium Board and/or Unit Owner or Unit Owners, as the case may be, against an unauthorized Tenant (as hereinafter defined) of a Unit Owner if such unauthorized guest and/or Tenant does not conform to the requirements of the Declaration and these By-Laws or to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to by the Residential Board or the Condominium Board, as applicable. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.2.18 Purchasing any Unit, at foreclosure or other similar sale, in the name of the Board or its designee, on behalf of all Unit Owners, subject however, to consent of the Commercial Unit Owner.

2.2.2.19 Selling, leasing, subleasing, mortgaging or otherwise dealing with (but not voting the interest appurtenant to) any Unit, if acquired by and subleasing Units leased by the Board or its designee, on behalf of all Unit Owners, subject however to consent of the Commercial Unit Owner.

2.2.2.20 Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of (i) all Unit Owners, or (ii) for the Residential Unit Owners or the Commercial Unit Owner, provided, however, in connection with any such settlement the Residential Unit Owners or the Commercial Unit Owner, as applicable, shall be deemed to indemnify the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.21 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.2.22 The imposition upon a Unit Owner in a non-discriminatory manner of expenses incurred by the Condominium Board ("Unit Expenses") that

are the responsibility of a Unit Owner pursuant to the Declaration, including, but not limited to, fines or fees imposed by a government agency, by reason of acts of the Unit Owner, work performed in such Unit Owner's Unit at the request of a Unit Owner, repairs to a Unit or an adjacent Unit or the Common Elements that are the responsibility of a Unit Owner. For purposes of these By-laws, Unit Expenses are collectible as Common Charges.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws or the Declaration, the Board may not, without the written consent of the Residential Board Member(s) and/or the Board member appointed by the Commercial Unit Owner, as applicable: (i) amend these By-Laws or the Declaration to restrict the permitted uses of the Residential Units or the Commercial Unit, respectively; (ii) amend these By-Laws or the Declaration to restrict those certain rights granted to each Unit Owner, pursuant to Article 18 of the Declaration; or (iii) take any other action which solely affects any Unit and/or the Unit Owner thereof (other than any Board action to be initiated with respect to a default by such Unit Owner).

2.3 Managing Agent and Manager. The Board may, with respect to decisions or matters which the Board is entitled to make, employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in subsections 2.2.(2.1), (2.3), (2.6), (2.7) and (2.10). The Board may also delegate to such managing agent or manager other powers granted to it by these By-Laws, except the powers set forth in subsections 2.2.(2.2), (2.4), (2.5), (2.8), (2.9), (2.13), (2.17), (2.18) and (2.19).

2.4 Resignation and Removal. Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested or by commercial overnight courier, *e.g.* FED EX, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Any Board member designated as such by the Declarant or the Commercial Unit Owner may only be removed by the Declarant or the Commercial Unit Owner, as applicable, provided however; any Board member may be removed, for cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present. Any Board member whose removal, for cause, has been proposed shall be given an opportunity to be heard at the meeting.

2.5 Vacancies. In the event of any vacancy on the Board created by the resignation, removal by a Unit Owner or removal for cause, provided however, if the Declarant or the Commercial Unit Owner, as applicable, designated such Board member who resigns or has been removed, the Declarant or the Commercial Unit Owner, as the case may be, shall have the sole right to designate a replacement for such Board member. In the event that there is a vacancy created by the resignation or the removal of a Board member elected by the Residential Unit Owners, the remaining Residential Board Members may designate a replacement for such Board member and such replacement member who shall serve until the next election.

2.6 Organizational Meeting of Condominium Board. The first (1st) meeting of the Board following each annual meeting of Unit Owners shall be held within ten (10) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the Board members, and no notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.7 Regular Meetings of Condominium Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined, from time to time, by a majority of the members thereof, provided that at least two (2) such meetings shall be held during each fiscal year between the hours of 8:00 a.m. and 8:00 p.m. Notice of regular meetings shall be given to each member thereof, by personal delivery, e-mail, mail or telegram, at least five (5) business days prior to the day named for such meeting.

2.8 Special Meetings of Condominium Board. Special meetings of the Board may be called by any member of the Condominium Board by giving five (5) business days' prior notice to each member of the Board, by personal delivery, mail, e-mail, or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of any member of the Board.

2.9 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 Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.10 Determinations by Condominium Board; Quorum.

2.10.1 Except as otherwise set forth in subsection 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. If a Board member is designed by the Commercial Unit Owner, In order for there to be a quorum, the Board Member appointed by the Commercial Unit Owner must be present. Notwithstanding the foregoing, if the Board Member appointed by the Commercial Unit Owner fails to attend a meeting, thereby preventing a quorum from being present, the Board Members present shall fix a date of an adjourned meeting, on no less than five (5) Business Days' notice, which notice may be sent by e-mail correspondence. If the Board Member appointed by the Commercial Unit Owner fails to attend such adjourned meeting, provided that there is a quorum present the Board may conduct business at such adjourned meeting as if the Commercial Unit Owner were present. At any such Board meeting, a majority of members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Board.

2.10.2 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.

2.10.3 Members of the Board may participate in a meeting thereof by means of a conference telephone, or video-conferencing, *e.g.* Zoom®, Teams®, Webex®, or similar communications equipment or software by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.11 Compensation. No member of the Board shall receive any compensation from the Condominium for serving in such capacity.

2.12 Liability of Condominium Board and Unit Owners.

2.12.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Residential Units, or any Limited 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 Board or by any managing agent or manager thereof shall state that it is made by the 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 therefor (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 the Residential Units, as the case may be, or any Limited Common Element shall be limited to 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, in the event of a liability with respect to the portion of the Building provided access to or servicing the Residential Units or the Residential Unit Owners, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the Condominium Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to the appurtenant Common Interest (and/or if applicable to the appurtenant Residential Common Interest of the Unit belonging to such Unit Owner), that no Unit Owner shall have any personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for its payment of Common Charges, except as set forth above. Any such contract or agreement may also provide that it covers the assets, if any, of the Condominium Board. Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and Common Interests appurtenant thereto, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Declarant, Declarant's successor or an affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.12.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense, except when such failure or interruption is caused by the acts of bad faith or willful misconduct of such 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.

2.13 Fidelity Bonds. The Board shall obtain and ensure maintenance of fidelity bonds, 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 shall constitute General Common Expenses.

2.14 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of one (1) or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Board during the intervals between the meetings of the Board to the extent permitted by applicable law. For so long as Declarant is entitled to designate members of the Board, any committee appointed by the Board shall have at least one of its members or member appointed by Declarant, unless Declarant agrees, in writing, to waive such right.

2.15 Principal Office of Condominium Board. The principal office of the Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto, as may be designated, from time to time, by the Board.

2.16 Status of Condominium Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable.

2.17 Incorporation of Condominium Board. To the extent and in the manner provided in the New York Condominium Act, the Board may by action of the Board, as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates it shall have, to the extent permitted by applicable law, the status conferred upon it by such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws.

2.18 Condominium Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act in good faith

as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Board of Managers.

2.19.1 The Residential Units (as defined in the Declaration), shall, on a date within 30 days following the first anniversary of the conveyance of the first Residential Unit to an owner other than Declarant hold a meeting of all of the Residential Unit Owners at which a new Board of Managers shall be elected by the owners of the Residential Units. The individuals elected to the Residential Board shall be eligible to serve as Board Members pursuant to Section 2.1.3 hereof. Such election may be held at the First Meeting of Unit Owners pursuant to Section 3.1. For so long as Declarant owns at least one (1) Residential Unit, Declarant shall be entitled to designate at least one member of the Board. Declarant shall also be entitled to cast its votes for all positions elected by the Residential Unit Owners. The Commercial Unit Owner shall have the right to designate a member of the Board. In the event that the Commercial Board Member exercises such right, the Board shall have five (5) members; four (4) members elected by the Residential Unit Owners and one (1) member designated by the Commercial Unit Owner.

2.19.2 The Board (if there is no member designated by the Commercial Unit Owner) or the Residential Members, if a member is appointed by the Commercial Unit Owner, shall have all requisite power and authority to take action as to all matters that affect only the Residential Units and/or the Residential Common Elements, subject only to rights of the Declarant with respect to any Unsold Units, as set forth in these By-Laws. The Residential Members of the Board shall have all powers set forth in this Article II as to the Residential Common Elements and the Residential Units only, including, without limitation, the right to establish the "Residential Common Charges", which shall be used to pay for those Residential Common Expenses for the operation of the Residential Common Elements that are to be the responsibility of the Residential Unit Owners. Notwithstanding anything herein implied to the contrary, the Condominium Board shall be responsible to maintain the General Common Elements and to maintain the insurance coverage for the Condominium.

2.19.3 In addition to the powers set forth in Section 2.2, the Residential members of the Board shall have the following powers with respect to the Residential Units, and the Residential Unit Owners:

2.19.3.1 Levying fines against the Residential Unit Owners, for violations of the Rules and Regulations for the Residential Units (any such fines shall constitute Unit Expenses payable by the Residential Unit Owner of the Residential Unit against which the same are levied and shall be deemed to constitute Common Charges for the purpose of collection of the same).

2.19.3.2 Purchasing, leasing or otherwise acquiring in the name of the Board or its designee, on behalf of all Residential Unit Owners, any Residential Units offered for sale or lease by their owners.

2.19.3.3 Purchasing any Residential Unit, at foreclosure or other similar sale, in the name of the Residential Board or its designee, on behalf of all Residential Unit Owners.

2.19.3.4 Selling, leasing, subleasing, mortgaging or otherwise dealing with (but not voting the interest appurtenant to) any Unit, if acquired by and subleasing Residential Units leased by the Residential Board or its designee, on behalf of all Unit Owners.

2.19.3.5 The Residential Board may, with respect to decisions or matters which the Board is entitled to make, employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in subsections 2.2.(2.1), (2.3), (2.6), (2.7) and (2.10). The Board may also delegate to such managing agent or manager other powers granted to it by these By Laws, except the powers set forth in subsections 2.2.(2.2), (2.4), (2.5), (2.8), (2.9), (2.17), and 2.19(3.1), (3.2), (3.3) and (3.4).

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. On or about the 30th day following the first anniversary of the conveyance of the first Residential Unit to a party other than Declarant, the first (1st) annual meeting of Unit Owners shall be held, in accordance with these By-Laws. At such meeting, the incumbent Board shall resign and a new Board shall be elected (as provided herein). At such first annual meeting, the Residential Unit Owners shall elect the Board of Managers consisting of three (3) members. In the event that the Commercial Unit Owner wishes to appoint an individual to serve as a member of the Condominium Board, the Condominium Board shall be reconstituted as a Board with five (5) members and in such even, the Commercial Unit Owner shall appoint one member and the Residential Unit Owners shall elect four (4) members. Subsequent to the First Annual Meeting, annual meetings shall be held within 30 days of the anniversary of the previous annual meeting.

3.1.1 For so long as Declarant owns at least one (1) Residential Unit, Declarant shall be entitled to designate at least one (1) of the Residential Board Members. Subsequent to the expiration of the Initial Control Period (as such term is defined in the Offering Plan), the Condominium Board shall be controlled by individuals who are not affiliated with Declarant.

3.1.2 Subsequent annual meetings of Unit Owners shall be held on a date within forty-five (45) days of the anniversary of the first annual meeting. Unit Owners shall receive no less than twenty (20) days written notice of such annual meetings. At each annual meeting, the Residential Unit Owners shall elect the three (3) members of the Board as provided above, unless the Commercial Unit Owner has elected to designate a Board member, in which

event the Residential Unit Owners shall elect four (4) Board Members. Each Board member shall serve for a one-year term.

3.1.3 There shall also be transacted such other business as may properly come before such meeting. Written notices of persons who intend to be designated to the Condominium Board shall be delivered to the managing agent by such person or the persons who wish to designate such persons no less than fourteen (14) days prior to the annual meeting of Unit Owners.

3.2 Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 Special Meetings. The President of the Condominium Board shall call a special meeting of the Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary-Treasurer of the Condominium by not less than fifteen (15%) percent 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 Secretary-Treasurer of the Condominium Board to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purpose(s) 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, mail or electronic transmission, at least five (5) 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 as any Unit Owner has designated by notice in writing to the Secretary-Treasurer 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 five (5) business 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 forty-eight (48) hours from the time fixed for the original meeting. 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.

3.6 Order of Business. The order of business at all meetings of Unit Owners shall be as follows:

(a) Roll call;

(b) Proof of notice of meeting;

(c) Reading of minutes of preceding meeting;

(d) Reports of officers;

(e) Reports of members of the Board;

(f) Reports of committees, if applicable;

(g) Election of inspectors of election (when so required);

(h) Election of members of the Board (when so required);

(i) Unfinished business; and

(j) New business.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two (2) 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 its behalf (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-Treasurer of the Board and shall be revocable at any time by written notice to such Secretary-Treasurer 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 (6) 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 Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of any such Unit shall be excluded from the total of Common Interests when computing the interest of the Unit Owners for voting purposes.

3.8.2 Except as set forth in Sections 3.8.1 and 3.9, at all meetings of Unit Owners (including meetings of the Residential Unit Owners), each Unit Owner (or its proxy) entitled to vote thereat (including the Declarant) shall be entitled to cast one vote for each 0.0001 percent (rounded off to the nearest .0001 percent) of Common Interest attributable to its or its Unit.

3.9 Election of Board Members.

3.9.1 All elections of Board Members by the Residential Unit Owners shall be determined by plurality vote. At the option of the Commercial Unit Owner, the Commercial Unit Owner may designate an individual to serve as its representative member.

3.9.2 When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interest owned by such Unit Owner, and, in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.10 Majority of Unit Owners. Except as may otherwise be provided by applicable law, as used in these By-Laws, the term "Majority of Unit Owners," means those Unit Owners, having more than fifty percent (50%) of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 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 fifty (50%) percent of Units provided that both the Commercial Unit Owner and the Residential Unit Owners are represented shall constitute a quorum at all meetings of Unit Owners, except that the Board shall have the absolute right to require an adjournment of such meetings for not longer than thirty (30) days unless any emergency exists. In the event that either the Commercial Unit Owner is not present at any such meeting, the Board may adjourn the meeting to another date on not less than seven (7) Business Days' notice which notice may be sent by e-mail correspondence. If the Commercial Unit Owner who was not present at the prior date fails to attend such adjourned meeting, the Condominium Board may conduct business at such meeting as if the member appointed by the Commercial Unit Owner is present.

3.12 Majority Vote. Except where otherwise provided by applicable law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of all Unit Owners shall be binding upon all Unit Owners for all purposes, provided, however, no such vote may adversely affect any Unit.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be (a) a President, (b) a Vice President; and (c) a Secretary-Treasurer. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. Except for the President, none of the officers of the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Board. Any officer may hold multiple offices.

4.2 Election of Officers. The officers of the Condominium shall be appointed annually by the Board, at the organizational meeting thereof to be held immediately following the annual meeting of Unit Owners.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and at all meetings of the 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 he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the Condominium. The President of the Board shall be appointed by the Board Members elected by the Residential Unit Owners.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President of the Condominium and perform the duties of the President whenever such President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board members who designated such President and Vice President shall appoint the same to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall be delegated to him, from time to time, by the Board or by the President of the Condominium. If the Commercial Unit Owner has designed a member of the Condominium Board, the Vice President of the Board shall be appointed by the Commercial Unit Owner.

4.6 Secretary-Treasurer. The Secretary-Treasurer of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Board and 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 Secretary-Treasurer shall have charge of such books and papers as the Board shall direct and shall also be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all the duties incident to the office of secretary and/or treasurer of a stock corporation organized under the Business Corporation Law of the State of New York. The Secretary-Treasurer shall be a Board Member elected by the Residential Unit Owners.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any significant expenditure in excess of $25,000, which is a General Common Expense, must be countersigned by two (2) 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.

4.8 Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested, to the office of the Board or by commercial overnight courier, *e.g.* FED EX, or to such other address as the Board may designate, from time to time, by notice in writing to all Unit Owners and Permitted Mortgagees, as the case may be, and if there is a managing agent or manager of the Board, a duplicate shall be sent in like manner to such managing agent or manager. All notices to any Unit Owner shall, except as otherwise provided herein, be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested, or by reputable overnight courier 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 sent by certified or registered mail, return receipt requested, to their respective addresses, as designated by them, from time to time, in writing to the Condominium Board. Except as otherwise expressly provided herein, all notices shall be deemed to have been received on the date of personal delivery or on the fifth (5th) day after mailing.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by applicable 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, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, (i) the General Common Elements ("General Common Expenses") and (ii) the "Residential Common Elements: which are those Common Elements that provide access to or service the Residential Units ("Residential Common Expenses") shall be determined by the Condominium Board as set forth below, and, shall be borne by (a) all Unit Owners, with respect to the General Common Expenses, and (b) the Residential Unit Owners, with respect to the Residential Common Expenses. General Common Expenses and Residential Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to the General Common Expenses and Residential Common Expenses, respectively. General Common Expenses and Residential Common Expenses shall also include such amounts as the Condominium Board, as applicable, may deem proper for a general

operating reserve or for a reserve for working capital or for replacements with respect to each the General Common Elements and the Residential Common Elements. The Condominium Board shall, from time to time, and at least annually prepare a budget to meet General Common Expenses and Residential Common Expenses, respectively. The Condominium Board shall allocate and assess, with respect to (a) the General Common Expenses, to all Unit Owners, *pro rata* in accordance with the aggregate respective Common Charges Percentage thereof (the "General Common Charges"), and (b) the Residential Common Expenses, to the Residential Unit Owner(s) *pro rata* in accordance with the respective Residential Common Interests of each such Residential Unit Owners (the "Residential Common Charges" and together with the General Common Charges, collectively referred to herein as the "Common Charges"). As set forth in the Declaration and in accordance with Section 339-m of the New York Real Property Law, the Commercial Unit Owner shall be liable only for the payment of General Common Charges based upon those expenses allocated to the Commercial Unit Owner.

6.1.2 General Common Expenses. General Common Expenses shall include, but shall not be limited the following: (i) fire/multi-peril insurance for the Building; (ii) commercial liability insurance; (iii) boiler maintenance of shared boiler and shared water treatment, if any; (iv) certified accounting statements to be prepared on an annual basis and the filing any required tax returns for the Condominium; (v) fire protection systems including any telephone lines required by New York City or other authority of competent jurisdiction for the Building and the cost of any service contracts, licenses, and inspections required in connection therewith; (vi) maintenance of any water meter and the cost of the meter reading service for the entire building, (vii) management fees with any third party managing agent for the entire Building (provided however, any portion of fees for management of the Residential Units or the Residential Common Elements shall not be a General Common Expense and shall not be shared by the Commercial Unit); (viii) maintenance of the façade, and (ix) cost of sidewalk repairs and/or replacements not required due to the willful acts of a Unit Owner, which shall be the responsibility of such Unit Owner. The Commercial Unit Owner shall not be responsible for any of the following expenses: (a) building staff, (b) electricity for the hallways provided access to the Residential Units, (c) natural gas and (c) the Contingency. General Common Expenses shall also include the expense for any service that benefits all of the Units, which shall be shared in accordance with each Unit Owner's Common Interest, except to the extent that such General Common Expenses should be pro-rated based upon actual usage, in the determination of the Board. In the event of any dispute with respect to the allocation of the expenses between the Unit Owners, the Unit Owners shall submit such dispute to Arbitration in accordance with Article XII hereof.

6.1.3 In addition to General Common Charges and Residential Common Charges, Unit Owners shall be required to pay to the Condominium amounts charged by the Condominium Board to the Unit Owners and/or the Residential Unit Owners, respectively, for the purpose of paying non-recurring, extraordinary expenses, including, but not limited to, expenses to perform capital improvements ("Capital Work"), with respect to the General Common Elements and/or the Residential Common Elements, as may be applicable (collectively, "Special Assessments"). Special Assessments shall be paid by (i) the Unit Owners to the Condominium Board in accordance with the Common Charge Percentage appurtenant to the Unit belonging to such Unit Owner for work in the General Common Elements or for

shortfalls in General Common Expenses, or (ii) the Residential Unit Owners in accordance with the Residential Common Charge Percentage appurtenant to the Residential Unit belonging to such Residential Unit Owner for work in that portion of the Common Elements serving the Residential Units or for shortfalls in Residential Common Expenses.

6.1.4 Notwithstanding anything to the contrary set forth or otherwise implied herein, the maintenance and repair of the storefront of the Commercial Unit and that portion of the Building façade that is adjacent to the Commercial Unit shall be the sole responsibility of the Commercial Unit Owner and the maintenance and repair of the façade above the first floor shall be the sole responsibility of the Residential Unit Owners (excluding however, repairs that are covered by insurance). The Commercial Unit Owner and the Condominium Board shall each be responsible to maintain and keep clean and free of snow, ice and debris, those portions of the sidewalk in front of and adjacent to their respective Units, or in the case of the entrance to the to the Residential Units, the Condominium Board and the Commercial Unit Owner or the Residential Unit Owners, as applicable, shall each be responsible for any violations created by reason of their respective failure not to properly maintain and keep the same in good repair. However, repairs and replacement of the sidewalk, in the ordinary course, will be a General Common Expense as provided in Section 6.1.2 above.

6.1.5 Such budgets shall include such amounts for reserves, as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of General Common Expenses and Residential Common Expenses in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable law. Notwithstanding anything to the contrary set forth above, the Condominium Board may not modify its method of allocations and assessments or increase the number of building employees in such a manner as would increase the Common Charges otherwise payable as to the Commercial Unit without the consent of the Commercial Unit Owner.

6.1.6 The members of the Condominium Board shall have a period of twenty (20) days following receipt of each proposed Annual Budget and each proposed Capital Budget to review and object to same. Failure to object within the twenty (20) days shall be deemed an approval of such proposed Annual Budget or proposed Capital Budget, as applicable. Notwithstanding the foregoing, the Commercial Unit Owner or the Residential Board members may only object to a proposed Annual Budget or proposed Capital Budget on the grounds that such proposed Annual Budget or proposed Capital Budget is not sufficient to provide the Services required in Section 6.14 and maintain the Property consistent with other similar buildings in the immediate vicinity of the Building ("Comparable Buildings") and such objection shall set forth in reasonable detail the specific items as to which the Commercial Unit Owner (or the Residential Board Members, as applicable) or Residential Unit Owner believes the proposed Annual Budget or proposed Capital Budget is inadequate and the basis therefor. If a member of the Condominium Board shall object to any proposed Annual Budget or proposed Capital Budget in accordance with the foregoing provisions of this subsection 6.1.6, the Condominium Board members shall attempt to resolve such objection and in the event of such resolution, the Managing Agent or the Board member appointed to prepare the

Condominium Budget shall revise the Annual Budget and/or Capital Budget accordingly. In the event that the dispute cannot be resolved by the Commercial Unit Owner and the Board members elected by the Residential Unit Owners, as aforesaid, such dispute shall be submitted to Arbitration, and in such event, the Annual Budget and/or Capital Budget that was previously in effect, shall remain in effect until such time as the Condominium Board members shall have otherwise resolved such dispute or such Arbitration has been finally determined.

Notwithstanding anything contained herein to the contrary, any and all costs and expenses paid or incurred by the Condominium in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, (a) any Residential Common Element shall be allocated and assessed as a Residential Common Expense solely to the Residential Unit Owners, or (b) any Commercial Common Element shall be allocated and assessed as a Commercial Limited Common Expense solely to the Commercial Unit Owner.

6.1.7 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 General 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 Limited Common Elements appurtenant to such Unit.

6.1.8 General Common Expenses shall include real estate taxes on the Property until the Units are separately assessed, if applicable, and shall be payable by the Unit Owners in accordance with the Common Interest Percentages allocated to their respective Units.

6.1.9 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 condominium 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) fire insurance with "all risk" or "special causes" 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 Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount not less than an amount sufficient to avoid any defense based on co-insurance, with a "Replacement Cost" endorsement or other insurance or of any invalidity arising from any acts of the insured and of *pro rata* reduction of liability but in no event greater than the full insurable replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; each of 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 no less than one (1) year; (c) worker's compensation and New York State disability benefits insurance; (d) water damage legal liability insurance; (e) elevator liability and collision insurance; (f) boiler and machinery insurance; (g) plate glass insurance to the extent, if any, determined by the Condominium Board; (h) at the option of the Condominium Board, fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; and (i) such other insurance as the Condominium Board may reasonably determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a General Common Expense and shall be borne by the Residential Unit Owners and the Commercial Unit Owner in accordance with the Common Charge Percentages appurtenant to the respective Units owned by such Unit Owner.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Board. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $500,000.00, shall be payable to a bank or trust company designated by the Condominium Board as Insurance Trustee pursuant to the provisions of Section 13.5.

6.2.3 All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least twenty (20) days' prior written notice to all of the insureds, including all Permitted Mortgagees. Upon request in each instance, duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, shall be delivered to Unit Owners and Permitted Mortgagees at least twenty (20) days prior to expiration of the then current policies.

6.2.4 The Board also shall be required to obtain and maintain comprehensive general liability insurance in such limits as the Board may from time to time determine, covering (a) the Board, the managing agent or manager thereof, each Board member and each officer and employee of the Condominium and (b) each Unit Owner, and all officers, directors and employees thereof, and covering all claims for personal injury or property damage arising out of any occurrence on the Property, except that such policy will not cover liability of a Unit Owner arising from occurrences within its Unit or within the Limited Common Elements, if any, exclusive to its Unit. Such insurance shall also cover cross-liability claims of one insured against another. The Board shall review such insurance limits once each year. Until the first (1st) meeting of the Board following the first (1st) annual meeting of Unit Owners, such liability insurance shall have a limit of no less than $1,000,000.00 covering all claims for personal injury or property damage arising out of one occurrence and $2,000,000.00 in the aggregate with umbrella liability coverage of no less than $5,000,000.00.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 The Unit Owners shall each carry, at their expense, insurance on the personal property and improvements contained in their Unit and public liability insurance in an amount of no less than $1,000,000.00 per occurrence. The Unit Owners shall, upon request, deliver to the Board certificate of evidence of such insurance. All such policies shall contain waivers of subrogation and shall provide that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and seventy-five percent (75%) or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit) and the Board or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If the net insurance proceeds are less than sufficient 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 in the proportion that the cost of repairing the damage or destruction to any Unit and the Limited Common Elements appurtenant thereto, bears to the total cost of repairing all damage or destruction. However, any Unit Owner shall have the right to make all arrangements for the prompt repair and restoration of such Unit Owner's Unit and Limited Common Elements appurtenant thereto, to the extent each is affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, or the Residential Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a General Common Expense or profit, or Residential Common Expense or profit, as applicable, respectively, as provided in subsection 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 subsection 6.3.1 shall be reduced by such amounts as may be required to reduce unpaid liens (other than mortgages which are Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and if seventy-five (75%) percent or more of all Unit Owners, both in number and in Common Interest, do not promptly resolve to proceed with the repair or restoration of the same, the Building may not be repaired and will be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, will be divided among all Unit Owners based upon the relative fair market values of an appraiser, Such appraiser shall be an "MAI" appraiser selected by the Condominium Board and shall have no less than fifteen (15) years' experience in the valuation of mixed-use buildings in New York, NY. In the event of any dispute of the determination of such appraiser, such dispute shall be submitted to arbitration, which shall be conducted in "baseball" format. 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 eradicate all unpaid liens on its Unit (other than mortgages that are Permitted Mortgages) in the order of priority of such liens. If Declarant or a successor owner of Unsold Units is then a Unit Owner, Declarant or such successor owner of Unsold Units will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building. As used in this Section 6.3, the words "promptly resolve" shall mean not more than sixty (60) days from the date of such damage or destruction.

6.3.3 Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notifies the Board of Managers and the Unit Owner or Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated costs of such work, or not more than ninety (90) days from the date the Insurance Trustee notifies the Board of Managers and Unit Owner or Owners that such proceeds of insurance are insufficient to pay said estimated costs of such work or, in the event the proceeds of insurance are payable to the Board of Managers, not more than sixty (60) days from the date of receipt by the Board of Managers of proceeds of insurance on account of such damage or destruction, whether or not sufficient to pay the estimated costs of such work. Whenever the words "promptly resolve" are used it shall also mean not more than sixty (60) days from the date the Board of Managers notifies the Unit Owners that it holds proceeds of insurance on account of such damage or destruction and that such proceeds are or are not sufficient to pay the estimated costs of the work (as the case may be).

6.3.4 Any dispute between Unit Owners or between any Unit Owner and the Board arising pursuant to this Section 6.3 shall be determined in accordance with Article 12.

6.4 Payment of Common Charges.

6.4.1 All Unit Owners shall be obligated to pay General Common Charges assessed by the Condominium Board in accordance with the Common Charge Percentage appurtenant to the respective Unit belonging to such Unit Owner, pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Condominium Board determines. In addition, the Unit Owners that own the Residential Units shall also be responsible to pay Common Charges that are in payment of Residential Common Expenses. Unless otherwise determined by the Condominium Board, Common Charges shall be payable monthly, in advance, on the first (1st) 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 its Unit subsequent to a sale or other conveyance by the Unit Owner (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interest. 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 (to be satisfied upon the transfer) 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 such Unit together with its appurtenant Common Interest, to the Board or its designee, on behalf of all Unit Owners, and in such event be exempt from Common Charges, thereafter accruing. However, in no event shall the Declarant or a successor owner of the Unsold Units be permitted to convey any Unsold Unit to the Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges (including Residential Common Charges) accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by applicable law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgagee which holds a first 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 applicable law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid to it by such Unit Owner, together with interest thereon assessed against such Unit, in proportion to its Common Interest.

6.4.3 All liens provided for in subsection 6.4.2, to the extent permitted by applicable law, shall be subordinate to liens for real estate taxes and any first mortgage liens. As used in these By-Laws, the term "Permitted Mortgage" means only a mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of these By-Laws.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, a 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 the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts. After assessment, Unit Owners will be reimbursed for any overpayment of real estate taxes or assessed for an underpayment.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board that remain unpaid for more than thirty (30) days after the due date for payment thereof, including, without limitation, the institution of such actions for the recovery of interest and expenses as provided in this Article 6.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges, such Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten (10) 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 one and one-half (1.5%) percent per month (but in no event in excess of the maximum rate permitted by applicable law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by its managing agent or manager in any proceeding brought to collect such unpaid Common Charges or in an 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 applicable law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner.

6.7 Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the votes appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 Statement of Common Charges. The Board shall promptly provide 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 painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, in or to any Unit and the interior side of entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense. The Board shall be responsible for cleaning and general upkeep and maintenance of all common interior spaces located within the Building that are designated as Common Elements providing access to Residential Units and Balconies that are Limited Common Elements appurtenant to a single Residential Unit. The Condominium Board shall maintain, paint, decorate, and make all repair and replacements, whether structural or non-structural, ordinary or extraordinary in or to the General Common Elements (except as provided otherwise herein), including, without limitation, the building structure, the façade (excluding however, the storefront, windows and doors of the Commercial Unit), the utility and Building Systems (excluding however, those portions of the Building Systems that are the responsibility of the Unit Owners pursuant to the Declaration and these By-Laws). The Board shall maintain, paint, decorate, and make all repair and replacements, whether structural or non-structural, ordinary or extraordinary in or to the Common Elements that provide access to the Residential Units and the expense thereof shall be charged to the Residential Unit Owners, as a Residential Common Expense. The Condominium Board shall make all repairs and replacements, whether structural or non-structural, ordinary or extraordinary in or to the General Common Elements, the cost and expense of which, shall be charged to the Unit Owners as a General Common Expense. The Board shall make all repairs and replacements, whether structural or non-structural, ordinary or extraordinary in or to the Common Elements providing access to the Residential Units and the Limited Common Elements appurtenant to individual Residential Units, the cost and expense of which, shall be

charged to the Residential Unit Owners as a Residential Common Expense unless such repairs and/or replacements were required due to the negligence of such Unit Owner to which such Limited Common Element is appurtenant, in which event the cost thereof shall be charged to such Residential Unit Owner as a Unit Expense.

6.9.2 In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or, (b) by the Residential Board, the entire cost thereof shall be charged to the owners of the Residential Units, as a Residential Common Expense, (c) the Board, the entire cost thereof shall be charged to all Unit Owners as a General 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.

6.9.3 Neither the interior nor the exterior glass surfaces of any windows located in the Residential Units shall be colored or painted. All Unit Owners shall be responsible to maintain both the interior and exterior surfaces of the windows in their respective Units. All window treatments in the Residential Units will be uniform in color and may be changed from time to time by a determination of the Board. Furthermore, any and all replacements of the railings of the Balcony(ies) appurtenant to any Residential Unit because of breakage or otherwise, shall be made by the Board, at the sole cost and expense of the Residential Unit Owners, unless such replacement is due to the acts of a Residential Unit Owner, in which event the cost of the repair and replacement thereof may be charged to such Residential Unit Owner(s) as a Unit Expense.

6.9.4 Neither the interior nor the exterior glass surfaces of any windows located in the Commercial Unit shall be colored or painted unless any such window treatment is in conformance with the requirements for signage set forth in Article 7 hereof.

6.9.5 Each Unit and all portions of the Common Elements shall be kept in good order and condition (and with respect to any Balcony or any part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (a) the Board, with respect to such parts of the Building required to be maintained by it and (b) each Unit Owner, with respect to the interior surfaces of windows and window treatments in or appurtenant to its Unit.

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner fails or neglects in any way to perform any obligation with respect to the painting, decorating, maintenance, repair or replacement of its Unit or of any Limited Common Element for which such Unit Owner is

responsible pursuant to the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed any such painting, decorating, maintenance, repair or replacement provided that (a) the Condominium Board gives such Unit Owner, written notice that such repair or replacement is necessary and that the Condominium Board will complete such repair or replacement in the event such Unit Owner does not promptly act or complete the repair or replacement, and (b) the Unit Owner, within ten (10) days after receiving such notice, fails to cure its default, or in the case of a default not reasonably susceptible to cure within such period, fails to commence and to prosecute to completion with due diligence the curing of such default. All sums expended and all costs and expenses incurred by the Condominium Board in connection with the making of any such painting, decorating, maintenance, repairs or replacements on behalf of such Unit Owner, together with interest thereon at the rate of one and one-half (1.5%) percent per month (but in no event in excess of the maximum rate permitted by applicable law), shall be immediately payable by such Unit Owner, to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Except as otherwise provided in the Declaration and in this subsection 6.11.1, no Residential Unit Owner shall make any structural alteration, addition, improvement or repair in or to its Residential Unit, if applicable, without the prior written approval of the Board, which approval shall not be unreasonably withheld or delayed. No approval of the Board shall be required to perform (a) alterations which would combine two (2) or more Units in instances where a Unit Owner owns contiguous Units, or (b) a non-structural alteration that does not affect the Building systems and any interior decorating which does not affect the Building systems may be performed without the Board's prior approval, provided, however all Unit Owners shall be required to comply with applicable laws in connection with any such alteration and to deliver proof of insurance to the Board as provided in Section 6.11.2 below.

6.11.2 Prior to the commencement of any alterations being performed in their Units, all Unit Owners will be required to obtain their own work permits and file separate alteration applications with the appropriate authorities. Such Unit Owners shall be responsible for the cost and expense of obtaining all required "sign-offs" from the appropriate governmental authorities in connection with any open building permits or alteration applications filed for the Unit.

6.11.3 Prior to the commencement of any alterations being performed in their respective Units, all Unit Owners will be required to obtain from the contractors performing the work proof of liability insurance naming the Condominium Board and its managing agent or manager as additional insureds in an amount of no less than $1,000,000 per occurrence and $2,000,000 in the aggregate, which amounts may be increased by the Board from time to time to limits commensurate with insurance amounts for similar properties in New York City.

6.11.4 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all applicable laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural 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 liability or damages arising therefrom.

6.11.5 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 Board shall be executed by the Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer retained by the Unit Owner 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.

6.11.6 In no event shall any alteration performed by any Unit Owner alter the façade of the Building (other than the storefront appurtenant to the Commercial Unit) or have a material adverse effect on the structural, mechanical equipment or plumbing elements of the Building, unless approved by the Condominium Board and/or the Residential Board, as may be applicable. In the event any alteration by any Unit Owner causes the insurance premiums or the maintenance costs for the other Units or a part thereof or the Condominium to increase, then such Unit Owner shall pay such excess insurance premiums and/or maintenance costs, as applicable.

6.12 Alterations, Additions or Improvements to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to any General Common Element or Residential Common Element shall be made by the Board or Unit Owner(s) required to maintain such General, Limited or Residential Common Element and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense, or to the Residential Unit Owners, as a Residential Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Board, the cost of any such alteration, addition, or improvement would exceed $250,000 (subject to adjustment by the Consumer Price Index) in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget), then such proposed alteration, addition, or improvement shall not be made unless first approved by a Majority Vote of the Unit Owners who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations, additions, or improvements made by the Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate less than $250,000 in any calendar year may be made as aforesaid without the approval of the Unit Owners. Required repairs to the General Common Elements including replacement of existing elements of the Building shall be made by the Board in its own discretion regardless of the cost thereof. Notwithstanding anything to the contrary set forth in these By-Laws, (i) to the extent that the alterations, additions, improvements or repairs are to be made in or to any General Common Elements and paid for as a General Common Expense, such alterations shall require the consent of the Commercial Unit Owner and the Residential Unit Owners, which

consent may not be unreasonably withheld or delayed as to any alteration required by applicable law or being performed by prudent owners of similar buildings. In the event that the Condominium Board fails to make necessary repairs to General Common Elements for which it is responsible within a commercially reasonable time, to the extent that any such General Common Elements are located within and/or serve the Commercial Unit, and the failure of Condominium Board to make such repairs has a material adverse impact on the use of the Commercial Unit for the permitted purposes of the same, the Commercial Unit Owner shall have the right, upon ten (10) business days' notice to the Condominium Board, to perform such repairs on behalf of the Condominium Board. In such event, the Commercial Unit Owner shall be entitled to be reimbursed for the reasonable cost of such repairs.

6.13 Special Alterations of Certain Common Elements.

6.13.1 In the event that, pursuant to any of the provisions of these By-Laws, any consent by the Board or any Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (collectively sometimes referred to in this Section 6.13 as a "Special Alteration") proposed to be made by any Unit Owner or the Board (collectively sometimes referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or such Unit Owner (referred to in this Section 6.13 as the "Consenting Party"). The Proponent shall give the Consenting Party notice setting forth in reasonable detail the material aspects of such proposed Special Alteration. If the Consenting Party does not give notice of any objection to the Proponent within twenty (20) days after the Proponent gives its notice, then the Consenting Party shall be deemed to have consented to the making of the proposed Special Alteration. If the Consenting Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Consenting Party) within such twenty (20) day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Consenting Party unreasonably withheld its consent, such Arbitration to be pursuant to Article 12 and the provisions of this Section 6.13. In such Arbitration, it shall be determined that the Consenting Party unreasonably 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 Special Alteration to be paid by it and (ii) that all costs and expenses for maintaining and repairing such Special Alteration after its completion will not be charged to the Consenting Party, (b) the proposed Special Alteration would not unreasonably or unnecessarily interfere with the use and enjoyment of the owners, tenants and occupants of those Units affected by the Special Alteration and (c) the proposed Special Alteration would not materially threaten or weaken the structure of the Building.

6.13.2 Nothing contained in subsection 6.13.1 hereof 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 the Proponent believes will meet the objections of the Consenting 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 other Common Elements without the approval of the Consenting Party (unless otherwise expressly provided elsewhere herein or in the Declaration).

6.14 Restrictions on Use of the Residential Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

6.14.1.1 The Residential Units may be owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity. The Residential Units shall be used for residential purposes only in conformance with the terms and conditions of the then existing certificate of occupancy for the Building and applicable federal, state and local governmental and municipal laws, rules and regulations.

6.14.1.2 Notwithstanding the provisions of this subsection 6.14.1, the Declarant may, without the permission of the Board (a) grant permission for the use of a Residential Unit as a professional office or for any other purpose provided such use is permitted by applicable law, does not violate the then existing certificate of occupancy for such Residential Unit and the user of such Residential Unit, or a part thereof, complies with all applicable governmental regulations; (b) grant permission to or use a Residential Unit in connection with a movie or photo shoot and (c) use the Residential Unit, or any portion thereof, as models and sales and/or promotion offices in connection with the sale or rental of any Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations.

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 the same are reasonably suited.

6.15.2 Subject to the rights of Unit Owners with respect to those Common Elements reserved for exclusive or shared use, the sidewalks, entrances, vestibules, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building that are Common Elements or Residential Common Elements shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

6.15.3 No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the halls or on any of the staircase or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows, and roofs or placed upon the window sills of the Building.

6.15.4 The provisions of subsection 6.15.1 hereof shall not apply to the Declarant or its successor so long as there are any Unsold Units, provided, however, that no such party shall use such Common Elements in such a manner that will unreasonably interfere with the use of the other Units for the permitted purposes thereof.

6.16 Use of Commercial Unit; Permits and Licenses.

6.16.1 The Commercial Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity.

6.16.2 Subject to the limitations sent forth in the Declaration and these By-Laws, the Commercial Unit may be operated for any lawful purpose permitted under the New York City Zoning Resolution.

6.16.3 The Commercial Unit shall not be used for any of the following uses: a funeral parlor, a drug or alcohol treatment center, AIDS treatment center, a house of worship, a facility housing criminal or mentally disturbed persons or the primary purpose of which is to treat criminal or mentally disturbed persons, a shelter for homeless persons, a massage parlor or sex club or for the sale or display of pornographic material. To the extent the premises are used for a food establishment, if the same is permitted by applicable zoning, the same shall not be used or occupied for the operation of a fast food establishment (*e.g.*, McDonalds, Burger King, Wendy's, Ranch One Chicken, etc.).

6.16.4 The Commercial Unit Owner nor any other occupant of the Commercial Unit, as applicable, shall not sell, display, distribute or use all or any portion of the Commercial Unit, respectively, for:

(a) the sale or viewing of any pornographic or obscene goods, wares, printed materials, videos, digital video discs, movies or other digital transmission;

(b) the sale of illegal drugs;

(c) an amusement gallery, bowling alley, game room, swimming pool, pool hall, auditorium, funeral home, mortuary, video arcade, warehouse, storage facility, ice skating, roller skating, mini-car racetrack, massage parlor, a so called "off -track betting" operation, abortion clinic, any automobile or truck sales storage, service, fueling, washing or repair operation;

(d) laundromat, dry cleaners or other type of clothes cleaning facility; or

(e) a flea market.

6.16.5 Notwithstanding the foregoing, the Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration.

6.16.6 The Commercial Unit Owner shall not at any time use or occupy, or suffer or permit anyone to use or occupy the Commercial Unit or do or permit anything to be done in its Commercial Unit, in violation of the certificate of occupancy for the Commercial Unit or for the Building.

6.16.7 If any governmental license or permit, other than a certificate of occupancy, shall at any time be required for the proper and lawful conduct of business in the Commercial Unit then being conducted or to be conducted in that Commercial Unit, or any portion thereof, then the subject Commercial Unit Owner, at its own expense, shall duly procure and thereafter maintain such license or permit.

6.16.8 The Commercial Unit Owner shall take all commercially reasonable measures, including, without limitation, the installation of sound-rated insulation, to ensure that no excessive noise emanates from any portion of the Commercial Unit.

6.16.9 The Commercial Unit Owner (or its tenant) shall sort and separate waste products, garbage, refuse and trash into such categories as provided by law. All such waste products, garbage, refuse and trash shall be removed from the Building by a licensed waste hauler reasonable satisfactory to the Board, at the sole cost and expense of the Commercial Unit Owner or its tenant, in compliance with all applicable laws and regulations. All refuse from the Commercial Unit shall be packaged in a sanitary fashion and held in appropriate storage areas located entirely within the Commercial Unit and shall not be placed or stored in the Common Areas of the Building at any time. All refuse from the Commercial Unit shall be removed from the Commercial Unit, through the first floor street exit and placed (other than medical waste which shall be placed in a separate location, if required by applicable law or regulation) at the curbside on East 8th Street for collection in accordance with applicable law.

6.16.10 The Commercial Unit Owner shall pay all costs, expenses, fines, penalties, or damages which may be imposed on the Condominium by any government authority or agency by reason of a failure by the Commercial Unit Owner, to comply with the provisions of these By-Laws, and, the Commercial Unit Owner, shall, at its sole cost and expense, indemnify, defend, and hold the Board and the Condominium harmless (including legal fees and expenses) from and against any actions, claims, and suits arising from such non-compliance by the Commercial Unit Owner, utilizing counsel reasonably satisfactory to the Board, if the Board so elects. In such event, the Commercial Unit Owner shall be liable to the Board for any costs, expenses, or disbursements, including attorneys' fees, of any action or proceeding by the Board against the Commercial Unit Owner, predicated upon the breach of this section by the Commercial Unit Owner.

6.17 General Provisions as to Use.

6.17.1 No nuisance shall be allowed on the Property nor shall any use or practices be allowed on the Property that interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All applicable laws and regulations relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Property.

6.17.2 Each Unit Owner shall promptly comply with all applicable laws and regulations applicable to its Unit. No Unit Owner shall use or permit the use of Hazardous Materials on, about, under, or in its Unit, if applicable, or the Property, except in compliance with applicable laws. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought hereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in its or her Unit, or the Property. As used herein, the term "Hazardous Materials" means petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law; and "Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, requirements and orders whether now existing or hereafter enacted, promulgated or issued, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material and/or the protection of human health and the environment.

6.18 Right of Access.

6.18.1 Each Unit Owner shall grant a right of access to its Unit and any Balcony appurtenant thereto, to the Board, and the managing agent, manager, superintendent 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 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 (as such term is hereinafter defined) by such Unit Owner or correcting any conditions originating in its Unit, any Residential Unit, any Balcony and threatening another Unit, another Residential Unit, any Balcony, or all or any part of the General Common Elements or Residential Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the General Common Elements within its Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, its Unit, any Residential Unit, any Balcony 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, or any Balcony, for the permitted purposes thereof. In case of an emergency (*i.e.*, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building), such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present. Notwithstanding anything to the contrary herein contained, the Condominium Board and the managing agent, manager, superintendent and/or any other person authorized to exercise the rights in this section, shall conduct itself in a manner so as not to materially interfere with the use of any Unit for the permitted purposes thereof, including, but not limited to, the Commercial Unit, and to the extent permitted by applicable law, except in the event of an

emergency, the Condominium shall exercise its rights to such access at such times when the Commercial Unit Owner or its tenant is not open for business.

6.18.2 A Residential Unit Owner shall grant a right of access to its Residential Unit and any Balcony appurtenant thereto, as applicable, and the Board shall grant rights of access to the General Common Elements or the Residential Common Elements, to the Residential Unit Owners and its contractors, subcontractors, agents and employees, for the purposes of fulfilling Declarant's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised in such a manner as will not unreasonably interfere with the use of the Unit or the Balcony appurtenant thereto for the permitted purposes of the same.

6.19 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 Residential Units and the Residential Common Elements. The Residential Board may from time to time, modify, amend or add to such Rules and Regulations except that a majority of the Residential Unit Owners, may overrule the Board with respect to any such adoption, modification, amendment or addition. The Residential Board Member(s) may also modify, amend or add to any such Rules and Regulations. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board to each affected Residential Unit Owner not less than 30 days prior to the effective date thereof.

6.20 Real Estate Taxes, Water Charges and Sewer Rents.

6.20.1 Unless and until real estate taxes are billed directly to Unit Owners by the New York City Department of Finance, the Board shall promptly pay such taxes, charges and rents as a General Common Expense, and the Unit Owners shall be required to reimburse the Board, as General Common Charges, for their proportionate share of such taxes based upon the Common Charge Percentage appurtenant to their respective Units. In the event of a proposed sale of any Unit, the Board (so long as the Board is still paying such real estate taxes), on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

6.20.2 The Condominium Board shall supply water to the Residential Units and the Commercial Unit in sufficient capacities to enable the Unit Owner to use, occupy and enjoy the Units, for the intended purposes and, as to the Commercial Unit, to operate its business (or that of its tenant) thereon and therefrom. If it is not possible to obtain a direct meter for the water used in the Commercial Unit, a submeter shall be installed to measure the use of water in the Commercial Unit. The cost of water charges and sewer rents for the occupancy and operation of a Commercial Unit that is either payable directly to the Department of Environmental Protection (or successor agency) or to the Condominium Board will be the sole responsibility of the Commercial Unit Owner. If applicable, the Commercial Unit Owner shall reimburse the Condominium Board for the charges therefor based upon sub-meter readings within thirty (30) days following the presentation of an invoice for such amounts. In addition, the Commercial Unit Owner shall be responsible for any cost incurred by the Condominium Board to obtain any such sub-meter reading. Payments received after such time will be subject

to a late charge equal to one (1%) percent per month. The cost of water shall be deemed additional "Common Charges" due and owing from the Commercial Unit Owner and the Condominium Board shall be entitled to file a Common Charge Lien to collect the same in accordance with Section 339-2 of the New York Real Property Law. Any disputes regarding the reading of the water meter shall be determined as set forth in Article 12 herein below.

6.21 Electricity. Electricity shall be supplied to the Condominium through one (1) or more electrical meters and the cost thereof shall be borne by each Unit Owner. Each Unit Owner shall be required to pay the bills for electricity consumed or used in its Unit either to the Board or to the utility company as directed by the Board.

6.22 Utilities Serving the Common Elements. The cost and expense of water and electricity serving or benefiting any General Common Element or the Residential Common Elements shall (a) be considered part of the expense of maintaining such General Common Element or Residential Common Element, as may be applicable, (b) be determined by the Board, and (c) be charged to the Unit Owners or the Residential Unit Owners as a General Common Expense or Residential Common Expense, as may be appropriate. Any disputes as to the apportionment of such cost or expense shall be determined in accordance with Article 12.

6.23 Gas. Gas supplied to the Residential Units for heat, cooking and the provision of hot water will be supplied from the Con Edison gas distribution system, or other vendor selected by the Board. The cost of such natural gas will be a Residential Common Expense payable by the Residential Unit Owners. The Commercial Unit will have directly metered gas service and shall be responsible to provide heating, cooling and cooking gas to the Commercial Unit. The Board shall not be responsible to maintain gas service for the Commercial Unit. The Commercial Unit Owner shall be responsible to pay the bills therefor directly to the utility.

6.24 Obligations of Unit Owners with Regard to Utilities. In the event that the foregoing utilities or services are not separately metered and/or sub-metered to any Unit, the respective obligation of each of the Unit Owners to pay the same prior to delinquency shall be conditioned on the Condominium Board's delivery of paid receipts therefor prior thereto. Each Unit Owner shall be responsible for the payment of all deposits or similar charges required to be paid in connection with service of utilities to its respective Unit and for the payment of any charge or connection fee required to be paid as a result of any change in the nature of the utility service to any such Unit, if applicable. In no event shall any Unit Owner be obligated to reimburse the Condominium Board for any utilities or services at a rate that is in excess of the rate that the Condominium Board actually pays for such utilities or services, nor shall any Unit Owner be responsible for any late fees, charges, penalties or interest due to the failure of the Condominium Board to timely make such payments.

6.25 Abatement and Enjoinment of Violations by Unit Owners.

6.25.1 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 Residential Unit, or the Commercial Unit, including any Limited Common Element appurtenant thereto, in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.25.2 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 the Declarant, or a successor owner of the Unsold Units shall give to the Declarant and/or its successor the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings either at law or in equity, the continuance of any such violation or breach.

6.26 Smoking Policy.

No smoking is permitted inside the Residential Units or in hallways, stairways or other Common Elements. Section 6.26 of the Condominium By-Laws provides as follows:

(a) No smoking is permitted in any Residential Unit in the Condominium.

(b) Smoking is not permitted on any Balconies adjacent or appurtenant to any Residential Unit.

(c) No smoking is permitted (a) within twenty-five (25) feet of the Residential entrance to the Building facing East 8th Street, or (b) in any of the Common Elements of the Building, including, without limitation, its lobby, hallways, elevators, stairwells, basement, storage areas, balconies or the rooftop.

(d) The word "smoking" for the purpose of this policy means inhaling, exhaling, burning or carrying any lighted cigar, conventional cigarette or pipe, operating electronic cigarette, or other form of lighted object or operating device which contains tobacco or any other material intended to produce either smoke or a non-therapeutic aerosol for inhalation. See the Section entitled “Description of Property” in Part II of the Plan.

6.27 Income to Unit Owners. Notwithstanding anything contained herein to the contrary, any income or revenue derived by any Unit Owner, for the use, sale or lease of such Unit Owner’s Unit or any portion thereof, shall belong to the owner of such Unit generating the income or revenue and shall not belong to the Board or any other Unit Owner.

ARTICLE 7

SIGNS AND SCAFFOLDING

7.1 Exterior Signs. The term "Sign" includes all signs, designs, monuments, logos, banners, projected images, awnings, canopies, pennants, decals, advertisements, pictures, notices, lettering, numerals, graphics, and decorations. Subject to the provisions of Section 7.4 below, no Sign shall be exhibited, installed, inscribed, painted or affixed on any part of the outside of the Building ("Exterior Signs"). No sign shall be neon, blinking, flashing or animated. No Signs advertising a fire sale, liquidation sale, distress sale, foreclosure sale, receiver's or sheriff's sale, going out of business sale, lost lease sale, or Signs of similar import shall be permitted on the outside of the Building by any Unit Owner or any occupant of the any of the Units. The Commercial Unit Owner or any occupant of the Commercial Unit shall, at its own expense, obtain all required licenses and permits for any Signs installed by Commercial Unit Owner or occupant and renew the same as required by applicable laws.

7.2 Residential Sign. The Condominium Board shall have the right to maintain one or more signs identifying the Building and the entrance to the lobby giving access to the Residential Units.

7.3 Sign Installation and Removal. All Signs shall be installed and removed in a worker-like manner, without damaging the Building, and in compliance with all applicable laws and requirements of any governmental agency (or similar body). All Signs must comply with all applicable laws, including requirements of the New York City Zoning Resolution, the Department of Buildings and the Landmarks Preservation Commission, if applicable. The Commercial Unit Owner and the Condominium Board, as applicable, shall maintain any permitted Signs in good, clean, neat and safe condition and in accordance with the terms and provisions of the Condominium Documents. The Commercial Unit Owner and the Condominium Board, as applicable, shall be responsible for any violations arising as a result of the failure of any of its tenants to comply with applicable laws.

7.4 Unit Owner Signs. The Commercial Unit Owner shall have the exclusive right, at its respective sole cost and expense, to erect, maintain, operate and replace, from time to time, Signs to be located on any portion of the façade that is appurtenant to the Commercial Unit, but shall specifically have no right to install any sign in front of any portion of the façade adjacent to the entrance to the Residential Units. Any such Signs affixed to the Building shall be in conformance with applicable laws, including, without limitation, the approval of the Landmark Preservation Commission and shall be limited to identifying the business being conducted in the Commercial Unit (but shall not include Signs advertising any "bankruptcy" or "going out of business sale"), shall be professionally prepared and not handwritten and shall not in any event have content that is of a prurient nature.

7.5 Removal of Signs. The Condominium Board may, from time to time, temporarily remove any Sign in connection with any repairs, improvements, alterations, additions or replacements being made to the Building. In addition, the Board shall have the right to remove any Signs, including any Signs which belong to a Unit Owner, or an occupant thereof, if the

removal of such Sign is required to complete repairs required by applicable laws and code ("Required Repairs"). In the event that to facilitate any Required Repairs it becomes necessary to remove any Signs that are the property of the Commercial Unit Owner, the Board will send not less than thirty (30) days prior notice of such removal, except in the event of an emergency, and the expected duration of the same, to the Commercial Unit Owner. If a Required Repair is needed, the Board will endeavor to coordinate the removal of a Sign with the Commercial Unit Owner to minimize interference with the use of the Commercial Unit for the permitted purposes thereof. In the event that a Sign that belongs to the Commercial Unit Owner (or its tenant) is to be removed for more than three (3) Business Days, the Condominium Board shall provide a location to the Commercial Unit Owner to place a temporary Sign comparable in size to the then existing Signs belonging to the Commercial Unit Owner and in compliance with all applicable laws, with such "sight-line" visibility as is commercially practicable, (but subject to the rights of the Commercial Unit Owner or the Condominium Board to have Signs on the Building), such temporary Sign to be removed upon the reinstallation of the prior existing Sign. The Commercial Unit Owner or its tenant shall be responsible to provide any temporary sign to be posted at such location. The installation and removal of the permanent Sign and the temporary Sign shall all be performed at the sole expense of the Condominium Board and the cost therefor shall be included in General Common Charges. In the event that any Unit Owner interferes with the ability of the Board to perform any Required Repairs, the Board may commence an action to obtain declaratory relief and, in the event that the Board prevails, any legal fees incurred by the Board in connection with such action shall be paid by such Unit Owner.

7.6 Use of Scaffolding and Sidewalk Sheds. The Board may install and maintain scaffolding or a sidewalk bridge outside the Property if required by applicable laws or needed for repair of the building structure or roof or a building system. If scaffolding is not required pursuant to any applicable law, order or regulation, or insurance requirements, the Board may not install scaffolding outside of the Commercial Unit without the prior written consent of the Commercial Unit Owner, which may be withheld in the reasonable discretion of the Commercial Unit Owner.

7.7 Scaffolding Requirements. The scaffolding shall (a) be erected in a manner which shall not unreasonably interfere with access to any entrances to the Commercial Unit, (b) shall be "double height", (c) to the extent practicable, not minimize the visibility of any windows and signs of the Commercial Unit except on a temporary basis, and provided such owners/tenants are given prior notice, (d) if reasonably possible, be of sufficient height so as to clear any then existing marquis, if any, and the existing signs appurtenant to the Commercial Unit, (e) have all exposed bolts protected to prevent pedestrian accidents, and (f) have lighting below the scaffolding as required by applicable law. The Board shall use commercially reasonable efforts to have the scaffolding removed as soon as practicable, and the Board shall repair any damage to the sidewalk or Building caused by the installation or removal of the scaffolding. If the visibility of any of the Exterior Signs installed by the Commercial Unit Owner is impaired by the scaffolding, or such Sign must be removed for more than one (1) business day, such Unit Owner (or its tenant) may install and maintain on the scaffolding, for so long as such scaffolding remains, a Sign identifying such Unit Owner or its tenant to provide the Commercial Unit Owner (or its tenant) with the same or better "sight-line" visibility but only if such signs are permitted by applicable laws (but subject to the rights of the other Unit Owners to have signage on scaffolding). The installation and removal

of the permanent Sign, if necessary, shall be performed at the sole expense of the Condominium Board and the cost therefor shall be included in General Common Charges. The installation of the Signs on the scaffolding shall be installed at the sole cost and expense of the Commercial Unit Owner (or its tenant), provided, however, if such scaffolding is erected in an emergency, the Condominium Board shall endeavor to install such Signs for the Commercial Unit as soon as reasonably practicable. Except in the event of emergencies or Required Repairs, the Board shall (x) deliver written notice to the Commercial Unit Owner no less than three (3) weeks in advance of placing scaffolding outside the Building, the extent and location of the scaffolding and the expected duration of the scaffolding being located outside of the Building. Any temporary Signs shall be promptly removed upon dismantling of scaffolding.

ARTICLE 8

MORTGAGES

8.1 Permitted Mortgages. As used herein the term "Permitted Mortgagee" means the holder of any Permitted Mortgage encumbering a Unit or Units which is permitted to be placed thereon pursuant to this Article 8. As more fully set forth in this Article 8, each Unit Owner may mortgage its Unit, if applicable, to a bank, trust company, insurance company, savings and loan association or any institutional or non-institutional lender, including, without limitation, the seller of a Unit, as a Permitted Mortgagee, provided that (a) the mortgage be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Board is notified in writing of the making of such mortgage, and (c) the Unit Owner making such mortgage first satisfies all unpaid liens against its Unit, if applicable, other than Permitted Mortgages.

8.2 Notice to Condominium Board. A Unit Owner who mortgages its Unit, if applicable, or the holder of such mortgage shall notify the Board in the case of all or portion of any Unit, of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. A Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

8.3 Notice of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges, as the case may be, or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may, to the Board's knowledge, then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

8.4 Performance by Permitted Mortgagees. The Board, as the case may be, shall accept payment of any sum or performance of any act by any Permitted Mortgagee of a Unit Owner 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.

8.5 Examination of Books. The Board shall keep detailed, accurate records, in chronological order, of the receipts and expenditures arising from the operation of the Property. Such records and the vouchers authorizing the payments shall be available for examination by the Unit Owners and Permitted Mortgagees thereof during business hours upon reasonable prior notice. A written report summarizing such receipts and expenditures shall be rendered by the Board to the Unit Owners at least once annually.

8.6 Representatives of Mortgagees.

8.6.1 In the manner more particularly set forth in subsection 8.6.2 hereof, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three (3) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages with respect to any matter requiring their consent or approval pursuant to the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the 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 Institutional Mortgages. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units (a) which is a Permitted Mortgage, and (b) the initial holder of which is (i) the Residential Unit Owner or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, commercial bank, investment bank, or any other financial institution organized under the laws of the United States or any state thereof, (iii) a federal, state, municipal, or teacher's or union employee, welfare, pension or retirement fund or system, (iv) any opportunity or other fund, or institutional investor investing in mortgages, (v) any transferee or assignee, purchaser in a foreclosure sale, transferee pursuant to a deed-in-lieu of foreclosure, nominee or designee of any of the foregoing, or (vi) any affiliate of any of the foregoing.

8.6.2 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 Board. Unless otherwise permitted by applicable law, all Permitted Mortgagees, other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

8.6.3 No more than one Residential Mortgage Representative shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described herein) and (b) which holders of such mortgages are (i) Declarant or its successor-in-interest, (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.

8.7 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 the

determination or act of the Board, any office or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 9

SELLING, LEASING AND MORTGAGING OF UNITS

9.1 Selling and Leasing. Subject to the compliance by such Unit Owner with the applicable provisions of the Condominium Act and Section 352 of the New York General Business Law, the following restriction apply to the sale or lease of any Unit in the Condominium:

9.1.1 No Unit Owner shall lease its Unit or any portion thereof or permit its Unit, or any portion thereof to be used or occupied by anyone other than for the permitted uses set forth in the Declaration and in these By-Laws.

9.1.2 Any lease entered into by any Unit Owner shall be consistent with and subordinate to the Declaration and to these By-Laws and shall provide a reference that a commercial tenant shall maintain, at its expense, public liability insurance policies naming as parties insured the Condominium, the Condominium Board, as agent for the Unit Owners, and the Residential Board, and their respective agents, if any, in such amounts as may then be customarily required by landlords with respect to similar commercial tenancies in the City of New York. Any insurance policy to be maintained pursuant to the terms of any such lease shall provide, if available, that said policy shall not be cancelled or materially amended without at least twenty (20) days' prior written notice to the Condominium Board, the Residential Board or the Commercial Unit Owner, as applicable.

9.1.3 No lease entered into by any Residential Unit Owner shall have a term of less than 30 days. Any Lease for a Residential Unit having a term of less than 30 days shall be void ab initio and the Residential Unit Owner that enters into any such lease shall be responsible for any legal fees incurred by the Residential Board causing the Unit to be vacated.

9.2 Selling and Leasing of Residential Units. No Residential Unit Owner of a Residential Unit other than the Declarant (which is the sponsor of an offering plan for the sale of the Residential Units), a successor owner of the Unsold Units (as such term is defined in any such Offering Plan) may sell or lease his Unit, if applicable, except by complying with the following provisions: Any Residential Unit Owner who receives a bona fide offer to (a) purchase his or her Residential Unit together with its appurtenant Common Interest, or (b) lease his or her Residential Unit (such offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Residential Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as such Board may reasonably require. The giving of such

notice to the Residential Board, on behalf of all the Unit Owners represented by the Residential Board, shall constitute an offer by such Unit Owner to sell his or her Residential Unit together with its appurtenant Common Interest or to lease his or her Residential Unit to the Residential Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Residential Unit Owner who has received such Outside Offer to the Residential Board acting on behalf of all Residential Unit Owners that such Residential Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as such Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, such Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by such Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

9.2.1 In the event the Residential Board shall timely elect to purchase a Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for such Board, in accordance with the terms of the Outside Offer, within forty five (45) days after the giving of notice by such Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date such Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than forty five (45) days after the giving of notice by such Board of its election to accept the aforesaid offer, such Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a down payment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to such Board referred to in subsection 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase said Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Residential Board, or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee,

corporate or otherwise, as of the closing date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

9.2.2 In the event the Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice, as aforesaid, the Offeree Unit Owner shall be entitled to convey such Residential Unit or enter into a lease agreement pursuant to the Outside Offer. In the event the Offeree Unit Owner does not convey the Residential Unit pursuant to such Outside Offer or the tenant never takes occupancy pursuant to such Outside Offer, and the Offeree Unit Owner wishes to proceed with another party, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 9.2.

9.2.3 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

9.2.4 Notwithstanding anything contained in this Article 9 to the contrary, the Residential Board shall have the right to reject the purchase or lease of a Residential Unit without the necessity of exercising a right of first refusal if the purchaser or lessee of a Residential Unit or a person who will be residing in their unit has diplomatic immunity or has been convicted of a violent crime or child molestation.

9.2.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide that the lease may not be materially modified, amended or extended without the prior consent in writing of the Residential Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of such Board and that such Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York. Leases for Residential Units shall not be for terms shorter than one (1) year.

9.2.6 Except as hereinbefore set forth, the form of any such lease executed by the Residential Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by such Board. Any lease executed by the Residential Board as tenant shall provide that such Board may enter into a sublease of the premises without the consent of the landlord.

9.2.7 The foregoing restrictions of this Section 9.2 shall not apply to Unsold Units; the Sponsor of an Offering Plan for the sale of the Residential Units or any successor owner

of the Unsold Units shall have the right to freely sell Unsold Units or to freely lease all or any part thereof without having to first offer the same for sale or lease to the Residential Board.

9.3 Selling and Leasing of the Commercial Unit. Subject only to the provisions of Section 9.1 hereof and other applicable provisions of the Declaration and these By-Laws as to the use and occupancy of the Commercial Unit, the Commercial Unit Owner may freely lease and sell the Commercial Unit.

9.4 Recognition and Non-Disturbance Agreement. The Condominium Board, at the written request of the Commercial Unit Owner, its tenant or the lender of its tenant, will enter into a non-disturbance agreement (the "Condominium Non-disturbance Agreement") with such tenant or tenant's lender on the terms set forth in this section (each a "Qualifying Lease"); and provided further that such Unit Owner has not received a notice of default which has not been cured within applicable cure periods under the terms of the Declaration or these By-Laws at the time of such request. Pursuant to the terms of the Condominium Non-disturbance Agreement, the tenant will (i) acknowledge that the Qualifying Lease is subject and subordinate to the Declaration and the By-Laws and (ii) the Condominium Board will agree that so long as no event of default exists under said Qualifying Lease, as would entitle the Unit Owner, or any successor landlord under the Qualifying Lease, (a) to terminate the Qualifying Lease or (b) dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Condominium Board's lien for Common Charges and/or Special Assessments, as applicable, on a Unit of which the demised premises under such Qualifying Lease forms a part or any other sums of any sort, that the Condominium Board will (a) recognize all of tenant's rights under the Qualifying Lease and (b) will not diminish, terminate or disturb tenant's possession or rights under the Qualifying Lease, expand any of tenant's obligations under the Qualifying Lease or under the Declaration or these By-Laws, or obligate tenant to comply with any of the provisions of the Declaration or these By-Laws, except as expressly provided herein and in the applicable Qualifying Lease, and (c) will recognize tenant as the direct tenant of the Condominium Board or its successor on the same terms and conditions as are contained in the Qualifying Lease and the tenant's use, possession, or enjoyment of the Unit (or portion thereof) in question shall not be interfered with, nor shall the leasehold estate granted by the Qualifying Lease be affected in any manner, nor shall any of the rights of the tenant granted under the Qualifying Lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Condominium Board, or, in case the Condominium Board takes possession of said Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however, that if the Condominium Board or any other party succeeds to the interests of the Unit Owner under the Qualifying Lease, the tenant will agree to be bound to the Condominium Board or other party under all of the terms, covenants and conditions of the Qualifying Lease and the tenant will attorn to the Condominium Board or other party as its landlord. Pursuant to the terms of the Condominium Non-disturbance Agreement, the Condominium Board shall not be (w) liable for any previous act or omission of the landlord under such Qualifying Lease; (x) subject to any abatements, deductions, claims, offsets or defenses, which theretofore accrued to the tenant against the landlord; (y) bound by any previous prepayment (other than a scheduled prepayment provided for in such Qualifying Lease) of more than one month's rent; or (z) obligated to repair, replace, rebuild or restore the premises covered by the Qualifying Lease (or any portion thereof) in the event of a casualty or condemnation, except to the extent that the same can be accomplished

from the proceeds of insurance or condemnation awards actually received by or made available to the Condominium Board (or its successor). The Condominium Board, at the request of the Commercial Unit Owner, its tenant or the tenant's lender, shall execute and deliver promptly the Condominium Non-disturbance Agreement and any other agreement that any tenant may reasonably request in confirmation of the foregoing in form reasonably satisfactory to the Condominium Board. The Commercial Unit Owner shall be responsible for all reasonable costs and expenses, including without limitation reasonable attorneys' fees of the Condominium Board, in connection with such Condominium Non-disturbance Agreement.

9.5 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit, if applicable, without including therein the appurtenant Common Interests in the General Common Elements or the Residential Common Elements, as applicable, it being the intention to prevent any severance of such combined ownership. No part of the appurtenant Common Interests in the General Common Elements and the Residential Common Elements, if applicable, of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests and Residential Common Interests (if applicable) of all Units. 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. Nothing in this Section 9.5 shall permit the lease of any Unit without the simultaneous lease of the appurtenant Common Interests and Residential Common Interests, if applicable.

9.6 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 its designee, corporate or otherwise, on behalf of all Unit Owners, as tenants in common, all Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

9.7 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease its Unit, if applicable, unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed against such Unit, if applicable, and until such Unit Owner shall have satisfied all unpaid liens against its Unit, if applicable, other than Permitted Mortgages.

9.8 Mortgage of Units. Subject to Article 8 and Section 9.5 hereof, each Unit Owner shall have the right to mortgage its Unit, if applicable, without restriction, provided that any such mortgage covering a Unit, if applicable, shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional or non-institutional lender to make the mortgage loan.

ARTICLE 10

CONDEMNATION

10.1 Condemnation and Eminent Domain. In the event of the taking in condemnation or by eminent domain of all or any part of the General Common Elements, Residential Common Elements or Limited Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the General Common Elements, Residential Common Elements or Limited Common Elements not so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid, provided, however, that if any such award exceeds $500,000.00, 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 General Common Elements or Residential Common Elements, if applicable, as may be determined by an appraiser based upon the relative impact of such Taking on the Building and/or the Residential Units. Any such appraiser retained to prepare such an appraisal shall be an "MAI" appraiser and shall have no less than ten (10) years' experience valuing mixed use buildings in New York, NY. In the event of any dispute with respect to the determination of the appraiser, such dispute shall be submitted to Arbitration, which shall be conducted in a "baseball format". Notwithstanding any provisions contained herein to the contrary, in the event that (1) 75 percent or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the General Common Elements, or the Residential Common Elements, or the Limited Common Elements, as the case may be, then such repairs or restorations of the General Common Elements, Residential Common Elements, and/or the Limited Common Elements, as applicable, 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 the respective Common Interests, or, if applicable, the Residential Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units. As used in this Article 10 the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 11

RECORDS AND AUDITS

11.1 Records. Each Board or the managing agent or manager of the Board shall keep detailed records of the actions of such Board, minutes of the meetings of such Board, minutes of the meetings of the Unit Owners for whom such Board serves and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures.

11.2 Audits. Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant

shall be submitted by the Condominium Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Condominium Board shall be paid by all Unit Owners as a General Common Expense.

11.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 12

ARBITRATION

12.1 General Procedure. Any arbitration provided for in these By-Laws shall be conducted before one (1) arbitrator in the Borough of Manhattan 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 (sometimes referred to in these By-Laws and in the Declaration as "Arbitration"). In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in the Borough of Manhattan before one (1) arbitrator appointed, on application of any party, by any Justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after its appointment. All expenses of arbitration hereunder, including the fees and expenses of counsel and experts, shall be Common Expenses. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five (5) members.

12.2 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, modify any of the provisions of Section 12.1 hereof with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 13

MISCELLANEOUS

13.1 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.

13.2 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 or the intent of any provision hereof.

13.3 Certain References.

13.3.1 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.

13.3.2 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.

13.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

13.4 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 applicable 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.

13.5 Insurance Trustee. The Insurance Trustee shall be a bank or trust company designated by the Condominium Board and having a capital surplus and undivided profits of $100,000,000.00 or more. Any holder of Institutional Mortgage liens (as further qualified by this Section 13.5) on more than one (1) Unit shall have the right to require the Condominium Board to appoint such Institutional Mortgagee as Insurance Trustee. In the event the Insurance Trustee resigns or is replaced by the Condominium Board, the Condominium Board shall appoint a new Insurance Trustee which shall be a bank or trust company having a capital surplus and undivided profits of $100,000,000.00 or more. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense.

13.6 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 then Unsold Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of any Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owner. Subject to the foregoing, the Residential Unit Owner, its designee, and/or any Unit Owner, as the case may be, 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.

13.7 Covenant of Further Assurances.

13.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, 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 any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

13.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, 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, then the Board is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party

13.7.3 If the Board, any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Board, such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of the Residential Unit Owner, then the Residential Unit Owner is hereby authorized, as attorney-in-fact for the Board, 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 the Board, such Unit Owner or other party and such document or action shall be binding on such Unit Owner, the Board or other party.

13.7.4 Consumer Price Index. Any reference in these By-Laws to the Consumer Price index ("CPI") shall mean the Consumer Price Index for All Urban Consumers (CPI-U) U.S. City Average, all items (1982-84=100) as published by the Bureau of Labor Statistics of the United States Department of Labor or if the same is discontinued, a replacement index published by the Department of Labor or other applicable Governmental Authority. In the event that the CPI is converted to a different standard reference base or otherwise revised, the determination of any values subject to adjustment based upon the CPI shall be made with the use of such conversion factor, formula or table for converting the CPI as may be published by the Bureau of Labor Statistics or, if such Bureau shall not publish the same, then with the use of such conversion factor, formula or table as may be published by Prentice Hall, Inc., or any other nationally recognized publisher of similar statistical information. If the CPI ceases to be published, and there is no successor thereto, such other index as Board of Managers shall select shall be substituted for the CPI. To the extent that any threshold in the Declaration or these By-Laws is subject to adjustment by the CPI, for such purpose: (i) the Base CPI shall be that in effect on the date the Declaration is recorded; and (ii) the Adjustment Index shall be CPI

in effect on the anniversary of the month during which the Declaration is recorded, that precedes the date on which the relevant adjustment is to be made.

ARTICLE 14

AMENDMENTS TO THE BY-LAWS

14.1 Amendments by Unit Owners. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting: (a) any provision of these By-Laws 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 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, provided however, that notwithstanding anything to the contrary contained herein or in the Declaration, any amendment, modification, addition or deletion to these By-Laws (including the Rules and Regulations) or the Declaration which has an adverse effect on the rights and benefits, or obligations or liabilities of the Commercial Unit Owner (other than to a *de minimus* extent) shall require the consent of the Commercial Unit Owner, (b) any provision of these By- Laws benefiting, protecting or otherwise affecting only (i) the Residential Unit Owners may be amended, modified, added to or deleted upon consent by 66-2/3% of the Residential Unit Owners in accordance with the provisions of these By-Laws, and (ii) the Commercial Unit or the Commercial Unit Owner, specifically including, but not limited to Section 6.16, Article 7 and Section 9.3 hereof, may be amended, modified, added to or deleted only upon consent by the Commercial Unit Owner, provided however, to the extent provisions of these By-Laws restrict the use of the Commercial Unit, the addition, modification, deletion or amendment of such provisions require consent of the Commercial Unit Owner. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting the Declarant or its successor, Permitted Mortgagees, or the Commercial Unit or the Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by all Unit Owners 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 the Declarant or its successor, or any Unsold Unit, no amendment, modification, addition or deletion shall be effective as to Declarant without the prior approval of Declarant to any such amendment, modification, addition or deletion. Notwithstanding any provision contained herein to the contrary, (i) no amendment, modification, addition or deletion pursuant to the provisions of the clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) the provisions of this Section 14.1 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 percent 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.

14.2 Amendments Affecting the Declarant. 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 the affected Unit Owner 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 Unit, or affecting their respective rights, privileges, easements, licenses or exemptions granted to the Unit Owners, (b) without the prior written consent of the Declarant or its successor, 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 herein to the Declarant or its successor-in-interest, as the case may be, or otherwise affecting the Declarant or a successor owner of any Unsold Unit, as the case may be, or (c) without the prior written consent of the holder of any mortgage, pledge, or other lien or security interest then in force and effect covering any 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 Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unit.

14.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 8 or Sections 6.2 and 6.4.2 hereof shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto.

14.4 Amendments to be made by the Declarant. Notwithstanding any provision contained herein to the contrary other than Section 14.5, the Declarant, a successor owner of the Unsold Units, or a transferee who has the written consent of the Declarant, may, without the consent of the other Unit Owners and to the extent such authority is reserved to the Declarant, amend the By-Laws to the extent such amendment is required in order to correct a manifest error or to make a conforming amendment or modification that is otherwise consistent with the rights, terms and restrictions contained herein and in the Declaration.

EXHIBIT A
RULES AND REGULATIONS FOR THE RESIDENTIAL UNITS OF CALVERT-VAUX CONDOMINIUM

1. Subject to the rights of Unit Owners with respect to those Common Elements reserved for exclusive or shared use, neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or on the roof of the Building.

2. Except as otherwise provided in the By-Laws, no public hall or public elevators of the Building shall be decorated or furnished by any Unit Owner in any manner. Except as otherwise provided in the By-Laws, the style, finish and hardware of the exterior side of the corridor doors shall not be altered.

3. Each Unit Owner shall keep its 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.

4. Other than as required by applicable law, no window guards or other window decorations shall be used in or about any Residential Unit except such as shall have been approved in writing by the Board, or the managing agent thereof, which approval shall not be unreasonably withheld or delayed. No ventilator, window screens or air-conditioning device shall be installed within any Residential 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.

5. No radio, television aerial or satellite dishes shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Building except such as are permitted pursuant to the Declaration or By-Laws or shall have been approved in writing by the Board, or the managing agent thereof; nor shall anything be projected from any window of a Unit without similar approval.

6. 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 public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

7. No baby carriages, shopping carts, bicycles, scooter and luggage shall be allowed to stand in the public halls, passageways or other public areas of the Building. The aforementioned items shall be allowed in the elevator only in such a manner so as not to cause damage to the Building. Motorcycles, velocipedes or any similar vehicles which require any petroleum motor fuel are strictly prohibited from the Building. The use of roller blades and skateboards in the Building is prohibited.

8. No Unit Owner shall make or permit any disturbing noises or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph or radio or television set

or other loud speaker in such Unit Owner's Unit between 10:00 p.m. and the following 8:00 a.m., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 p.m. and the following 8:00 a.m. Construction, repair work or other installation involving noise shall be conducted only on weekdays (Monday through Friday, not including legal holidays) and only between the hours of 8:00 a.m. and 5:00 p.m., unless such construction or repair work is necessitated by an emergency.

9. The residents and/or tenants of any Residential Unit, shall have the right to keep and harbor pets in their Residential Unit, in conformance with applicable laws; however, the Board shall have the power to revoke the right of any resident to harbor pets at any time in the event that any such pet constitutes a nuisance. No resident may harbor more than two cats or dogs in any Residential Unit. In no event shall any bird, reptile or animal be permitted in the elevators of the Building, or in any of the public portions of the Building, unless carried in a pet-carrier or on leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building.

10. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

11. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent thereof out of the Building on any private business.

12. The agents of the Board or its Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent thereof, may enter the Residential Unit or the Commercial Unit, at any reasonable hour of the day, on at least one (1) day's prior notice to the Unit Owner and the tenant of the Residential Unit, if applicable. Agents of the Board or the Managing Agent thereof shall also have the right to enter any Unit at any time in the event of an emergency.

13. The Condominium Board and the Managing Agent thereof may retain a passkey to all Condominium Units, and Residential Units. If any lock is altered or a new lock is installed, including any elevator lock, the Board or the Managing Agent thereof shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner or a tenant of a Unit, if applicable, is not personally present to open and permit an entry to its Unit, at any time when an entry therein is necessary or permissible pursuant to these Rules and Regulations or the By-Laws and the Unit Owner has not furnished a key to the Board, the Residential Board or the Managing Agent thereof, as applicable, then the Board, the Residential Board or the Managing Agent, or their agents, in an emergency, and when specifically authorized (by an officer of the Condominium Board or an officer of the Managing Agent) may forcibly enter such Unit or a Residential within the Residential Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care is given to such Unit Owner's property).

14. 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 left unattended on any sidewalk surrounding the Building

or in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

15. The Condominium Board or its Managing Agent with respect to the General Common Elements or Residential Common Elements, may from time to time curtail or relocate any portion of the foregoing elements devoted to service purposes in the Building.

16. Complaints regarding the service of the Condominium shall be made in writing by the Unit Owners to the Condominium Board, or to the Managing Agent thereof.

17. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board.

18. Clothes and other articles shall not be dried or aired on the Balconies of the Building or on any other public area of the Property.

19. Unit Owners shall not cause or permit any unusual or objectionable noises or odors to be produced upon or to emanate from their Units. Smoking is strictly prohibited in all Building Common Elements.

20. No Unit Owner or any of its agents, servants, employees, licensees or visitors shall at any time bring into or keep in its Unit any flammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

21. If any key or keys are entrusted by a Unit Owner or by any member of its family or by its agent, tenant, servant, employee, licensee or visitor to an employee of the Condominium Board or of the Managing Agent thereof, whether for such Unit Owner's Unit, a Residential within the Residential Unit, or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner and neither the Board nor its Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

22. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

23. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in its Unit or in the 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 Common Elements.

24. 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 consent of the Board or its Managing Agent, which consent may be withheld in the Board's sole discretion.

25. In the event that any Residential Unit is used for home occupation purposes which are permitted by law, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

26. With respect to any Residential Unit having a Balcony appurtenant thereto, the following additional rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof. Any planting/landscaping must comply with all applicable laws and regulations. Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by any Unit Owner's or its tenants' negligence shall be at such Unit Owner's sole cost and expense. All Balconies must be kept clean and free from snow, ice, leaves, and debris and all screens and drains must be kept in good repair. The Unit Owners shall not remove any of the above items by putting them over any Balcony railings, but shall remove said items either through the Unit or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Balcony structure, railing or other temporary or permanent structure is permitted. No items including, but not limited to, climbing equipment, bikes, pools, children's toys, etc., may be stored on any Balcony; any appropriate furniture, including table, chair cushions and umbrellas may be left on the Balconies only if properly secured. No items can be placed on the Balcony railing. In no event shall any Unit Owner be permitted or allowed to enclose any Balcony or erect any structure on any Balcony. No portion of any Balcony may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Balcony. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Balcony. No animals, which include, but are not limited to dogs, cats, birds, are allowed on any Balcony. The Board shall have the right to require any Unit Owner to remove plantings, surfaces and other installations which have been placed on the Balconies if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the Balcony or other portion of the Building or is otherwise unsafe. In addition, the Residential Board or the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Balcony. The Residential Members of the Board may establish such other rules and regulations it deems necessary to protect the Common Elements or the Residential Units and to insure the integrity of the Building and the health and safety of the occupants.

27. There will be no barbecuing in the Units or on the Balconies.

28. In the event that the Board receives complaints about noise emanating from any of the Residential Unit, the Board may request that, substantially all (which shall mean at least fifty (50%) percent) of the floor area be covered with carpeting or equally effective noise-reducing material (excepting areas similar to kitchens, pantries, bathrooms, maid's rooms, closets, and foyers in such Unit and also excepting work areas).

29. All Unit Owners and/or tenants shall comply with all requirements of applicable law and regulations of the Condominium Board regarding recycling of trash. All Unit Owners and/or tenants shall separate their trash into "recyclable" and "non-recyclable" materials. The Condominium Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by Unit Owners and/or tenants for the disposal of designated recyclable materials, and the locations where designated recyclable

materials shall be deposited. The Condominium Board may also establish other regulations regarding recycling of trash. Any costs incurred by the Condominium Board in the enforcement against Unit Owners and/or tenants of recycling requirements imposed by applicable law or by the Condominium Board, including but not limited to, legal fees and fines or penalties imposed on the Condominium Board by any government agency, shall be payable by the Unit Owner and/or tenant and shall be deemed a fine under the By-Laws.

30. 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 Unit when, in the 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.

31. Except as permitted under the Declaration and the By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time nor for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

32. The use of radios (including stereos and boom boxes) is not permitted on any Balcony by any Unit Owner, any tenants of the Residential Units, their families, guests, servants, employees, agents, visitors or licensees.

33. The Balconies appurtenant to any Residential Units shall be used for passive recreational use only *(i e.,* walking, reading and quiet personal enjoyment).

34. All visitors must be admitted by the intercom system when no lobby attendant is on duty. Non-residents who are not accompanied by a resident of the Building will not be allowed into the Building without authorization from a resident. Unit Owners are required to register the names of regular or repeat domestic employees with the Condominium Board.

35. The Condominium Board must be notified prior to the commencement of any alteration work. To the extent required under the Condominium Documents, written approval must be obtained from the Condominium Board before alterations (other than painting, wallpapering and carpeting) may be made to a Unit. After plans have been approved, there is a time limit of six (6) months for the completion of the construction or renovation work unless the time limit is extended by the Condominium Board. After receiving written approval for the proposed alteration, and at least two (2) business days prior to the commencement of work, Unit Owners are required to inform the Managing Agent or Condominium Board in writing of the nature and extent of the work, installation, or proposed repair, the number of personnel involved and the estimated time for completion. Unit Owners will also assume financial responsibility and will indemnify the Condominium for any damage done to any other Unit, or to any Common Element. Construction personnel may work only between the hours of 8:00 a.m. and 5:00 p.m. from Monday through Friday, excluding national holidays. Prior to the commencement of work, Unit Owners are required to provide certificates of insurance for all contractors and subcontractors, naming the

Condominium and the Managing Agents as additional insureds, as well as any required building permits.

36. No moving company will be permitted to enter the Building without first providing the Managing Agent or Condominium Board with a Certificate of Insurance.

37. Commercial film, video, and photographic shoots are not permitted in the Building.

SPONSOR'S CERTIFICATION

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

Re: 295 East 8th Street
New York, New York

Gentlemen:

We are the Sponsor and the principals of Sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 23 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth, (b) with reasonable effort could have known the truth, (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

CALVERT-VAUX, LTD.

By: _____
Maximillian Olivas

State of New York New York County)ss.:
On the 17th day of October in the year 2023
before me, the undersigned, personally appeared
Maximillian Olivas
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

JENNIFER RO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RO6344017
Qualified in Queens County
My Commission Expires 06-27-2024

PRINCIPALS OF SPONSOR:

_____
Maximillian Olivas

_____
Alan Dolinsky

ESTATE OF ROLAND LEGIARDI-LAURA

By: _____
Alan Dolinsky, Executor

Sworn to before me this
____ day of _____, 2023

_____
Notary Public

1360282.1

PRINCIPALS OF SPONSOR:

Maximillian Olivas

Alan Dolinsky

ESTATE OF ROLAND LEGIARDI-LAURA

By: _____
Alan Dolinsky, Executor

GABRIELA LA JARA
My Comm. Expires
NOTARY PUBLIC
June 19, 2027
MECKLENBURG COUNTY, NC

Sworn to before me this
20th day of December, 2022

Gabriela La Jara
Notary Public

1360282.1

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CERTIFICATION OF SPONSOR'S ENGINEER

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Re: The Calvert-Vaux Condominium,
295-297 East 8th Street, New York, NY (the "Property")

The sponsor of the offering plan to convert the Property to condominium ownership retained our firm, IBP Associates, to prepare a report describing the construction of the Property (the "Report"). We prepared the Report dated August 24, 2022, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely upon it.

We are licensed Professional Engineer in the State in which the Property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as the same are applicable to this Report.

We have prepared and reviewed the entire Report. Furthermore, we have investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire Property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that we examined.

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the Property as it will exist upon 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 material fact.

(v) does not contain any fraud, deception, concealment, or suppression.

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth.
(b) with reasonable effort could have known the truth.
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the Property to a condominium or the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

IPB Associates

By:

Name: Edison Paul

Title: Partner

STATE OF NEW YORK
EDISON PAUL
083103-1
LICENSED PROFESSIONAL ENGINEER

Sworn to before me this
14 day of November 2022

Notary Public

GABRIELA WILLIAMS
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01WI6111654
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES ON 1/4/2024

1359797.2

CAMELOT PROPERTY MANAGEMENT SERVICES CORP
343 Canal Street, 2nd Floor, New York, N.Y 10013

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET PURSUANT TO SECTION 20.4 (d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

October 05, 2023

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

Re: The Calvert-Vaux Condominium
295-297 East 8th Street, New York, New York 10009

David Goldoff, hereby certifies as follows:

The Sponsor of the Condominium Offering Plan for the referenced property retained our firm to prepare Schedules B to the Offering Plan containing projections of income and expenses for the First Year of condominium operation, projected to occur April 1, 2024 through March 31, 2025 (the "First Year of Operation").

The principals of Camelot Realty Management Services Corp. have been engaged in the management of residential and commercial real estate for more than twenty (20) years. The principals have managed more than 20 buildings.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as the same are applicable to Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule 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 and mixed-use buildings.

We certify that the projection in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the First Year of Operation.

We certify that Schedule B:

(i) Sets forth in detail the projected income and expenses for the First Year of Operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the First Year of Operation;

(iii) does not omit any material facts;

(iv) does not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we: (a) knew that 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 representations 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 Operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

David Goldoff

Sworn to before me this
5th day of October, 2023

Notary Public

VALERIE ANN FIUME
Notary Public - State of New York
NO. 01FI6387992
Qualified in New York County
My Commission Expires May 23, 2027

1361306.6

CAMELOT PROPERTY MANAGEMENT SERVICES CORP
343 Canal Street, 2nd Floor, New York, N.Y 10013

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS PURSUANT TO SEC 20.4 (e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

October 05, 2023

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

Re: The Calvert-Vaux Condominium
295-297 East 8th Street
New York, New York 10009

Calvert-Vaux, Ltd. the Sponsor of the Condominium Offering Plan for the captioned property retained us to review Schedule B, which includes projections of common charges payable by the owners of the commercial unit. We are licensed Real Estate Brokers in the State of New York and have more than twenty (20) years of experience in the management of investment and residential properties. We currently manage more than 20 properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and regulations promulgated by the office of the Attorney General in Part 23 insofar as they are applicable to the commercial unit listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial unit and investigated the underlying facts with due diligence in order to form a basis for this certification. We have also relied on our experience in managing and owning residential buildings. We have more than ten (10) years of experience managing investment and residential properties.

We certify that the projections in Schedule B for common charges payable by the owner of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributed to such commercial unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit:

(i) set forth in detail the projected common charges for the commercial unit for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial unit(s);

(iii) do not omit any material facts;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

a. knew the truth;

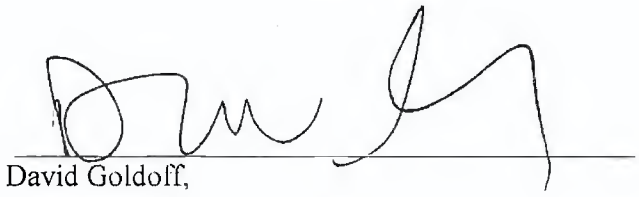
b. with reasonable effort could have known the truth;

c. made no reasonable effort to ascertain the truth; or

d. did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation.

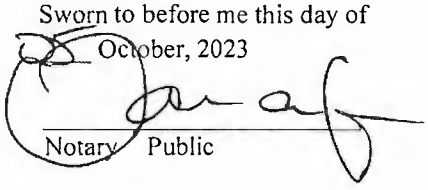
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.



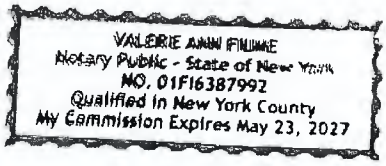
David Goldoff,

President

Sworn to before me this day of
October, 2023



Notary Public



3465592.2

This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

CALVERT-VAUX, LTD.

By: _____
Maximillian Olivas

State of New York New York County)ss.
On the 19th day of October in the year 2023
before me, the undersigned, personally appeared
Maximillian Olivas
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

JENNIFER RO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RO6344017
Qualified in Queens County
My Commission Expires 06-27-2024

PRINCIPALS OF SPONSOR:

_____
Maximillian Olivas

_____
Alan Dolinsky

ESTATE OF ROLAND LEGIARDI-LAURA

By: _____
Alan Dolinsky, Executor

Sworn to before me this
____ day of _____, 2023

_____
Notary Public

1360282.1

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Form **W-9**
(Rev. November 2017)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | **Signature of U.S. person** ▶ | **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

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New York Consolidated Laws, General Business Law – GBS § 352-eeee. Conversions to cooperative or condominium ownership in the City of New York Consolidated Laws

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan". Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan". A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant". A person who has not purchased under the plan and who is a

tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such

abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominimum ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney

general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the

statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by law on a non-discriminatory basis.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The attorney general may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

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

7. The provisions of this section shall only be applicable in the city of New York.

* NB Expires June 16, 2019

LOCAL LAW 70

To amend the Administrative Code of the City of New York, in relation to the conversion of residential rental housing to cooperative or condominium ownership.

Be it enacted by the Council as follows:

Section 1. Legislative declaration. The council finds that the protection of the health, safety and welfare of persons within the City would reside in residential buildings being converted from rental status to cooperative or condominium ownership requires that such persons be informed of the physical condition of such buildings. The council further finds that for the health, safety and welfare of residents of the City and for the preservation and improvement of this substantial and increasing form of housing accommodation it is essential that funds be set aside for the purpose of making capital repairs, replacements and improvements to such buildings.

Section 2. Chapter fifty-one of the Administrative Code of the City of New York is amended by adding a new title YYYY to read as follows:

TITLE YYYY

COOPERATIVE AND CONDOMINIUM CONVERSIONS

YYYY51-1.0 - Application.

The provisions of this title shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state department of law pursuant to section three hundred fifty-two-eeee of the General Business Law.

YYYY51-2.0 - Definitions.

As used in this title the following words shall mean:

a. "Building" - any building, group of buildings or development.

b. "Total Price."

(1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made:

(2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made,

c. "Capital replacement" - a building-wide replacement of a major component of any of the following Systems.

(1) elevator;

(2) heating, ventilation and air conditioning;

(3) plumbing;

(4) wiring;

(5) windows;

or, a major structural replacement to the building, provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" - the offeror, his nominees, assignees and successors-in-interest.

YYYY51.-3.0 - Establishing of Reserve Fund.

a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of manager, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve funds shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state attorney general, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve funds also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such funds shall be established in an amount equal to either (i) three (3%) per cent of the total price or, (ii) (A) three (3%) per cent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the plan is declared effective, provided, however, that if such amount is less than one (1%) per cent of the total price, then the fund shall be established as a minimum of one (1%) per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three (3%) per cent of the actual sales price of cooperative share or cooperative share of condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchases subsequent to the effective date of the plan and within five (5) years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three (3%) per cent of the total price and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three (3%) per cent of the total price the shall pay the difference between the

amount contributed and three (3%) per cent of the total price. Supplemental contributions shall be made within thirty (30) days of each sale.

c. The contributions required pursuant to this section may be made earlier or in amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he has begin after the plan is submitted for filing to the state department of law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one (1%) per cent of the total price.

d. Any building, construction of which was completed within three (3) years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

YYYY51-4.0 - Report on Status of Reserve Fund.

The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by section YYYY51.3-0.

YYYY51.5.0 - Posting of Violations.

The offering, not later than the thirtieth day following the acceptance of a plan for filing by the state department of law pursuant to section three hundred fifty-two-eeee of the General Business Law and until the closing of the conversion pursuant to such plans, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the department of buildings and the department of housing preservation and development. All newly issued violations shall be posted within the forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

YYYY5I-6.0 - Report on condition of premises.

Where, pursuant to law or regulation of the state attorney general, an offeror is required to file a report with the state department of law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood a copy of such report shall be submitted simultaneously to the commissioner of buildings.

YYYY5I-7.0 - No Waiver of Rights.

Any provision purporting to waive the provisions of this title in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

YYYY5I-8.0 - Criminal and Civil Penalties; Enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this title shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates of assists in the violation of any section of this title shall be subject to a civil penalty of one hundred dollars per day per unit for reach day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

b. Any person who knowingly violates or assists in the violation of section YYYY5I-3.0 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section YYYY5I-3.0 which was not so reserved. Any person who violates or assists in the violation of section YYYY51-3.0 shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section YYYY51-3.0 is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section YYYY5I-3.0.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this title may be brought in the name of the City, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this title, mandating compliance with the provisions of this title or for such other relief as may be appropriate. In any such action or proceeding the City may apply to any court of competent jurisdiction, or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this title, mandating compliance with the provisions of this title, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized, with or without notice, and to make such other or further orders of directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The Department of Housing Preservation and Development is empowered to enforce the provisions of this title.

Section 3. If any provision of this local law or the application of such provision or any person or circumstances shall be held invalid, the validity of the remainder of this local law and the applicability of such provision to any other person or circumstances shall not be affected thereby.

Section 4. This local law shall take effect February first nineteen hundred eighty-three and shall apply to all plans not yet accepted for filing by the state department of law pursuant to section three hundred fifty-two eeee of the General Business Law as of that date.

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Specimen Title Policy

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CITYLINE ABSTRACT, LLC

as Agent for
Fidelity National Title Insurance Company

OWNER'S POLICY

SCHEDULE A

Title Number: **CL-1103** Policy Number:

Amount of Insurance: **$0.00**

Date of Policy:

1. Name of Insured:

   To Be Determined $0.00

2. The estate or interest in the land which is covered by this Policy is:

   Fee Simple

3. Title to the estate or interest in the land is vested in then insured by:

   Purchaser acquired title by a deed dated , and to be duly recorded in the New York County Clerk/Register's Office, made by Calvert-Vaux, LTD..

4. The land referred to in this Policy is described as follows:

   See Schedule A Description, attached hereto and made a part hereof.

Countersigned by: _____
CityLine Abstract, LLC

Issued by:
CityLine Abstract, LLC
9726 3rd Avenue , Brooklyn, NY 11209
Telephone: (718) 259-1510 Fax: (718) 259-1533

CITYLINE ABSTRACT, LLC

as Agent for

Fidelity National Title Insurance Company

OWNER'S POLICY

SCHEDULE A DESCRIPTION

All that certain piece or parcel of real property, with the improvements therein contained, situate and being the Residential Unit, locate at 755 Hart Street, Brooklyn, NY of _____(the "Condominium") a condominium development located in the City of New York, County of Kings and State of New York, and also designated and described as Residential Unit _____ in the Declaration establishing a Plan for condominium ownership for the Condominium, consisting of the buildings and land upon which the Units are erected as designated in the Declaration (hereinafter referred to as the "Property") submitted by the Grantor, under
Article 9-B of the New York Real Property Law, dated _____ and recorded in the Office of the Registrar of the County of Kings, Division of Land Records, on _____ under CRFN _____, hereinafter referred to as (the "Declaration") and which Unit is also designated as Section , Block Lot ____ in the Borough of Brooklyn on the Tax Map of the City of New York, and on the Floor Plans of the Building filed with the Real Property Assessment Department of the City of New Yorkas Condominium Plan No. ____ also filed in the City Registrar's Office on ____ as CRFN _____.

Together with an undivided _____% interest in the Common Elements (as defined in the Declaration)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County and State of New York, known by the number 295 East 8th Street, bounded an described as follows;

COMMENCING at the northeast corner of Avenue B and Eighth Street, running thence northerly along the easterly side of Avenue B forty seven (47) feet; thence easterly in a line parallel with Eighth Street, ninety-three (93) feet; thence southerly on a line parallel with Avenue B forty seven (47) feet to the northerly side of Eighth Street, thence westerly along the northerly side of Eighth Street ninety -three (93) feet more or less to the point or place of BEGINNING.

NOTE: Being Lot(s) Lot: **1,** Block: **391;** Tax Map of the **Borough of Manhattan, County of New York, State of New York.**

NOTE: Lot and Block shown for informational purposes only.

CITYLINE ABSTRACT, LLC

as Agent for
Fidelity National Title Insurance Company

SCHEDULE B
PART I

Title Number: **CL-1103** Policy Number:

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which may arise by reason of:

1. Rights of tenants or persons in possession.

2. Subject to the terms and conditions set forth in the Declaration of Condominium and By-Laws recorded in CRFN _____. Policy insures against loss or damage occasioned by the premises not being a part of a condominium validly created pursuant to Article 9-B of the Real Property Laws, as amended.

3. As to the unit, policy excepts any state of facts an accurate survey would show. However, policy insures the non-disturbance of any encroachment of any portion of the insured Home Unit upon any other Home Units or common elements, so long as same shall stand.

4. Covenants, Restrictions and Easements as follows;
   1. Landmark Designation R. 3304 Pg. 2273

Countersigned: _____
Authorized Signature for

CityLine Abstract, LLC
9726 3rd Avenue
Brooklyn, NY 11209
Telephone: (718) 259-1510 Fax: (718) 259-1533

FIDELITY NATIONAL TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT

(OWNER'S POLICY)

Title No. **CL-1103**

Attached to and made part of Policy Number

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

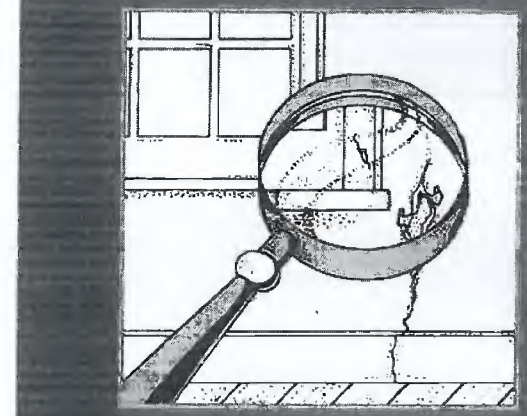
   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

DATED: **FIDELITY NATIONAL TITLE INSURANCE COMPANY**

BY _____

TIRSA MARKET VALUE POLICY RIDER (5/1/07) TO BE USED WITH ALTA 2006 OWNER'S POLICY.
(NEW YORK STATE ONLY)



Protect Your Family From Lead In Your Home





EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

People can get lead in their body if they:

- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

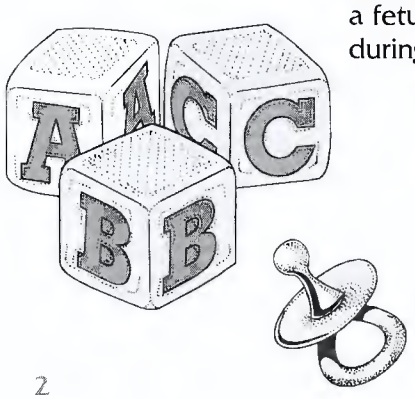
Lead is even more dangerous to children under the age of 6:

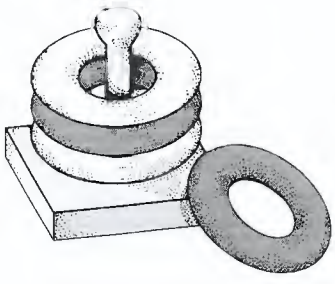
- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Even children who appear healthy can have dangerous levels of lead in their bodies.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.





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Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

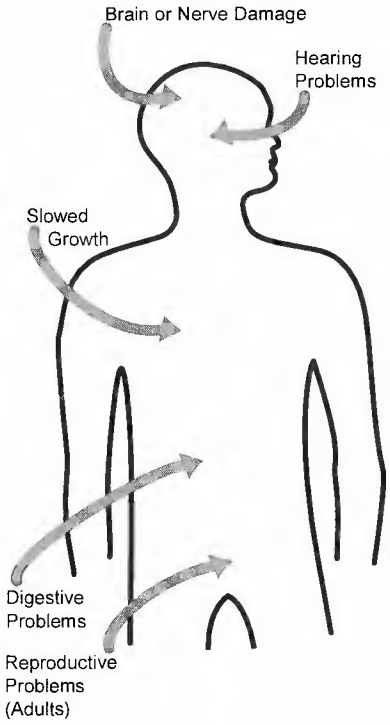
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.



Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly**. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas**.
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.



Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

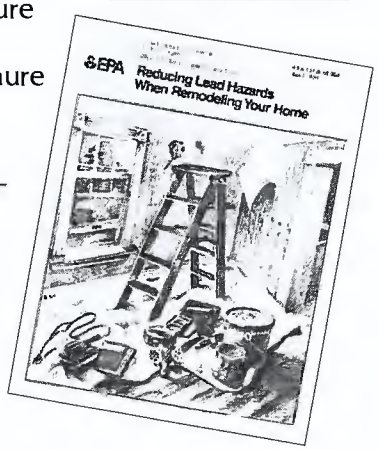
Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

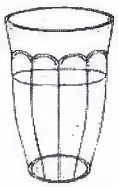
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



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Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

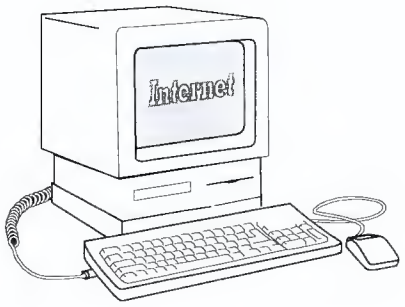


The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.



Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

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